



2021 - 2022

INTERIM REPORT Q2

OCTOBER 2021 - MARCH 2022

CS MEDICA A/S | 33871643 | www.cs-medica.com

Content

Performance highlights	3
Comments from the CEO	6
CS MEDICA'S corporate strategy.....	7
CS MEDICA at a glance.....	7
CS MEDICA's opportunities	9
CS MEDICA's first-mover status	10
CS MEDICA Go-to-market activities & strategy	11
CS MEDICA The future of R&D & market access	14
CS MEDICA holds solid IPR protection	15
Strategic Outlook 2023	16
Corporate Governance	18
Financial Statements	20
Consolidated Financial Statements.....	22
Parent Financial Statements	27

Performance highlights

Second quarter (January 2022 – March 2022)

The circumstances following COVID19, and the current War in Ukraine have had and still has a great impact on our sales revenue, especially in the European Countries. Both incidents have negatively affected not only sales but also reduced the speed and ability to create results in research and development, delaying both clinical trials and our manufacturing processes. Despite this we have now finalised a substantial Distributor agreement, covering a great part of our revenue goal for the upcoming years. Looking to the future we have high expectations for our ongoing negotiations with several global potential distributors which are expected to be activated within the coming months.

- In line with our previous expectations, our second quarter revenue, tDKK 94, is lower than the corresponding quarter in 2020/2021, tDKK 149. Our year-to-date revenue was in 2020/2021 generated through in-sale to the shelf of Matas 186 medicare shops.
- Operating profit in the first quarter, consequently decreased to tDKK -4.857 compared to 2020/2021 (tDKK - 351)
- As of March 31, 2021, cash and cash equivalents in the Company amounted to 1.848 tDKK (-306 DKK).
- At the end of the period, CS MEDICA's equity/asset ratio was 81% (-8%).
- Our prospective sales pipeline¹ is currently amounting to DKK 204,5 million, but due to extended negotiations, the majority of the sales pipeline will be realised in the following financial years.

	Quarter		Year-To-Date	
	2021/2022	2020/2021	2021/2022	2020/2021
Net sales	93.891	149.121	221.148	834.143
Gross profit	-174.951	87.633	-101.504	611.985
Operating profit	-4.857.115	-351.907	-7.793.081	-511.320
Depreciation and amortisation	-518.945	-286.757	-1.037.890	-556.847
Net financials	46.677	-38.847	-92.183	-108.626
Profit before taxes	-4.810.438	-390.754	-7.885.262	-619.945
Net profit	-3.841.300	-390.754	-6.218.999	-619.945
Cash and cash equivalents	1.847.706	-308.395	1.847.706	-308.395
Addition R&D and IPR costs	1.513.954	1.207.043	2.435.763	1.979.932
Cash flow	-4.342.504	148.303	-8.148.377	-605.279
Total Assets	21.818.191	6.268.986	21.818.191	6.268.986
Equity	17.770.659	-532.704	17.770.659	-532.704
Financial Ratios				
Gross margin	-186%	59%	-46%	73%
Operating margin	-5173%	-236%	-3524%	-61%
Addition R&D and IPR cost in % of sales	1.612%	809%	1.101%	237%
Net profit margin	-4091%	-262%	-2812%	-74%
Equity ratio	81%	-8%	81%	-8%
Share performance				
Basic earnings per share	-0,35		-0,57	
Total number of shares	11.002.000		11.002.000	
Closing share price	7,6		7,6	

¹ Find more information about the order pipeline and phases in the section "CS MEDICA's first-mover status"

Significant events during the second quarter (January 2022 – March 2022)

- January 6, 2022, CS MEDICA A/S recruited 4 new employees to strengthen the sales department.
- January 26, 2022, CS MEDICA A/S: Chairman of the Board bought shares in CS MEDICA.
- February 3, 2022, CS MEDICA A/S held an extraordinary general meeting ("EGM"). The EGM resolved in accordance with the Board of Directors' proposal to approve the issue of up to 798,000 incentive/bonus warrants to newly hired sales employees, the issue of up to 600,000 incentive warrants to Diaz Capital Invest AB or companies/persons related to Diaz Capital Invest AB and the proposal to make a cash capital increase to be subscribed by Diaz (direct issue) of 100,000 shares at a price of DKK 8.50 per share.
- February 3, 2022, CS MEDICA A/S signed a partnership with Ampilio AB, a subsidiary of SpectrumOne. Ampilio will assist CS MEDICA as a business strategist, growth specialist as CS MEDICA prepares to execute global expansion on Amazon. The partnership is a running agreement with a fixed annual fee of 270 000 SEK.
- February 17, 2022, CS MEDICA A/S announced that their CANNANSEN®CBD Anti-Hair Loss serum has been successfully approved in the United Arab Emirates and enables CS MEDICA to market and sell the product in the United Arab Emirates.
- February 21, 2022, CS MEDICA A/S announced that the directed share issue of 100 000 shares to Diaz Capital Invest AB has been registered. Through the resolutions, the number of outstanding shares and votes increased by 100.000 shares, from 10.902.000 shares to 11.002.000 shares. The share capital increases by DKK 6.500 from DKK 708.630 to DKK 715.130, corresponding to a dilution of approximately 0,9 percent of the number of shares and votes in the Company.
- March 22, 2022, CS MEDICA A/S announced that the products CANNASEN®CBD Pain Patch, Protective Nasal Gel and CBD PSOR+ATOPIC Lotion have been launched on Matas webshop and are now available for online sales.
- March 23, 2022, CS MEDICA A/S announced that the United States Patent and Trademark Office has approved CS MEDICA's trademark CANNASEN®, registration no. 6,624,142. The trademark for CANNASEN® is valid until November 19, 2028.

Significant events after the period

- April 6, 2022, CS MEDICA A/S announced that Heidi Ahlefeldt-Laurvig will take over as Chief Growth Officer (CGO) and Chief Marketing Officer (CMO).
- April 11, 2022, CS MEDICA announces that the Company has now finalised the Parts-per-billion (PBB) level THC test on their CANNASEN® CBD products, showing no trace of THC. Hong Kong, Thailand, Malaysia, and Japan are the countries that have legalized CBD products and with the PPB THC test results, CS MEDICA is now able to sell CANNASEN® CBD products in those countries.
- April 13, 2022, CS MEDICA announces that the Company has completed one national and two PCT continuation patents, out of the in total 7 patents applications covering 11 products.
- April 21, 2022, CS MEDICA announces that the Company has been approved by the Hong Kong customs and is now able to sell its CANNASEN® CBD products in Hong Kong. The Company has just received its first trial order from its sponsor/importer in Hong Kong.
- April 27, 2022, CS MEDICA announces that the CANNASEN® CBD products Pain Patch, Protective nasal gel, PSOR + ATOPIC lotion has been launched on Apopro's Webshop and are now available for online sales. The Company also announces the CANNASEN®CBD Protective nasal gel has been launched on Matas and is now available on shelves in 186 Medicare stores. Previous product availability on Matas includes the medical devices CANNASEN®CBD Arthritis Gel, Psoriasis Gel, Anti-Hair Loss Serum and Hand Cream.
- April 28, 2022, CS MEDICA announces that the Company has signed an agreement with the Asian distributor and Chinese-based CBF SciTech Ltd. The contract follows the test order announced on April the 21st and will ensure the first presence of the CANNASEN products in Asia, more specifically Hong Kong. The agreement's value in minimum orders for the first three years amounts to DKK 134,4 million if terms and conditions of the agreement is fulfilled.
- May 2, 2022, CS MEDICA announces that the Company is expanding its sales channels by launching products through Amazon Sweden. The products CANNASEN®CBD Pain Patch, Protective Nasal Gel and

CBD PSOR+ATOPIC Lotion, Anti-Hair Loss Serum, and Hand Cream are now available on Amazon Sweden's webshop.

