Invitation to subscribe for units in CS MEDICA A/S prior to planned listing on Spotlight Stock Market

NORDIC ISSUING

SEDERMERA FONDKOMMISSION

Nordnet

MCL MARKETS & CORPORATE LAW

IMPORTANT INFORMATION

This EU Growth Prospectus (the "**Prospectus**") has been prepared in connection with CS MEDICA A/S ("**CS MEDICA**" or the "**Company**"), corporate registration number (In Danish *CVR No.*) 33871643, offer to subscribe for units, consisting of shares ("New Shares") and warrants (TO 1), and the admission to trading on **Spotlight Stock Market,** together (the **"Offer**" or the "**Issue of Units**"). This Prospectus has been approved and registered by the Danish Financial Supervisory Authority (Dk. Finanstilsynet) (the "**DFSA**"), as a competent authority under Regulation (EU) 2017/1129. The approval and registration do not imply that the DFSA guarantees that the information in the Prospectus is accurate or complete.

In connection with the Issue of Units described in this Prospectus, Sedermera Fondkommission is the financial advisor, Markets and Corporate Law is the legal advisor, and Nordic Issuing provides issuing services to CS MEDICA. Sedermera Fondkommission is a secondary name of ATS Finans AB. Sedermera Fondkommission has assisted the Company in the preparation of this Prospectus. The Board of Directors of CS MEDICA is responsible for the content, whereupon Sedermera Fondkommission and ATS Finans AB disclaim all liability in relation to shareholders in the Company and regarding other direct or indirect consequences because of investment decisions or other decisions based wholly or partly on the information in this Prospectus.

No shares or warrants in CS MEDICA are subject to trade or application thereon in any country other than Sweden and Denmark. The invitation according to this Prospectus does not apply to individuals whose participation requires additional prospectus, registration measures, or other measures than those that comply with Danish law. This Prospectus may not be distributed in the United States, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore, or other countries where the distribution or this invitation requires additional measures as stated in the previous sentence or contravene rules in such country. Disputes arising from the contents of the Prospectus or related legal matters shall be settled according to Danish law and at the Danish court.

SPOTLIGHT STOCK MARKET

CS MEDICA has applied for and been approved for listing on the Spotlight Stock Market ("Spotlight"), corporate identity number 556736-8195. The Company is obliged to comply with other applicable laws, statutes, and recommendations that apply to companies listed on Spotlight. Spotlight is a special company name under ATS Finans AB. ATS Finans AB is a subsidiary of Spotlight Group AB and is a securities company under the supervision of the Swedish Financial Authority. Spotlight Group AB has been listed on the Spotlight marketplace since 2020. This prospectus has been reviewed by Spotlight in accordance with Spotlight's regulations within the framework of the listing process. The approval does not imply any guarantee from Spotlight that the information in the prospectus is correct or complete. Spotlight operates a so-called MTF platform. Companies listed on Spotlight have undertaken to comply with Spotlights in accordance with current regulations. The commitment to comply with the regulations aims, among other things, to ensure that shareholders and other players in the market receive correct, immediate, and simultaneous information about all circumstances that may affect the Company's share price. Trading on Spotlight takes place in an electronic trading system that is available to the banks and stockbrokers affiliated with the Nordic Growth Market (NGM). This means that anyone who wants to buy or sell shares listed on Spotlight can use the banks or stockbrokers who are members of Spotlight. Spotlight's regulations and share prices can be found on Spotlight's website (www.spotlightstockmarket.com).

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements that reflect the Company's current views on future events and financial and operational development. Words that relate to indications or predictions concerning future developments or trends, and that do not refer to historical facts, constitute forward-looking statements. Forward-looking information is inherently associated with both known as well as unknown risks and uncertainties, given their dependence on future events and circumstances. Forward-looking information is no guarantee of future results or development, and the actual results may differ materially from what is stated in the forward-looking information. Statements about the outside world and future conditions in this Prospectus reflect the Board of Directors' current view on future events and financial developments. Forward-looking information express only the assessments and assumptions made by the Board of Directors at the time of this Prospectus. These statements are well thought out, but the reader is made aware that these, like all future assessments, are associated with uncertainty.

BUSINESS AND MARKET INFORMATION

This Prospectus contains market information relating to CS MEDICA's business and the market in which the Company operates. Unless otherwise stated, such information has been derived from reports prepared by third parties and/or is based on the Company's analysis of several different sources. The Company has not independently verified and cannot give any assurances as to the correctness of industry and market information contained in this Prospectus that was extracted or derived from such industry publications or reports. Industry and market information is inherently forward-looking, subject to uncertainty, and does not necessarily reflect actual market conditions. Industry publications or reports generally state that the information reproduced therein has been obtained from sources deemed to be reliable, but the accuracy and completeness of such information cannot be guaranteed. Certain information in this Prospectus has been prepared by the Company, in some cases based on assumptions. Although the Company believes that the methods and assumptions are reasonable, the information has only to a limited extent been reviewed or verified against external sources. Against this background, the reader shall note that the financial information, market information, and estimates of market information presented in this Prospectus do not necessarily constitute reliable indicators of the Company's future performance. However, as far as the Board of Directors is aware and can ascertain by comparisons with other information published by the relevant third parties, no facts have been omitted which could render the information provided inaccurate or misleading.

DISPUTES

Disputes due to the content of the memorandum or related legal matters shall be settled per Danish law and Danish court.

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DOCUMENTS INCORPORATED BY REFERENCE

The investor should take note of the information incorporated in the Prospectus by reference and that the information to which reference is made should be read as part of the Prospectus. The information given below as part of the following documents is incorporated into the Prospectus by reference. Copies of the Prospectus and the documents incorporated by reference can be obtained from CS MEDICA electronically via the Company's website, www.cs-medica.com, or obtained by the Company in paper format at the Company's office with address: Fruebjergvej 3, 2100 Copenhagen, Denmark. The parts of the document that are not incorporated are either not relevant to the investors or the corresponding information is reproduced elsewhere in the Prospectus.

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SUMMARY

SECTION 1 – INTRODUCTION

1.1	Name and international securities identification number ('ISIN') of the securities	The Issue of Units consists of units in CS MEDICA A/S. **Share:** ISIN code DK0061668225, Ticker CSMED. **Warrant TO 1:** ISIN code DK0061668308, Ticker CSMED TO 1.
1.2	Name and contact details to the issuer	CS MEDICA A/S, corporate registration number 33871643, and LEI code 549300SC8KWO7JFWLN17. Representatives of CS MEDICA may be reached at telephone +45 70 70 73 37 and by e-mail info@cs-medica.com. The Company's visiting address is Fruebjergvej 3, 2100 Copenhagen and the website is www.cs-medica.com.
1.3	Name and contact details for the relevant authority that has approved this prospectus	The Danish Financial Supervisory Authority (Dk. *Finanstilsynet*) ("the DSFA") is the competent authority that is responsible for the approval of the Prospectus. The visiting address to the DFSA is Århusgade 110, 2100 Copenhagen, Denmark, and the website is www.finanstilsynet.dk. The DFSA can also be reached on phone at +45 33 55 82 82 and email finanstilsynet@ftnet.dk.
1.4	Date of approval	The EU Growth Prospectus was approved by the Danish Financial Supervisory Authority on the 13th of August 2021.
1.5	Warning	This summary should be read as an introduction to the EU Growth Prospectus. Any decision to invest in the securities should be based on the investor studying the entire Prospectus. The investor may lose all or part of his/her invested capital. If a claim related to information in the EU Growth Prospectus is made in court, the investor claiming under national law in the Member State may have to pay the cost of translating the EU Growth Prospectus before the legal proceedings begin. Civil liability covers only those persons who have presented the summary, including translations thereof, but only if the summary is misleading, incorrect, or inconsistent with the other parts of the EU Growth Prospectus or if it together with other parts of the EU Growth Prospectus does not provide the key information that investors need when deciding whether to invest in the securities concerned.

SECTION 2 – KEY INFORMATION ABOUT THE ISSUER

2.1	Who is the issuer of the securities?	CS MEDICA A/S, registered on 17 August 2011, is a Danish public limited liability company governed by Danish law and the Danish Companies Act. The Company's visiting address is Fruebjergvej 3, 2100 Copenhagen. The Board of Directors has its registered office in Copenhagen, Denmark. The Company's CEO is Lone Henriksen since 2011. CS MEDICA is a Danish medico company committed to developing and commercializing evidence-based and innovative Medical Devices, containing cannabinoids from cannabis, within pain relief and care taking. The Company explores and harnesses the potential prosperities of the substances in the *Cannabis sativa L.* plant. CS MEDICA's vision is to become a world-leading manufacturer of Medical Devices containing cannabinoids from cannabis. The ambition is to continuously develop safe and effective products with the ability to increase the life quality for patients and people in general. The following table illustrates the Company's main shareholders. The Board of Directors informs that, there are no shareholder agreements or other agreements between the Company's shareholders, which seek to have joint influence over the Company.

Part	Number of shares	Percentage of votes and capital (%)
LHX Invest ApS*	4,000,000	50
CoLund ApS**	4,000,000	50
Total	**8,000,000**	**100**

**Lone Henriksen is CEO and 100 percent owner of LHX Invest ApS.*
***Gitte Henriksen is CFO, Member of the Board of Directors, and 100 percent owner of CoLund ApS.*

2.2 What is the key financial information regarding the issuer?

The financial information incorporated in this Prospectus by reference includes the consolidated annual reports for the financial years 2018/2019 and 2020/2021 and interim accounts pertaining to the financial period 1st of October 2020 to 30th of June 2021, with comparative accounts for the period 1st of October 2019 to 30th of June 2020, which have been prepared in accordance with the provisions of the Danish Financial Statements Act governing enterprises of reporting class B and C.

CONSOLIDATED INCOME STATEMENT

DKK	2020-10-01 –2021-06-30 Unaudited	2019-10-01 – 2020-06-30 Unaudited	2019-10-01 – 2020-09-30 Audited	2018-10-01 – 2019-09-30 Audited
Revenue	924,903	1,808,251	2,110,729	1,425,936
Other operating income	1,356,335	303,287	676,232	-
Gross profit	923,892	475,673	767,369	211,130
Operating profit	**158,630**	**282,026**	**111,467**	**186,697**

BALANCE SHEET FOR THE GROUP

DKK	2021-06-30 Unaudited	2020-06-30 Unaudited	2020-09-30 Audited	2019-09-30 Audited
Total intangible assets	7,028,186	2,897,258	3,451,421	2,103,800
Total assets	**10,656,031**	**5,569,360**	**5,436,210**	**3,279,071**

2.3 What are the key risks that are specific to the issuer?

COVID-19

As a result of the spread of Covid-19, several countries around the world have imposed restrictions on, among other things, travel and opportunities for people to meet. There is a risk that shutdowns and demands on people to work from home may affect the Company's expected order backlog and circumvent the Company's plans of establishing itself in new markets. There is also a risk connected to the Company's ambition to initiate dialogues with potential partners and thus enter agreements. One may also be aware of the risks associated with Covid-19's effect on the logistics of the Company's products or raw materials needed to assemble the Company's products. There is a risk that the ongoing or future clinical trials, development, and/or production of already existing and future products may not be possible or will be delayed, which may lead to a failure in achieving the Company's financial and operational objectives. Any delays, effect on product demands, and/or social interference may result in increased costs for the Company, loss of revenue, which by extension may adversely affect the Company's earnings, capital, and financial position. CS MEDICA assesses the likelihood of the risk occurring as high.

DEMAND, PRICE, AND COMPETITION

To the acknowledgment of the Board of CS MEDICA, there will be an increasing demand for products containing cannabinoids from cannabis in the future. An increase in demand is expected to generate a greater number of market players – newly established as well as multinational companies that have entered the market and have significant financial resources. There is a risk that substantial investment and product development by a competitor will result in a less favorable situation in terms of sales or revenue opportunities for the Company. In such a scenario, the competitor may develop products that outperform the Company's products, thereby taking market share from the Company. One may also consider the risk of a greater number of market players resulting in a higher demand for raw materials. Given a constant supply, there is a risk of price increase in the Company's raw materials and thus harming the earnings of the Company. There is also a risk that the increase of market players outgrows the product demand. There too is a risk that, in order to stay competitive within the market, CS MEDICA will have to lower their margins on all or some of their products, and thus harming the Company's earnings and financial position. CS MEDICA assesses the likelihood of these risks occurring as moderate.

SECTION 3 – KEY INFORMATION ON THE SECURITIES

3.1 What are the main features of the securities?

TYPE, CATEGORY, AND ISIN OF THE SECURITIES

CS MEDICA's New Shares and warrants in the Issue of Units are admitted to trading on Spotlight. There is only one class of shares in CS MEDICA. One (1) Unit consists of five (5) New Shares and two (2) warrants of series TO 1. The ISIN-code for the shares is DK0061668225 and the ISIN-Code for the warrants is DK0061668308.

		CURRENCY, NOMINAL VALUE, AND NUMBER OF SHARES CS MEDICA has only one class of shares and all outstanding shares have been fully paid. The New Shares and warrants are denominated in DKK. Before the Issue of Units, CS MEDICA's registered share capital amounts to DKK 520,000 divided among 8,000,000 shares. Each share has a nominal value of DKK 0.0650. The New Shares in CS MEDICA is issued per Danish law. **RIGHTS ATTACHED TO THE SECURITIES** All rights attached to the Share are added to the one registered in the share register kept by VP Securities A/S ("VP"). The New Shares will have the same rights as the existing shares. The rights include voting rights, the right to receive a dividend, the right to participate in the proceeds in case of a dissolution or liquidation of the Company, and pre-emptive rights in connection with the issue of new/additional warrants, convertible bonds, and shares by cash contribution. CS MEDICA is a growth company and has not since its formation paid dividends to the shareholders. Nor does the Company have a dividend policy. The Board of Directors of CS MEDICA intends to finance development, operations, and growth with possible profits. Any future dividends, and the amount of such, are among other things dependent on the Company's future earnings, financial condition, working capital requirements, and liquidity. In the event of a dividend, all shares in the Company carry an equal right to dividends. Dividend on the New Shares that are newly issued in the Issue of Units as described in this Prospectus will be paid on the record day for the dividend that may occur after the registration of the New Shares in the share register kept by VP. The dividend is not of an accumulated nature. The right to a dividend applies to investors who are registered as shareholders in CS MEDICA on the record day for the distribution of dividends. There are no existing restrictions on dividends or special procedures for shareholders resident outside of Denmark, and payment of any distribution of dividend is intended to take place via VP in the same manner as for shareholders resident in Denmark. Dividends accrue to CS MEDICA if it has not been claimed by the shareholder within 3 (three) years from the time of the declaration of the dividends. Dividends go to CS MEDICA after the limitation. **THE SECURITIES TRANSFERABILITY** There are no restrictions on the transferability of the shares or warrants, except for the lock-up.
3.2	Where will the securities be traded?	CS MEDICA has applied for and been approved for listing on the Spotlight, where the shares and warrants in CS MEDICA will be traded. The Company is obliged to comply with other applicable laws, statutes, and recommendations that apply to companies listed on Spotlight. This prospectus has been reviewed by Spotlight in accordance with Spotlight's regulations within the framework of the listing process. Spotlight operates a so-called MTF platform. Companies listed on Spotlight have undertaken to comply with Spotlights in accordance with current regulations. The commitment to comply with the regulations aims, among other things, to ensure that shareholders and other players in the market receive correct, immediate, and simultaneous information about all circumstances that may affect the Company's share price. Trading on Spotlight takes place in an electronic trading system that is available to the banks and stockbrokers affiliated with the Nordic Growth Market (NGM). This means that anyone who wants to buy or sell shares listed on Spotlight can use the banks or stockbrokers who are members of Spotlight. Spotlight's regulations and share prices can be found on Spotlight's website (www.spotlightstockmarket.com).
3.3	Is there a guarantee attached to the securities?	The securities are not covered by guarantees.
3.4	What are the key risks that are specific to the securities?	**PSYCHOLOGICAL FACTORS** There is a risk that the securities market is negatively affected by psychological factors such as investor's reactions to trends, rumors connected to the news, and events with no direct link to the business of the Company. Since CS MEDICA is operating within an area of business that, in some cases, are affected by a relatively large number of factors, such as political, ethical, and regulatory, the Company may be exposed to a greater degree of risk and thus becoming a victim of trends and rumors that may potentially generate greater psychological vulnerability for the Company. There is a risk of CS MEDICA's share price being affected in the same way, or to a greater extent, as other securities that are admitted for trade. There is also a risk of psychological factors and their subsequent effects on price developments adversely affect the share price of the Company's shares. A lower share price may cause difficulties for the Company to raise capital on favorable terms in the future. CS MEDICA assesses the likelihood of the risk occurring as moderate. **PRICE MOVEMENTS** There is a risk that CS MEDICA's share price will undergo major variations in connection with an introduction to Spotlight Stock Market. Exchange rate fluctuations may arise from major changes in the political landscape, macroeconomic factors, market climate, and/or purchase and sales volumes that may not necessarily have a connection with the Company's underlying value. There is a risk that the price fluctuations generate uncertainty about the Company's valuation and thus affect CS

MEDICA's share price negatively. In the scenario where the Company's share price is negatively affected, one may have to consider the risks behind the Company's potential inability to raise funds on favorable terms in the future. CS MEDICA assesses the likelihood of the risk occurring as moderate.

SECTION 4 – KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC

4.1 Under which conditions and timetable can I invest in this security?

THE OFFER

Existing shareholders, the public, and professional investors in Sweden and Denmark are hereby invited to subscribe for units in CS MEDICA during the period from the 17th of August 2021 until the 31st of August 2021. The Board of Directors of CS MEDICA decided on the 1st of July 2021, with the authorization from the Extraordinary General Meeting on 16th of April 2021, on implementing a new Issue of Units and increase CS MEDICA's share capital by at least DKK 152,230 and a maximum of DKK 188,630 through a new issue of at least 2,342,000 New Shares and a maximum of 2,902,000 New Shares, each with a nominal value of DKK 0.0650 and issue at least 936,800 warrants and a maximum of 1,160,800 warrants. The total Issue of Units amounts to a maximum of approx. DKK 33.1 million and a minimum of 26.7 million (approx. 80 percent of the initial Issue of Units). Of the total issue volume approx. DKK 22.3 can be acquired through New Shares in the initial issue (given full subscription), and another approx. DKK 10.8 million through warrant series TO1 (given full exercise of the warrants). The warrants have an exercise period of approx. 12 months after the planned listing on Spotlight in September 2021.

