



2021 – 2022

YEAR-END REPORT

OCTOBER 2021 - SEPTEMBER 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	10
CS MEDICA's first-mover status	11
CS MEDICA Go-to-market activities & strategy	12
CS MEDICA The future of R&D & market access	13
CS MEDICA holds solid IPR protection.....	14
Strategic Outlook 2023	15
Corporate Governance	17
Financial Statements	19
Consolidated Financial Statements	21
Parent Financial Statements	26

Performance Highlights

Fourth Quarter (July 2022 – September 2022)

- Net Sales for the year increased by 233% in Danish kroner compared to 2020/2021¹. Net Sales in the fourth quarter increased by 311% in Danish kroner compared to the fourth quarter of 2020/2021¹. Sales growth was mainly driven by export sales to the EU.
- Within R&D, CS MEDICA initiated phase 3 development on all products, according to the new regulation MDR, biocompatibility tests, absorption tests and clinical trials on all medical device products.
- Revenue expectation for the coming year is held at DKK 65 million, but with the majority in the latter half of the year.
- As of September 30, 2022 cash and cash equivalents in the company amounted to tDKK 2.933 (tDKK 9.996).
- At the end of the period, CS MEDICA's equity/assets ratio was 89% (88%)

DKK ¹	QUARTER		YEAR-TO-DATE	
	1. Jul 2022 -30. Sept 2022	1. Jul 2021 -30. Sept 2021	1. Oct 2021 -30. Sept 2022	1. Oct 2020 -30. Sept 2021
	Actual	Last ear	Actual	Last year
Net sales	9.255.045	2.254.653	10.583.029	3.179.557
Gross profit	2.658.859	1.016.697	3.206.271	1.676.176
Operating profit	- 1.513.002	- 334.677	- 14.748.497	-176.047
Depreciation and amortisation	- 518.945	- 602.191	-2.075.780	-1.367.452
Net financials	- 487.542	- 56.285	-827.014	-231.743
Profit before taxes	- 2.000.543	- 390.961	- 15.575.507	-407.786
Net profit	818.582	364.763	-9.851.766	647.629
Cash and cash equivalents	2.933.783	9.996.085	2.933.783	9.996.085
Addition Research and development costs	671.662	1.564.342	2.813.316	5.697.954
Cash flow	1.097.662	9.996.085	-7.062.300	9.699.205
Total Assets	28.896.350	27.411.163	28.896.350	27.411.163
Equity	25.592.497	24.147.362	25.592.497	24.147.362
Financial Ratios				
Gross margin	29%	45%	30%	53%
Operating margin	-16%	-15%	-139%	-6%
Addition research and development in percentage of sales	7%	282%	27%	281%
Net profit margin	9%	16%	-93%	20%
Equity ratio	89%	88%	89%	88%
Share performance				
Basic earnings per share	0,07	0,03	-0,80	0,06
Total number of shares, 30 September	12.322.635	10.902.000	12.322.635	10.902.000
Closing share price	10,9	6,2	10,9	6,2

¹ The Company are currently applying the IFRS standards in their financial accounts to meet the requires following their long-term goal of moving to the main market. As the cost and revenue recognition criteria between ARL (applied in this report) and IFRS vary, there may be changes in revenue, cost and other recognitions in the upcoming Annual Report, submitted according to IFRS standards.

Significant events during the fourth quarter (July 2022 – September 2022)

- [Jul 12, 2022](#), CS MEDICA announces that the Company has expanded its presence on Amazon sales platform and is now also distributed on the German Amazon site.
- [Jul 12, 2022](#), CS MEDICA announces that, after conducting the final efficacy analysis in their clinical trial, their CANNASEN®CBD Arthritis Gel & CANNASEN®CBD ARTH Supplement (NGA-01 gel and NSA-01 capsule), met all the trial's primary and secondary efficacy, tolerability & safety endpoints. The final analysis was based on 60 cases of osteoarthritis. The trial data showed that both NGA-01 and NSA-01 were well tolerated, no adverse event was reported, and no significant changes were observed in the urinalysis. The results strengthen our product offering and improve our competitive advantage in the Medical CBD product market.
- [Jul 26, 2022](#), CS MEDICA announces that the Company has received certificates of registration for trademark CANNASEN® in Hong Kong and New Zealand. This marks an important step for securing the brand in the Company's expansion on the global market.
- [Aug 05, 2022](#), CS MEDICA announces that CEO Lone Henriksen as well as CFO Gitte Lund Henriksen have extended their lock-up agreements for their shares in the Company until August 2023. In total, the lock-up agreements correspond to approximately 74 percent of the votes and capital in CS MEDICA.
- [Aug 15, 2022](#), CS MEDICA announces that the Company has made a ground-breaking discovery in the natural activity of cannabinoid CBD in the human body. The discovery shows that the efficacy of the cannabinoid CBD, not only depends on the raw material of CBD but also on the different production methods. With this new data, CS MEDICA will review its current business model to incorporate the discovery and how to capitalize on it in the future.
- [Aug 18, 2022](#), CS MEDICA inform the market that they aim to secure and capitalize on their first mover advantages by securing the necessary capital, hence they are intensifying their effort to close a Direct Issue, on a share price goal of 31,50 DKK with new investors.
- [Aug 19, 2022](#), CS MEDICA announces that the Company have entered in dialog with a European based veterinarian company, with a long track record, branding their products to veterinary practices throughout Europe. The Company is hereby looking into entering the veterinarian market with the Company's Veterinary Medical CBD Products before schedule.
- [Aug 22, 2022](#), CS MEDICA announces that the Company has extended its cooperation with its partner Nutrin, manufacture and R&D partner. Nutrin has developed a lozenge that protects against COVID-19 infection. This lozenge in combination with CS MEDICA's Protective Nasal Gel forms a shield that protects against COVID-19 virus infection.
- [Aug 23, 2022](#), CS MEDICA announces that the Company has just received the first order from their partner Forbe HealthCare Ltd in Israel. This first order amounts to DKK 2.6 million, out of the agreed order minimum, of DKK 37,1 million, covering the next 3.5 years. CS MEDICA'S CBD product line will be the first CBD products launched at the Israeli market.
- [Aug 24, 2022](#), CS MEDICA's incentive program with Diaz Capital Invest AB is now vested with the first portion of the warrants in series TO2 being exercised with 255,300 shares at the strike price of 10.30 DKK per share. The remaining TO3 series warrants, 250,000 shares, can be exercised at a strike price of 31.50 DKK per share if they vest.
- [Aug 24, 2022](#), CS MEDICA A/S's long-awaited breakthrough in the Danish pharmacy world is now a reality, as they close agreements with two out of the three leading pharmacy chains in Denmark. With this agreement the Company get access to 400 pharmacies in Denmark, with shelf space as well as online availability for the full CANNASEN® CBD product line.
- [Aug 25, 2022](#), CS MEDICA A/S signs Letter Of Intent (LoI) with Heilongjiang FuYu ShengKun Textile Industry Co., Ltd regarding a directed issue of 60 MDKK at a share price of 31.50 DKK
- [Aug 29, 2022](#), CS MEDICA announces that the final efficacy analysis in their clinical trial of CANNASEN®CBD Psoriasis Gel (NGP-01) met all the trial's primary and secondary efficacy endpoints. Analysis of the data confirms that CANNASEN®CBD Psoriasis Gel (NGP-01) has efficacy in reducing skin pain, Itch, redness, scaling, and the reduction of psoriasis attack of participants with mild-to-moderate psoriasis.
- [Sep 06, 2022](#), During the period 18 August 2022 – 1 September 2022, holders of warrants of series TO 1 have been entitled to subscribe for shares with warrants. A total of 1,065,335 warrants of series TO 1 were exercised, corresponding to an exercise rate of approx. 92 percent. CS MEDICA will receive approx. DKK 9.9 million before deduction of transaction related costs of approx. DKK 0.8 million.
- [Sep 07, 2022](#), CS MEDICA announces that their 6 CANNASEN® CBD Medical Products has been successfully registered at Medicines and Healthcare products Regulatory Agency ("MHRA") in United Kingdom. The 6 CANNASEN® CBD Medical Products has been through a registration procedure at MHRA – the process is finalized and the products are now ready for Sale in United Kingdom.
- [Sep 16, 2022](#), CS MEDICA announces that the Company has received an order from Alsitan GmbH ("Alsitan"). The order includes a new advanced arthritis pain gel under a private label for the German territory. The order amounts to 15,000 units and corresponds to an order value of DKK 0,56 million in revenue
- [Sep 19, 2022](#), After becoming one of the six first Danish companies to list its shares at Spotlight Denmark, CS MEDICA ("CS MEDICA" or the "Company") prepares to move to the Nasdaq Main Market in Denmark. Listing on the Main Market (NASDAQ) can increase further visibility and may allow CS MEDICA to be included in both Danish and International indexes.
- [Sep 22, 2022](#), CS MEDICA announces that the Company has completed all PCT continuation patents, in total 7 patents applications covering 11 products.