- May 2, 2022, CS MEDICA announces that due to delays from the COVID-19 lockdown, the Company's revenue goal for the coming three financial years has been revised. The revenue goal for the year 2021/2022 is reduced to DKK 12 million from previously DKK 50 million. The revenue goal for the following financial year, 2022/2023, will be adjusted to DKK 65 million from previously DKK 150 million. The revenue goal of DKK 150 million is sought to be accomplished in the financial year 2023/2024.
- May 10, 2022, CS MEDICA announces that the Company has signed a distributor agreement with Alsitan GmbH ("Alsitan"). The agreement regards the sales of CS MEDICA's arthritis gel under a private label in the German and Austria territory. The order amounts to 140,000 units and corresponds to an order value of DKK 4,4 million in revenue.

"CS MEDICA" refers to CS MEDICA A/S with company registration number 33871643. The number of shares in CS MEDICA as of March 31, 2022: 11 002 000 shares.

Comments from the CEO

We are very proud of finally breaking ground on a bigger scale. With our agreement with, Chinese-based CBF SciTech Ltd, we are now lifting our business to a new level. The agreement will ensure the first presence of the CANNASEN products in Asia and include minimum orders covering the first three years of a total of DKK 134,4 million. All our efforts are now paying off, and I strongly believe that this is only the beginning.

In the second quarter of 2021/2022, we have continued our all-encompassing process of moving from being an R&D-centric company to becoming sales-focused. We expanded our sales staff to accelerate and add further value to our global rollout. In the Nordic market we have more than 500 sales channels, which very soon will be expanded with the launch of several Amazon platforms with Sweden already launched and German upcoming. Our collaboration negotiations proceeds according to plan, but due to increased interest in the amounts of products and markets to be included in these agreements, the closing of orders is delayed. Hence our revenue goal has been postponed by one year, and the revenue goal for the current financial year reduced to DKK 12 million. We maintain our revenue expectation covering 2021/2022 measured in orders, with a prospective order pipeline currently amounting to DKK 205 million, but with the majority of this being realized in our coming financial years.

Our persistent focus on the safety and efficacy proven under the pharmaceutical legislation is now paying off. Currently, an intensified global focus is directed on cannabis products not meeting the now stricter requirements under the pharmaceutical legislation, MDR. Consequently, there is a general withdrawal of illegal cannabis products, leaving only prescription medicine and medical and cosmetic products, like ours, on the market. In the UK², thousands of cannabis products that do not comply with FSA (UK) requirements are now being removed from the shelves. Similar in Hong Kong, the customs just seized cannabidiol products containing tetrahydro-cannabinol (THC) worth about \$14.6 million³.

Regardless of these incidents, the interest in cannabinoid medical products is increasing and BIG pharma is now breaking ground in the escalating cannabinoids industry. Most recently, the fourth acquisition within BIG Pharma was completed by INDIA'S fourth-largest pharmaceutical company, Dr Reddy's Labs, with their purchase of the German cannabis product whole seller, Nimbus Health.



Our two consistent priorities scientific innovation and a healthy product line – are vital to ensure the future of our company. At the Vitafoods Europe 2022 Innovation Tours this is reinforced, with us being chosen as one of the most innovative companies with unique, cutting-edge ingredients, formulations, and products.

In Q3, we are looking forward to having our clinical trials finalized in phase III, securing us the final approval by the notified bodies and full adoption of the new MDR within the legislation window. Our medical products will thus be lifted from a Class I to a Class IIa or III.

It is our goal to become a global leader in the medical cannabis treatment industry. One of our methods of doing so is by maximising our legislation window to its fullest while continuing our development of new innovative cannabinoids treatment solutions within the pharmaceutical legislation, and later - in the field of medicine.

In the second half of 2021/2022 we are launching our marketing campaign, based on our reinforced brand identity with a new tone of voice and visual identity. I am confident that our broadened technology platforms - our already launched Product Information Management system (PIM) and soon to be launched - Clinical Trial Information Management system (CIM) will secure our capability to meet our expansion goals. Overall, I strongly believe we are well-positioned for success in the short, medium, and long term.

Looking to the future, I am confident that our clear corporate and go-to-market strategy will secure our leadership- and make us a valued partner within the global cannabis medical treatment industry.

Lone Henriksen – CEO, CS MEDICA

² <https://businesscann.com/one-year-late-the-fsa-publishes-list-of-eligible-uk-cbd-products-for-now/>

³ <https://www.info.gov.hk/gia/general/202201/22/P2022012100787.htm>

CS MEDICA'S corporate strategy

CS MEDICA at a glance

CS MEDICA is a global healthcare company, with headquarter in Denmark. Our key contribution is to discover and develop innovative medical products and make them accessible to patients throughout the world. We aim to lead within the field of medical products based on cannabinoids from the cannabis plant.

Our corporate strategy has 4 distinct focus areas in which we operate. We aim to strengthen our leadership and treatment options using the therapeutic value of cannabinoids within the autoimmune disease area, secure leading positions within Psoriasis, Arthritis, pain, wound and sleeping disorders. Succeeding in this will drive sustainable growth for CS MEDICA.



All treatment products are focused on autoimmune- and/or stress-related disorders. The below products are available in each category. All Medical technical products ([M](#)) have been launched before the 26th of May 2021 before the change of legislation from MDD to MDR.

Skin disorders

1. Psoriasis Gel - immediately stops the itch and reduces the redness and scaling. ([M](#))
2. PSOR+ATOPIC lotion – moisturize and soften the skin.
3. Wound Gel – gives optimal wound healing environment and reduces the healing time. ([M](#))

Musculoskeletal disorders

4. Pain Patch – long-lasting pain relief – local treatment. ([M](#))
5. Arthritis Gel – immediately cooling effect and pain relief. ([M](#))

Respiratory disorders

6. Protective Nasal Gel – Protects against environmental antigens. ([M](#))
7. Nasal Spray Night – Improves breathing and sleep quality. ([M](#))

Dermaceuticals

8. Hair Regrowth Serum – increases the hair density, thickness and reduces hair loss.

9. Cosmetic line (5 products)⁴ – calm the skin and reduces rosacea flare-ups – redness (inflammation) of the skin.
14. Eyelash Serum³ - stimulates the natural growth of lashes, up to 85% longer, 53% thicker and 43% denser.
15. Anti-hair loss Shampoo & Conditioner³(2 products).
17. Anti-bacterial Hand crème.

Besides the above products, we have a clinical test finalised in H2 2021/2022, testing our Arthritis and Psoriasis gels in combination with our newly developed Food supplement. The first indications are showing that a combination treatment (oral + topical), from the inside and outside, results in an optimised efficacy, greater than the 2 products separately ($1+1 < 2$). If the clinical test shows positive results on all defined endpoints, we'll launch our food supplements in H2 2021/2022;

18. Arthritis Food supplement
19. Psoriasis Food supplement

A third Food supplement is developed for combination treatment within hair loss disorders but for now it awaits launching until CANNASEN® CBD Hair regrowth reaches a more mature market stage.

20. Hair loss Food supplement



Background

CS MEDICA is a Danish medical company founded in 2011. CS MEDICA is committed to developing, manufacturing, and commercializing over the counter (OTC) medical products and cosmetics containing cannabinoids (such as CBD, CBG, and CBN). The Company currently focuses on 20 products with cannabidiol (CBD) for autoimmune-related disorders such as the treatment of psoriasis, arthritis, and stress-related symptoms such as hair loss. Altogether, eleven of the products have a patent pending. The Company's product portfolio is featured under the trademark of CANNASEN® CBD.

Business model

Our business is built around our purpose: Driving change in defeating autoimmune and stress-related disorders with the therapeutic values of cannabinoids. Our key contribution is to discover and develop innovative medical products and make them accessible to patients throughout the world. We strive to be a sustainable business, creating value for society and for our future business. We do business in a financially, environmentally, and socially responsible manner. By succeeding in this, we will create long-term value to patients, employees, partners, shareholders, and society.