A maximum of 580,400 units will be issued and the subscription price in the Issue of Units will be DKK 38.50 per unit. One (1) unit consists of five (5) New Shares and two (2) warrants of series TO 1. One (1) warrant gives the right to subscribe for one (1) new share at DKK 9.30 during the subscription period for the warrants. If all warrants of series TO 1 are exercised during the exercise period for the warrants, the share capital will increase by an additional DKK 75,452. The subscription price for the New Shares in the Issue of Units will be DKK 7.70 per share.

SUBSCRIPTION PRICE

The subscription price is DKK 38.50 per unit. A brokerage fee may occur. The minimum subscription post is 120 units, which corresponds to DKK 4,620, and thereon after subscription may be made in any number of units.

VALUATION

CS MEDICA's pre-money valuation amounts to approximately DKK 61.6 million.

SUBSCRIPTION PERIOD

Subscription of units will take place within the period from the 17th of August 2021 until the 31st of August 2021. When subscribing via bank, the last subscription date may vary. One should therefore contact their respective bank at the beginning of the subscription period in order to subscribe and/or to get information about the last day of subscription via the specific bank.

PRE-SUBSCRIPTION COMMITMENTS

CS MEDICA has, in March 2021, received pre-subscription commitments of approx. DKK 13.4 million, which corresponds to approx. 60 percent of the initial issue volume. This means that approx. 40 percent of the issue volume is available for subscription by shareholders and other investors.

BRIDGE LOAN

To accelerate its business until the implementation of the Offer, the Company has executed a bridge financing of approx. DKK 3.9 million, for which the bridge financers will receive compensation of approx. DKK 0.8 million in the form of extra units (corresponding to 20 percent of the bridge loan) in this Offer. The compensation will not be provided to the Company. Furthermore, a previously obtained bridge loan (with no interest) of approx. DKK 2.8 million is to be redeemed against units in this Offer.

WARRANTS OF SERIES TO 1

One (1) warrant gives the right to subscribe for one (1) new Share at DKK 9.30 during the subscription period for the warrants, which is set to take place from the 18th of August 2022 until the 1st of September 2022. If all warrants are exercised during this period, the Company will receive an additional of approx. DKK 10.8 million before issue costs.

PUBLICATION OF THE OUTCOME OF THE ISSUE

As soon as possible after the subscription period has ended, CS MEDICA will disclose the outcome of the new Issue of Units. The publication is scheduled for the 2nd of September 2021 and will be made through a press release, which will be available on CS MEDICA's website as well as on Spotlight's website.

DILUTION

The New Shares in the Issue of Units will result in the Company's share capital increasing by DKK 152,230 with minimum subscription, and DKK 188,630 with a maximum subscription. The existing shares, which have been issued as of the date of this Prospectus, will be diluted by the issue of New Shares in the Issue of Units.

Following the completion of the Issue of Units, the existing shares, which have been issued as of the date of this Prospectus, will make up approx. 77 percent of the Company's total share capital with minimum subscription, and approx. 73 percent with a maximum subscription. In addition, if all warrants are to be exercised, existing shares will be diluted with another approx. 3.74 percent.

ISSUE COSTS

The total cost for the initial part of the Issue of Units amounts to approx. DKK 1.8 million, equaling approx. 8.54 percent of the initial issue volume. Given a full subscription rate of the warrants series TO 1, the cost amounts to approx. DKK 0.9 million, equaling approx. 8.23 percent of the warrants issue volume. The total cost thus amounts to approx. DKK 2.7 million, equaling approx. 8.44 percent of the total issue volume.

POTENTIAL PAYABLE FEES

Clearing and settlement take place within the framework of the VP's system in Denmark. This may mean that banks and managers who are not members of VP in Denmark may charge an administrative fee for subscription in CS MEDICA's new Issue of Units. In addition, a fee, in the form of a brokerage fee, may be taken for trading in CS MEDICA's Share and/or warrants.

4.2 Why is this EU growth prospectus being produced?

REASONS FOR LISTING

Until now the focus of CS MEDICA has been on expanding its operations within the Nordic countries. With a growing demand for products containing cannabinoids on the European market, CS MEDICA is within a phase of upscaling the business. CS MEDICA's ambition is to continue working on organizational and product development, in order to enter new strategic partnerships and launch their products on the larger global market. Also, according to the Board of Directors' assessment, the existing working capital is not sufficient to implement the Company's growth plan as described in this Prospectus during the forthcoming twelve-month period following the date of publication of this Prospectus. Therefore, before a planned listing on Spotlight in September 2021, the Company is conducting an Issue of Units of approx. DKK 33.1 million. Of the total issue volume approx. DKK 22.3 can be acquired through New Shares in the initial issue, and another approx. DKK 10.8 million through warrants, assuming that all warrants are exercised, with a planned listing on Spotlight in September 2021. The Company believes that an IPO and listing on Spotlight would increase the opportunities of proceeding with the high pace of launching products, expanding the scope of operations, and thus gaining valuable market shares. Consequently, the Company's shares and warrants have been sought for trading on Spotlight.

USE OF ISSUE PROCEEDS

The Company intends to use the issue proceeds from the initial part of the issue to increase market penetration, advance research, and development (R&D) activities, conduct clinical trials in accordance with MDR, update all systems from MDD to MDR, finalize portals, initiate, and finalize FDA application, and market analyses (the US and Canada), initiate patent applications for the upcoming treatment products and securing the Company's IPR across the globe. Also, the proceeds will be used to offset a previously obtained loan that was granted from friends and family during 2020, corresponding to a value of approx. DKK 2.8 million. The loan from 2020 is to be redeemed against units in the Offer, just like the bridge loan of approx. DKK 3.9 million was executed in March 2021.

INITIAL ISSUE – APPROX. DKK 15.4 MILLION (NET PROCEEDS)

- Research and development activities (biocompatibility test, post-market clinical trials, and updating technical files according to MDR-new law for Medical Devices as per the 26th of May 2021, updating quality management software, audits of all suppliers, new contract manufacture - update technical file and stability test) – approx. 20 percent.
- Clinical Trials according to MDR - approx. 15 percent.
- Securing and filing global patents on upcoming treatment products – approx. 3 percent.
- Finalizing portals/updating portals for MDR (PIM - product information management for the sharing of all product-related information as well as clinical trial portals for post-marketing trials together with the sales team, partners, and local organizations focusing on the future treatment of e.g. psoriasis and arthritis) – approx. 7 percent.
- Market penetration (SE, UK, BE, NL, DE, IT, ES, AU, and FR)* – approx. 48 percent.
- Initiate FDA approval process and market analysis (the US and Canada) – approx. 7 percent.

** Sweden, United Kingdom, Belgium, Netherlands, Denmark, Italy, Spain, Austria, and France.*

An additional approx. DKK 10.8 million before issue costs of approx. DKK 0.9 million (approx. 8.23 percent of the issue volume) can be acquired by the Company given full exercise of the warrants.

WARRANTS OF SERIES TO 1 – APPROX. DKK 9.9 MILLION* (NET PROCEEDS):

- Research and development activities – approx. 10 percent.
- Medical Device Regulation Activities (biocompatibility test, clinical evaluation, and post-market clinical trials) - approx. 7 percent.
- Global patents on upcoming treatment products – approx. 13 percent.
- Market penetration (the rest of Europe, US, and Canada) – approx. 45 percent.
- Clinical trials according to FDA – approx. 25 percent.

** The intended use of the proceeds from the exercise of the warrants is based on the assumption that all warrants are subscribed for and exercised.*

According to the Company's assessment, the existing working capital intended to finance the 12-month development of the operations and the Company's growth plan is not sufficient for the current needs as of the Prospectus Date. The deficit amounts to approximately DKK 8.9 million. Working capital requirements are expected to arise in September 2021. To provide the Company with working capital, CS MEDICA is carrying out an Issue of Units, which can provide the Company with a maximum of DKK 15.4 million (after compensation to bridge financiers and issue costs but including bridge financing of approx. DKK 3.9 million). In the event that the forthcoming Offer is fully subscribed, the Company assesses that the proceeds will finance CS MEDICA's growth plan until December 2024.

In order to raise sufficient working capital to be able to run its operations at a desirable pace for at least twelve months ahead, it is required that the Company is provided with at least approx. DKK 8.9 million through the Initial issue of Units described in this Prospectus. Given the lowest subscription rate of 80 percent, the Company will be provided with approx. DKK 11.5 million (after deducting issuing costs, compensation for the bridge loan, and the offset of the loan that was granted in 2020) through the initial part of the issue and therefore securing enough working capital beyond the upcoming 12-months. CS MEDICA has as of the Prospectus date, secured a total of approx. DKK 13.4 million (before transaction-related costs) through pre-subscription commitments, which corresponds to approx. 60 percent of the initial issue volume. If the Company does not raise the above-mentioned capital after financing issue costs, the Company will investigate alternative financing options such as additional capital raising, grants, or financing together with one or more partners or conduct the business at a lower rate than expected, until additional capital can be raised. In the long run, there is a risk that, if all financing opportunities and sales fail, the Company will file for bankruptcy.

CONFLICT OF INTEREST

Sedermera Fondkommission provides financial advice and other services to CS MEDICA in connection with the Issue of Units. Sedermera Fondkommission (and its affiliates) have in the ordinary course of business provided, and may in the future provide, various banking, financial, investment, commercial, and other services to the Company for which they have received, and may yet receive, remuneration. Sedermera Fondkommission owns no shares in the Company but has the right to subscribe for New Shares and warrants in the Issue of Units as described in this Prospectus under the same terms and conditions as others. Sedermera Fondkommission and Spotlight are, since 15 December 2013 separate and independent secondary names of ATS Finans AB (previously, since March 2010, Sedermera Fondkommission and Spotlight were affiliated companies in the same Group). ATS Finans AB is a financial securities company and is supervised by the Swedish Financial Supervisory Authority. The close relationship between Spotlight and Sedermera Fondkommission poses a risk of a potential conflict of interest. Spotlight has particularly taken this into account in its market monitoring activity. No member of the Board of Directors or executive management has any private interests which might conflict with the Company's interests. However, certain members of the Board of Directors and executive management have financial interests in CS MEDICA because of their direct or indirect shareholdings in the Company.

RESPONSIBILITY STATEMENT

PERSONS RESPONSIBLE

The Board of Directors and the CEO of CS MEDICA are responsible for the content of this Prospectus. As of the date of this Prospectus, the Board of Directors of the Company comprises of Jørgen Flemming Ladefoged (chairman), Gitte Henriksen (member), Stein Løkstad (member), Anders Permin (member), and Bo Unéus (member). For additional information regarding CS MEDICA's board members and CEO, please refer to the section "Board of Directors and executive management" in this Prospectus.

STATEMENT BY THE CEO AND BOARD OF DIRECTORS OF CS MEDICA A/S

We hereby declare, as the persons responsible for this Prospectus on behalf of CS MEDICA A/S (CVR no. 33871643), that to the best of our knowledge, the information contained in this Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

DANISH FINANCIAL SUPERVISORY AUTHORITY

This Prospectus has been approved and registered by the DFSA as a competent authority under Regulation (EU) 2017/1129. The DFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility, and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Prospectus and potential investors should make their assessment as to the suitability of investing in the securities. The Prospectus has been drawn up as part of an EU Growth prospectus in accordance with Article 15 of Regulation (EU) 2017/1129.

Copenhagen, 13th of August 2021

CS MEDICA A/S

The CEO and Board of Directors

Jørgen Flemming Ladefoged Chairman	Stein Løkstad Board member
Anders Permin Board member	Gitte Henriksen Board member, COO, and CFO
Bo Unéus Board member	Lone Henriksen CEO, and CSO

INFORMATION FROM THIRD PARTIES

The Board of Directors confirms that information obtained from third parties in this Prospectus has been correctly reproduced and that, as far as the Board of Directors knows and can ascertain from the information published by these third parties, no factual circumstances have been omitted that would render the information reproduced incorrect or misleading. The statements in this Prospectus are based on the assessment of the Board of Directors and executive management if no other grounds are stated. Apart from CS MEDICA's audited financial statements for the financial years 2018/2019 and 2020/2021 and interim accounts pertaining to the financial period 1st of October 2020 to 30th of June 2021, with comparative accounts for the period 1st of October 2019 to 30th of June 2020, no information in the Prospectus has been reviewed or audited by the Company's auditor. No statement or report attributed to a person as an expert is included in this Prospectus.

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DEFINITIONS

CANNABINOIDS – The term, in general, can refer to endocannabinoids (produced in the human body) or phytocannabinoids (originating in the Cannabis sativa plant). In this document, the term refers to the latter. There are at least 144 different phytocannabinoids isolated from cannabis.[1] These phytocannabinoids can bind to the cannabinoid receptors in the human endocannabinoid system. Only some of the 144 cannabinoids have been proven to have psychoactive effects – CBD is not one of them.[2]

CANNABIS SATIVA L. – Cannabis sativa L. is among the oldest known cultivated plants, with a long history of medical use. Cannabis produces a unique class of compounds called cannabinoids.[3] Cannabis sativa L. is a variety approved by the Fourth Chamber of the European Court of Justice on the 19th of November 2020 as authorized the usage of this strain for CBD production.[4]

CBD – Cannabidiol, a non-intoxicating, and naturally occurring compound found in cannabis. Considered a non-narcotic drug under European law.[5]

CBN – Cannabinol, one of the cannabinoids, is a naturally occurring compound found in cannabis.

EMA – European Medicines Agency.

EUDAMED – European Database for Medical Devices.

GDP – Good Distribution Practice. EMA standards that a wholesale distributor must meet to ensure that the quality and integrity of medicines are maintained throughout the supply chain.

IPR – Intellectual property rights.

ISO – International Organization for Standardization. An independent, non-governmental international organization with a membership of 165 national standards bodies.

MD – Medical Devices.

MD CLASSIFICATION – Medical Device Classification (on a scale of class I to class III).

MDD – Medical Device Directive (previous standards of Medical Devices within EU).

MDR – Medical Device Regulation (current standards of Medical Devices within EU).

NOTIFIED BODY - An organization designated by an EU country to assess the conformity of certain products before being placed on the market. These bodies carry out tasks related to conformity assessment procedures set out in the applicable legislation when a third party is required.

OTC – Over the Counter (i.e. without the need of prescription).

REDENSYL – A hair care ingredient in Hair Serum that functions as a hair growth galvanizer. Redensyl is known to improve hair growth and diminish hair loss as well as make the hair stronger and thicker.

THC – Tetrahydrocannabinol is a natural compound found in the cannabis plant which exhibits psychoactive properties.[6] Products that contain THC need to be prescribed by doctors.

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[1] Aizpurua-Olaizola O, Soydaner U, Öztürk E, Schibano D, Simsir Y, Navarro P, Etxebarria N, Usobiaga A (2016). *Evolution of the Cannabinoid and Terpene Content during the Growth of Cannabis sativa Plants from Different Chemotypes.* Journal of Natural Products.
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[4] Ibid.
5 EMCDDA (2020). *Cannabidiol (CBD) is not considered a 'narcotic drug' under European law.*
[6] Atakan (2012). *Cannabis, a complex plant: different compounds and different effects on individuals.* Ther Adv Psychopharmacol

BACKGROUND AND MOTIVE

CS MEDICA is a Danish-based medical company, exploring and harnessing the potential of compounds found in the *Cannabis sativa L.* plant. The Company operates within the medical and cosmetic industries, focusing on pain treatment across Europe. CS MEDICA was founded in 2011 and has its headquarters in Copenhagen, Denmark. The Company runs its business through two fully-owned subsidiaries, Galaxa Pharma A/S, based in Greve, Denmark, and CanNordic A/S, based in Copenhagen, Denmark.

The strategic focus of the Company is placed on pioneering the cannabis market, due to the fact that the properties of CBD and other cannabinoids are thoroughly documented and show unquestionable efficiency in the treatment of, among others, immune and inflammatory diseases.[7] Because of their healing properties, CBD and other cannabinoids are the key ingredients in the Company's topical and intranasal products (CBD is currently not allowed as food supplements in Europe).

PRODUCT PORTFOLIO

At present, The Company's product portfolio featured under the trademark of CANNASEN® consists of two product lines;

- CANNASEN® CBD Treatment line, available on the market in more than 200 stores in the EU (with another 326 outlets expected in October 2021),
- CANNASEN® CBD Skincare Restoring and Calm line, to be introduced to the market in 2022.

On top of that, the Company works as a distributor of natural cosmetics under Galaxa Pharma A/S, which provides an additional source of revenue.

To the knowledge of the Board of Directors, usage of cannabinoids in OTC medical devices has provided CS MEDICA with a first-mover advantage in the industry. With registered Medical Devices available on the market, OTC, which contains cannabinoids, has optimal bioavailability, and low medical interaction. At present, the Company has two pioneering topicals (CBD gels) - MD class I OTC - destined for systemic treatment of arthritis and psoriasis available across 200 outlets in Europe, with another 326 outlets expected to be added in October when CANNASEN products releases in all pharmacies under the pharmacy chain, Kronans Apotek in Sweden. In the future, the Company also foresees great possibilities in systemic treatments, combining gels/serum and complementing it with food supplements to enhance the efficacy of the treatment. The Company has achieved

Vision

CS MEDICA's vision is to be in constant development, exploring the ways in which the Company can support patients in their battle against disease, the pain and the sorrow it brings.

Mission

CS MEDICA's mission is to explore the healing potential of cannabinoids and to develop efficient and optimized products with a high safety profile. Every day, the Company strive to fulfil this mission by increasing the understanding of the endocannabinoid system and the cannabinoids. The Company use this knowledge to develop products that enable people to live with less pain and increase their overall life quality.