- [Sep 27, 2022](#), CS MEDICA sells their Cannasen® CBD product line on Amazon Germany and Amazon Sweden, but is not experiencing the uplift in sales as expected. Henceforward CS Medica is intensifying their presence on Amazon platforms and has entered a cooperation with Incubeta, an Amazon service provider specialized within CBD products.
- [Sep 29, 2022](#), CS MEDICA announces that the Company has received orders for several Balkan countries. The full Cannasen® portfolio will be shipped to the countries to kick start the sales immediately.
- [Sep 29, 2022](#), CS MEDICA signs Letter Of Intent (LoI) with Inner Mongolia Rong Shi Hi-Tech Co., Ltd regarding a directed issue of 60 MDKK shares at a price of 31.50 DKK.

Significant events after the period

- [Oct 10, 2022](#), CS MEDICA announces that the Company will close the year with a revenue of 10,6M DKK delivered with well-known partners within the industry. Alliance Healthcare Romania, part of the Alliance Healthcare, one of the largest wholesalers in Europe, will market the CANNASEN® brand and all SKUs. Whereas the Spanish Aldo-Union will bring the unique formulas and products in their own brand to patients in Spain.
- [Oct 25, 2022](#), Board member Bo Unéus notified CS MEDICA A/S that he resigns as a member of the board of directors of CS MEDICA.

"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 pleased to report that we have taken exceptionally important steps in the period fulfilling our milestones and our continued transformation of CS MEDICA. We have accelerated our distributor negotiations securing our revenue target of 2021/2022, which was closed at MDKK 10,6 for the year, an increase of 233% in compared to 2019/2020. Also, we managed to secure our TO1 and TO2 warrants with an exercise of respectively 92% and 73%, securing new funding for CS MEDICA of approx. MDKK 12,5 (MDKK 9.9 + 2,6).

Our long-term vision is to build a company with **multiple revenue streams** based on an IPR secured product portfolio that creates new therapeutic options for treating several autoimmune and stress-related disorders, to the benefit of patients and healthcare providers worldwide. This vision is ensured by a persistent observation of the market and the possibilities within treatments with cannabis. Most recently we received a request from a large European-based veterinary company, hence we are now moving into the veterinary market with our veterinary medicinal CBD products before schedule.

We continuously focus on **optimizing and expanding our market reach**. We are currently working on closing sale based on our extensive potential order pipeline and we are in the process of expanding our presence on Amazon sales platforms, currently including Amazon Sweden and Germany, with Amazon UK, Amazon France, and Italy soon to come. Most recently, we finalized the registration of our 6 CANNASEN® CBD medicinal products with the MHRA in the UK, which has the advantages of being a reference country for Australia, MENA (Middle East and North Africa), and other countries using the UK as a reference country, hence, the registration is a significant mark in our efforts to create global awareness and sale.

During the fourth quarter, we broadened our **clinical milestones** with our clinical trial of CANNASEN®CBD Psoriasis Gel (NGP-01), where all primary and secondary efficacy, tolerability & safety endpoints were met, confirming that the gel is efficient in reducing skin pain, Itch, redness, scaling, and psoriasis attack for participants with mild-to-moderate psoriasis. Our clinical trial, CANNASEN®CBD Arthritis Gel & CANNASEN®CBD ARTH Supplement (NGA-01 gel and NSA-01 capsule), met all primary and secondary efficacy, tolerability & safety endpoints. Both results strengthen our product offering and improve our competitive advantage in the Medical CBD product market.

By continuously challenging ourselves in how we work and continue taking strong **initiatives to innovate**, we will successfully manage to expand our pool of customers and provide them with one of the highest quality treatments and solutions the industry offers. This also entails combining our company's deep in-house expertise with the best science from outside through partnerships with other businesses, universities around the world, and research institutions. One of the latest collaboration results is the discovery, which emerged from our studies of the natural activity of the cannabinoid CBD in the human body. We learned that the effectiveness of the cannabinoid CBD not only depends on the raw material of CBD but also on the different production methods. Hence, we expect CS MEDICA's market position and business venture to experience a significant shift toward becoming a driving



force in the global medical cannabis treatment field. Within a decade, we will see stronger-than-ever capabilities within our current business area, autoimmune- and stress-related disorders, but simultaneously new business and therapeutic areas will emerge.