Technology Platforms

To ensure future success, CS MEDICA has developed a cannabinoid therapeutic strategy and continuously invests in new and ground-breaking technologies. Today, CS MEDICA has technology platforms that cover several core areas that are important for driving innovation across the target diseases and to facilitate the scale-up of the company. Since 2016, CS MEDICA has been using and refining these technologies and exploring the endocannabinoid system and the more than 140 currently known Phyto cannabinoids (from cannabis) to provide solutions for conditions in which those compounds offer treatment possibilities.

⁴ products in Pipeline

CS MEDICA's opportunities

in a large unmet medical technical CBD market across all therapy areas in scope

With USD 1.9 billion in CBD sales globally during 2018, the estimated market growth is expected to match a 49 % compound annual growth rate (CAGR) until 2024.⁵ In general, cannabis-derived compounds are claimed to have market disrupting potential. Due to hemp's composition, the disruption is supposed to cover multiple industries, including medical and cosmetic. The disruption is expected to last for about a decade. The global markets disrupted by cannabis amounts to 5 USD trillion⁶, which together with a large unmet market, within alternative treatment, across all therapies in scope cannot be overlooked⁷;

SKIN DISORDERS	MUSCULOSKELETAL DISORDERS	RESPIRATORY DISORDERS	DERMACEUTICALS
PSORIASIS  125M People have PSORIASIS globally. ^{6.1} 50% Of all Psoriasis patients are actively seeking for alternative treatment The global PSORIASIS drugs market was valued at USD 24 billion in 2021 and have a predicted CAGR of 8,7% up to 2026. ^{6.2}	ARTHRITIS  350M People have ARTHRITIS globally. ^{6.3} 75% Of all Arthritis patients are actively seeking for alternative treatment The global ARTHRITIS drugs market was valued at USD 26 billion in 2021 with a predicted CAGR of 8,6% up to 2023. ^{6.4}	SLEEPING DISORDERS  1000M People suffer from SLEEPING disorders globally. ^{6.5} The global INSOMNIA drugs market was valued at USD 60 trillion in 2020 with a predicted CAGR of 6,9% up to 2023. ^{6.6}	HAIR LOSS  147M People suffer from HAIR LOSS disorders globally. ^{6.7} The global HAIR CARE market was valued at USD 78 billion in 2020 with a predicted CAGR of 4,6% up to 2027. ^{6.8}
WOUND CARE  78M People suffers with WOUNDS globally. ^{6.9} The global WOUND care market equaled to approx. USD 17 billion In 2021 with a predicted CAGR of 6,2% up to 2019. ^{6.10}	PAIN  1460M People suffers from PAIN globally. ^{6.11} The global PAIN care market equaled to approx. USD 71 billion In 2020 with a predicted CAGR of 3,8% up to 2019. ^{6.12}	POLLEN, VIRUS & BACTERIAL  50M People suffers from ALLERGY globally. ^{6.13} The global ALLERGIC treatment market equaled to approx. USD 25 billion In 2017 with a predicted CAGR of 6,3% up to 2025. ^{6.14}	SKIN PROBLEMS  900M People suffers from SKIN PROBLEMS globally. ^{6.15} The global SKIN DISEASE treatment market was valued at USD 20 billion in 2020 and has predicted a CAGR of 3,6% up to 2030. ^{6.16}

Source: 6.1 <https://www.psoriasis.org/psoriasis-statistics/> - 6.2 <https://www.fortunebusinessinsights.com/industry-reports/psoriasis-treatment-market-100600> - 6.3 <https://globalrannetwork.org/project/disease-info/> - 6.4 <https://www.globenewswire.com/news-release/2022/01/28/2374912/28124/en/The-Worldwide-Rheumatoid-Arthritis-Drugs-Industry-is-Expected-to-Reach-34-3-Billion-by-2027.html> - 6.5 <https://onlinelibrary.wiley.com/doi/full/10.1111/resp.13838> - 6.6 <https://www.alliedmarketresearch.com/sleep-aids-market> - 6.7 <https://www.prnewswire.com/news-releases/global-aloe vera-market-size-to-reach-usd-13-80-billion-in-2028-says-reports-and-data-301500078.html> - 6.8 <https://www.blueweaveconsulting.com/report/global-hair-care-products-market-bwc19130> - 6.9 <https://soft-ox.com/chronic-wounds/> - 6.10 <https://www.fortunebusinessinsights.com/wound-care-market-103268> - 6.11 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3201926/> - 6.12 <https://www.alliedmarketresearch.com/pain-management-therapeutics-market> - 6.13 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3201926/> - 6.14 <https://www.alliedmarketresearch.com/allergy-treatment-market> - 6.15 <https://www.who.int/news-room/detail/08-06-2018-recognizing-neglected-skin-diseases-who-publishes-pictorial-training-guide> - 6.16 <https://www.bccresearch.com/market-research/pharmaceuticals/skin-disease-treatment-technologies-markets-report.html>

5 BDSA (2021) BDS Analytics: The Global Cannabinoids Market, Will CBD Overtake THC.

6 "Cannabis market disruptor I" (2019) Cannabis Market Disruptor Handbook part I: An Introduction. Euromonitor International

7 See notes for figure below the figure.

CS MEDICA's first-mover status

provides a competitive advantage lasting at least 3 years, leaving the company alone on the market, of medical treatment from cannabinoids

The main difference between the competition and CS MEDICA is the already obtained MD status of CS MEDICA's treatment products, all with patent pending. Due to the MD status, the Company is governed by tighter regulations and needs to comply with specific requirements, which in turn lowers the associated risk and generates a higher sense of trust for the customer. To the knowledge of the Board of Directors, no other MD products on the market contain CBD for the treatment of arthritis or psoriasis, nor any other diseases.

Up to May 26, 2021, Medical Devices were regulated under MDD, but today follows the MDR (Medical Device Regulation) (EU) 2017/745.35. Products filed under MDD as a class I will, with the new MDR, be lifted to a class IIa or III. For a transitional period of four years, permission has been granted for products certified as an MD class I before the 26th of May 2021, to remain on the market, provided that the extended requirements for the classification lift are initiated.⁸ The Products are allowed to stay at the mark after the transition period provided that the extended requirements and the classification lift for class IIa/III are finalized.

All CANNASEN® CBD MD products were launched as a Class I under the MDD before the 26th of May 2021, and are thus allowed to remain marked, as a Class I under the MDR. To the knowledge of the Board of Directors, CS MEDICA is currently the only one on the market with products that contain cannabinoids regulated under MDR. This immediately gives a competitive advantage, as new products introduced to the market under MDR with cannabinoids must undergo the process applicable to MDR class IIa, corresponding to an application process period of approximately three years. CS MEDICA will thus have a competitive advantage during this period.

Furthermore, legal over the counter CBD products only include cosmetics and Medical Devices delivered Topically and intranasally. The European Medicines Agency EMA, the UK and now Hong Kong have currently initiated a withdrawal of all oral CBD oils and other CBD supplements.³⁷ This currently results in a large portion of the current CBD products being removed from the market leaving only authorized Medical Devices and cosmetics products. As these two segments are the main focuses of the CANNASEN® brand, CS MEDICA believes that the change in the law is in the Company's favor.



⁸Ibid

CS MEDICA Go-to-market activities & strategy

Our innovative and optimized strategy secures a timely market access and makes revenue goals achievable

The Go-to-market section, describes the activities and future growth objectives of the company under the headline CS MEDICA Go-to-market strategy. The Go-to-market strategy is aspirations and objectives that CS MEDICA intends to work towards and is not a projection of CS MEDICA's financial outlook or expected growth.

Go-to-market

CS MEDICA is first mover within medical technical cannabis products, and the company's ambition is to use this status to be leading within the field at a global level. We are currently in the process establishing our product line in major parts of Europe through sales channels (Nordic countries), and distributors, and later to expand on a global level.

In the Nordic Countries, market access is secured by our Nordic Sales director, with extensive experience within the pharmacy world, via Galaxa Pharma's sales channels, the pharmacies and drugstores.