[7] See any of the below regarding overall effects of CBD on the immune system and inflammation:
Burstein, S. (2015). *Cannabidiol (CBD) and its analogs: A review of their effects on inflammation.* Bioorganic and Medicinal Chemistry.
Nagarkatti, P., Pandey, R., Rieder, S. A., Hegde, V. L., and Nagarkatti, M. (2009). *Cannabinoids as novel anti-inflammatory drugs.* Future medicinal chemistry.
Nichols, J. M., and Kaplan, B. (2020). *Immune Responses Regulated by Cannabidiol.* Cannabis and cannabinoid research.

See any of the below regarding psoriasis and arthritis specifically:
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total revenue of approx. DKK 1.8 million for its CANNASEN® product lines since the launch of the products, with confirmed orders of approx. DKK 3 million to be delivered before the end of September.

The products of the Company are branded under the trademark of CANNASEN® and consist of two product lines.

CANNASEN® CBD Treatment line

CANNASEN® CBD Skincare Restoring and Calm line

None of the products contain traces of THC, the psychoactive constituent of cannabis.

Altogether, CS MEDICA currently focuses on a total of 20 products:

Six CBD-MD-based treatment products - the current Psoriasis and Arthritis Gel together with products introduced after H1 2020/2021; pain patches, wound care, sleep nasal spray, and protective nasal gel.

Completed CBD-MD product introductions with ongoing sales:

1. Psoriasis Gel.
2. Arthritis Gel.
3. Nasal Spray Night - CBD and CBN.
4. Protective Nasal Gel (also considered as a Covid-19 protective agent).
5. Wound Gel.
6. Pain Patch.

Seven cosmetic CBD products - the current hair regrowth serum with six pending products within its skincare line and a Psoriasis lotion.

Completed cosmetic CBD product introductions with ongoing sales:

1. Anti-Hair loss Serum.

Remaining cosmetic CBD product introductions:

2. Psoriasis lotion.
3. Repair and calm body milk.
4. Deep clean and calm facial cleanser.
5. Deep moisturizing cream.
6. Recovery and calm cream.
7. Repair lip balm.

Four pending products within food supplements (without CBD); arthritis-, psoriasis-, hair loss - and immune booster capsules.

Pending food supplements products:
1. Anti-hair loss supplement.
2. Psor supplement.
3. Arth supplement.
4. Immune booster supplement.

Three (four in total, with the previously counted Protective nasal gel) COVID-19 protective agents: current; hand disinfection (without CBD - only in DK), surface disinfection (without CBD - only in DK), antibacterial hand cream (without CBD), and a protective nasal gel (with CBD - also counted under CBD-MD products).

Completed COVID-19 protective product introductions with ongoing sales:
1. Hand disinfection (without CBD - only in DK)
2. Surface disinfection (without CBD - only in DK)
3. Antibacterial hand cream (without CBD)

In total currently, eleven products are introduced with ongoing sales and nine of the 20 products are pending – being in the later stage of being launched on the European market during the period H1 2021/2022 and H1 2022/2023.

In the future

In 2022/2023, the Company expects to extend the current product line with product lines within;
- Animal treatment.
- CBD inhaler treatment (under the pharmaceutical legislation as medicine).

SALES CHANNELS AND DISTRIBUTION AGREEMENTS

The Company launched its first treatment products in Denmark in October 2020. In 2021, CS MEDICA is in the process of entering markets across the nations of Europe, with several distribution agreements across Europe already signed. CS MEDICA has continually increasing sales with several ongoing discussions and confirmed orders of approx. DKK 3 million note that these orders have been signed in Q4 and are therefore not booked in the financial statements included in this prospectus). The orders are intended for delivery before the end of September, including orders from Kronans Apotek (Sweden) and Matas (Denmark).

The status of current sales channels are as follows:

Distributions agreement with Hampton Brands Limited, UK:

- The Company has, since the 3rd of December 2020, a distribution agreement with Hampton Brands Limited, UK. The agreement is an exclusive distribution agreement meaning Hampton Brands has the exclusive rights to sell and market the Company's products under the trade name Cannasen® CBD in the United Kingdom. The contract is a binding contract for three years with a yearly minimum purchase volume - unless, in the event of a breach, it cannot be terminated. In the event of breach and termination, there is no compensation included in the contract. The agreement complies with danish law, and any dispute between

the Parties will be settled by the Copenhagen City Court (In danish: Københavns byret) as the court of the first instance.

- **Distributions agreement with Sanitas BV, BE:**
  - The Company has, since the 28th of February 2021, a distribution agreement with Sanitas BV, BE. The agreement is an exclusive distribution agreement meaning Sanitas has the exclusive rights to sell and market the Company's products under the trade name Cannasen® CBD in the Netherlands and Belgium. The contract is a binding contract for three years with a Renewal term thereafter, the agreement will be automatically renewed for an additional one year. The contract contains a yearly minimum purchase volume - unless, in the event of a breach, it cannot be terminated. In the event of breach and termination, there is no compensation included in the contract. The agreement complies with danish law, and any dispute between the Parties will be settled by the Copenhagen City Court (In danish: Københavns byret) as the court of the first instance.

Purchase and resale agreement with Kronans Droghandel Apotek AB, SE:

- The Company has, since the 17th of March 2021, a purchase agreement with Kronans Droghandel Apotek AB, Sweden. The agreement is a purchase agreement for the approved products by Kronans Apotek. The currently approved products are Cannasen® CBD Arthritis gel & Cannasen® CBD Psoriasis Gel. Kronans Apotek is currently selling the approved products in their webshop; kronansapotek.se. In week 40 an agreement for fast track the approved products are entering the shelf of the 325 local pharmacies of Kronans Apotek. The agreement has a six-month notice period and can be terminated by both parties.

Supply agreement with Alsitan GmbH, DE:

- The Company has since July 2021, a supply and exclusivity agreement with Alsitan GmbH. The supply agreement covers the territory of Germany and the product "Private label" Arthritis gel 0,2 percent CBD for the health food channel in Germany. The contract is a none-binding contract and continues until terminated. Either party may terminate the Agreement at any time for any reason subject to 6 months' written notice to the other party. In the event of a breach, the Agreement can be terminated within 30 days of receiving the written notice of such breach. The contract contains a yearly minimum purchase volume. In the event of breach and termination, there is no compensation included in the contract. The agreement complies with danish law, and any dispute between the Parties will be settled by the Copenhagen City Court (In danish: Københavns byret) as the court of the first instance.

Sales distribution agreement with Matas Operations A/S, DK:

- The Company has, since the 25th of September 2014, a resales agreement with Matas operations A/S ("Matas"). The agreement is a non-exclusive resales agreement meaning Matas has the right to sell and market the products (both the distribution products and the Cannasen products) of the Company in Denmark. The agreement with Matas to resell the Company's products both in their webshop and in the local Medicare drugstores – altogether 183 shops. Matas Operations is the biggest drugstore chain in Denmark and is the biggest Danish online store for cosmetic and medical device products. The contract is unlimited and can be terminated within a three-month notice. The agreement complies with danish law, and any dispute between the Parties will be settled by the Copenhagen City Court (In danish: Københavns byret) as the court of the first instance.

Sales distribution agreement with Nomeco A/S:

- The Company has, since April 2014, a purchase and warehouse agreement with Nomeco. Nomeco is the biggest pharmacy whole seller in Denmark. The agreement is a non-exclusive resales agreement meaning Nomeco has the rights to sell and market the products (both the distribution products and the Cannasen products) of the Company in Denmark towards both online pharmacies and the local pharmacies. The agreement is valid for two years, the agreement is extended for one year at a time

automatically. The Company's products need to sell on the Danish market, if the Company fails to sell the products – the products will be delisted after one year. The agreement complies with danish law, and any dispute between the Parties will be settled by the Danish arbitration Court, as the court of the first instance.

Sales distribution agreement with Tjellesen Max Jenne A/S:

- The Company has, since April 2014, a purchase and warehousing contract with Tjellesen Max Jenne A/S ("TMJ"). TMJ is the second-largest pharmacy whole seller in Denmark (there are only two whole sellers in Denmark). The agreement is a non-exclusive resales agreement meaning TMJ has the rights to sell and market the products (both the distribution products and the Cannasen products) of the Company in Denmark towards both online pharmacies and local pharmacies. The agreement is valid for two years, the agreement is extended for one year at a time automatically. The Company's products need to sell on the Danish market, if the Company fails to sell the products – the products will be delisted after one year. The agreement complies with danish law, and any dispute between the Parties will be settled by the Danish arbitration Court, as the court of the first instance.

New sales channels in negotiation:

- Ireland – distributor identified, but on hold due to Covid-19.
- Norway – pharmacy chain (Apotek1) ready to go but waiting on final approval from authorities stating that CBD is not classified as a narcotic and thus the classification follows the regulations of EU.
- France, Spain, Germany, Italy, and Switzerland – ongoing negotiations.

CS medica's ambition is to establish the Company's products in major parts of Europe via its agents and distributors, and later to expand towards the US and Canada. To enter the markets of the US and Canada, CS MEDICA aims towards initiating the process of FDA approval, as well as production and distribution agreements.

REASONS FOR LISTING

With a growing demand for products containing cannabinoids on the European market, CS MEDICA is within a phase of upscaling the business. Until now the focus of CS MEDICA has been on expanding its operations within the Nordic countries CS MEDICA's ambition is to continue working on organizational and product development, to enter new strategic partnerships, and to launch products on the larger global market. Further, according to the Board of Directors' assessment, the existing working capital is not sufficient to implement the Company's growth plan as described in this Prospectus during the forthcoming twelve-month period following the date of publication of this Prospectus. Therefore, before a planned listing on Spotlight in September 2021, the Company is conducting an Issue of Units of approx. DKK 33.1 million. Of the total issue volume approx. DKK 22.3 can be acquired through New Shares in the initial issue, and another approx. DKK 10.8 million through warrants with an exercise period of approx. Twelve months after the planned listing on Spotlight in September 2021. The Company believes that an IPO and listing on Spotlight would increase the opportunities of proceeding with the high pace of launching products, expanding the scope of operations, and thus gaining valuable market shares. Consequently, the Company's New Shares and warrants have been sought for trading on Spotlight.

USE OF ISSUE PROCEEDS

The total issue volume amounts to approx. DKK 33.1 million (before issue cost). In an initial part of the issue, the Company can be provided with approx. DKK 22.3 million. Further on, if all warrants of series TO 1 are to be exercised during the exercise period (approx. 12 months after the IPO), the Company can be provided an extra approx. DKK 10.8 million. However, if the share price during the period trades at a lower value than the strike price for the warrants, the warrants series TO 1 will not be expected to generate any sufficient funds for the Company. Any future proceeds from the warrant exercise are not guaranteed.

As a part of the initial issue, and to accelerate the Company's business until the implementation of the Offer, the Company has executed a bridge financing of approx. DKK 3.9 million. The funds from the bridge loan were received by the Company in March 2021. The financers of the bridge loan will receive compensation amounting

to approx. DKK 0.8 million in the form of extra units (corresponding to 20 percent of the bridge loan) in connection with the Offer.

The Company intends to use the issue proceeds from the initial part of the issue to increase market penetration, advance research, and development (R&D) activities, conduct clinical trials in accordance with MDR, update all systems from MDD to MDR, finalize portals, initiate, and finalize FDA application, and market analyses (the US and Canada), initiate patent applications for the upcoming treatment products and securing the Company's IPR across the globe. Also, the proceeds will be used to offset a previously obtained loan that was granted from friends and family during 2020, corresponding to a value of approx. DKK 2.8 million. The loan from 2020 is to be redeemed against units in the Offer, just like the bridge loan of approx. DKK 3.9 million was executed in March 2021.

INITIAL ISSUE – approx. DKK 15.4 million (net proceeds)

- Research and development activities (biocompatibility test, post-market clinical trials, and updating technical files according to MDR-new law for Medical Devices as per the 26th of May 2021, updating quality management software, audits of all suppliers, new contract manufacture - update technical file and stability test) – approx. 20 percent.
- Clinical Trials according to MDR - approx. 15 percent.
- Securing and filing global patents on upcoming treatment products – approx. 3 percent.
- Finalizing portals/updating portals for MDR (PIM - product information management for the sharing of all product-related information as well as clinical trial portals for post-marketing trials together with the sales team, partners, and local organizations focusing on the future treatment of psoriasis and arthritis) – approx. 7 percent.
- Market penetration (SE, UK, BE, NL, DE, IT, ES, AU, and FR)* – approx. 48 percent.
- Initiate FDA approval process and market analysis (the US and Canada) – approx. 7 percent.

** Sweden, United Kingdom, Belgium, Netherlands, Denmark, Italy, Spain, Austria, and France.*

During 2022, and upon full exercise of the Warrant series TO 1, the Company can be provided with an additional approx. DKK 10.8 million before deduction of transaction-related costs.

WARRANTS OF SERIES TO 1 – approx. DKK 9.9 million* (net proceeds):

- Research and development activities – approx. 10 percent.
- Medical Device Regulation Activities (biocompatibility test, clinical evaluation, and post-market clinical trials) - approx. 7 percent.
- Global patents on upcoming treatment products – approx. 13 percent.
- Market penetration (the rest of Europe, US, and Canada) – approx. 45 percent.
- Clinical trials according to FDA – approx. 25 percent.

** The intended utilization of the proceeds from the exercise of the warrants is based on the assumption that all warrants are subscribed for and exercised.*

According to the Company's assessment, the existing working capital intended to finance the 12-month development of the operations and the Company's growth plan is not sufficient for the current needs as of the Prospectus Date. The deficit amounts to approximately DKK 8.9 million. Working capital requirements are expected to arise in September 2021. To provide the Company with working capital, CS MEDICA is carrying out an Issue of units, which can provide the Company with a maximum of DKK 15.4 million (after compensation to bridge financiers and issue costs *but* including bridge financing of approx. DKK 3.9 million). If the forthcoming Offer is fully subscribed, the Company assesses that the proceeds will finance CS MEDICA's growth plan until December 2024.

In order to raise sufficient working capital to be able to run its operations at a desirable pace for at least twelve months ahead, it is required that the Company is provided with at least approx. DKK 8.9 million through the

Initial issue of Units described in this Prospectus. Given the lowest subscription rate of 80 percent, the Company will be provided with approx. DKK 11.5 million (after deducting issuing costs, compensation for the bridge loan, and the offset of the loan that was granted in 2020) through the initial part of the issue and therefore securing enough working capital beyond the upcoming 12-months. CS MEDICA has as of the Prospectus date, secured a total of approx. DKK 13.4 million (before transaction-related costs) through pre-subscription commitments, which corresponds to approx. 60 percent of the initial issue volume. If the Company does not raise the above-mentioned capital after financing issue costs, the Company will investigate alternative financing options such as additional capital raising, grants, or financing together with one or more partners or conduct the business at a lower rate than expected, until additional capital can be raised. In the long run, there is a risk that, if all financing opportunities and sales fail, the Company will file for bankruptcy.

TRANSACTION RELATED COSTS

Of the total issue volume of approx. DKK 33.1 million approx. DKK 2.7 million are related to transaction-related costs (approx. 8.2 percent of the total issue volume). The issue cost of the initial part of the issue amounts to approx. DKK 1.8 million (approx. 8.1 percent of the initial issue volume) whilst the issue cost of the Warrant series TO 1 amounts to approx. of approx. DKK 0.9 million (approx. 8.2 percent of the TO 1 issue volume). The transaction-related costs consist mainly of costs related to financial and legal advice as well as administrative costs connected to the transactions.

ADVISORS

In connection with the Issue of Units described in this Prospectus, Sedermera Fondkommission is the financial advisor to CS MEDICA. Sedermera Fondkommission has assisted the Company in the preparation of this Prospectus. The Board of Directors of CS MEDICA is responsible for the content, whereupon Sedermera Fondkommission disclaims all liability in relation to shareholders in the Company and regarding other direct or indirect consequences because of investment decisions or other decisions based wholly or partly on the information in this Prospectus.

Issuing and the account-holding institute is Nordic Issuing. Markets and Corporate Law Nordic AB ("**MCL**") is the legal adviser to CS MEDICA in connection with the Issue of Units described in this Prospectus.

PARTIES WITH INTERESTS

Sedermera Fondkommission provides financial advice and other services in connection with the Issue of Units described in this Prospectus. Sedermera Fondkommission owns no shares in the Company but has the right to subscribe for New Shares and warrants in the Issue of Units under the same terms and conditions as others. Sedermera Fondkommission and Spotlight are, since 15 December 2013 separate and independent secondary names of ATS Finans AB (previously, since March 2010, Sedermera Fondkommission and Spotlight were affiliated companies in the same Group). ATS Finans AB is a financial securities company and is supervised by the Swedish Financial Supervisory Authority. The close relationship between Spotlight and Sedermera Fondkommission poses a risk of a potential conflict of interest. Spotlight has particularly taken this into account in its market monitoring activity.

Further, Nordic Issuing is a brand under ATS Finans AB. Nordic Issuing provides issuing services in connection to the Issue of Units described in this Prospectus. Nordic Issuing is a brand under ATS Finans AB and is thus part of the same company group as Sedermera Fondkommission and Spotlight.

MCL provides legal advice in connection with the Issue of Units described in this Prospectus. MCL is a subsidiary of Spotlight Group AB and is thus part of the same company group as Sedermera Fondkommission and Spotlight. MCL does not intend to subscribe for New Shares and warrants in the Issue of Units described in this Prospectus, nor may it do so due to internal rules.

The relationship between Spotlight, MCL, Nordic Issuing as well as Sedermera Fondkommission poses a risk of a potential conflict of interest. Spotlight has particularly taken this into account in its market monitoring activity.

Further, there is a family tie between Lone Henriksen, the CEO, and Gitte Henriksen, the CFO, and a Member of the Board of Directors, who are siblings.

Apart from what has been stated above, there are no conflicts of interest and family ties within administrative, management, and supervisory bodies, nor with other individuals in senior positions in CS MEDICA. In addition, there are no other natural persons or legal entities involved in the Issue of Units that have financial or other relevant interests in CS MEDICA.

BUSINESS AND MARKET OVERVIEW

The Board of Directors certifies that the information derived from references and citations has been described and reproduced as found and that – as far as the Board of Directors is aware of and can ascertain from information published by the third party – no facts or information have been omitted, which would render the reproduced information inaccurate or misleading.