We aim to secure and capitalize on our first mover advantages, and to accelerate the growth velocity we continuously seek **new capital**. In this fourth quarter we have intensified our effort to close a Direct Issue and signed a Letter Of Intent with two Chinese potential investors regarding a directed issue of 60 MDKK at a share price of 31.50 DKK.

CS MEDICA is one of the six first Danish companies listed at Spotlight Denmark. To secure more liquidity, circulation in the share CS MEDICA now prepares to move to the **Nasdaq Main Market** in Denmark. Listing on the Main Market (NASDAQ) can increase further visibility and may allow CS MEDICA to be included in both Danish and International indexes.

To ensure increased transparency in the business of CS MEDICA, we have now incorporated monthly CEO letters. Hence, this extended Quarterly report will be the last one of its kind. Going forward only the required Quarterly report information will be included; Performance highlights, Corporate Governance, Financial statements and Comments on the financial results.

Lone Henriksen – CEO, CS MEDICA

CS MEDICA'S corporate strategy


CS MEDICA at a glance

CS MEDICA is a global healthcare company, headquartered 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 and stress-related disease area, and secure leading positions within Psoriasis, Arthritis, pain, wound, and sleeping disorders. Succeeding in this will drive sustainable growth for CS MEDICA.



In CS MEDICA we are driven by making the best cannabis medical products in the world. Our goal is to become a leading company in the cannabis medical treatment industry, and we truly believe we are going to change the millions of people life's who buy our products. With the introduction of CANNASEN® CBD product line, we are positioned at the forefront and are currently the only company delivering medical products based on cannabinoids under the pharmaceutical legislation. The competitive advantage that truly distinguishes CS MEDICA is that the Company's product offering is positioned at the intersection of natural products, science, and cannabinoid technology, while also working under the pharmaceutical legislation (MDR). Bringing these aspirations together - is what drives us.

The below products are available or in late clinical trial phase in each category. All Medical technical products  have been launched before the 26th of May 2021 before the change of legislation from MDD to MDR.

SKIN DISORDERS <ol style="list-style-type: none"> 1. Psoriasis Gel (€) - immediately stops the itch and reduces the redness and scaling. 2. PSOR+ATOPIC lotion – moisturizes and softens the skin. 3. Wound Gel (€) – gives the optimal wound healing environment and reduces the healing time. 	MUSCULOSKELETAL DISORDERS <ol style="list-style-type: none"> 4. Pain Patch (€) – long-lasting pain relief – local treatment. 5. Arthritis Gel (€) – immediate cooling effect and pain relief.
RESPIRATORY DISORDERS <ol style="list-style-type: none"> 6. Protective Nasal Gel (€) – protects against environmental antigens. 7. Nasal Spray Night (€) – improves breathing and sleep quality. 21. Infect Protect Lozenges (€) (protect against COVID-19) 	DERMACEUTICALS <ol style="list-style-type: none"> 8. Hair Regrowth Serum¹ – increases hair density, thickness and reduces hair loss. 9. Cosmetic line (5 products)² – calms the skin and reduces rosacea flare-ups – redness (inflammation) of the skin.³ 14. Eyelash serum¹ - stimulates the natural growth of lashes, up to 85% longer, 53% thicker and 43% denser. 15. Anti-Hair Loss shampoo & conditioner¹ (2 products). 17. Anti-Bacterial hand cream.

Blue products are developed but not launched yet.

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 clinical results 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 H1 2022/2023;

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 are 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.

² products in Pipeline

³ products in Pipeline

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.



To keep up with the pace of global changes, unlock growth opportunities as well as reducing the overall cost, CS MEDICA focuses on digital solutions, which still are not common in the medical industry. An Open Access Repository System (OARS) dedicated to the investigation of cannabinoids and cannabinoids-based therapies is inaugurated at the brand site (www.cannasen.com). The OARS is an open-source system available to the public⁴ and is intended to provide and share all recent clinical test results, studies, journal publications and a variety of other educational resources within pain and autoimmune-related disorders. The OARS will be crucial for the research and development and in the implementation of the go-to-market strategy as a help the consumers to understand the benefits using cannabinoids in treatment. Together with CS MEDICA's Product Information Portal (PIM) and Clinical Information Management system (CIM), great value is added to the collaboration between CS MEDICA and the distributor. Both portals, available for CS MEDICA and partners, will reduce manual workload, increase roll-out speed, and ensure the same level of quality to stakeholders in all locations. Moreover, the CIM will allow CS MEDICA as well as distributors to perform post-marketing clinical trials in collaboration with local organizations, such as arthritis and psoriasis organizations. This facility ensures optimal local knowledge sharing via the organizations representing the factual disease profile.

⁴ Currently only available for the distributors but will later on be opened for the public.

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 Million 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 suffer 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 suffer 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 suffer 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 suffer 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://globalranetwork.org/project/disease-info/> - 6.4 Rheumatoid Arthritis marked- <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-aloppecia-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.aafa.org/allergy-facts/> - 6.14 <https://www.alliedmarketresearch.com/allergy-treatment-market> - 6.15 <https://www.who.int/news/item/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

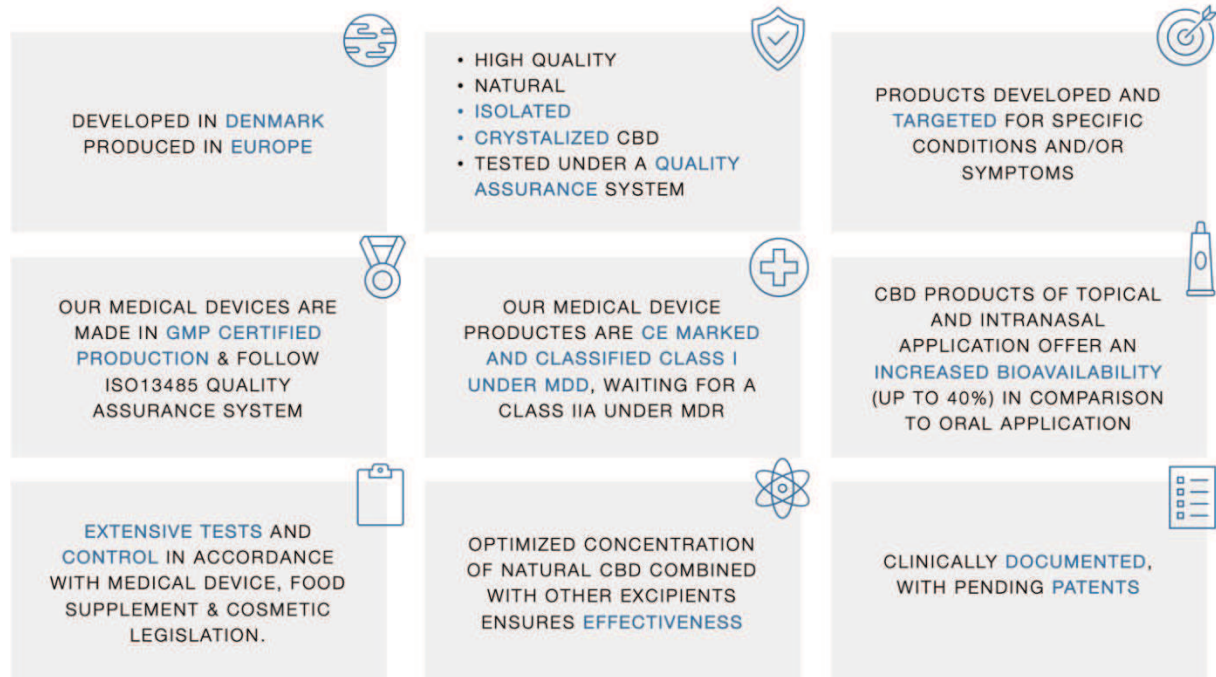
provides a competitive advantage lasting at least 3 years, leaving the company alone on the market, of medical treatment from cannabinoids