Outside the region of the Nordic market, the sales run through our International Sales Director, with extensive experience in global rollout within the MedTech industry, and through several collaborations with local and global distributors. CS MEDICA believes that the use of local distributors and global collaborations together with growth hacking strategies ensure rapid growth and a high level of market penetration.

Quarterly activities

The **International Sales** Director managed to be trawling the existing contacts within the CS MEDICA network and add additional companies to a list of 126 interesting potential players, spread over 42 countries outside Scandinavia. This network of potential partners is developing daily, including new partners, and changing regulatory national environments.

In this quarter our international sales director managed to get the first agreement signed with the Asian distributor and Chinese-based CBF SciTech Ltd. The agreement will ensure the first presence of the CANNASEN products in Asia. The agreement's value in minimum orders for the first three years amounts to DKK 134,4 million if terms and conditions of the agreement is fulfilled.

We are currently restructuring the process of market and partner selection, by optimizing the different steps toward signing a contract and entering a partnership agreement. CS MEDICA currently have a major pool of interested partners, only waiting for our now finalised white paper and our soon to be finalised clinical tests results. These steps will support their backing of the medical device classification by local pharmaceutical authorities. Utilizing the RAMS system⁹, CS MEDICA managed to predict the new MDR classifications, and in place with a medical product line, when entering the new regulation, which is re-opening previous discussions with major international distributors.

France is one of the countries in the EU, where CS MEDICA got well-known partners ready to pursue the registration process whenever details are being agreed upon after the new classifications' clearance.

United Kingdom got a significant amount of interested partners, but the authorities hardly take any stand on the CBD products, also shown by the latest publication of eligible UK CBD products. Still waiting the feedback from MHRA on our portfolio.

The local Embassies had a high potential across the EU but unfortunately did not deliver the successful shortlists of interesting partners as agreed. Only Turkey managed to bring back a pool of interesting partners, which will be assessed in meetings during the upcoming two weeks.

Vitafoods in Geneva is a major opportunity for CS Medica to showcase our portfolio in front of hundreds of people and potential partners. Preparation is well underway and online meetings prior to the fair are already filling the pipeline.

When searching for new markets and partners, we know that it is essential to choose the right candidate, for both parties, and this process might take time, but will ensure professional and successful collaborations. We are interested in partnerships based on long-term commitment, mutual interest and sharing of knowledge and collaboration through our open platforms PIM (Product Information Management) and CIM (Clinical Information Management), with the first mentioned already active for potential partners.

⁹ In engineering, RAMS (**reliability, availability, maintainability and safety**) is used to characterize a product or system: Reliability – as ability to perform a specific function and may be given as design reliability or operational reliability.

In the Nordic area we managed to list newly released products in the most important web-channels in the pharmacy/drugstore segment in Denmark. All relations in the Danish pharmacy sector are in place and ready to move when the yearly windows open (August), or when extraordinary meetings can be agreed. In the Nordic area the real big deal is expected from the launch on Amazon.se as well as the launch of Cannasen.dk brand shop creating both sales and visibility to the brand.

Until the pharmacy chain negotiations open up in August 2023, we currently focus on sales via the online- and the established shelf channels. The pharmacies are and will be our primary sales channel to support our brand identity. However, as building sales in the pharmacy market is slow, especially with a new brand, we will look into other strategies to reach sales volumes quicker. Thus, we are adapting our strategy to be focusing on both dual brand - and Private label strategy for both Denmark and Sweden.

Our sales process step-by-step

International Sale – CANNORDIC

Selecting the right distributor is crucial for our success and the selection of candidates is based on comprehensive analysis securing only distributors meeting our requirements are passing the first gateway.

We are focusing on novel agreements, local and global collaborations addressing drugstores and pharmacies with a knowledgeable sales force and the potential to bring our product to people living with serious immune or stress-related disorders.

We are interested in partnerships based on long-term commitment, mutual interest and sharing of knowledge and collaboration through our open platforms PIM (Product Information Management) and CIM (Clinical Information Management). Sharing of knowledge and data is a central part of our go-to-market strategy, and identification of the right partner is ensured through a structured and thorough sales process.

To streamline this process, we developed a series of models, as per below.

Market Potential Evaluation model is prioritizing our market entry, as the interest in CBD and the regulatory landscape might differ from country to country.

Distributor Selection Model is rating the potential partner on various parameters, such as market penetration, relevant sales channels, product category expertise, sales force, KOL access and more.

The partnership process model tracks the level of engagement and involvement in everything from pricing, marketing support and clinical data all to support a smooth process for all parties.

Market Strategy, address the market with the partners on board or in pipeline on private-, dual- or CANNASEN label.

When the right country and market has been identified the sales processes is compiled by the following phases.

PHASE	PROCESS	WEEKS 1-6	WEEKS 2-4	WEEKS 10-12	WEEKS 25-30
I	Identification of potential distributors or sales channels	X			
II	Initial Product and company presentation		X		
III	NDA signature		X		
IV	Product presentation, Study summary and White paper are released to the potential distributor		X		
V	Evaluation and Approval of products by their legal department			X	
VI	Agreement negotiation including local rights & Local approval			X	
VII	Distributor agreement is signed, and first order issued	X			
VIII	Design delivery from Private Label customer			X	
IX	Approval of design and claims – Private label customer		X		
X	Production. & Delivery				X

At the International marked; distributor agreements are currently finalised with

- Chinese-based CBF SciTech Ltd covering the Asian market
- Senitas covering Belgium and the Netherlands
- Alsitan in Germany, (White Label)

Potential distributors currently in progress divided in the above phases, is distributed, on the day of this report, as below. Phase X indicates already established channels.

International prospective sales pipeline

Phase	Potential order value DKK
II	32.000.000
III	12.000.000
V	7.500.000
VI	4.300.000
VII	134.400.000
X	1.550.000
TOTAL	191.750.000

Nordic Sale – Galaxa Pharma

Currently sales agreement is finalized and active in Denmark and Sweden with more than 500 sales outlets established. In Denmark through Matas, med24.dk and all online pharmacy chains and in Sweden through Amazon, med24.se and Kronans. The Arthritis- and Psoriasis gel are on shelf in Matas (DK) and the Arthritis gel in Kronans (SE).

Potential sales through already established and new sales channels currently in progress divided in the above phases, is distributed, on the day of this report, as below.

Nordic prospective Sales Pipeline

Phase	Potential order value DKK
II	11.200.000
III	0
V	0
VI	0
X	1.550.000
TOTAL	12.750.000

Making a total prospective pipeline of 205 Mio DKK

Phase	Potential order value DKK
II	43.200.000
III	12.000.000
V	7.500.000
VI	4.300.000
VII	134.400.000
X	3.100.000
TOTAL	204.500.000

Disclaimer

Some statements may contain forward-looking information. All statements, other than of historical fact, that address activities, events, or developments that the Company believes, expects, or anticipates will or may occur in the future (including, without limitation, statements regarding potential distributor agreements) are forward-looking statements. Forward-looking statements are subject to several risks and uncertainties, many of which are beyond the Company's ability to control or predict, which may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements.

Although the Company has attempted to identify important factors that could cause actual results or events to differ materially from those described, there may be other factors that cause results or events not to be as anticipated, estimated or intended. The forward-looking statements included in this report are made as of the date of this report and the Company does not undertake any obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities legislation.

CS MEDICA The future of R&D & market access

is to focus on increasing the number of clinical assets while optimizing our first-mover advantage

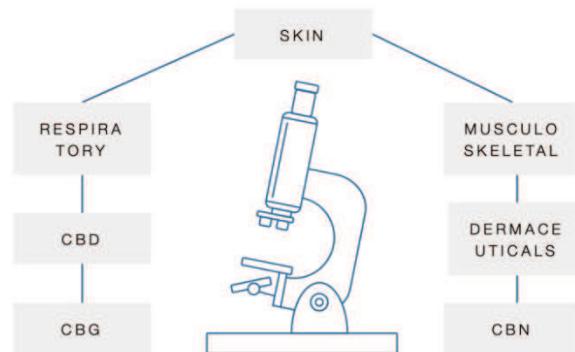
For the last 5 years, CS MEDICA has pioneering scientific breakthroughs within cannabinoid medical treatments for autoimmune and stress-related disorders. To ensure that we deliver value to society, we are continuously pursuing even higher levels of innovation, across more therapy areas and technology platforms and with more patients and partners.