GENERAL

The Company's legal and commercial name is CS MEDICA A/S with the corporate registration number (Dk. CVR no.) 33871643. The LEI code of the Company is 549300SC8KWO7JFWLN17. CS MEDICA was incorporated in Denmark and is a Danish public limited liability company governed by Danish law and the Danish Companies Act (Dk. Selskabsloven). CS MEDICA is a Danish medico company committed to developing, manufacturing, and commercializing over-the-counter medical device products containing cannabinoids currently focusing on cannabidiol for the treatment of psoriasis and arthritis. The Board of Directors has its registered office in Copenhagen, Denmark. Representatives of CS MEDICA may be reached at telephone +45 70 70 73 37 and by e-mail info@cs-medica.com. The Company's visiting address is Fruebjergvej 3, 2100 Copenhagen and the website is www.cs-medica.com. It is to be noted that the information on the Company's website does not form part of the Prospectus unless the information is incorporated in the Prospectus by reference.

BACKGROUND

In 2016, CS MEDICA found untapped potential in substances contained in *Cannabis sativa* L. that were not exploited in the treatment sector. Based on the Company's judgment, a big part of the neglected potential was caused by a lack of confidence in the existing CBD products' effectiveness, and safety. However, through extensive research leading to greater knowledge on the differences between CBD (cannabidiol), THC (tetrahydrocannabinol), and other cannabinoids, the demand for products containing the substance and their respective prosperities has increased dramatically over the last years.[8]

CS MEDICA envisions playing an integral part in the processes of identifying and ensuring the best possible treatments within healthcare and wellness for patients, healthcare professionals, and consumers around the world. CS MEDICA fulfills this purpose by introducing and providing some of, according to the Board of Directors' assessment, the most effective and innovative OTC cannabinoid products. The products are developed based on optimized combinations from cannabinoids, the newest technology within other active ingredients, the newest research, and trends within the pharmaceutical industry in cooperation with their global partners and experts within CBD usage, MD, and food supplements.

CS MEDICA's current focus areas lie within the treatment of autoimmune disorders, such as arthritis and psoriasis. The consequences for people suffering from arthritis are high levels of pain combined with impaired mobility – while psoriasis manifests itself in the skin, replacing skin cells every three to five days instead of the normal 30 days, causing pain, itching, and discomfort. In addition to existing products, the Company expects to increase the number of product categories, especially within autoimmune and stress-related disorders, because it is where cannabinoids have shown the greatest efficacy due to phytocannabinoids balancing the body's endocannabinoid system and thereby target the source of disease, not just the symptoms, that is typical of traditional pharma products.[9]

[8] Prohibition Partners (2020*). Annual legal cannabis market revenue in Europe from 2020 to 2024 (in billion U.S. dollars) [Graph].* Statista.
[10] BDSA (2021). *BDS Analytics: The Global Cannabinoids Market, Will CBD Overtake THC.*

RESEARCH TECHNOLOGIES

The deep understanding of cannabinoids, the Endocannabinoid System, and the biology behind it allows CS MEDICA to identify 'targets'. A target is a pathway in the body, that contributes to the development of a disease or its symptoms, and that can be addressed by a phytocannabinoid (or combination of those) to produce a desired therapeutic effect.

Once a target has been identified and validated, the next step is to find the right cannabinoid or composition of cannabinoids that can inhibit or enhance the target's activity. Current techniques and technology platforms make it possible to screen all performed clinical studies and tests within the defined target and disease and thereby identify the right cannabinoid, compounds, and active ingredients. Compounds that show the wanted effect are called 'hits'. CS MEDICA refine hits by testing their effectiveness and safety in many different ways, and only the most fitting cannabinoids, cannabinoid compositions, and active ingredients will make it through the research and development pipeline to become a treatment product - only formulations that have an effective effect on a disease, and which do not show significant negative side effects and are safe to use. It is a comprehensive and rigorous process that can take several years, from the original idea to progress through clinical development and final approval within the drug legislation.

PRODUCTION PROCESS

The cultivation of the cannabis plant, the extraction of CBD, and the crystallization of CBD isolate for medical use are made in Italy or the Czech Republic with one of the Company's subcontractors. The CBD crystals are in a later stage sent to the Company's production site to be included in the manufacturing of CANNASEN® CBD products at the Company's partners in Germany and Poland.

To secure the capability of upscaling the production of the Company's products and minimize the potential damage if a partner risk losing a needed license or certification; CS MEDICA has secured two subcontractors within the following fields of their production:

- CBD Crystals
- Production
- Medical device production

CS MEDICA's main production site for finished products is currently in Germany but will during H2 2021/2022 (when the ongoing stability test is estimated to be finalized) change to a site located in Poland. The reasons behind the substitution are based on the new site enabling more efficient and more profitable production.

BUSINESS MODEL AND STRATEGY

The product portfolio of the Company is featured under the trademark of CANNASEN®; which consists of the two following product lines:

- CANNASEN® CBD Treatment line.
- CANNASEN® CBD Skincare Restoring and Calm line.

In 2023, the Company expects to extend the current number of product lines by adding products, also based on cannabinoids/cannabis, but within animal treatments. The products under the trademark are in turn manufactured via CanNordic A/S (registered MD product developer) and sold through Galaxa Pharma A/S (distributor and representative of foreign manufacturers in the Nordic) and other global distributors (outside of the Nordic countries).

CanNordic is a registered MD product developer and the manufacturer of CANNASEN®. CanNordic is specialized in creating medical products with CBD, innovative treatment solutions, and skincare products with natural Cannabidiol (CBD). The three cores of CanNordic: Intellectual property, Proven Delivery System Technology, and Regulatory Approvals & Certification.

Vision Statement	**Mission Statement**
CanNordic's vision is to become the world's most trusted manufacturer of medical devices. CanNordic's foundation in research and development is medical devices containing medically approved cannabinoid ingredients. CanNordic wants to strengthen the patient's benefits through the combined effects of systematic treatment when using CANNORDIC's OTC products.	Through innovative research and by understanding the biology of the human body's endocannabionoid CanNordic will educate health care professionals and society about the potential in using and combine products to help patients with safe treatments for their disease.

Galaxa Pharma *is an innovation-driven and independent pharmaceutical distribution company representing* foreign manufacturers of finished pharmaceuticals and cosmetics on the Nordic market. Galaxa Pharma focuses on high-quality products with proven efficiency at a competitive price with distribution to drugstores and pharmacies.

Vision Statement	**Mission Statement**
Galaxa Pharma's vision is to simplify the process of getting the right access to the Nordic pharmaceutical retail and e-tail market for manufactures and suppliers of unique high-quality OTC and cosmetic products	As an independent expert in the Nordic pharmaceutical market, Galaxa Pharma can help our clients with access to the right sales channels Galaxa Pharma does this by knowing the right stakeholders, having an efficient organization that knows the market regulations and having the experience in connecting the right channels with the right products to signing reliable agreements.

Outside the region of the Nordic countries, the sales run through two export sellers with extensive experience in global rollout within the MedTech distribution network and several collaborations with local distributors with established sales channels including pharmacies and drugstores. CS MEDICA believes that the use of local distributors and growth hacking ensure rapid growth and a high level of market penetration.

As a part of CS MEDICA's business strategies, the Company has several ongoing clinical trials on their broad range of products, and one completed a study on hair growth efficacy. Further, the Company has five planned studies.

Performed clinical trial

- Study of hair growth efficacy test under dermatologist supervision

Ongoing clinical trials

- NGA-01 gel (Arthritis gel)
- NGP-01 gel (Psoriasis gel)
- NGA-02 Capsules and Arthritis gel
- NGP-02 Capsules and Psoriasis gel

Planned future clinical trials

- NGW-01 Wound gel
- NGPP-01 Pain Patch
- NGPG–01 Protective nasal gel
- NGPG-02 Capsules and Protective nasal gel
- NGS–01 Sleep nasal spray

Read more about the clinical trials in section, "THE CLINICAL TRIALS", on page 43.

PIPELINE

CS MEDICA aims to launch the psoriasis lotion and food supplements before the end of 2021, followed by the launch of the CANNASEN® CBD treatment line in 2022.

DEVELOPMENT STAGE

PRODUCT REGISTRATION	DISEASE INDICATION	I	II	III	IV
Food For Special Medical Purpose/Food Sup.	Arthritis				H1 2021/2022
	Psoriasis				H1 2021/2022
	Hair regrowth				H1 2021/2022
	Immune Booster				H2 2021/2022
Cosmetic	Psoriasis Lotion				H1 2021/2022
	CANNASEN®CBD Skincare Restoring and Calm line:				
	– Repair & Calm Body Milk				H1 2022/2023
	– Deep Clean & Calm Facial Cleanser				H1 2022/2023
	– Deep Moisturising Cream				H1 2022/2023
	– Recovery & Calm Cream				H1 2022/2023
	– Repair Lip Balm				H1 2022/2023

I: FORMULATION II: FINAL FORMULATION III: LAB. TESTS, INVITRO, IN VIVO TEST & CLINICAL STUDIES IV: MARKET LAUNCH

MARKET OVERVIEW

With USD 1.9 billion in CBD sales globally during 2018, the estimated market growth is expected to match a 49 percent compound annual growth rate (CAGR) until 2024.[10]-disrupting potential. Due to hemp's composition, the disruption is supposed to cover multiple industries, including medical and cosmetic. The disruption is ongoing and supposed to last for about a decade depending on the region. By estimates from 2018, the size of the prize of all the global markets disrupted by cannabis is 5 USD trillion[11].

Below follows a more detailed overview of the symptoms/diseases and their respective markets in which the Company primarily intends to operate.

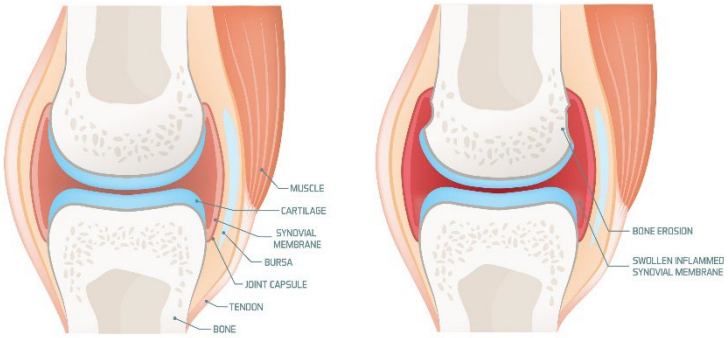
THE FORECASTED MARKET VALUE OF MEDICAL CANNABIS FOR THE RESPECTIVE TARGET MARKET BY 2028.*

- **Denmark:** 1.1 B €
- **Germany:** 7.7 B €
- **UK:** 8.8 B €
- **Sweden:** 0.5 B €
- **Norway:** 0.5 B €
- **Finland:** 1.1 B €

RHEUMATOID ARTHRITIS

Arthritis is a chronic inflammatory, a joint disease that affects joints in the body. There are more than 100 different types of arthritis. Part of those is auto-immune-related, which means that the immune system attacks the tissue surrounding the joint as if it was fighting an infection. Rheumatoid Arthritis is an autoimmune type of arthritis that first can target the lining of joints. This means that healthy cells in the body can be mistakenly attacked by the immune system, leading to inflammation (painful swelling) The main symptoms of arthritis include joint pain and stiffness, which typically worsen with age.

Rheumatoid arthritis belongs to the group of rheumatic and musculoskeletal diseases, which, according to EULAR are among the most common disabling and costly chronic conditions in Europe.[12] The main symptoms of arthritis include joint pain and stiffness, which typically worsen with age.



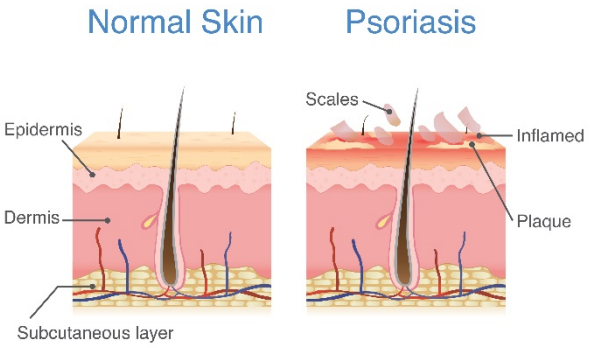
HEALTHY JOINT RHEUMATOID ARTHRITIS

An increasing number of people suffering from rheumatoid arthritis choose cannabinoids to manage their symptoms. For this reason, there is an increasing market demand for more effective treatments with reduced side effects.[13] Research has shown that cannabinoids may play a beneficial role in the treatment of rheumatoid arthritis,[14] thus cannabinoid-based treatment for rheumatoid arthritis can potentially satisfy the rheumatoid arthritis market demand.

[10] BDSA (2021). *BDS Analytics: The Global Cannabinoids Market, Will CBD Overtake THC.*
[11] "Cannabis market disruptor I" (2019) Cannabis Market Disruptor Handbook part I: An Introduction. Euromonitor International
[12] EULAR (2020) *EU Horizon 2020 Framework Program*. Horizon 2020 Framework Programme. EULAR's position and recommendations https://www.eular.org/myUploadData/files/EU_Horizon_2020_EULAR_position_paper_brief.pdf
[13] Medical Cannabis Patient Survey 2020 - Detailed Results (2020) medical Cannabis Canada, Abacus Data.
[14] Lowin T, Schneider M, Pongratz G. Joints for joints: cannabinoids in the treatment of rheumatoid arthritis. Curr Opin Rheumatol. 2019 May;31(3):271-278. doi: 10.1097/BOR.0000000000000590. PMID: 30920973.
* Prohibition Partners (2019). Projected market value of medicinal cannabis in Europe in 2028, by country (in billion euros) [Graph]. In Statista.

PSORIASIS

Psoriasis is a chronic inflammatory, autoimmune-related, skin disease. Autoimmune-related means the immune system treats the body's own and healthy cells as if it was fighting an external threat. Psoriatic skin can be characterized by the overly rapid growth of the epidermis, which results in silvery-white scales, inflammation-related redness, dryness, and itchiness. In simple terms, people suffering from psoriasis have elevated production of skin cells, whereby normally skin cell replacement occurs every 30 days, psoriatic skin has a cell replacement cycle every three to five days.[15] Several studies show that CBD may be beneficial in psoriasis treatment as cannabinoids can interact with receptors in the endocannabinoid system, and thus balance the immune system.[16]



The global psoriasis drugs market was valued at USD 13.4 billion in 2020 and have a compound annual growth rate (CAGR) of 9.89 percent. It is expected to reach USD 23.6 billion in 2026.[17]

SKINCARE

Cannabis-based skincare is popular and lucrative in North America, but still new in European markets. This poses a potential for growth and the creation of a new consumer base if combined with customer education. When it comes to the usage of cannabis in the beauty sector, skincare provides the greatest opportunity for growth, followed by cannabis-based hair care.[18] As of 2018, skincare makes up 50 percent of cannabis beauty and personal care products. The skincare segment includes cosmetic products designed specifically for the care and protection of the skin. Skincare is the second largest segment of the beauty and personal care market.[19] The skincare segment itself composed 27 percent of the Beauty and Personal Care market, with revenue of USD 136.1 billion, as of 2019. The worldwide skincare segment revenue (adjusted after 2020) is predicted to increase at a compound annual growth rate (CAGR) of 3.5 percent from 2012 to 2025.[20] Due to COVID-19, the 2020 forecast for the Skin Care segment is 6.8 percent lower than the original forecast.[21] Facial skincare generates the highest revenue in the segment (69 percent in 2019)[22], potentially due to its relationship with identity and ego-defensive functions.[23]

HAIR REGROWTH

The potential of cannabinoids in the hair care segment is still under exploration. Cannabis sativa L. attributes often function as an additional ingredient of product formulations, but the potential of cannabinoids is largely untapped. The global Hair Care market size equaled USD 93 billion in 2020 and is predicted to grow to USD 105 billion by 2025.[24] Haircare is a part of the Personal Care segment, which equated to revenue of USD 483 billion in 2020 and has predicted a CAGR of 3.4 percent (adjusted for COVID-19, the new forecast for the Personal Care segment is seven percent lower than the original forecast from before 2020).[25] Within the Personal Care segment, hair care generates the highest revenue equal to 37 percent in 2019.[26]

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[15] WHO (2016). Global report on PSORIASIS. WHO Library Cataloguing-in-Publication Data Global report on psoriasis.
[16] E.g. Derakhshan, N., and Kazemi, M. (2016). *Cannabis for Refractory Psoriasis-High Hopes for a Novel Treatment and a Literature Review*. Current clinical pharmacology.
[17] Mordor Intellignce (2020). *Psoriasis Drugs Market* (2018 -2026).
[18] Euromonitor International (2019) Cannabis in beauty and personal care: Prospects, opportunities, and challenges.
[19] Statista Consumer Market Outlook (2020). *Skin Care Report.*
[20] Statista Consumer Market Outlook (2020) *Skin Care Report, November 2020.*
[21] Ibid.
[22] Ibid
[23] Szmigin, I., and Piacentini, M. (2015). *Consumer behaviour*. Oxford University Press.
[24] Statista Consumer Market Outlook (2020). *Personal Care Report, November 2020.*
[25] Ibid.
[26] Ibid.

WOUND HEALING

Wound healing gel can be categorized as both a wound care product and a wound closure product. Usage of gels and dermal films is a recent innovation in acute and chronic wounds. The market is composed of by-products that are developed to facilitate and accelerate the healing process, as well as protect the wound from contaminations and loss of moisture, which could prolong or impair wound healing. Among others, the used materials in wound dressings include films, sponges, fibers, or hydrogels from natural and synthetic polymers, as well as their combinations.[27] The global advanced wound care market equaled to approx. USD 8.9 billion and is predicted to reach approx. USD 11 billion by 2024.[28] A recent study reported a 90 percent success rate for healing chronic wounds when using experimental cannabinoid-based topical medicine[29]. Thus, cannabinoids offer a potential source of innovation in this market.

INSOMNIA

Insomnia is a growing problem in society - according to global studies, 10-30 percent of the total 447 million Europeans suffer from insomnia.[30] Sleep disorders are most often caused by stress and manifest themselves through problems in sleep-wake cycles, breathing problems, difficulty sleeping, or fatigue. The world market is estimated at USD 78.7 trillion in 2019 with an est. growth of 7.1 percent by 2019.[31] Globally, there is a growing trend to favor OTC products due to easy availability, price, and fewer side effects than prescription drugs.