The main difference between the competition and CS MEDICA is the already obtained MD status of CS MEDICA's treatment products, all 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 they follow the MDR (Medical Device Regulation) (EU) 2017/745.³⁵ Products filed under the MDD as 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 directly 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 favour.



⁸Ibid

CS MEDICA Go-to-market strategy & activities

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

The Go-to-Market section describes the company's activities and future growth objectives under the headline CS MEDICA Go-to-market strategy. The Go-to-Market strategy is the 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 still holds the position as the first mover in medical technical cannabis products, and the effect of the transformation from an R&D-oriented company to a commercial-driven company has started to deliver results. Our dual distribution strategy, approaching both direct-to-consumers and via distribution channels, helps us navigate, build volume, and market awareness with strong brands, being our own CANNASEN® CBD brand as well as white-label and private-label solutions fit for advanced and major big pharma collaborations.

The company has signed several global distribution agreements, and the sales pipeline outlines that we will intensify going forward with the rapidly increasing interest in our CANNASEN® CBD portfolio and technology. The MDR transition's regulatory landscape underlines that our products can be produced until May 2024 and sold to pharmacies and retailers until May 2025. However, potential partners currently investigate their risk profile of launching products directly under the MDR terms if not already at the market, wait to launch or join CS MEDICA who has already executed a planned MDR transitioning strategy.

Quarterly Activities

The entire CANNASEN® portfolio launched into 2 of 3 Danish pharmacies, Pharma+ and Apotekeren, with field sales support to educate and ensure visibility in-store. As a result, the brand sells on all online pharmacies, Matas online, all wholesalers for the pharmacy channels (TMJ and Nomeco), and at 400 brick & mortar pharmacy stores in Denmark.

For the Swedish market, the entire CANNASEN® portfolio is available on Amazon.se. In addition, our 3 hero products sell at the pharmacy chain Kronans Apotek, both online and at 326 local pharmacies, via Oriola, the leading wholesaler for the pharmacy channel in Sweden.

As Amazon is a major player in our go-to-market strategy and brand awareness in Europe, we have reframed the strategy and content with a new Amazon-preferred partner to increase the market presence. Faster. The CANNASEN® portfolio launched in Sweden and Germany in Q2, and we're launching into the UK, France, and Italy end of 2022. Spain is on hold due to a discussion to go with a distributor handling the fulfilment and brand store.

In addition, CS MEDICA teamed up with one of the most significant wholesalers in Europe to grow pipeline projections, fulfill the Amazon business cross-borders, and help deliver to our partners on a fast order-to-delivery basis.

CS MEDICA signed with significant distribution partners in the European markets in the fourth quarter. Partners from Spain, Romania, and Balcan ordered the broad portfolio of CANNASEN branded products, including the newly launched Nasal Spray Night and the Wound Gel.

Our Danish CANNASEN® e-commerce platform launched in Q2 shows good results in sales and traffic. In addition, the shop has a translation plugin to increase SEO and awareness internationally to support international requests and shipping. The traffic and improved brand awareness are driven by our ATL communication and influencer campaigns, with engagement rates up to 6,85%. In addition, we see increased traffic and conversion at our online distribution partners' campaigns and websites due to targeted co-related omni-campaign plans to boost sales with our partners. So, all in all, our trade activities, performance marketing, SoMe, and Influencer activities are paying off. The relationship with the Danish pharmacies is beyond satisfaction as we experience campaigns exceeding all expectations. These learnings and cases we have implemented in our new Brand Guidelines to advise and support new distribution partners. Furthermore, we are requested to support go-to-market strategies and launch plans to ensure a faster, smoother launch of our unique first-mover CBD Medical Device products.

The last quarter also had progress and steps in the right direction with significant partners, as CS MEDICA joined several fairs and events to promote the unique portfolio to potential partners this year. At Expopharm and CPHI in Germany and Vitafoods in Geneva and Bangkok. New connections with distribution partners and companies interested in white- and private-label escalated on these events. Pre-arranged meetings at Expopharm and CPHI resulted in 50+ meetings with potential global partners. At Vitafoods Geneva, where we had a booth, we gained 250+ contacts, where 100 are in dialogue and approx. 7% converted to international contracts or contract discussions.

Finding the right partners

Choosing the right partners is very important at this stage to ensure the right start go-to-market strategy in new markets, as well as partners to ensure they can leverage the CANNASEN® CBD brand or their brand with the portfolio from CS MEDICA. Hence, reaching synergies in the portfolio, market, concepts, and distribution strategies with global partners in a dynamic and ever-changing global environment is why CS MEDICA tailor-make the best solutions for our partners to win markets and consumers.

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

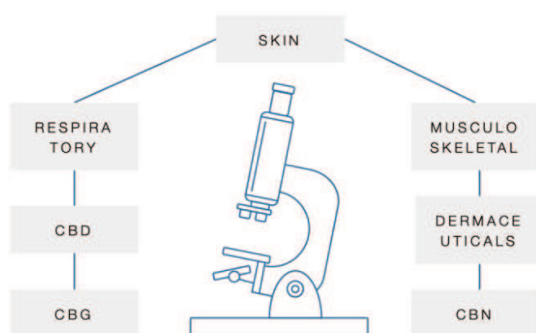
For the last 5 years, CS MEDICA has pioneered in scientific breakthroughs within cannabinoid medical treatments for autoimmune and stress-related disorders. To ensure that we deliver value to society, we are continuously pursuing even higher levels of innovation, across more therapy areas and technology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

Globally, the number of people living with autoimmune, and stress-related disorders is growing at an exponential rate and the need to supply improved treatments is critical. To ensure that cannabinoids medical treatment reaches all those who require them, new ways of doing business are required.