Around the world, the number of people living with autoimmune, and stress-related disorders is growing fast and the need to supply improved treatments is critical. But ensuring that cannabinoids medical treatment reaches all those who require them, new ways of doing business are required.

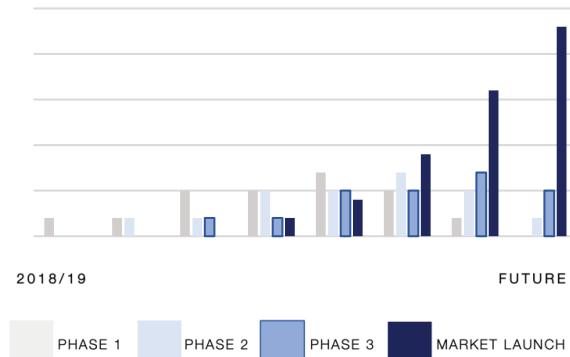
We are rising to this challenge by establishing a successful track record to pursue innovative approaches to fight autoimmune and stress-related disorders, as well as expanding our therapy area, focus and outreach. These approaches and outreach will rely not only on our cutting-edge cannabinoids engineering, but on novel technology platforms, the right application, concentration of cannabinoids as well as combined treatment to further advance our innovative pipeline for long-term success. Shifting gears for future growth in an increasingly competitive cannabinoid industry is imperative to ensure that we obtain a leading scientific position in the disruptive market and innovations that are set to transform cannabinoids products in the 21st century.

Our first-mover advantage will be utilized and maximized to ensure that medical treatment with the therapeutic efficacy from Cannabinoids is made available for patients and partners around the world.

R&D INVESTMENT IN CANNABINOID PRODUCTS WILL EXPAND BEYOND HISTORY FOCUS



INCREASED CLINICAL ASSETS DRIVING R&D INVESTMENTS INTO THE 21ST CENTURY



CS MEDICA holds solid IPR protection

high barriers to entry, and a collaborative approach to innovation

CS MEDICA holds solid IPR protection, in a market with high barriers to entry, and a collaborative approach to innovation, while documenting efficacy and building trust through the Clinical Information management system (CIM) collecting post-marketing clinical test results in collaboration with distributors in local markets. Trust and efficacy are one of the key components in CS MEDICA's corporate strategy, addressed through market and sales expansion via word-of-mouth, influencers, and Key Opinion Leaders (KOL's).

SKIN DISORDERS	MUSCULOSKELETAL DISORDERS	RESPIRATORY DISORDERS	DERMACEUTICALS
PSORIASIS  125M People have PSORIASIS globally. ^{6.1} 50% Of all Psoriasis patients are actively seeking for alternative treatment The global PSORIASIS drugs market was valued at USD 24 billion in 2021 and have a predicted CAGR of 8,7% up to 2026. ^{6.2}	ARTHRITIS  350M People have ARTHRITIS globally. ^{6.3} 75% Of all Arthritis patients are actively seeking for alternative treatment The global ARTHRITIS drugs market was valued at USD 26 billion in 2021 with a predicted CAGR of 8,6% up to 2023. ^{6.4}	SLEEPING DISORDERS  1000M People suffer from SLEEPING disorders globally. ^{6.5} The global INSOMNIA drugs market was valued at USD 60 trillion in 2020 with a predicted CAGR of 6,9% up to 2023. ^{6.6}	HAIR LOSS  147M People suffer from HAIR LOSS disorders globally. ^{6.7} The global HAIR CARE market was valued at USD 78 billion in 2020 with a predicted CAGR of 4,6% up to 2027. ^{6.8}
WOUND CARE  78M People suffers with WOUNDS globally. ^{6.9} The global WOUND care market equaled to approx. USD 17 billion in 2021 with a predicted CAGR of 6,2% up to 2019. ^{6.10}	PAIN  1460M People suffers from PAIN globally. ^{6.11} The global PAIN care market equaled to approx. USD 71 billion in 2020 with a predicted CAGR of 3,8% up to 2019. ^{6.12}	POLLEN, VIRUS & BACTERIAL  50M People suffers from ALLERGY globally. ^{6.13} The global ALLERGIC treatment market equaled to approx. USD 25 billion in 2017 with a predicted CAGR of 6,3% up to 2025. ^{6.14}	SKIN PROBLEMS  900M People suffers from SKIN PROBLEMS globally. ^{6.15} The global SKIN DISEASE treatment market was valued at USD 20 billion in 2020 and has predicted a CAGR of 3,6% up to 2030. ^{6.16}

15. CS MEDICA strives towards granting **patent** acceptance on all present and future treatment products. All CS MEDICA's treatment products (topical and oral products) as of today are patented in accordance with PCT (Patent Cooperation Treaty) covering 153 nations across the globe. The Company currently has seven proceeding patents that are filed and pending. The patents pending are summarized above. The patents are intended to strengthen the protection of the Company's products. If granted, the patents will protect the technology to 2039 (patent filed in 2019) and 2041 (patents filed in 2021). The timelines state that before August 2025 for Arthritis and Psoriasis gel and 2027 for the last products, a national process should be in place, meaning the Company needs to determine in which countries and/or regions CS MEDICA intend to file the patent including all formalities. It is the current strategy to extend this protection worldwide, such as in the US, China, Europe, and the rest of the world.
15. **Trademark** Classification.
 Class 3 covers the cosmetics, such as for, essential oils and hair lotions.
 Class 5: covers the Pharmaceutical and veterinary preparations.
 Class 10 covers surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth.

Strategic Outlook 2023

The Strategic Outlook is included to reflect the broad aspects of CS MEDICA across therapy areas and geographies, describing the future growth aspirations and previous communicated operational objectives of the company under the headline Strategic Outlook 2023. The strategic outlooks are aspirations and objectives that CS MEDICA intends to work towards and are not a projection of CS MEDICA's financial outlook or expected growth.

2021/2022

H2

- Completion absorption test - on Pain Patch *)
- Finalizing and reporting of Innobooster project *)
- Completion of clinical trials (4) – test results on *)
 - Psoriasis versus placebo
 - arthritis versus placebo
 - Psoriasis + supplements - versus placebo supplements
 - arthritis + supplements - versus placebo supplements
- Product launch in Denmark (2)
 - CANNASEN® CBD wound gel
 - CANNASEN® CBD Nasal Night
- Global market launch of all launched CANNASEN® CBD products (7);
 1. CANNASEN® CBD Arthritis gel
 2. CANNASEN® CBD Psoriasis gel
 3. CANNASEN® CBD Pain Patch
 4. CANNASEN® CBD Protective nasal gel
 5. CANNASEN® CBD Hair regrowth
 6. CANNASEN® CBD PSOR + ATOPIC LOTION
- Launch on Amazon sales channel in Sweden, Germany, Italy and France.
- Exhibit at the Vitafoods Europe 2022, Geneva, for international nutraceutical suppliers and experts from over 110 countries.
- Clinical information Management System (CIM) goes live
- Launch of new updated web shop redeemed with updated brand identity and new tone of voice
- Launch of CANNASEN brand Marketing campaign coordinated by Advance
- Continuation of DK patent to PCT landing:
 - Nasal spray (sleep) P25076DK00
 - Wound gel P25009DK00
 - Pain patch P25075DK00
 - Nose gel P25364DK00
- Closing of major distributor agreements with key pharmaceutical global players covering brand and white labels agreements.
- Scientific papers covering completed clinical trials Published on min. two Science platforms:
 - Clinical trials (4)
 - Psoriasis versus placebo
 - Arthritis versus placebo,
 - Psoriasis + supplements - versus placebo supplements
 - Arthritis + supplements - versus placebo supplements,
 - Absorption tests (3)
 - Arthritis gel
 - Pain patch,
 - Psoriasis gel
- New Patent of CBD structure and activity in the human body.