The Company has assessed and identified a market need for new OTC products for insomnia. This can be observed by the current motivation for usage in different geographic markets. For instance, it was the 3rd most common reason for use of CBD products in the UK and the US in 2019[32],[33] and the second most common reason for the usage of such products in Germany.[34]

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[27] Okur, M. and Karantas, I. and Ay, Z. and Üstündağ O. and Siafaka, P. (2020). *Recent trends on wound management: New therapeutic choices based on polymeric carriers.* Asian Journal of Pharmaceutical Sciences.
[28] BIS Research (2019) *Global advanced wound care market size 2024.*
[29] Rosner, A. Cannabis-Based Medicine : A Breakthrough For Healing Intractable Chronic Wounds. (2019).
[30] Bhaskar S., Hemavathy D., and Prasad S. (2016). *Prevalence of chronic insomnia in adult patients and its correlation with medical comorbidities.* Journal of Family Medicine and Primary Care.
[31] Research and Markets (2017). *U.S. Insomnia Market by Non-Pharmacological Therapy (CBTI, Hypnotherapy), Prescription Sleep Aids (Benzodiazepines, Non-Benzodiazepines (Zaleplon), Orexin Antagonist) and OTC Treatment (Antihistamine, Melatonin, Valerian Root)) - Forecasts to 2021.*
[32] *Statista (2019). Reasons for CBD usage in Great Britain. Reasons U.S. adults had tried CBD as of 2019.*
Published by John Elflein, Oct 11, 2019.
[33] *Statista (2019). Percentage of U.S. adults who stated they had tried CBD for select reasons as of 2019.*
[34] *Statista (2019). Cannabidiol CDB by age – Germany.*

COMPETITIVE LANDSCAPE

The main difference between the competition and CS MEDICA is the already obtained OTC MD status of CS MEDICA's treatment products, all with patent pending. Due to the OTC 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 OTC 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. 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.[36] 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 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 two-three years. CS MEDICA will thus have a competitive advantage during this period.

Furthermore, legal CBD products only include cosmetics and Medical Devices delivered Topically and intra nasally. The European Medicines Agency EMA and the UK 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.

Arthritis

The competitive situation for the treatment of arthritis consists of existing opioids and non-MD registered treatments with/without CBD. Conventional medicine has already taken over 87.5 percent of the existing market for arthritis medicine, which is a very important reason for CANNASEN® CBD products.[38] In general, arthritis is mainly treated by the usage of corticosteroids; non-steroidal anti-inflammatory drugs (NSAIDs); and analgesics, which all are symptom-oriented and have multiple side effects.[39] CS MEDICA's main competitive advantage in the arthritis market is that the gel has a lower risk of side effects. To the knowledge of the Board of Directors, CS MEDICA is the only company that has a psoriasis gel containing CBD classified as a medical device. Further, the CANNASEN® CBD product will be protected through the confidentiality of formulation and registration as an MD.

Psoriasis

Chronic psoriasis affects more than two percent of the world population and gives a heavy burden to the patients' quality of life, and hence remains a huge medical and social problem.[40] The competitive situation in the psoriasis market consists of the usage of corticosteroids and a vitamin D analog, whereby the former has been proven to

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[35] Medical Device Coordination Group (2020). *Guidance on significant changes regarding the transitional provision under Article 120 of the MDR with regard to devices covered by certificates according to MDD or AIMDD.*
[36] Ibid.
[37] The Grocer (2020). *CBD will be removed from shelves next year, are you prepared?*
[38] Visiongain (2016). *Rheumatoid Arthritis (RA) Drugs Market 2016-2026.*
[39] E.g. Buchman A. L. (2001). *Side effects of corticosteroid therapy.* Journal of clinical gastroenterology.
[40] Pastore, S., Gubinelli, E., Leoni, L., Raskovic, D., and Korkina, L. (2008). *Biological drugs targeting the immune response in the therapy of psoriasis.* Biologics : targets and therapy.

have only temporal efficiency and have multiple adverse effects such as e.g. skin thinning.[41] On top of that, the use of topicals based on cortisone is unlikely to treat the underlying disease, meaning that psoriasis is likely to appear once the application of the topical is reduced, as well as they risk carrying undesired side-effects. Meanwhile, the latter is only efficient in mild cases of the disease.[42] Another treatment available uses interleukin inhibitors. However, those might pose physical[43] and psychiatric[44] risks and adverse effects. On top of topical therapies, systemic therapies are available, however, those are associated with systemic toxicity.[45] Considering the side effects and temporal symptom-oriented effect of these methods, up to 51 percent of patients with psoriasis report the use of complementary and alternative medicine in their treatment regimen.[46] CS MEDICA's main competitive advantage on the psoriasis market consists of the development of high-quality products, containing carefully selected, and tested active ingredients that all complement and optimize the overall effect of cannabis and cannabinoids. Ingredients containing anti-inflammatory properties that, based on the Company's clinical trials, help normalize the skin cell growth process and relieve pain and itching.

Beauty and personal care

Globally, key players in the beauty and personal care market include Procter and Gamble Co., LVMH Moet Hennessy Vuitton SE, and Unilever, which do not pose a direct threat, because CS MEDICA targets a specific market of cosmetic products with cannabis attributes, not the broad cosmetics market per se. When it comes to skincare with cannabis attributes, the main global market players are in North America (e.g., Dr. Bronner's; Andalou Naturals, Lime Crime, Hempz) and most of the players on the cannabis beauty market are small companies. In Europe, MGC Derma (Slovenian, under Canadian CannaGlobal Wellness), Annabis (Czech, under Canadian Canopy Growth), Jacob Hooy (Dutch), Cannaderm - Can-cosmetics Ltd (Czech, under Swiss Pharmaceutical Investment) can be considered the main competitors in the cannabis beauty category. In the Nordics, Nordic Cosmetics by Nordic Health Group can be considered the main competitor. CS MEDICA differentiates from these companies with its specific market focus on cosmetic products with cannabis attributes, unlike the broader product lines many competitors in this industry offer. On top of that, the Company's cosmetic products use both hemp oil and pure CBD in isolated, crystalized form to ensure their quality. Meanwhile, competitors in the cosmetic market often use only hemp oil or only CBD oil, which have different properties. Hemp oil has little, or no CBD content, and CBD oil is an extract containing other compounds of the cannabis plant, not only CBD. Moreover, the Company's cosmetic line is going to be vegan and with a very high quantity of CBD – which answers the current needs of modern, attribute-oriented, and conscious consumers. Finally, CANNASEN® cosmetic line products are branded with an upscale identity.

In the hair regrowth category, which falls under beauty and personal care, CANNASEN® Hair Regrowth Serum's main differentiation point is the usage of both redensyl and CBD. The main competitors in the European market are Cannaderm Capillus Hair Serum with Caffeine; Philip B CBD Scalp and Body Oil; Outré Hair CBD Anti-Stress Oil. However, these products do not contain Redensyl, making their functionality different from CANNASEN®'s Hair Serum. On top of that, Philip B and Outré only use CBD as product innovation and do not specialize in the production of cosmetics with cannabis attributes.

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[42] Tristani-Firouzi, P., and Krueger, G. G. (1998). *Efficacy and safety of treatment modalities for psoriasis*. Cutis.
[43] E.g. Nogueira, M., Warren, R. B., and Torres, T. (2021). *Risk of tuberculosis reactivation with interleukin (IL)-17 and IL-23 inhibitors in psoriasis - time for a paradigm change*. Journal of the European Academy of Dermatology and Venereology.
[44] G. Lebwohl, M., A. Papp, K., B. Marangell, L., Koo, J., Blauvelt A., Gooderham, M., J. Wu, J., Rastogi, S., Harris, S., Pillai, R., J. Israel, R.(2018). *Psychiatric adverse events during treatment with brodalumab: Analysis of psoriasis clinical trials*. Journal of the American Academy of Dermatology,
[45] Tristani-Firouzi, P., and Krueger, G. G. (1998). *Efficacy and safety of treatment modalities for psoriasis*. Cutis.
[46] Gamret AC, Price A, Fertig RM, Lev-Tov H, Nichols AJ. *Complementary and Alternative Medicine Therapies for Psoriasis: A Systematic Review*. JAMA Dermatol.

Wound care

To the knowledge of the Board of Directors, there are currently no direct substitutes to CANNASEN® Wound Healing Gel that exist on the market. The products available are not MD, making their product utility profile largely different than the formula of CANNASEN® Wound Healing gel.

In terms of hydrogel-based products, the only competitor in the Danish market is the brand Microdacyn, produced by Oculus Innovative Sciences USA. It is the only hydrogen-based product for wound care available in Danish online pharmacies. At the same time products of the Microdacyn brand do not contain CBD, thus there are no direct competitors to the CANNASEN® Wound Healing Gel in Denmark.

The only hydrogen and CBD containing products (e.g., CBDMEDIC™ Cooling and Moisturizing Hydrogel CBD Patches, owned by Charlotte's Web TM or 'boost CBD topical' by Beam Organics Inc.) can be found in the US market and are products targeted for muscle and nerve pains, soreness, and recovery not for wound healing. These are not present in the European market and cannot be considered a direct competition, because the application of patches differs from the application of gel, thus the two answer diverse consumer needs. Thus, to CS MEDICA's knowledge, no direct substitutes have been found.

Insomnia

CANNASEN®CBD Nasal Spray Night differentiates positively from other competing products (i.e., Nasadol BioSpectrum and Noetic nasal spray) as the effect takes place via the combined effect of CBD and CBN reduces stress and provides a relaxed body sensation. Treatment with CANNASEN®CBD Nasal Spray Night can reduce the body's stress factor and re-establish the body's normal sleep rhythm. There are few competitors on the market. Medication for insomnia treatment often has specific adverse effects.[47] [48] [49] On top of that, CANNASEN®'s nasal spray form of application is a key competitive point due to the innovative form of application, which speeds up the absorption time and lowers the probability of drug interactions. As to directly competitive products, nose sprays with cannabinoids (Nasadol BioSpectrum and Noetic Nasal Spray), containing CBD, are available on the US market only, thereby posing no direct competition.

Key players on the market

- **Adrex Pharma GmbH**: a German producer of Adrex Cannabis Cooling Gel and CBD Adrexolin Lotion, which is prescribed and targeted to a similar segment as CANNASEN®'s Psoriasis and Arthritis Gel. However, these products are not registered as Medical Devices but are "medical skincare products" and contains THC, which has not been developed and tested specifically for conditions of arthritis and psoriasis.

- **Pharma SGP GmbH**: a German pharmaceutical company with a broad portfolio of natural, non-chemical, over-the-counter drugs, and other healthcare products. Owner of Rubaxx brand, which covers a portfolio of products for joint pain. Considering that they have used CBD as a way of product innovation, two of their products are a direct competition to CANNASEN® CBD Arthritis Gel. Nevertheless, these products have the status of a cosmetic, not a medical device - meaning no security guarantees and no efficacy claims and not developed with a disease treatment purpose. Pharma SGP operates within Germany, Austria, Italy, Belgium, Spain, and France, thus does not pose a threat in the Nordics and the UK. According to the Company's assessment, Pharma SGP GmbH does not have any product which can be considered as competition to CANNASEN® CBD Psoriasis Gel.

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[47] *E.g. Pagel, J.F., Pandi-Perumal, S.R. and Monti, J.M. Treating insomnia with medications. Sleep Science Practice 2, 5 (2018).*
[48] *Gunja N. The clinical and forensic toxicology of Z-drugs. J Med Toxicol. 2013;9(2):155-162. 0*
[49] *Morera AL, Henry M, de La Varga M. (2001) Safety in melatonin use] Actas Espanolas de Psiquiatria.*

REGULATIONS

All products within the CANNASEN® treatment line as of today are filed under the Medical Devices Directive (93/42/EEC) (MDD) with a class I medical device classification. Until the 26th of May 2021 medical Devices were regulated under MDD, but today follows the MDR (Medical Device Regulation) (EU) 2017/745 (MDR).[50] The shift in regulations from MDD to MDR entails that the notified bodies will no longer be able to issue new certificates against the old directives. In other words, all products must meet the new, stricter, requirements in order to be reclassified and thus to stay on the market. However, the regulations are considering a transition period of four years – meaning products already registered as a class I under the previous regulations (MDD) are allowed to stay on the market without any reclassification to the newly required IIa classification. Products covered by a valid MDD certificate may thus continue to be sold during this period but must meet the new requirements in order to be sold after the transition period of four years.

For a medical device to comply with the essential requirements of the new regulations, the directives require a CE marking to the product. In order to grant the CE marking, each product must go through the CE marking process. The direction of the process and its width depends on the class of the specific medical device and the choice of a conformity assessment route. Specific characteristics of the medical device will determine its class, and respectively how risky it is for the patients. For instance, characteristics such as intended use, invasiveness, and local vs. systemic effects.

According to the European framework, there are four classes of Medical Devices: Class I, IIa, IIb, and III. The higher numbered class, the greater the regulatory control, which further defines the regulatory requirements for a general device type. Classification is determined not only by what risk the device poses to the patient and/or the user, but also the intended use of the device along with any specialized indications for its use. A medical device with any classification apart from class I requires evidence, provided to a Notified body, that the product fulfills the essential requirements of the respective CE directives.[51]

Class I Medical Devices

The Medical Devices class I have the lowest perceived risk. A class I product, that is not a sterile or measuring device, must formally declare its compliance with the applicable requirements of the MDR.

Class IIa Medical Devices

Medical Devices of class IIa could be such as surgical gloves, hearing aids, diagnostic ultrasound machines, etc. They usually constitute low to medium risk. Patients should use them for a short-term period, any less than 30 days. A manufacturer of a class IIa Medical device must back up the declaration of compliance with a Notified body assessment. Then, one will be allowed to place the product on the market. The MD classification is fulfilled within the legislation for Medical Devices under pharmaceutical legislation, ensuring that the quality and safety in the delivery chain are achieved through compliance with GDP and ISO 13485 (per the directives of the European Union).[52]

Class IIb Medical Devices

Class IIb mainly includes Medical Devices such as long-term corrective contact lenses, surgical lasers, defibrillators, and others. They are categorized as medium to high-risk devices, and patients may use them for a period longer than 30 days. In case the specific product is in class IIb, similar to the procedures in class IIa,

[50] Medical Device Coordination Group (2020). *Guidance on significant changes regarding the transitional provision under Article 120 of the MDR with regard to devices covered by certificates according to MDD or AIMDD.*
[51] Clever Compliance Support – Compliance system and CE marking information (2020). Classification Of medical Devices And Their Routes To CE Marking.
[52] Ibid.

one has to provide a Notified body to assess the technical documentation for compliance with the Medical Device Directive.[53]

Class III Medical Devices

In class III, all Medical Devices have the highest risk possible, and permanent monitoring is required during their lifetime. There are specialized institutions responsible for conducting the products' monitoring. Such devices are, for instance, cardiovascular catheters, aneurysm clips, hip-joint implants, prosthetic heart valves, and others. The conformity assessment of the Medical Devices in class III may include an audit of the technical documentation and a quality system/product inspection, and to be focused on one or more aspects of the device design and production.[54]

The process that has been followed by CS MEDICA in order to grant the class I classification under MDD requirement can be summarized as follows:

- Bibliography for all active ingredients must be identified and documented through in vitro testing, in vivo testing, clinical testing, bioavailability, and safety data. Preliminary feasibility studies are then performed to optimize the final formulation.

- Test of formulation, in accordance with ICH and ISO 13485 including viscosity test, homogeneous test, microbiology test, water content, skin sensation, smell, and color.

- The test of formulation is followed by an in-vitro test, testing the efficacy according to SimDerma (an in vitro multiparametric platform that includes 30 key dermo-cosmetic targets), skin irritation according to ISO 10993-10, skin sensation according to OECD 442E, and cytotoxicity according to ISO 10993-5: 2009.

- A determination of the shelf-life, including a stability test in accordance with ICH guidelines (the International Conference on Harmonization of Technical Requirements for the Registration of Pharmaceuticals for Human Use).

- A review of product documentation, packaging, and package leaflet to make sure they follow the legislation within Medical Device and are in accordance with the MDD and MEDDEV guidelines. Any other languages than English on the package needs to be translated by a certified translator for each language needed.

- Submission of a technical file according to MDD and ISO 13485, which, apart from the abovementioned, should include:

- bibliography, tests, and a clinical evaluation of the complete product, including; regulatory affairs, literature review/technical specifications, risk-benefit evaluation, pre-clinical studies, clinical investigation on the actual or equivalent device, post-market surveillance with an own device and at least one equivalent device (if applicable), and
- a full risk assessment and biological evaluation according to ISO 14971 and ISO 10993 respectively.

The technical file is made to document that the Medical device that encounters the patient's body is expected to perform, its intended use/function without resulting in any adverse effect to a patient.

- Determination of classification based on the MD's risks and the regulatory controls necessary to provide a reasonable assurance of safety and effectiveness according to the rules set in MDD.

[53] Ibid.
[54] Clever Compliance Support – Compliance system and CE marking information (2020). Classification Of medical Devices and Their Routes to CE Marking.

With the MDR regulation, the requirements for demonstration of product quality, safety, and reliability have been further tightened and the following general conditions required under the new MDR are in the process of being implemented by CS MEDICA.

The process of upgrading from MDD to MDR requirement can be summarized as follows:

- CE Marked: Stricter requirements for demonstration of safety and efficacy are set, which under MDR follow the rules under General Safety and Performance Requirements (GSPRs) against previous Essential Requirements (ER), which have much lower safety requirements.

- Unique device identification (UDI): A UDI must be applied to all Medical Devices, ensuring that each Medical device is completely traceable from the manufacturer to the end-user. The UDI ensures a quick and efficient recall of any defective products from the market.

- The person responsible for regulatory compliance (PRRC): Device manufacturers will be required to identify at least one person within their organization who is ultimately responsible for all aspects of compliance with the requirements of the new regulation. The MDR imposes strict educational and experience requirements for the PRRC.

- PMS, PSUR, Vigilance reporting Increased post-market surveillance is requested by the Notified Body, just as the data and information derived from the PMS activities must be entered into EUDAMED.