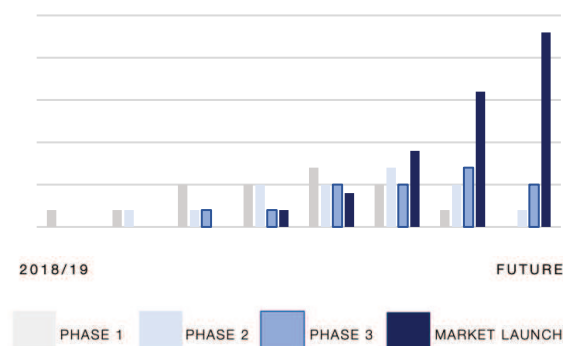
We are rising to this challenge by establishing a successful track record to pursue innovative approaches to fight autoimmune and stress-related disorders, as well as expanding our therapy area, focus and outreach. This approach and outreach will rely not only on our cutting-edge cannabinoids engineering 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 cannabinoid 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



ONGOING CLINICAL TRIALS

PRODUCTS	Planned	Approved by medical agency	Phase III	Intermediate report	Performed final report	MDD Classification	MDR Classification
CANNASEN® CBD ARTHRITIS GEL NGA-01: ART. GEL VS PLACEBO	X	X	X	X	X	Class I	Class IIa
CANNASEN® CBD PSORIASIS GEL NGP-01: PSOR. GEL VS PLACEBO	X	X	X	X	X	Class I	Class I
CANNASEN® CBD PROTECTIVE NASAL GEL NGPG-01: PROTECTIVE NASAL GEL VS PLACEBO	X	X	X			Class I	Class IIa
CANNASEN® CBD PAIN PATCH NGPP-01: PAIN PATCH VS PLACEBO	X	X	X			Class I	Class I
CANNASEN® CBD WOUND GEL NGW-01: WOUND GEL VS PLACEBO	X	X				Class I	Class IIa
CANNASEN® CBD NASAL SPRAY NIGHT NGS-01: NASAL SPRAY NIGHT VS PLACEBO	X	X	X			Class I	Class IIa

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 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).

CS MEDICA's POSITION IS PROTECTED BY PATENTS & TRADEMARKS	BARRIERS TO ENTRY FOR CANNABINOIDS SIMILAR PLAYERS	PARTNERSHIP, VALUE CHAIN SETUP AND SUPPORT FROM FUTURE R&D	EXTENSIVE CLINICAL EVIDENCE AND TRUST
<p>PATENT PROTECTION¹⁵</p> <p>PA 2021 70056 2039 PA 2021 70171 2041 PA 2021 70213 2041 PA 2021 70269 2041 PA 2021 70207 2041 PA 2021 70268 2041 PA 2019 70497 PA 2020 70343 PCT/DK2020/050222 2020325925 3148643 202080066468.4 20757830.3 290339 2022-507635 2022-7007428 785579 17/633,006 PCT/EP2022/052873 PCT/EP2022/059861 PA 2021 70207 PCT/EP2022/061792 PCT/EP2022/062150 PCT/EP2022/064268 PA 2021 70268 PCT/EP2022/064271</p> <p>TRADEMARKS registration in class 03, 05, and 10¹⁶</p> <p>EU, International Protocol, Norway, Switzerland, Canada, India, Indonesia, Japan, Malaysia, South Korea, Thailand, United States, Vietnam, United Kingdom, Hong Kong, Australia, New Zealand, Turkey, China, Brazil, United Arab Emirates.</p>	<p>RESEARCH & DEVELOPMENT</p> <ul style="list-style-type: none"> Needs to be approved under the MDR Class IIa Strict regulatory requirements in the EU and the US <p>MANUFACTURING</p> <ul style="list-style-type: none"> Approval under the pharmaceutical legislation Strict regulatory requirements in the EU and the US <p>COMMERCIALIZATION</p> <ul style="list-style-type: none"> Approval under the pharmaceutical legislation before market entrance Technical documentation assessed by a Notified Body Comprehensive description of technology impact and testing with reference to Cannabinoid's regulations, to ensure market reception. On-going conversion to next generation cannabinoid combination and market dynamics 	<p>HEMP PLANTS</p> <p>⊕ enecta</p> <p>CANNABINOIDS CRYSTALS</p> <p>⊕ enecta</p> <p>TOPICAL, ORAL & COMBINATION formulation of thereapeutics</p> <p>   </p> <p>PRODUCTION SITES</p> <p>  </p> <p>MEDICAL DEVICE REGULATION & QUALITY CONTROL, including HACCP, GMP, ISO through product lifecycle</p>	<p>RESEARCH & DEVELOPMENT</p> <ul style="list-style-type: none"> Monitor and evaluating global development within cannabinoids therapeutics On-going evaluation of cannabinoids combinations optimizing the overall efficacy <p>DOCUMENTATION</p> <ul style="list-style-type: none"> Updated technical documentation & regulation according to MDR - MDR class IIa. Compliance with ICH and ISO 13485, ISO 22716, ISO 10993 & GNP, GDP, GACP, GMP & ISO 14971 (MDD). <p>CLINICAL EVIDENCE EFFICACY & TRUST</p> <ul style="list-style-type: none"> New extensive Clinical trials under MDR Post-marketing clinical trials together with local disease organisation in CIM Global consolidation of test results through CIM provided as SaaS.

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 (patents 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 intends 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.

16. **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 2023/2024

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 2023/2024. 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. However, due to our recent learnings and high levels of interests in our brand and products we are evaluating our strategic outlook and will implement a unicorn growth strategy for 2023-2025.

2021/2022

H2

- 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 Germany, Italy and France.
 - 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.
- Clinical trials (3)
- Psoriasis versus placebo
 - Psoriasis + supplements - versus placebo supplements

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.
- NEW IFRS –accounting process to prepare other stock markets
- Product launch in Denmark
 - CANNASEN® CBD wound gel
 - CANNASEN® covid lozenges
- Clinical information Management System (CIM) goes live *)
- Scientific papers covering completed clinical trials Published on min. two Science platforms

2022/2023

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.
- NEW markets
 - Amazon US + Ecommerce
 - China & India launch
 - Australia, NZ South Korea og Japan
 - UK VET
 - Canada

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

Corporate Governance

Accounting and accounting principles

This interim 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 June 30, 2022: 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 MEDICA's 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.