*) moved from H1.

2022/2023

2022/2023

H1

- Partner identification of US distributor/partner.
- Product launches cosmetic (3)
 - Psoriasis Shampoo
 - Anti-hair loss Shampoo
 - Anti-hair loss Conditioner
- If the clinical test performed in H1 2021/2022 of our combination treatment within psoriasis and arthritis meets all endpoint, the CANNASEN® CBD Food supplement for Arthritis and Psoriasis respectively will be launched in this half year.

H2

- Finalised identification of US distributor/partner.
- Initiate FDA approval process
- Product launches cosmetic skincare line (total of 5 products)
 - Repair & Calm Facial Cleanser
 - Deep Clean & Calm Cleanser
 - Deep moisturising Cream
 - Recovery & Calm Cream
 - Repair Lip Balm
- Start-up animal treatment line.
- Start-up inhaler treatment line (medicine) - Expected development period three-four years and additional two years for achieving marketing authorization.

2023/2024

H1

- FDA approval granted.
- Finalize US distributor agreement.
- Launch Amazon sales channel in US & Canada.
- Start-up development of Medical device under MDR
 - Eyelash growth/extension serum

Running update regarding new Distributors and private label agreements.

Running update regarding filing and registration of product approval globally

*) moved from H2 2022/2023

Corporate Governance

Accounting and accounting principles

This interim half-year report has been prepared following the provisions of the Danish Financial Statements Act governing reporting class B enterprises with the addition of certain provisions from reporting class C. The group and the parent company's accounting principles are unchanged. No other new or revised provisions of the Danish Financial Statements Act have entered into force that is expected to have any significant impact on the group.

CS MEDICA's share

CS MEDICA's share is listed on Spotlight Stock Market, www.spotlightstockmarket.com. The share has the ticker name CSMED and ISIN code DK0061668225. The number of shares in CS MEDICA as of March 31, 2021: 11 002 000 shares.

Review

This report has not been audited.

Business-related risks and uncertainties

The risks and uncertainties to which CS MEDICA's operations are exposed are, in summary, related to the aftermath of COVID-19, the development, competition, technology development, patents, regulatory requirements, capital requirements, currencies, and interest rates. For a more detailed description of significant risk factors in CS MEDICAs' operations, please see the company's prospectus published in June 2021. During the current period, the 'war in Ukraine, can be added to the list, following the complications within transportation packaging and raw material.

Owners and insider trade

In the table below, the largest ten shareholders as of March 31, 2022 are disclosed:

Name	Number of shares	Votes and capital (%)
Gitte Henriksen	4,000,000.00	36.36
Lone Henriksen	4,000,000.00	36.36
Finn-Ove Henriksen and Nina Henriksen	364,126.80	3.31
Ylber Rexhani	252,926.40	2.30
Tony Sayeed	159,169.20	1.45
Michael Kaa Andersen	130,000.00	1.18
Kent Eklund	112,290.60	1.02
Taulant Bara	112,290.60	1.02
Thomas Gidlund	98,118.00	0.89
Andreas Kjær	97,027.80	0.88
Nils-Holger Olsson	83,945.40	0.76
Others	1,592,105.60	14.47
Total	11,002,000.00	100%

Financial calendar

Interim report October 2021 – June 2022	13 August 2022
Year-end report October 2021 – September 2022	18 November 2022
Annual report 2021/2022	25 November 2022
Annual General Meeting	8 December 2022

Signatures

The Board of Directors and the CEO certify that these financial statements and half-year report have been prepared in accordance with applicable legislations and Spotlight Stock Market's listing agreement and gives a fair view of the Company's and Parent Company's financial position and results of operations.

Copenhagen 17 May 2022
CS MEDICA A/S (publ)

Jørgen Flemming Ladefoged
Chairman of the Board

Stain Løkstad
Member of the Board

Anders Permin
Member of the Board

Gitte Henriksen
Member of the Board, COO and CFO

Bo Unéus
Member of the Board

Alexandre FEVRE
Member of the Board

Lone Henriksen
CEO and CSO

For further information, please contact:
Lone Henriksen, CEO

CS MEDICA A/S (publ)
Fruebjergvej 3,
DK-2100 Copenhagen,
Denmark
Phone: +45 7070 7337

Investor relations contact:
info@cs-medica.com
Website: www.cs-medica.com
Orgnr: 3387164

Financial Statements

Comments on the financial results

Income

In line with our previous expectations, our second quarter revenue, tDKK 94, is lower than the corresponding quarter in 2020/2021, tDKK 149.

Gross profit for the second quarter amounted to tDKK -174 (88). Profit before tax during the second quarter amounted to tDKK -4.810 tDKK (-390).

The circumstances following COVID19, and the current War in Ukraine have had and still has a great impact on our sales revenue, especially in the European Countries. Both incidents have negatively affected not only sales but also reduced the speed and ability to create results in research and development, delaying both clinical trials and our manufacturing processes.

While the revenue is not satisfactory, we are happy that we are now succeeding in finalising a substantial Distributor agreement, which covers a great part of our revenue goal for the upcoming financial years. Also, we have high expectations for our ongoing negotiations with several global potential distributors, which are expected to be activated within the coming months.

Costs

The operating profit for the first quarter amounted to tDKK -4.857 (-352). The cost mainly consisted of costs for goods sold, administrative costs, depreciation, and staff costs.

Part of the cost relating to our redeemed brand identity and newly optimised campaigns are incorporated under the marketing cost.

Results

The result after financial items for the quarter amounted to tDKK -3.841 (-391).

In this quarter we have received the funding from our previous approved Innobooster application. The funding, totally 500 tDKK, is incorporated under other operating income.

Financing and financial position

Cash and cash equivalents as of 31 March 2022 amounted to tDKK 1.857 (-308).

We are currently in the process of moving our bank connection from Sparekassen Sjælland to Danske bank. Moving to Danske Bank will ensure us better terms within our international business.

Furthermore, we are currently in the process of evaluating our financial situation to ensure our liquidity balance until, until T01 in August 2022.

Equity

At the end of the period, CS MEDICA's equity/asset ratio was 81% (8%).

Equity investments in group enterprises

CS MEDICA's subsidiaries ended this quarter with negative equity; respectively -1.395 tDKK for CanNordic a /s, and -1.239 tDKK in Galaxa Pharma a/s. We expect to be able to re-establish the equity in both companies through normal operation, alternatively through a capital injection from the parent company, CS MEDICA. Hence, equity in subsidiaries in the parent company has been written down to DKK 0, after which only the written-down value of share premium calculated by the share exchange at the IPO between Cannordic and CS MEDICA, a total of 364,126.80 shares, is included under "Equity investments in group enterprises". Profit and equity in group company and Parent company are thus not the same.

Contingent liabilities

The Company's dispute concerning their agreement between CanNordic a/s, a subsidiary of CS MEDICA, and Tjellesen Max Jenne A/S ("TMJ") regarding delivery of certain products has now been completed in favour of CS MEDICA, and related legal costs are paid by the counterparty, TMJ.