- Clinical Evaluation: Manufacturers must conduct post-marketing clinical follow-up (PMCF) and, with the data collected, update the clinical evaluation, and data derived from the PMCF must also be registered in EUDAMED. Furthermore, some guidelines/standards must comply when creating a clinical evaluation, such as the MEDDEV 2.7/1 Rev. 4 (2016), MDCG 2020-5 and 2020-6, or requirements from the ISO 14155.

- Classification: Medical device manufacturers must perform a regular inspection process to ensure that their Medical device is classified correctly.

- Grandfathering provisions: All currently approved devices must be recertified in accordance with the new requirements of MDR.

To lift the Medical device to class IIa the following extra requirements shall be implemented:

- Technical documentation assessed by a Notified Body and assessed against all General Safety and Performance Requirements

- Yearly surveillance audit by Notified Body.

- Periodic safety update report (“PSUR”) for each device summarizing results and conclusions of post-market surveillance data (PMS) analysis as a result of the PMS plan.

- Biological evaluation including advanced biocompatibility testing according to ISO 10993.

- A clinical trial shall be performed according to ICH, yielding statistically significant results.

Furthermore, authorized Medical device manufacturers need to:

- Have a fully integrated quality management system, according to ISO 13485.

- Have SOP’s (standard operating procedure) to describe each function and procedure in the Company.

- Follow current regulations: MDD/MDR, GDP, GACP, GMP, ISO 13485, ISO 10993, and ISO 14971.

COMPARATIVE ADVANTAGE

Even though the treatment products within CANNASEN® still only have a class I classification, the products are still allowed to be sold on the market during the four-year transition period. This is possible due to CS MEDICA granting the class I classification on their products prior to the shift of regulations (from MDD to MDR).

To the best of the Company's knowledge, CS MEDICA is currently the only player on the market with products containing cannabinoids that can be sold on the market during this four-year transition period. And, according to the estimations of the Company, the requirements of MDR class IIa are stricter than the previous regulations of MDD and will require a more thorough application process that takes up two to three years.

The lengthy application process, together with the fact that all CANNASEN® CBD products are complying with the EU regulation (via the transition period) and thus are registered for sale in all EU countries, the Company believes they have a great competitive advantage during this period. It is the Company's ambition to seize the opportunity of what looks like a market exclusivity for several years by establishing the Company brand and the Company's products on the European market.

OTHER RELEVANT JURISDICTION AND LEGISLATION

By the end of 2020 the Court of Justice of the European Union – the supreme authority within the EU – declared that no countries in the EU may prohibit the sale or marketing of legal CBD products containing CBD extracted from the plant Cannabis sativa L (hemp).[55]

Also, the EU and the UK are in the process of removing all products categorized as *Food supplements* containing CBD – given they are not labeled with a *Novel Food Certification*. This means that all CBD oils and other CBD food supplements that do not meet the requirement of having a *Novel Food Certificate* will be removed from the market. To the best of the Company's knowledge, there are no products with this certification as of today.[56] CS MEDICA believes the requirement of having a *Novel Food Certification* will result in a major part of the current CBD products being removed from the market, and that only authorized Medical Devices and cosmetics will be available. Since these two segments are the main focuses of the Company, CS MEDICA believes the change of legislation is in the Company's favor.

Also, it is worth noting that Läkemedelsverket (the Swedish Medical Products Agency) considers all products containing more than, or equal to, 0,2 percent THC as narcotics and thus regulated under the Swedish drug legislation.[57] Since there is, what can be described as, an extensive number of restrictions regarding THC, in Sweden and across Europe, CS MEDICA has actively decided not to include any trace of THC in their products.

COMPLIANCE

Besides having all the Company's products registered at the Danish Medical Agency and in EUDAMED (EU Database for Legal Medical Devices), which covers all EU countries, the Company constantly evaluates the extent of regulatory changes. The Company also makes sure to contact relevant Medical Agencies before entering new markets to assure compliance with its current regulation on Medical Devices and local cannabinoids legislation.

In terms of the prohibition of THC in major parts of Europe, CS MEDICA evaluates every batch of product to secure that it does not contain any traceable THC, as well as that only the CBD from Cannabis sativa L. (legal hemp), is used in the CANNASEN® products.

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[55] Court of Justice of the European Union (2020) PRESS RELEASE No 141/20Luxembourg, 19 November 2020. Judgment in Case C-663/18B S and C A v Ministère public et Conseil national de l'ordre des pharmaciens
[55] https://www.europarl.europa.eu/doceo/document/E-9-2020-004642_EN.html
[57] Läkemedelsverket (2021). Cannabidiol – CBD.

Extension of an ongoing pilot trial of prescribing cannabis for medical purposes in Denmark

In May 2021 most of the parties in the Danish parliament decided to extend the country's pilot trial of prescribing cannabis for medical purposes to certain patients for another four years and permanent cultivation of cannabis to support producers. The pilot program was first established in 2018 and Denmark began the attempt to allow doctors to prescribe cannabis to patients with, for example, pain problems unless other treatments worked. The trial period extends to the end of 2021 but will now be extended for another four years.[58]

According to Sundhedsdatastyrelsen, from the day that the program was implemented to the beginning of the second quarter of 2020, more than 5,500 Danes had been prescribed cannabis as medicine. Half of the prescriptions had been issued to treat neuropathic pain, other purposes were for other pain or to counteract nausea (for example during chemotherapy). But cannabis had also been prescribed for allergies and as vitamin A or D supplements and more.[59] The Company believes that the decision – together with the increasing acceptance of using the products – gives companies within Denmark the opportunities of becoming a leading producer of medical cannabis for patients in Europe and being an important part of the growth that is expected in the coming years.

[57] Sundhedsministeriet (2021). Forsøgsordningen for medicinsk cannabis videreføres.
[58] Sundhedsministeriet (2020). Flest kvinder får cannabis på recept.

THE CLINICAL TRIALS

To comply with MDR, CS MEDICA has several ongoing clinical trials on their broad range of products, and one completed a study on hair growth efficacy. Further, the Company has five planned studies. The studies are listed and summarized below.

PREVIOUS CLINICAL TRIAL

Clinical study on hair serum

The study was performed under COVID-19 (18.12.2019-16.06.2020) where the STRESS LEVEL increased from 3.4 (before COVID-19) to 7.1 (during COVID-19) on a scale of 0-10. With stress being one of the main causes of hair loss, this study aimed to evaluate the hair growth efficacy of the products SAMPLE A002 (Hair Serum) VS B001 (Placebo) in a panel of [32] healthy human subjects after 141 days of daily use.

After 141 days of regular application (considering the period of COVID-19 global situation)

SAMPLE A002 (Hair Serum):

- was tested under dermatologist supervision,
- properties declared by the Sponsor have been confirmed based on a subjective questionnaire:
- 93 percent declared that the product reduces the amount of falling out hair
- 93 percent declared that the product provides an effective, clinically proven solution for the treatment of hair loss and baldness
- 100 percent declared that the product improves the general hair condition
- 87 percent declared that the product makes the scalp better condition

Properties declared by the Sponsor have been confirmed based on instrumental tests:

- statistically significant improvement of hair density (p-value = 0,00001 by 18 percent, on average,
- the best single, noticeable improvement was the increase of the average amount of hair per cm^2 up to 36 percent,
- increases of hair density on the scalp (600 cm^2) by 11 560,0 on average,
- the best single improvement of hair density on the scalp (600 cm2) by 18 800,
- statistically significant improvement of hair thickness (p-value = 0,00001) by 8 percent on average,
- the best single, noticeable improvement of hair thickness was the increase up to 14 percent.

The described study was conducted in the spirit of the Good Clinical Practice defined by the ICH Topic E6 "Note for Guidance and good clinical practice" (CPMP/ICH/135/95), the Helsinki Declaration (1964, WMA), and its successive updates.

ONGOING CLINICAL TRIALS IN INDIA (ON HOLD DUE TO COVID-19)

Study NGA-01 gel (Arthritis gel)

A double-blinded, randomized, parallel-group study set-up with [60] healthy human subjects with Osteoarthritis with pain in joints (at the knee, hip, ankle, elbow, and shoulder) to evaluate efficacy and safety of NGA-01 gel against placebo in the treatment of Osteoarthritis with joint pain (for up to 60 days). To study the cooling effect and bone-strengthening activity of NGA-01 GEL.

Comparator: Placebo Gel
Route of Administration: Topical
Study Submission: Institutional Ethics Committee.

Study NGP-01 gel (Psoriasis gel)

A double-blinded, randomized, parallel-group study with [60] healthy human subjects with mild-to-moderate plaque psoriasis to evaluate efficacy and safety of NGP-01 gel against placebo in the treatment of mild to moderate Psoriasis (for up to. 90 days). The secondary objective is to study the reduction in redness and scaling of the skin.

Comparator: Placebo Gel
Route of Administration: Topical
Study Submission: Institutional Ethics Committee.

Study NGA-02 Capsules and Arthritis gel

A double-blinded, randomized, parallel-group study set-up with [60] healthy human subjects with Osteoarthritis with pain in joints (at the knee, hip, ankle, elbow, and shoulder) to evaluate efficacy and safety of NGA-02 Capsules and Arthritis gel against placebo (I.e. control group) in the treatment of Osteoarthritis with joint pain (approx. 60 days). To study the cooling effect and bone-strengthening activity of NGA-02 Arthritis capsules and Arthritis GEL.

Comparator: Placebo Capsules and Arthritis gel.
Route of Administration: Oral and Topical.
Study Submission: Institutional Ethics Committee.

Study NGP-02 Capsules and Psoriasis gel

A double-blinded, randomized, parallel-group study with [60] healthy human subjects with mild-to-moderate plaque psoriasis to evaluate efficacy and safety of NGP-02 Capsules and Psoriasis gel against placebo (i.e. control group) in the treatment of mild to moderate Psoriasis (approx. 90 days). The secondary objective is to study the reduction in redness and scaling of the skin.

Comparator: Placebo Capsules and Psoriasis Gel.
Route of Administration: Oral and Topical.
Study Submission: Institutional Ethics Committee.

PLANNED FUTURE CLINICAL TRIALS

The parameters are subject to variation.

Study NGW-01 Wound gel

A double-blinded, randomized, parallel-group study with [60] healthy human subjects with chronic wounds to evaluate efficacy and safety of NGW-01 gel against placebo in the treatment of wounds (approx. 90 days). The secondary objective is to study the reduction of wounds.

Comparator: Placebo Gel.
Route of Administration: Topical.
Study Submission: Institutional Ethics Committee.

Study NGPP-01 Pain Patch

A double-blinded, randomized, parallel-group study with [60] healthy human subjects with chronic pain to evaluate efficacy and safety of NGPP-01 patch against placebo in the treatment of pain (approx. 90 days). The secondary objective is to study the reduction of pain.

Comparator: Placebo Patch
Route of Administration: Topical
Study Submission: Institutional Ethics Committee.

Study NGPG–01 Protective nasal gel

A double-blinded, randomized, parallel-group study in a panel of [60] healthy human subjects to evaluate efficacy and safety of NGPG-01 gel against placebo in protection against pathogens before they enter the body (approx. 90 days). The secondary objective is to study the potential to prevent virus entry at the mucous membrane of the nose.

Comparator: Placebo Gel.
Route of Administration: Topical.
Study Submission: Institutional Ethics Committee.

Study NGPG-02 Capsules and Protective nasal gel

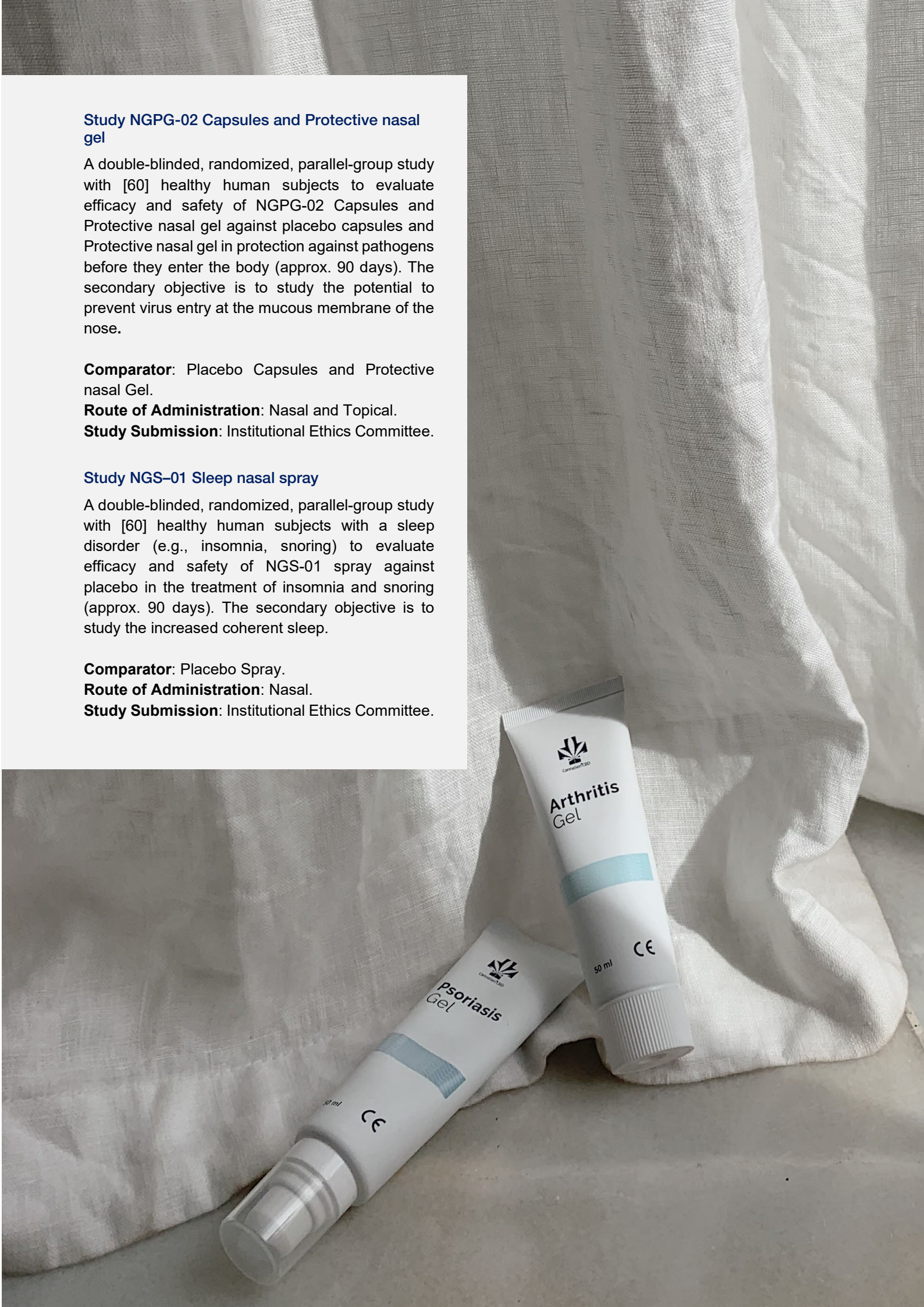
A double-blinded, randomized, parallel-group study with [60] healthy human subjects to evaluate efficacy and safety of NGPG-02 Capsules and Protective nasal gel against placebo capsules and Protective nasal gel in protection against pathogens before they enter the body (approx. 90 days). The secondary objective is to study the potential to prevent virus entry at the mucous membrane of the nose.

Comparator: Placebo Capsules and Protective nasal Gel.
Route of Administration: Nasal and Topical.
Study Submission: Institutional Ethics Committee.

Study NGS–01 Sleep nasal spray

A double-blinded, randomized, parallel-group study with [60] healthy human subjects with a sleep disorder (e.g., insomnia, snoring) to evaluate efficacy and safety of NGS-01 spray against placebo in the treatment of insomnia and snoring (approx. 90 days). The secondary objective is to study the increased coherent sleep.

Comparator: Placebo Spray.
Route of Administration: Nasal.
Study Submission: Institutional Ethics Committee.



PATENTS

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 below.

1. Psoriasis gel and arthritis gel (filed August 2019 and pending)
2. Psoriasis gel, food supplement, and arthritis gel plus food supplements (filed February 2021 and pending)
3. Hair loss serum and food supplement (filed April 2021 and pending)
4. Pain patch (filed May 2021 and pending)
5. Wound gel (filed May 2021 and pending)
6. Sleep nasal spray (filed May 2021 and pending)
7. Protective Intranasal gel including immune booster food supplement (filed May 2021)

In the scenario where the patents above are granted, the Company will have a total of eleven patented products, including: the Psoriasis gel and the Psoriasis food supplement, the Arthritis gel and the Arthritis supplement, the Anti-hair loss serum and the Anti-hair loss supplement, the Wound gel, the Protective nasal gel, the Sleep nasal spray, and the Pain patch. Immune booster supplements will be included in the patent update for the Protective Intranasal gel.

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.

Further, the Company protects its IPR by the mentioned patents and global trademarks registration in class 03, 05, and 10 – covering the following territories: EU, Switzerland, Norway, India, and the following territories applied and pending; the USA, Canada, China, South Korea, Thailand, Japan, Vietnam, Indonesia, Australia, New Zealand Argentina, Brazil, Chile, Japan, Korea, Malaysia, and Vietnam.

GO-TO-MARKET AND RAISING AWARENESS

Provision of quality and transparency, as well as customer education, are key strategic points. The Company aims to ensure market its products' efficacy, safety profile, and cost-effectiveness by, among other things, establish cooperation with local key opinion leaders such as psoriasis and arthritis organizations. Moreover, the Company will initiate and finalize, together with key opinion leaders, local post-marketing clinical trials in each market entered. Except for re-ensuring product quality and efficacy, this tactic is key to stimulating brand growth through stronger word of mouth, brand recognition, and trustworthiness.