Financial calendar

Annual report 2021/2022 ⁹	27 January 2023
Annual General Meeting ⁹	9 February 2022
Q1: Interim report, October 2022 – December 2022	17 February 2023
Q2: Half year report, January 2023 – Marts 2023	17 May 2023
Q3: Interim report, April 2023 – June 2023	18 July 2023
Q4: Year-end report, October 2022 – September 2023	17 November 2023
Annual report 2022/2023	1 December 2023
Annual General Meeting	14 December 2023

⁹ Delayed due to adoption of the IFRS standards.

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 November 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

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: 33871646

Financial Statements

Comments on the financial results

The Company are currently applying the IFRS standards in their financial accounts to meet the requires following their long-term goal of moving to the main market. As the cost and revenue recognition criteria between ÅRL (applied in this report) and IFRS vary, there may be changes in revenue, cost and other recognitions in the upcoming Annual Report, submitted according to IFRS standards.

Income

Net Sales for the fourth quarter amounted to tDKK 9 255 (tDKK 2 254) and for the fiscal year to tDKK10 583 (tDKK 3 180). The Net sales in Quarter 4 is satisfactory, but not enough to reach the financial revenue target of DKK 12 million for the year. The finalization of an important distributor agreement including start up order, corresponding to the lack in revenue of 2021/2022, is expected within the first quarter of 2022/2023.

Gross profit for the fourth quarter amounted to tDKK 2 659 (tDKK 1 017).

During the financial year newly released CANNASEN® products are launched in Denmark and the entire CANNASEN® portfolio is now available in 2 of 3 Danish pharmacy chains (Pharma+ and Apotekerne), all online pharmacies, Matas online and at 400 brick & mortar pharmacy stores in Denmark.

For the Swedish market, the entire CANNASEN® portfolio is available on Amazon.se. In addition, the 3 hero products sell at the pharmacy chain Kronans Apotek, both online and at 326 local pharmacies.

Currently CS medica have signed distribution or reseller agreements in Denmark, Sweden, Netherland, Belgium, Germany (private label), Spain (white label), Slovenia, Serbia, Croatia, Israel, Palestine, and Romania and are in the process of finalizing agreements several countries, cf. Section .

While currently focusing on the expansion for the European market, we also keep an outlook on openings in overseas markets, especially in Oceania and Asia/MENA, while central America seems like an obvious option at this moment. We already have free sales permission throughout the European countries through our registration at the Danish medical agency. Furthermore, we have now achieved Free Sales Certificates outside of the European Union, in those countries that accept a European Free Sales Certificate.

Costs

The operating profit for the fourth quarter amounted to tDKK -1 513 (tDKK -335). The cost mainly consisted of costs for goods sold, marketing and administrative costs, staff and Investor relation costs.

The overall cost in this quarter has been affected by the continued transformation of CS MEDICA, where additional cost has been necessary to optimise and secure the extensive growth in sales. Furthermore, investor relation cost of this last quarter has been higher than previous quarters due to the cost related to the exercise of the TO1 and TO2 warrants series.

Results

The Net Profit for the quarter amounted to tDKK -819 (tDKK 364).

Financing and financial position

The Net Financials for the quarter amounted to tDKK -487 (tDKK -56). In Net financials is included tDKK 454 related to the bridge loan paid out in this quarter.

CS MEDICA has finalised onboarding in Danske bank. Moving from Sparekassen Sjælland to Danske Bank will ensure better terms within international business.

Cash and cash equivalents as of September 30, 2022, amounted to tDKK 2 934 (tDKK 9 996).

The Company are currently in a due diligence process with 2 Chinese Companies to ensure a new Direct Issue to capitalise on the company's first mover advantage, accelerate growth and ensure the liquidity balance going forward.

- Inner Mongolia Rong Shi Hi-Tech Co., Ltd ("Rong Shi"); Both Parties evaluate the possibilities for setting up a joint venture ("Joint Venture") in Erdos city, Inner Mongolia, China. The joint venture will be a production company facilitating the production and delivery of the CANNASEN® product line to the Asian market. The project is in the due diligence phase and on track with the process.

- Heilongjiang FuYu ShengKun Textile Industry Co.; The process is in the latter part of the due diligence phase, but awaiting the agreement with Rong Shi about establishing a joint venture.

During the due diligence CS MEDICA will evaluate each partner, to secure the best possible investment match.

CS MEDICA'S investment strategy also includes funding from continental distributors, as this strategy assures the continental distributors having an increased interest in achieving success in their own market penetration as well as in the future operation of CS MEDICA.

Equity

At the end of the period, CS MEDICA's equity/asset ratio was 89% (88%).

Equity investments in group enterprises

CS MEDICA's subsidiary Galaxa Pharma ended this quarter with a negative equity of tDKK 1 686. CS MEDICA's other subsidiary CanNordic A/S, lost more than 50% of the equity, amounting to tDKK 158 at the end of the period. The Company expect 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 the group company and Parent company are thus not the same.

Consolidated Financial Statements

Income statement

	QUARTER		YEAR-TO-DATE	
	1. Jul 2022 -30. Sept 2022	1. Jul 2021 -30. Sept 2021	1. Oct 2021 -30. Sept 2022	1. Oct 2020 -30. Sept 2021
	Actual	Last year	Actual	Last year
DKK				
Revenue	9.255.045	2.254.653	10.583.029	3.179.557
Cost of raw materials and consumables	-6.596.187	-1.237.956	-7.376.758	-1.503.381
Gross Profit	2.658.859	1.016.697	3.206.271	1.676.176
Other operating income	121.679	631.614	736.265	1.987.950
Sales and distribution cost	-961.530	-339.923	-3.507.266	-971.182
Administrative costs	-1.185.367	-302.040	-6.548.616	-762.704
Staff costs	-1.627.698	-738.835	-6.559.371	-738.835
Amortisation and impairment og intangible assets	-518.945	-602.191	-2.075.780	-1.367.452
Operating profit	-1.513.002	-334.677	-14.748.497	-176.047
Financial costs net	-487.541	-56.284	-827.011	-231.738
Pre-tax net profit or loss	-2.000.543	-390.961	-15.575.507	-407.786
Tax on net profit or loss for the year	2.819.125	755.724	5.723.742	1.055.415
NET PROFIT OR LOSS FOR THE YEAR	818.582	364.763	-9.851.766	647.629