Consolidated Financial Statements

Income statement

	QUATER		YEAR-TO-DATE	
	1. jan 2022 - 31. mar 2022	1. Jan 2021 - 31. mar 2021	1. Oct 2021 - 31. mar 2022	1. Oct 2020 - 31. mar 2021
	Actual	Last year	Actual	Last year
Revenue	93.891	149.121	221.148	834.143
Cost of goods	-268.841	-61.488	-322.653	-222.158
Gross Profit	-174.951	87.633	-101.504	611.985
Other operating income	535.844	174.900	573.347	174.900
Sales and distribution cost	-1.151.385	-205.870	-1.815.646	-537.781
Administrative costs	-1.818.711	-121.812	-2.641.395	-203.576
Staff costs	-1.728.968	0	-2.769.994	0
Depreciation	-518.945	-286.757	-1.037.890	-556.847
Operating profit	-4.857.115	-351.907	-7.793.081	-511.320
Financial costs net	46.677	-38.847	-92.181	-108.626
Profit or loss before tax	-4.810.438	-390.754	-7.885.262	-619.945
Tax on net profit or loss for the year	969.138	0	1.666.262	0
Net profit or loss for the year	-3.841.300	-390.754	-6.218.999	-619.945

- 1) Other operating income is Income related to grants.
 2) Staff costs related to R&D are included under development project in progress

Balance sheet

	31. Mar 2022 Actual	31. Mar 2021 Last year	30. Sept 2021 Last year
ASSETS			
Non-current assets			
Completed development projects, including patents and similar rights	9.744.021	4.874.506	8.346.148
Goodwill	4.192.025	0	4.431.174
Total intangible assets	13.936.046	4.874.506	12.777.322
Deposits	82.185	1.995	82.186
Total Deposits	82.185	1.995	82.186
Total non-current assets	14.018.230	4.876.501	12.859.508
Work in progress	0	211.625	64.428
Manufactured goods and goods for resale	2.758.194	962.386	1.164.684
Total inventories	2.758.194	1.174.011	1.229.113
Trade receivables	3.384	2.050	1.635.557
Receivables from group enterprises	8.059	0	0
Deferred tax assets	1.892.805	526.678	226.544
Other receivables	1.289.813	-1.859	1.464.357
Total receivables	3.194.061	526.869	3.326.458
Cash on hand and demand deposits	1.847.706	-308.395	9.996.085
Total current assets	7.799.961	1.392.486	14.551.655
TOTAL ASSETS	21.818.191	6.268.986	27.411.163

Balance sheet

	31. Mar 2022 Actual	31. Mar 2021 Last year	30. Sept 2021 Last year
EQUITY AND LIABILITIES			
Contributed capital	715.130	80.000	708.630
Reserve for net revaluation according to the equity method	1.387.251	1.387.251	1.387.251
Reserve for development costs	7.793.459	2.692.110	5.763.914
Retained earnings	7.874.819	-1.917.563	16.287.566
Total equity	17.770.659	-532.704	24.147.362
Provisions for deferred tax	0	1.049.354	0
Other provisions	247.424	494.850	329.900
Total provisions	247.424	1.544.204	329.900
Subordinate loan capital	0	2.800.000	0
Other mortgage loans	1.381.833	1.916.918	1.718.807
Total long-term liabilities other than provisions	1.381.832	4.716.918	1.718.807
Trade payables	1.342.775	-23.025	504.157
Other payables	1.075.501	563.594	710.937
Total short-term liabilities other than provisions	2.418.276	540.569	1.215.094
Total liabilities other than provisions	3.800.109	5.257.486	2.933.903
TOTAL EQUITY AND LIABILITIES	21.818.191	6.268.986	27.411.163

Equity Statement

	1.jan 2022 -31. Mar 2022 Actual	1.Oct 2021 -31. Mar 2022 Actual	1.Oct 2020 -30. Sept 2021 Last year	1.Oct 2020 -30. Sept 2021 Last year
Contributed capital				
Equity beginning of period	708.630	708.630	80.000	80.000
Change	6.500	6.500	0	626.630
Equity end of period	715.130	715.130	80.000	708.630
Reserve for net revaluation - equity method				
Equity beginning of period	1.387.251	1.387.251	0	0
Change	0	0	1.387.251	1.387.251
Equity end of period	1.387.251	1.387.251	1.387.251	1.387.251
Reserve for development costs				
Equity beginning of period	6.886.402	5.763.914	2.692.109	2.692.109
Change	907.057	2.029.545	0	3.071.805
Equity end of period	7.793.459	7.793.459	2.692.108	5.763.914
Retained earnings				
Equity beginning of period	11.827.679	16.287.566	-2.684.868	-2.684.868
Shared premium	843.500	843.500	0	23.412.894
Reserve for net revaluation according to the equity method	0	0	1.387.251	1.387.251
Deferred tax			0	0
IPO cost	-48.003	-1.007.703	0	-3.403.532
Reserve for development costs	-907.057	-2.029.545	0	-3.071.805
Retained earnings for the year	-3.841.300	-6.218.999	-619.945	647.626
Retained earnings end of period	7.874.819	7.874.819	-1.917.563	16.287.566
Total Equity end of period	17.770.659	17.770.659	-532.704	24.147.362

Cash flow Statement

	1.jan 2022 -31. Mar 2022	1.Oct 2021 -31. Mar 2022	1.Oct 2020 -31. Mar 2021	1.Oct 2020 -30. Sept 2021
	Actual	Actual	Last year	Last year
Profit/loss before tax	-3.841.300	-6.218.999	-619.945	647.624
Financial expenses, reversed	-46.677	92.183	108.626	231.743
Depreciation, reversed	518.945	1.037.890	556.847	1.367.452
Changes in working capital	-308.194	-373.805	-306.399	-776.437
Cash flows from operating activities before net financials	-3.677.227	-5.462.731	-260.871	1.470.382
Investing in Development projects	0	0	0	0
Cash flow from investment activities	-1.513.954	-2.435.763	-235.782	-5.906.369
Cash flows investing activities	-1.513.954	-2.435.763	-235.782	-5.906.369
Share capital	6.500	6.500	0	628.630
Share premium	843.500	843.500	0	26.943.753
Financial expenses paid	-46.677	-92.183	-108.626	-231.743
Cost IPO	-48.000	-1.007.700	0	-3.191.468
Loan internal partners converted to capital &	0	0	0	-5.227.000
Goodwill share exchange	0	0	0	-4.786.984
Cash flow from financing activities	848.677	-249.883	-108.626	14.135.188
Total cashflows for the period	-4.342.504	-8.148.377	-605.279	9.699.201
Cash, beginning of period	6.190.211	9.996.085	296.885	296.885
Cash, end of period	1.847.707	1.847.707	-308.395	9.996.085

Change in working capital

	1.jan 2022 -31. Mar 2022	1.Oct 2021 -31. Mar 2022	1.Oct 2020 -31. mar 2021	1.Oct 2020 -30. Sept 2021
	Actual	Actual	Last year	Last year
Change in Finished goods	-1.647.321	-1.593.510	158.395	-43.904
Trade + other receivables	512.345	1.871.145	-96.330	-3.101.903
Trade + other payables	1.973.935	1.203.180	-326.903	481.719
Other provisions	-41.238	-82.476	0	-164.950
Deferred tax	-969.138	-1.666.262	-84.119	151.526
Loan subsidiaries	111.516	231.093	0	0
Other change in working capital	-248.294	-336.974	42.558	1.901.075
	-308.194	-373.805	-306.399	-776.437

Parent Financial Statements

Income Statement

	QUATER		YEAR-TO-DATE	
	1. jan 2022 - 31. mar 2022	1. Jan 2021 - 31. mar 2021	1. Oct 2021 - 31. mar 2022	1. Oct 2020 - 31. mar 2021
	Actual	Last year	Actual	Last year
Revenue	204.042	0	408.105	0
Cost of goods	0	0	0	0
Gross Profit	204.042	0	408.105	0
Other operating income	0	0	0	0
Sales and distribution cost	-22.571	0	-23.369	0
Administrative costs	-504.867	0	-740.868	0
Staff costs	-365.905	0	-855.222	0
Depreciation	-51.375	0	-102.750	0
Operating profit	-740.675	0	-1.314.103	0
Income from equity investments in group enterprises	-675.116	0	-2.254.149	-46.773
Financial costs net	-11.650	594	-25.826	594
Profit before tax	-1.427.442	594	-3.594.079	-46.179
Tax on net profit or loss for the year	165.512	0	294.784	0
Net profit or loss for the year	-1.261.929	594	-3.299.294	-46.179

1) Other operating income is Income related to grants.