To increase the market size for the Company's products and create a stable and constant growth of the Company's revenue, the Company engages in customer education. As a pioneer in the Cannabis sativa L market, the Company stepped into a role of an active provider of relevant information and research data regarding cannabinoids and their properties to the wide public. Anyone can access the Company's OARS (Open Access Repository System) where they share the latest research and documentation with regards to clinical trials, tests, and literature reviews within the use of cannabinoids. In total, 60 diseases are covered and reviewed by the Company's science department.[60]

[60] https://www.cannasen.com/research

COMPANY STRUCTURE

CS MEDICA was established in 2011 and is the parent company of CanNordic A/S and Galaxa Pharma ApS – the two companies where the group's operations are performed. CS MEDICA was first established under the Company name LHX Holding ApS and later changed the Company name to CS Group on the 25th of July 2020. Subsequently, on the 16th of April 2021, the Company changed the name to CS MEDICA (the Company name as of today).

CanNordic A/S[61] was established in 2011 under the Company name Galaxa Parma ApS. On the 16th of April 2020, the Company changed its name to CanNordic A/S. Galaxa Pharma A/S[62] was established in 2020 under the name CanNordic A/S and, on the 16th of April 2021, changed the Company name to Galaxa Pharma A/S.

2011/2012

- CS MEDICA (holding company) and CanNordic A/S (fully owned subsidiary) were founded.

2019/2020

- Name change of parent company from LHX Holding ApS to CS Group ApS.
- Name change of subsidiary from Galaxa Pharma A/S to CanNordic A/S.
- Galaxa Pharma A/S /fully owned subsidiary) was founded.

2020/2021

- Name change of parent company from CS Group ApS to CS MEDICA A/S.

TENDENCIES

CS MEDICA has undertaken development activities and activities related to production, stock, and sales. There are, as far as the Board of Directors is aware, no acknowledged trends, uncertainties, potential claims or other requirements, commitments, or events related to production, stock, or sales that can be expected to have a significant impact on the Company's prospects. Further, the Company is not aware of any specific governmental tendencies, economic tendencies, etc., which may affect the Company's operations in the foreseeable future. As far as the Company knows currently all European countries are removing all illegal CBD products from the market, which gives the Company a better position on the market. The company has just been through an inspection from the Danish medical agency, where they performed above average on the Vigilance and Quality system, documentation, and technical files.

[61] Tthe Company where the product development, manufacturing and BtB sale of CANNASEN is performed.
[62] The Company with distribution of CANNASEN products and representation of other foreign manufacturers in the Nordic countries

PREVIOUS FUNDING AND GRANTS

CS MEDICA has received a total of approx. DKK 5.8 million in soft funding and loans. The total amount of soft funding equals approx. DKK 2.9 million and has been granted from Spring Nordic/CabNova, Innovationsfonden, Finance Zealand, EU, Zealand International, and Erhvervsstyrelsen.

The total amount of loans equals approx. DKK 2.9 million and has been granted from Vækstfonden, Sparekassen Sjællland and Finance Zealand. A loan of approx. DKK 1.5 million was granted in 2015 from Vækstfonden, together with an overdraft facility from Sparekassen Sjælland, approx. DKK 0.25 million was granted from Finance Zealand and Approx. DKK 0.25 from Sparekassen Sjælland during 2016. As per the 30th of June 2021, these loans amount approx. DKK 1.8 million. The financial costs (interest paid) related to the loans granted amounted to approx. DKK 0.2 million during the period from 1st of October 2020 to 30th of July 2021. The annual average interest rate of the loans corresponds to approx. six percent.

Lender	Outstanding debt	Date of the last installment
Vækstfonden	Approx. DKK 1.4 million	02/01 2025
Sparekassen Sjælland	Approx. DKK 0.2 million	31/03 2022
Finance Zealand	Approx. DKK 0.2 million	31/03 2022

The grants and the loans have been provided to CS MEDICA due to the encouragement of CS MEDICA's research and development activities.

The amount of hard money that has been invested in the Company equals approx. DKK 5.1 million, of which approx. DKK 2.8 million has been undertaken in connection with the IPO and will be converted to shares in the IPO. The remaining amount of approx. DKK 2.3 million has already been converted to shares by the 30th of September 2020.

FUTURE FUNDING VIA GRANTS

CS MEDICA expects to receive further pending grants and subsidies within the coming three months, totaling approx. DKK 0.3 million from Erhvervsstyrelsen. The Company also has an outstanding grant from Innobooster, equaling approx. DKK 0.5 million. Innobooster is a program from Innovation Fund Denmark, which invests in projects from small and medium-sized companies with promising growth potential. The Company considers the probability of receiving the grants to be likely.

The grants will jointly, together with the Issue of Units, cover the costs connected to the investments needed in order for the Company to achieve its operational goals. Even though the Company has and pertains to obtain financing through grants and subsidies in the future, CS MEDICA believes that these funding streams are not necessary, but a bonus for the achievements of the operational ambitions. In a scenario - where CS MEDICA does not receive grants to the extent mentioned above – the development of the Company's inhaler treatment line is at risk of being delayed.

FINANCIAL POSITION AND FINANCING STRATEGY

As of the date of this Prospectus, there have been no significant changes in the Company's financial position, financial performance, borrowing strategy, or funding structure since the end of the last financial period, the 30th of June 2021.

INVESTMENTS

As of the date of this Prospectus, no significant investments have been made since the date of the Company's last published financial statements, the 30th of June 2021. There are no investments that are in progress and/or for which firm commitments have already been made.

OPERATIONAL OBJECTIVES

2020/2021*	2021/2022*	2022/2023*
Q4	**H1**	**H1**
Market launch of CANNASEN® Anti-Hair loss serum Seven patents are to be filed, covering eleven (11) products. Finalize distributor agreements (France, Spain, Italy, Germany, Switzerland, Ireland, and Austria). Norway - if possible. Listing on Spotlight Stock Market.	Market launch outside DK of CANNASEN® Nasal Spray Night, Pain Patch, Protective Nasal Gel, Psoriasis Lotion, Anti-Hair loss-, Arthritis - and Psoriasis food supplement. Move the main production site of the Company's products from Germany to Poland. Clinical test result on arthritis and psoriasis Gel versus Placebo and in combination with food supplement versus placebo food supplement. Expected complementary (oral and topical) effect given 1 + 1 is more than 2. **H2** Market launch of CANNASEN® Immune booster Food supplement Launch Amazon sales channel in Germany, Sweden, and France. Initiate FDA approval process. Finalizing distributor agreements with Poland, Czech Republic, Hungary.	Market launch of CANNASEN® Skincare Restoring and calm line. Finalize US distributor agreement. Launch Amazon sales channel in Denmark- if possible. **H2** FDA approval granted. Finalizing distributor agreements in Canada, Greece, China, and India. Amazon sales channel US and Canada. Startup animal treatment line. Startup inhaler treatment line (medicine) - Expected development period three-four years and additional two years for achieving marketing authorization.

***The Company's financial year runs from the 1st of October to the 30th of September.**

FINANCIAL EXPECTATIONS

CS MEDICA forecasts revenue of DKK 7.0 million during the 1st of October 2020 – 30th of September 2021, DKK 50 million during the 1st of October 2021 – 30th of September 2022, and DKK 150 million during the 1st of October 2022 – 30th of September 2023. To understand the expected growth, one must understand the planned operational development and assumptions moving forward.

The expectations for the future have been prepared by the Executive Management and Board of Directors. The future expectations are comparable with the annual report and prepared in accordance with the Company's accounting principles (accounting classes B and C). The expectations for the future are based on assumptions both inside and outside the control of the Company. CS MEDICA can give no assurances that the expectations will materialize or prove correct. The presented financial forecast is based on assumptions regarding factors such as prevalence in the different disease categories, increased sales, the realization of market expansions across Europe, and the continued development of products. The risk factors explained in chapter “Risk factors” are also relevant for the assumptions and should be taken into consideration. The assumptions related to the expectations for the future may be flawed.

Below follows a summarization of CS MEDICA’s financial expectations:

1st of October 2020 – 30th of September 2021: Sales turnover of more than DKK 7.0 million.

1st of October 2021 – 30th of September 2022: Sales turnover of more than DKK 50.0 million.

1st of October 2022 – 30th of September 2023: Sales turnover of more than DKK 150.0 million.

The Company ensures that the sales estimate has been compiled and prepared on a basis which is both:

- Comparable with the historical financial information.
- Consistent with the Company’s accounting policies.

Assumptions inside the direct control of the Company

There are several assumptions inside the direct control of the Company such as continued organizational and product development, continued clinical trials, marketing, increased sales, and implementation of distribution contracts across Europe, as described below.

Organizational and product development

The ongoing organizational and product development is assumed to continue according to plan. CS MEDICA's main production site for finished products is currently in Germany but will during H2 2021/2022 (when the ongoing stability test is estimated to be finalized) change the main production site to a site located in Poland. The reasons behind the substitution are based on the new site enabling more efficient and more profitable production. Further, in 2023, the Company expects to extend the current number of product lines by adding products, also based on cannabinoids/cannabis, but within animal treatments.

Clinical trials

As a part of CS MEDICA’s business strategies, the Company has several ongoing clinical trials, in accordance with the regulation on MDR, on their broad range of products, and one completed a study on hair growth efficacy. Further, the Company has five planned studies. The Company assumes this will continue in accordance with the pipeline.

Marketing

The Company assumes it will be able to use its brand and financial resources to offer the European market competitive and unique products. Management will be able to implement creative and effective branding and marketing strategies, to take the position as a leading player on the market, using its brand CANNASEN®.

Sales and distribution

Lastly, the Company assumes certain sales goals will be reached through its various distribution partners across Europe. These distribution and sale agreements are signed and will continue to expand across borders to increase sales and distribution to meet financial targets. CS MEDICA has continually increasing sales with several ongoing discussions and confirmed orders of approx. DKK 3 million (note that these orders have been signed in Q4 and are therefore not booked in the financial statements included in this prospectus). The aforementioned orders are intended for delivery before the end of September, including orders from Kronans Apotek (Sweden) and Matas (Denmark).

Assumptions outside the direct control of the Company

According to the Company, the assumptions that potentially could have a significant impact on the projected financial outcome are the political climate and regulatory changes. In the scenario where the political climate and/or regulatory changes generate an undesired change in the Company's ability to reach the sales figures mentioned below, future financial expectations must be revisited.

The political climate

2021 and the following years could be critical for the rapidly growing cannabis industry, with an estimated market growth of 49 percent compound annual growth rate (CAGR) until 2024.[63] As public support for the legalization of cannabis continues to grow in Europe, it impacts regulation of cannabis's various industry segments, such as the one CS MEDICA operates within. If this political climate were to change to a less welcoming one, with harder regulation and less public interest, it would heavily impact the Company's ability to conduct business and reach its financial growth. The growth is thus an uncertain assumption made based on the Company's current knowledge of the situated political climate in Europe and is outside of the Company's direct control.

Regulatory changes

As mentioned above, there is a possibility that the regulations could change, impacting the Company's operations. A recent change that occurred in May 2021, was that Medical Devices were regulated under MDD, but today follows the MDR (Medical Device Regulation) (EU) 2017/745.64 Products filed under MDD as a class I will, with the new MDR, be lifted to a class IIa. 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.65 In the above-described instance, it was a positive competitive advantage for the Company, but if or when future regulations occur they remain outside of the Company's direct control and may harm the Company's operations.

[63] BDSA (2021). *BDS Analytics: The Global Cannabinoids Market, Will CBD Overtake THC.*
[64] Medical Device Coordination Group (2020). *Guidance on significant changes regarding the transitional provision under Article 120 of the MDR with regard to devices covered by certificates according to MDD or AIMDD.*
[65] Ibid.

HISTORICAL EVENTS

2011/2012

- CS MEDICA (holding company) and CanNordic (fully owned subsidiary) were founded.

2012/2013

- GMP certification achieved.

2013/2014

- Galaxa Pharma signs a distributor agreement with Labo International S.R.L representing their hair loss treatment product, CRESCINA in Denmark.
- Initiation of research on the therapeutic properties of cannabis within treatment and care.

2014/2015

- R&D: studies on the literature review, bibliography, research, and chemistry behind cannabis and the endocannabinoid system.
- CRESCINA is sold to the largest sales channels in Denmark, Matas Operations A/S ("Matas"), and the two pharmacy wholesalers.
- Market launch of CRESCINA online at Matas and all online pharmacy e-commerce platforms.

2015/2016

- GDP certification achieved.
- R&D: studies on and evaluation process of ancient CBD-based formulas used by Mexican healers for generations. Run together with Los Angeles-based manufacturer of cannabinoid products.
- Commencement of collaboration with Dr. Andersson and Dr. Duguine from Instituto Neurológico Buenos Aires in Argentina.
- Commencement of collaboration with other early experts in medical CBD usage in Medical Devices, and food supplements, such as Dr. Suresh, from India and Dr. Dauer from Germany.
- Matas takes CRESCINA on the shelf at 263 shops in Denmark.
- Galaxa Pharma establishes a distributor agreement with OCEANIC S.A., Poland, representing their cosmetic lines LIFT4SKIN and LONG4LASHES.

2016/2017

- R&D: Investigation and evaluation of different combinations of cannabinoids and other active ingredients.
- Market launch of OCEANIC's LONG4LASHES and LIFT4SKIN for online sales at Matas and other e-commerce platforms.

2017/2018

- R&D stage 1: design, and development of Psoriasis and Arthritis Gel
- R&D stage 1: Preclinical tests and final formulation of Psoriasis and Arthritis Gel.

2018/2019

- Launch of CS MEDICA's webshop (www.cosmage.dk).
- R&D stage 1: design and development of CANNASEN®CBD Nasal Spray Night – CBD and CBN, Protective Nasal Gel, Wound Gel, Pain Patch, Anti-Hair Loss serum, and food supplement.
- R&D stage 2: Clinical, biological, and risk evaluations of CANNASEN®CBD Psoriasis and Arthritis Gel.
- Submission of patent applications regarding CANNASEN®CBD Psoriasis and CANNASEN®CBD Arthritis Gel.

2019/2020 - H1

- R&D stage 2: Preclinical tests and final formulation CANNASEN®CBD Nasal Spray Night – CBD and CBN, Protective Nasal Gel, Wound Gel, Pain Patch, Anti-Hair Loss serum, and food supplement.
- Establishment of CanNordic A/S, a 100 percent owned subsidiary of CS MEDICA.
- Trademark CANNASEN® Secured globally, USA, Canada, China, South Korea, Thailand, Japan, Vietnam, Indonesia, Australia, New Zealand Argentina, Brazil, Chile, Japan, Korea, Malaysia, Thailand, and Vietnam.
- During the initial stages of the COVID-19 pandemic, available production capacity was used to enter Denmark-hjælper-Denmark. This meant rapid production and provision of products with COVID-19 protective agents and launch of CANNASEN® Disinfection Gel, CANNASEN® Surface Disinfection Spray, and CANNASEN® Antibacterial Hand Cream. The COVID-19 market stagnation delayed the launch of other CANNASEN® products.

2019/2020 – H2

- Registered as a medical device manufacturer.
- R&D stage 3: Clinical, biological, and risk evaluations of CANNASEN®CBD Nasal Spray Night – CBD and CBN, Protective Nasal Gel, Wound gel, Pain patch, Anti-Hair Loss serum, and food supplement.
- Patented filed: CANNASEN®CBD Psoriasis Gel and CANNASEN®CBD Arthritis Gel.
- Galaxa Pharma; Conversion of subordinated loan capital totaling approx. DKK 2.3 million into shares.
- Meeting with China Polypeptide Industrial Group, Ltd. (CPG), coordinated by the Foreign Ministry. regarding cooperation agreements in Asia and Canada. CPG is, with its 3,600 employees and a turnover of approx. DKK 1,147 million, one of the largest pharmaceutical companies in China, and crucial for the Company's role out in Asia. The collaboration is based on the introduction of the Company's Psoriasis gel in combination with their food supplement. CPG has high expectations for the collaboration but, as the company is in Wuhan, all science personnel have been taken off duty for the development of the COVID-19 vaccine. The agreed testing was scheduled for March 2020 but has been put on hold until further notice.
- Name change of parent company from LHX Holding ApS to CS Group ApS was registered.
- Name change of subsidiary from Galaxa Pharma A/S to CanNordic A/S was registered.
- Name change of subsidiary from CanNordic A/S to Galaxa Pharma A/S was registered.

2020/2021 - H1

- R&D stage 4; Market launch of CANNASEN®CBD Psoriasis Gel and CANNASEN® Arthritis Gel in Denmark.
- Patented filed: CANNASEN®CBD Psoriasis Gel combined with food supplement and CANNASEN®CBD Arthritis Gel combined with a food supplement.
- Matas Group brings CANNASEN®CBD on the shelf across its 183 Matas stores in Denmark.
- Pharmacies take CANNASEN®CBD across five online web portals.
- Finalized distributor agreements in the UK, Belgium, The Netherlands.
- Galaxa Pharma signed a distributor agreement with Aqua Biotechnology ASA, Sweden, representing their MOANA Skincare line in Denmark and Krayna, Poland, representing their KRAYNA Skincare line in the Nordic Countries.

2020/2021 – H2

- Patents filed CANNASEN®CBD Nasal Spray Night– CBD and CBN, Protective Nasal Gel, Wound Gel, and Pain Patch.
- R&D stage 4; Market launch of CANNASEN®CBD Nasal Spray Night – CBD and CBN, Protective Nasal Gel, Wound Gel, Pain Patch, Anti-Hair Loss serum, and food supplement in Denmark.
- Inspection from the Danish Medicine Agency closed.
- Finalized Amazon sales channel in Germany.
- Finalized Partner and Clinical Trial portals.
- Finalized distribution and sales agreements with Swedish pharmacy groups.
- Negotiation of distributor agreements with France and Germany.
- Repurchase of shares in Galaxa Pharma Aps corresponding a total of approx. DKK 2.3 million.
- Galaxa Pharma; Conversion of loan capital totaling approx. DKK 2.8 million into shares offset in Offer.
- Increase of capital in Galaxa Pharma ApS to DKK 0.5 million followed by conversion to A/S.
- Increase of capital in CS MEDICA ApS to DKK 0.52 million followed by conversion to A/S.
- Name change of parent company from CS Group ApS to CS MEDICA A/S was registered.