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

Assets	30. Sept 2022 Actual	30. Sept 2021 Last year
Non-current assets		
Intangible assets		
Completed development projects, including patents and similar rights from dev. Projects	9.561.982	8.346.148
Goodwill	3.952.876	4.431.174
Total intangible assets	13.514.858	12.777.322
Investments		
Deposits	109.012	82.186
Total Investments	109.012	82.186
Total non-current assets	13.623.870	12.859.508
Current assets		
Inventories		
Work in progress	0	64.428
Manufactured goods and goods for resale	1.018.598	1.164.684
Total inventories	1.018.598	1.229.113
Receivables		
Trade receivables	5.399.503	1.635.557
Receivables from group enterprises	0	1
Deferred tax assets	5.950.285	226.543
Other receivables	-29.689	1.464.357
Total receivables	11.320.099	3.326.458
Cash on hand and demand deposits	2.933.783	9.996.085
Total current assets	15.272.480	14.551.655
TOTAL ASSETS	28.896.350	27.411.163

Balance sheet

Equity and liabilities	30. Sept 2022 Actual	30. Sept 2021 Last Year
Equity		
Contributed capital	800.971	708.630
Reserve for net revaluation according to the equity method	1.387.251	1.387.251
Reserve for development costs	7.449.103	5.763.914
Retained earnings	15.955.172	16.287.567
Total equity	25.592.497	24.147.362
Provisions		
Other provisions	164.948	329.900
Total provisions	164.948	329.900
Liabilities other than provisions		
Other mortgage loans	1.042.949	1.718.807
Payables to group enterprises	0	0
Total long-term liabilities other than provisions	1.042.949	1.718.807
Current portion of long terms payables	0	0
Trade payables	1.184.971	504.157
Other payables	910.985	710.937
Total short-term liabilities other than provisions	2.095.956	1.215.095
Total liabilities other than provisions	3.138.905	2.933.900
TOTAL EQUITY AND LIABILITIES	28.896.350	27.411.163

Equity Statement

	QUARTER		YEAR-TO-DATE	
	1. Jul 2022 -30. Sept 2022	1. Jul 2021 -30. Sept 2021	1. Oct 2021 -30. Sept 2022	1. Oct 2020 -30. Sept 2021
	Actual	Last year	Actual	Last year
Contributed capital				
Equity beginning of period	715.130	520.000	708.630	80.000
Change	85.841	188.630	92.341	628.630
Equity end of period	800.971	708.630	800.971	708.630
Reserve for net revaluation according to the equity method				
Equity beginning of period	1.387.251	-528.420	1.387.251	0
Change	0	1.915.671	0	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	7.237.523	5.216.785	5.763.914	2.692.108
Change	211.580	547.129	1.685.189	3.071.806
Equity end of period	7.449.103	5.763.914	7.449.103	5.763.914
Retained earnings				
Equity beginning of period	4.987.106	-9.086.567	16.287.563	-2.385.748
Share premium	12.451.724	27.449.139	13.295.224	23.729.250
Reserve for net revaluation according to the equity method				1.387.251
Deferred tax	0	-88.416	0	-299.115
IPO cost	-2.090.661	-3.719.889	-2.090.661	-3.719.894
Reserve for development costs	-211.580	-547.129	-1.685.189	-3.071.806
Retained earnings for the period	818.582	364.763	-9.851.766	647.629
Equity end of period	15.955.172	16.287.567	15.955.172	16.287.567
TOTAL EQUITY END OF PERIOD	25.592.497	24.147.362	25.592.497	24.147.362

Cash flow Statement

	QUARTER		YEAR-TO-DATE	
	1. Jul 2022 -30. Sept 2022	1. Jul 2021 -30. Sept 2021	1. Oct 2021 -30. Sept 2022	1. Oct 2020 -30. Sept 2021
	Actual	Last year	Actual	Last year
Profit/loss before tax	818.582	364.763	-9.851.766	647.629
Financial expenses, reversed	487.542	56.285	827.014	231.743
Depreciation, reversed	518.945	602.191	2.075.780	1.367.452
Changes in working capital	-10.015.108	-1.833.459	-7.769.903	-984.854
Cash flows from operating activities before net financials	-8.190.038	-810.220	-14.718.875	1.261.971
Investing in Development projects	-671.662	-1.564.342	-2.813.316	-5.697.954
Cash flow from investment activities	-671.662	-1.564.342	-2.813.316	-5.697.954
Share capital	85.841	188.630	92.341	628.630
Share premium	12.451.724	26.943.753	13.295.224	26.943.753
Financial expenses paid	-487.542	-56.285	-827.014	-231.743
Cost IPO	-2.090.661	-3.191.468	-2.090.661	-3.191.468
Loan internal partners converted to capital & share exchange	0	-6.727.000	0	-5.227.000
Goodwill share exchange CN to CS	0	-4.786.984	0	-4.786.984
Cash flow from financing activities	9.959.362	12.370.646	10.469.891	14.135.188
Total cashflows end of period	1.097.662	9.996.085	-7.062.300	9.699.205
Cash, beginning of period	1.836.121	0	9.996.085	296.880
CASH, END OF PERIOD	2.933.783	9.996.085	2.933.783	9.996.085

Change in working capital

Change in Finished goods	2.741.719	-16.287	1.240.206	-43.904
Trade + other receivables	-4.568.810	-2.084.160	-3.299.592	-3.101.903
Trade + other payables	791.123	1.130.935	880.860	481.719
Other provisions	-41.238	-164.950	-164.952	-164.950
Deferred tax	-2.819.125	306.196	-5.723.742	239.946
Other change in working capital	-6.118.775	-1.005.193	-702.683	1.604.240
	-10.015.108	-1.833.459	-7.769.903	-984.854

Parent Financial Statements

Income Statement

	QUARTER		YEAR-TO-DATE	
	1. Jul 2022 -30. Sept 2022	1. Jul 2021 -30. Sept 2021	1. Oct 2021 -30. Sept 2022	1. Oct 2020 -30. Sept 2021
	Actual	Last year	Actual	Last year
Revenue	278.143	0	890.236	0
Cost of raw materials and consumables	0	0	0	0
Gross Profit	278.143	0	890.236	0
Sales and distribution cost	-73.157	-9.173	-79.483	-9.173
Administrative costs	-478.283	-1.876	-3.435.057	-1.876
Staff costs	-746.050	-111.471	-2.346.270	-111.471
Amortisation and impairment and intangible assets	-51.375	0	-205.500	0
Operating profit	-1.070.722	-122.520	-5.176.075	-122.520
Income from equity investments in group enterprises	-239.149	727.586	-2.493.298	705.536
Financial costs net	133.773	-3.580	-119.675	-4.862
Pre-tax net profit or loss	-1.176.098	601.486	-7.789.049	578.154
Tax on net profit or loss for the year	0	-236.722	958.936	69.473
NET PROFIT OR LOSS FOR THE YEAR	-1.176.098	364.764	-6.830.113	647.627