2) Staff costs related to R&D are included under development project in progress.

Balance Sheet

	31. Mar 2022 Actual	31. Mar 2021 Last year	30. Sept 2021 Last year
ASSETS			
Non-current assets			
Completed development projects, including patents and similar rights	1.029.710	45.871	616.514
Goodwill	0	0	0
Total intangible assets	1.029.710	45.871	616.514
Equity investments in group enterprises	4.192.025	493.885	6.446.176
Deposits	0	0	0
Total Investments	4.192.025	493.885	6.446.176
Total non-current assets	5.221.734	539.756	7.062.690
Trade receivables	0	0	0
Receivables from group enterprises	14.053.168	0	7.891.939
Deferred tax assets	364.852	0	70.068
Other receivables	50.000	0	124.599
Total receivables	14.468.020	0	8.086.606
Cash on hand and demand deposits	1.454.935	1.218	9.149.276
Total current assets	15.922.955	1.218	17.235.882
TOTAL ASSETS	21.144.689	540.974	24.298.573

Balance sheet

	31. Mar 2022 Actual	31. Mar 2021 Last year	30. Sept 2021 Last year
EQUITY AND LIABILITIES			
Contributed capital	715.130	80.000	708.630
Reserve for net revaluation according to the equity method	1.387.251	0	1.387.251
Reserve for development costs	803.173	0	480.681
Retained earnings	17.784.813	-38.938	21.570.599
Total equity	20.690.368	41.062	24.147.362
Provisions for deferred tax	0	290.041	0
Other provisions	0	0	0
Total provisions	0	290.041	0
Payables to group enterprises	0	221.339	0
Total long-term liabilities other than provisions	0	221.339	0
Current portion of long-term payables	0	0	0
Trade payables	241.138	0	110.000
Other payables	213.183	-11.468	41.211
Total short-term liabilities other than provisions	454.321	-11.468	151.211
Total liabilities other than provisions	454.321	499.912	151.211
TOTAL EQUITY AND LIABILITIES	21.144.689	540.974	24.298.573

Equity Statement

	1.jan 2022 -31. Mar 2022 Actual	1.Oct 2022 -31. Mar 2022 Actual	1.Oct 2020 -31. Mar 2021 Last year	1.Oct 2020 -30. Sept 2021 Last year
Contributed capital				
Equity beginning of period	708.630	708.630	80.000	80.000
Change	6.500	6.500	0	628..630
Equity end of period	715.130	715.130	80.000	708.630
Reserve for net revaluation - equity method				
Equity beginning of period	1.387.251	1.387.251	0	0
Change	0	0	0	1.387.251
Equity end of period	1.387.251	1.387.251	0	1.387.251
Reserve for development costs				
Equity beginning of period	689.260	480.881	0	0
Change	113.913	322.292	0	480.861
Equity end of period	803.173	803.173	0	480.881
Retained earnings				
Equity beginning of period	18.365.155	21.570.599	7.241	7.241
Shared premium	843.500	843.500	0	26.503.733
Reserve for net revaluation according to the equity method	0	0	0	-1.387.251
Deferred tax	0	0	0	0
IPO cost	-48.000	-1.007.700	0	-3.719.889
Reserve for development costs	-113.913	-322.292	0	-480.861
Retained earnings for the year	-1.261.929	-3.299.294	-46.179	647.626
Retained earnings end of period	17.784.813	17.784.813	-38.938	21.570.599
Total Equity end of period	20.690.368	20.690.368	41.062	24.147.362

Cash flow Statement

	1.jan 2022 -31. Mar 2022 Actual	1.Oct 2021 -31. Mar 2022 Actual	1.Oct 2020 -31. Mar 2021 Last year	1.Oct 2020 -30. Sept 2021 Last year
Profit/loss before tax	-1.261.929	-3.299.294	-46.179	647.627
Financial expenses, reversed	11.650	25.826	594	4.862
Depreciation, reversed	51.375	102.750	0	0
Changes in working capital	-3.743.550	-3.824.152	92.644	-11.336.375
Cash flows from operating activities before net financials	-4.942.454	-6.994.870	47.060	-10.683.887
Investing in Development projects	0	0	0	0
Cash flow from investment activities	-248.793	-515.945	-45.871	-616.514
Cash flows investing activities	-248.793	-515.945	-45.871	-616.514
Share capital	6.500	6.500	0	628.630
Share premium	843.500	843.500	0	26.943.753
Financial expenses paid	-11.650	-25.826	-594	-4.862
Cost IPO	-48.000	-1.007.700	0	-3.191.468
Loan internal partners converted to capital & share exchange	0	0	0	-3.927.000
Goodwill share exchange	0	0	0	0
Cash flow from financing activities	790.350	183.526	-594	20.449.053
Total cashflows for the period	-4.400.898	-7.694.342	594	9.148.652
Cash, beginning of period	5.855.832	9.149.276	624	624
Cash, end of period	1.454.935	1.454.935	1.218	9.149.276

Change in working capital

	1.jan 2022 -31. Mar 2022 Actual	1.Oct 2021 -31. Mar 2022 Actual	1.Oct 2020 -31. Mar 2021 Last year	1.Oct 2020 -30. Sept 2021 Last year
Change in Finished goods	0	0	0	0
Trade + other receivables	0	74.599	0	-124.599
Trade + other payables	195.703	303.111	-11.468	151.211
Other provisions	0	0	0	0
Deferred tax	-165.512	-294.784	-16.154	-16.154
Loan subsidiaries	-3.773.741	-3.907.077	-185.929	-14.983.198
Other change in working capital	0	0	0	3.636.364
	-3.743.550	-3.824.152	92.644	-11.336.375



CS MEDICA

DENMARK

CS MEDICA A/S
Fruebjergvej 3
DK-2100 Copenhagen
Denmark

Lone Henriksen

Som Direktør NEM ID
PID: 9208-2002-2-820520926806
Tidspunkt for underskrift: 17-05-2022 kl.: 18:45:40
Underskrevet med NemID

Jørgen Flemming Ladefoged

Som Bestyrelsesformand NEM ID
PID: 9208-2002-2-256485983670
Tidspunkt for underskrift: 17-05-2022 kl.: 21:27:43
Underskrevet med NemID

Gitte Lund Henriksen

Som Bestyrelsesmedlem NEM ID
PID: 9208-2002-2-536897789222
Tidspunkt for underskrift: 17-05-2022 kl.: 19:40:40
Underskrevet med NemID

Anders Permin

Som Bestyrelsesmedlem NEM ID
PID: 9208-2002-2-471496318750
Tidspunkt for underskrift: 18-05-2022 kl.: 18:25:43
Underskrevet med NemID



Stein Arve Løkstad
Som Bestyrelsesmedlem
IP-adresse:
Tidspunkt for underskrift: 18-05-2022 kl.: 07:50:51
Underskrevet med esignatur EasySign



Bo Erik Lennart Unéus
Som Bestyrelsesmedlem
IP-adresse:
Tidspunkt for underskrift: 17-05-2022 kl.: 18:50:36
Underskrevet med esignatur EasySign

Alexandre Fevre

Som Bestyrelsesmedlem NEM ID
PID: 9208-2002-2-582641285604
Tidspunkt for underskrift: 18-05-2022 kl.: 18:33:01
Underskrevet med NemID



This document is signed with esignatur. Embedded in the document is the original agreement document and a signed data object for each signatory. The signed data object contains a mathematical hash value calculated from the original agreement document, which secures that the signatures are related to precisely this document only. Prove for the originality and validity of signatures can always be lifted as legal evidence.

The document is locked for changes and all cryptographic signature certificates are embedded in this PDF. The signatures therefore comply with all public recommendations and laws for digital signatures. With esignatur's solution, it is ensured that all European laws are respected in relation to sensitive information and valid digital signatures. If you would like more information about digital documents signed with esignatur, please visit our website at www.esignatur.dk.