Balance Sheet

Assets	30. Sept 2022 Actual	30. Sept 2021 Last Year
Non-current assets		
Intangible assets		
Completed development projects, including patents and similar rights from dev.projects	1.106.225	616.514
Total intangible assets	1.106.225	616.514
Investments		
Equity investments in group enterprises	3.952.876	6.446.176
Total Investments	3.952.876	6.446.176
Total non-current assets	5.059.100	7.062.690
Receivables		
Receivables from group enterprises	21.104.974	7.891.939
Deferred tax assets	1.029.004	70.068
Other receivables	-20.726	124.599
Total receivables	22.113.253	8.086.606
Cash on hand and demand deposits	2.061.343	9.149.276
Total current assets	24.174.596	17.235.882
TOTAL ASSETS	29.233.696	24.298.573

Equity and liabilities	30. Sept 2022 Actual	30. Sept 2021 Last Year
Equity		
Contributed capital	800.971	708.630
Reserve for net revaluation according to the equity method	1.387.251	1.387.251
Reserve for development costs	862.855	480.881
Retained earnings	25.563.077	21.570.600
Total equity	28.614.154	24.147.362
Trade payables	218.721	110.000
Other payables	400.822	41.211
Total short-term liabilities other than provisions	619.542	151.211
Total liabilities other than provisions	619.542	151.211
TOTAL EQUITY AND LIABILITIES	29.233.696	24.298.573

Equity Statement

	QUARTER		YEAR-TO-DATE	
Changes of statement in equity	1. Jul 2022 -30. Sept 2022	1. Jul 2021 -30. Sept 2021	1. Oct 2021 -30. Sept 2022	1. Oct 2020 -30. Sept 2021
	Actual	Last year	Actual	Last year
Contributed capital				
Equity beginning of period	715.130	520.000	708.630	80.000
Change	85.841	188.630	92.341	628.630
Equity end of period	800.971	708.630	800.971	708.630
Reserve for net revaluation according to the equity method				
Equity beginning of period	1.387.251	-528.420	1.387.251	0
Change	0	1.915.671	0	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	833.382	398.906	480.881	0
Change	29.473	81.975	381.974	480.881
Equity end of period	862.855	480.881	862.855	480.881
Retained earnings				
Equity beginning of period	16.407.584	518.291	21.570.600	7.241
Share premium	12.451.724	22.662.157	13.295.224	23.729.250
Reserve for net revaluation according to the equity method				1.387.251
Deferred tax	0	-88.419	0	1
IPO cost	-2.090.661	-3.719.889	-2.090.661	-3.719.889
Reserve for development costs	-29.473	-81.975	-381.974	-480.881
Retained earnings for the period	-1.176.098	364.764	-6.830.113	647.627
Equity end of period	25.563.077	21.570.600	25.563.076	21.570.600
TOTAL EQUITY END OF PERIOD	28.614.154	24.147.362	28.614.154	24.147.362

Cash flow Statement

Statement of cash flows	QUARTER		YEAR-TO-DATE	
	1. Jul 2022 -30. Sept 2022	1. Jul 2021 -30. Sept 2021	1. Oct 2021 -30. Sept 2022	1. Oct 2020 -30. Sept 2021
	Actual	Last year	Actual	Last year
Profit/loss before tax	-1.176.098	364.764	-6.830.113	647.627
Financial expenses, reversed	-133.773	3.580	119.675	4.862
Depreciation, reversed	51.375	0	205.500	0
Changes in working capital	-7.779.162	-11.300.309	-11.116.390	-11.336.378
Cash flows from operating activities before net financials	-9.037.659	-10.931.965	-17.621.327	-10.683.890
Investing in Development projects	-37.786	-105.096	-643.835	-616.514
Cash flow from investment activities	-37.786	-105.096	-643.835	-616.514
Share capital	85.841	188.630	92.341	628.630
Share premium	12.451.724	26.943.753	13.295.224	26.943.753
Financial expenses paid	133.773	-3.580	-119.675	-4.862
Cost IPO	-2.090.661	-3.191.468	-2.090.661	-3.191.468
Loan internal partners converted to capital & share exchange	0	-3.927.000	0	-3.927.000
Cash flow from financing activities	10.580.677	20.010.335	11.177.229	20.449.053
Total cashflows end of period	1.505.233	8.973.273	-7.087.933	9.148.649
Cash, beginning of period	556.110	175.999	9.149.276	624
CASH, END OF PERIOD	2.061.343	9.149.273	2.061.343	9.149.273

Change in working capital

Trade + other receivables	70.726	-66.303	145.325	-124.599
Trade + other payables	118.752	151.211	468.332	151.211
Deferred tax	0	-3	-958.936	72.263
Loan subsidiaries	-1.870.767	-11.094.579	-10.719.735	-15.071.618
Other change in working capital	-6.097.873	-290.636	-51.375	3.636.364
	-7.779.162	-11.300.309	-11.116.390	-11.336.378

The background of the entire page is a grayscale, out-of-focus photograph of a microscope. The lens and various mechanical parts are visible, creating a professional and scientific atmosphere.

CSMEDICA⁺

DENMARK

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

Lone Henriksen

Navnet returneret af dansk MitID var:

Lone Henriksen

Direktør

ID: 0428ac8b-ce88-4246-8289-189817d3f621

Tidspunkt for underskrift: 17-11-2022 kl.: 14:16:36

Underskrevet med MitID



Jørgen Flemming Ladefoged

Navnet returneret af dansk MitID var:

Jørgen Flemming Ladefoged

Bestyrelsesformand

ID: d99cefd9-0aa7-427c-8a10-6089b12ad8cd

Tidspunkt for underskrift: 17-11-2022 kl.: 14:18:42

Underskrevet med MitID



Gitte Henriksen

Navnet returneret af dansk MitID var:

Gitte Henriksen

Bestyrelsesmedlem

ID: b943fe0d-83bd-4148-ab50-84408b8f40eb

Tidspunkt for underskrift: 17-11-2022 kl.: 20:48:35

Underskrevet med MitID



Anders Permin

Navnet returneret af dansk MitID var:

Anders Permin

Bestyrelsesmedlem

ID: f86051d4-5b08-41c3-8c2c-aa7561e8d3be

Tidspunkt for underskrift: 17-11-2022 kl.: 14:45:00

Underskrevet med MitID



Stein Arve Løkstad

Bestyrelsesmedlem

IP-adresse: 213.237.80.141:19194

Tidspunkt for underskrift: 17-11-2022 kl.: 19:47:10

Underskrevet med esignatur EasySign



Alexandre Fevre

Bestyrelsesmedlem

IP-adresse: 92.184.117.9:2335

Tidspunkt for underskrift: 17-11-2022 kl.: 21:16:31

Underskrevet med esignatur EasySign