RISK FACTORS

Several risk factors can have a potential effect on the operations of CS MEDICA. There are risks pertaining to the specific, as well as risks with no specific connection with CS MEDICA, but that may impact the industry and market in which the Company operates. Therefore, it is of great importance to consider the material risks associated with the future development of the Company and its shares. Material risk factors are described below without claiming to be exhaustive. For natural reasons, it is not possible to assess all risk factors without a combined evaluation of other information in the Prospectus, along with a general assessment. The risk factors include an assessment of the probability of the occurrence of the risk and the extent of its negative impact on the Company listed as high, moderate to low.

RISKS SPECIFIC AND MATERIAL TO THE COMPANY'S OPERATIONS

Covid-19

As a result of the spread of Covid-19, several countries around the world have imposed restrictions on, among other things, travel, and opportunities for people to meet. There is a risk that shutdowns and demands on people to work from home may affect the Company's expected order backlog and circumvent the Company's plans of establishing itself in new markets. There is also a risk connected to the Company's ambition to initiate dialogues with potential partners and thus enter agreements. One may also be aware of the risks associated with Covid-19's effect on the logistics of the Company's products or raw materials needed to assemble the Company's products. There is a risk that the ongoing or future clinical trials, development, and/or production of already existing and future products may not be possible or will be delayed, which may lead to a failure in achieving the Company's financial and operational objectives. Any delays, effect on product demands, and/or social interference may result in increased costs for the Company, loss of revenue, which by extension may adversely affect the Company's earnings, capital, and financial position. CS MEDICA assesses the likelihood of the risk occurring as high.

Demand, price, and competition

To the acknowledgment of the Board of CS MEDICA, there will be an increasing demand for products containing cannabinoids from cannabis in the future. An increase in demand is expected to generate a greater number of market players – newly established as well as multinational companies that have entered the market and have significant financial resources. There is a risk that substantial investment and product development by a competitor will result in a less favorable situation in terms of sales or revenue opportunities for the Company. In such a scenario, the competitor may develop products that outperform the Company's products, thereby taking market share from the Company. One may also consider the risk of a greater number of market players resulting in a higher demand for raw materials. Given a constant supply, there is a risk of price increase in the Company's raw materials and thus harming the earnings of the Company. There is also a risk that the increase of market players outgrows the product demand. There too is a risk that, in order to stay competitive within the market, CS MEDICA will have to lower their margins on all or some of their products, and thus harming the Company's earnings and financial position. CS MEDICA assesses the likelihood of these risks occurring as moderate.

Financing needs and capital

There is a risk that delays in clinical trials and/or controlled studies, or product developments, will result in cash flow being generated later than expected. Furthermore, there is a risk that CS MEDICA's targets regarding the market penetration and sales will not be achieved within the timeframe determined and that it takes longer than planned to reach the milestones determined by the Board of Directors in the Company. A situation may arise where CS MEDICA may need to acquire additional capital in the future, depending upon how much revenue the Company can generate concerning its expenses. There is a risk however that such additional capital may not be able to be acquired at the same terms as in this issue. There is also a likelihood of the Company not being able to acquire any capital at all. The results of not being able to acquire capital may be that development,

manufacturing, market penetration, etc. are temporarily halted or that the Company is forced to conduct its business operations at a slower pace than desired, which can lead to delays or that the commercialization is not implemented, and that no revenue is obtained. CS MEDICA assesses the likelihood of the risk occurring as moderate.

Registration and licensing at the agencies/governmental authorities

CS MEDICA operates within the pharmaceutical area of business focusing on cannabis and cannabinoids - an area permeated with a constant risk of change in the political situation and regulations. A change in the political situation or the regulations poses a risk for the Company. Regulatory reforms or changes in the political situation – either locally, within the EU, or globally - may affect the operations of the Company. There is a risk that this will affect the issuer's ability to meet regulatory requirements. Therefore, there is a risk that CS MEDICA, directly or through partners, will need to adjust its business to meet new requirements.

In the event CS MEDICA, directly or via collaborative partners, fails to obtain the requisite permits and registrations from the governmental authorities, there is a risk that the Company's ability to generate revenue will be inhibited. There is also a risk that observations and feedback on the Company's proposed plans for planned upcoming studies and clinical trials will result in delays and/or increased costs for the Company. The now in effect applicable rules and regulations, and their interpretations, may change. There is a risk that this will affect the Company's prerequisites for meeting regulatory requirements. Thus, there is a risk that CS MEDICA, directly or via its collaborative partners, will not receive the necessary permits and registrations with the governmental authorities. If the Company does not receive the necessary permits and registrations from the governmental authorities, there is a risk that the Company's earnings potential and financial position will be adversely affected. CS MEDICA assesses the likelihood of the risk occurring as moderate.

Patents and other intellectual property rights

CS MEDICA's ambition is to register patents on all the Company's treatment products. Currently, the Company has all its treatment products their products patented via PCT (Patent Cooperation Treaty) covering 153 nations across the globe.
Further on the Company currently have seven proceeding patents that are filed and pending:

- Psoriasis Gel and Arthritis Gel (filed August 2019 and pending)
- Psoriasis Gel, food supplement, and Arthritis Gel plus food supplements (filed February 2021 and pending)
- Anti-Hair Loss Serum and food supplement (filed April 2021 and pending)
- Pain Patch (filed May 2021 and pending)
- Wound Gel (filed May 2021 and pending)
- Nasal Spray Night (filed May 2021 and pending)
- Protective Nasal Gel (filed May 2021 and pending)

The patent covers and will cover Psoriasis Gel and Psoriasis food supplement, Arthritis Gel and Arthritis supplement, Anti-Hair Loss Serum and Anti-Hair Loss supplement, Wound Gel, Protective Nasal Gel, Nasal Spray Night, and Pain Patch - altogether eleven products. Immune booster supplements will be included in the patent update for the Protective Nasal Gel.

Further, the Company protects its IPR by the mentioned patents and global trademarks registration in class 03, 05, and 10 – covering the following territories: EU, Switzerland, Norway, India, and the following territories applied and pending; the USA, Canada, China, South Korea, Thailand, Japan, Vietnam, Indonesia, Australia, New Zealand Argentina, Brazil, Chile, Japan, Korea, Malaysia, and Vietnam.

However, there is no certainty that the existing and/or future patent portfolio and other intellectual property rights held by the Company will not provide adequate commercial protection, and thus not securing the expected

rights of the Company. If CS MEDICA is required to defend its patent rights against a competitor, the risk is present that this will result in significant costs being incurred, which may adversely affect the Company's business operations, earnings, and financial position. Additionally, patents and property rights have a limited service life (usually 20 years from the day granted) – enabling external players to enter the market with the Company's products that are no longer protected. There is a risk of other companies being able to provide the customers with these products on greater terms – affecting the earnings and the results of CS MEDICA.

Additionally, there is a risk that CS MEDICA infringes, or that an allegation is made that it has infringed, on third-party patents. There is also a risk that other parties' patents may limit the ability or possibilities for one or more of the Company's future collaborative partners to freely use the affected product or production method. It is not possible to anticipate the outcome of patent disputes in advance, and there is a risk that an adverse outcome of disputes or litigation relating to intellectual property rights results in a loss of protection, prohibition to continue to utilize/employ the rights at issue, or that an obligation to pay compensatory damages arises. In addition, the costs of such litigation, even in the event of a result with a favorable outcome for the Company, can be substantial. There is a risk that this adversely affects the Company's earnings and financial position. There is a risk that the above results in difficulties or delays in the commercialization of future products and thus difficulties in generating revenue. The same applies to other intellectual property rights, such as brands and trademarks. There is additionally a risk that parties with competing business operations obtain patents in fields related to or adjacent to CS MEDICA's existing patents or patent applications, resulting in that the competitors' treatment alternatives attain the same efficacy as that of the Company's alternatives. Risk is present that as a result, CS MEDICA will be faced with a more difficult marketing situation with an increasingly competitive situation, which may adversely affect the Company's revenue and earnings. CS MEDICA assesses the likelihood of the risk occurring as moderate.

Marketing and market penetration

To increase product sales, CS MEDICA will focus on achieving market shares through marketing activities in new countries and regions. Also, and in accordance with the Company's strategy of expanding its market shares, the Company aims to finalize distributor agreements outside of Denmark. In order to achieve these ambitions, the Company is relying on generating an increase in demand for the Company's products. The increase in demand is connected to a successful marketing strategy. However, there is no guarantee that any of the Company's marketing activities will generate an increase in demand and thus a market penetration equal to CS MEDICA's expectations. In such a scenario following establishments in other countries and regions may be delayed and thereby result in a loss of income. One may also consider that synergy effects of achieving market shares are not in line with the Company's expectations, generating a lower degree of market penetration resulting in lower revenue than expected. There is also a risk of market penetration in new countries and regions that entail problems and risks that are difficult to interpret. The risks may adversely affect the Company's operations, financial position, and results. CS MEDICA assesses the likelihood of this risk occurring as moderate.

Clinical trials/controlled studies

Clinical trials and the pharmaceutical industry, in general, are associated with a great level of uncertainty. The uncertainty is largely connected to the risks related to delays in certain processes and the outcome of the results. In the case of CS MEDICA, there is a risk that the results from early clinical trials do not match results in more extensive ongoing trials of the Arthritis and Psoriasis gels and thus not indicating sufficient safety and efficacy for the Company to be able to subsequently launch their yet-to-be-launched pharmaceutical products. Also, there is a risk that the clinical trials of the above-mentioned gels, which are currently on hold due to COVID-19 and which are performed in India, will continue being on hold throughout the year 2021, postponing the launch of Company products, affecting CS MEDICA's ability to generate income and thus harming the financial state of the Company. One may also consider the risks connected to post-clinical studies and the potential outcome of undesired results and thus the risk of having results that require the Company to revisit the formulation of the products.

There is also a risk that the Company experience further demarcations from Covid-19 and/or any other global crisis, connected to the Company's pursuit of securing partners and/or patients in connection to future studies, leading to delays that risk generating a reduction or a lack of earning and thus affecting the financial state of the Company. CS MEDICA assesses the likelihood of the risk occurring as moderate.

Development costs

CS MEDICA will continue to develop and further develop products within its area of business. The development of products in the medical business is generally permeated with great uncertainty and high costs, therefore there is not possible to predict in advance the exact time or costs connected to the development of the products. This means that there is a risk that planned product development will be more time-consuming and costly than planned. There is also a risk that the above will adversely affect the Company' s business operations, meaning that the Company is unable to launch the number of products that are expected, and thus generating lower levels of earnings. If the development of a new product takes a longer period than projected, there is a risk that this will lead to increased development costs, generate a reduced operating profit for the Company and thus affect the financial state of the Company. CS MEDICA assesses the likelihood of the risk occurring as low.

Suppliers and manufacturers

As of today, CS MEDICA has well-established relationships with several suppliers and manufacturers of their respective products. However, this does not guarantee that a continued partnership on the same terms in the future. There is a risk of one or more of the Company's suppliers or manufacturers deciding to cease their cooperative efforts with the Company, which may adversely affect the activities relating to product development, distribution, and hence future sales and/or earnings. There is also the risk that CS MEDICA's suppliers and/or manufacturers do not satisfy the quality standards, which the Company has established. There is a risk that the establishment of relationships with new suppliers or manufacturers will be more costly and/or require more time than expected. In the event of a suspension or the ending of the working relationship with a supplier or manufacturer, there is a risk that CS MEDICA will need to spend resources on establishing new working partnerships. There is a risk that such a process becomes costly and as a result that the Company's operating profit will decrease. There is also a risk that the Company cannot replace a supplier who has terminated its agreement with the Company, which can result in a reduced or a lack of cash flow for the Company. CS MEDICA assesses the likelihood of the risk occurring as low.

Market growth

CS MEDICA works within the pharmaceutical area of business focusing on products containing cannabis and cannabinoids. The Company expects a great increase in the market for products containing cannabis and cannabinoids in general. The Company also expects a great increase within the area of products that the Company is focusing on. Further on, the Company plans on embarking on the expected market growth in the coming years and thus becoming a global player of the medical device containing cannabis and cannabinoids under the pharmaceutical legislation. However, there is no certainty that the general market for cannabis or cannabinoids, or the specific area of the Company's products to grow at the level of CS MEDICA's expectations. Neither is any guarantee in the Company becoming the market player of the desired statute. There is also a risk that the Company will not be able to handle the expected growth at the organizational level. Furthermore, there is also a risk of CS MEDICA's interpretation of synergy effects between certain markets and products will not generate the expected value. An insufficient market growth or the potential inability for the Company to become a key market player in the area of Medical Devices containing cannabis and cannabinoids may affect the Company's future income and thus have an impact on the profits and the financial state of the Company. CS MEDICA assesses the likelihood of the risks occurring as low.

Foreign exchange risk

A portion of CS MEDICA's future sales revenues may be received, and costs may be incurred, in various currencies other than DKK/SEK. There is no guarantee that the relative value between the currencies has a minor effect on the Company's costs and/or income. Exchange rates are exposed to rapid and unpredicted

fluctuations and thus affecting the cash flow of the Company. If, for instance, the Danish kroner (which is the Company's accounting currency), increases in value, there is a risk that the Company's future exports will decrease. This, in turn, will lead to a decrease in revenue for CS MEDICA and reduced operating profits for the Company. However, since the Company is on both the buying and selling side with international customers and suppliers that trade with different currencies, the Company believes that any price fluctuations will offset each other over time. CS MEDICA assesses the likelihood of the risk occurring as low.

Product liability, disputes, and legal claims

Bearing in mind that CS MEDICA operates in the pharmaceutical industry, risks associated with product liability arise and are present. At present, the Company is involved in a dispute that concerns an agreement between Galaxa Pharma ApS, a subsidiary of CS MEDICA, and Tjellesen Max Jenne A/S ("TMJ") regarding Galaxa Pharma's delivery of certain products. The dispute took its beginning when TMJ contacted Galaxa Pharma on the 7th of January 2021 informing that TMJ wanted to return a majority of the purchased disinfection products against a refund corresponding approx. DKK 0.9 million excluding VAT. Although TMJ has been provided with rejections of their claim TMJ's lawyer has informed that TMJ has decided to take legal action in this matter. In the latest correspondence, TMJ's lawyer has expressed an interest in obtaining a choice of venue agreement between the parties.

According to the Company, the case is likely to be taken to the court. And even though the Company believes that Galaxa Pharma's chances of success are predominant, one may consider the risks connected to an undesired outcome in the matter. In such a scenario CS MEDICA assesses the potential damage primarily as financial, corresponding to approx. DKK 0.9 million (the value of the purchased disinfection products that TMJ wishes to refund) plus any legal costs. Besides any financial effects, one may consider the risk of the Company being commercially affected.

Further on, there is also a risk that the Company will be held liable for an eventual event in clinical trials in the future, even in cases where clinical trials are conducted by an external third party. In the event, an incident does occur in a clinical trial and if CS MEDICA would be held liable for this, there is a risk that the Company's insurance coverage may not be adequate to fully cover any future legal claims. There is a risk that this negatively affects the Company, both in terms of reputation as well as financially.

There is also a risk of CS MEDICA being involved in disputes within the framework of its ordinary business activities and may also be subject to claims concerning contractual issues, product liability, and alleged problems or mistakes in deliveries of the Company's products. There is a risk that such disputes and claims will be time-consuming for the Company to deal with, disturbing normal business operations, and eventually result in the incurring of significant costs. It is not possible to anticipate in advance the outcome of complex disputes, and there is thus a risk that disputes will have a material adverse impact on the Company's business operations, earnings, and financial position. CS MEDICA assesses the likelihood of these risks occurring as low.

RISKS SPECIFIC AND MATERIAL TO THE COMPANY'S SECURITIES AND THE ISSUE

Psychological factors

There is a risk that the securities market is negatively affected by psychological factors such as investor's reactions to trends, rumors connected to the news, and events with no direct link to the business of the Company. Since CS MEDICA is operating within an area of business that, in some cases, are affected by a relatively large number of factors, such as political, ethical, and regulatory, the Company may be exposed to a greater degree of risk and thus becoming a victim of trends and rumors that may potentially generate greater psychological vulnerability for the Company. There is a risk of CS MEDICA's share price being affected in the same way, or to a greater extent, as other securities that are admitted for trade. There is also a risk of psychological factors and their subsequent effects on price developments adversely affect the share price of the Company's shares. A lower share price may cause difficulties for the Company to raise capital on favorable terms in the future. CS MEDICA assesses the likelihood of the risk occurring as moderate.

Price movements

There is a risk that CS MEDICA's share price will undergo major variations in connection with an introduction to Spotlight Stock Market. Medical companies might be subject to a greater degree of price movements than other companies due to potentially greater vulnerability in changes connected to the political landscape, macroeconomic factors, clinical studies, surrounding regulations, market climate, and/or purchase and sales volumes even though they not necessarily have a connection with the Company's underlying value. One might also consider the risk of medical companies not being able to generate a, what might be considered, sufficient news flow and thus unable to generate an active level of trade in CS MEDICA Shares and therefore subject the Share to significant fluctuations. In addition, the general volatility of the share market may lead to the price of the Shares being devalued. There is a risk that the price fluctuations generate uncertainty about the Company's valuation and thus affect CS MEDICA's share price negatively. In the scenario where the Company's share price is negatively affected, one may have to consider the risks behind the Company's potential inability to raise funds on favorable terms in the future. CS MEDICA assesses the likelihood of the risk occurring as moderate.

Non-secured subscription commitments

The Company has agreed in committing subscription commitments related to the impending issuance of New Shares with several external actors. The subscription commitments consist partly of the bridge loan that already has been paid out to the Company, and part of a commitment of participating in the upcoming initial issue. However, the latter subscription commitments have not been confirmed or secured via prior transactions, bank guarantees, or similar measures. If one or more of those who submitted a subscription commitment do not fulfill their contractually agreed written commitments and obligations, there is a risk that the results of the issue would be adversely affected, which in turn could affect the Company's business activities with negative impacts related to reduced financial resources that are intended to contribute to the propelling of the business activities in the future. In such a scenario, the Company is at risk of generating lower earnings than expected and thus affecting the profits and the financial state of the Company. CS MEDICA assesses the likelihood of the risk occurring as low.

Dividend

CS MEDICA has yet to pay any dividends to any of its shareholders. The Company is currently in a phase of expansion and any surpluses are primarily planned to be invested into the development of CS MEDICA. There is no guarantee that the Company can generate cash flows to the amount that exceeds the Company's capital requirements and/or that the Board of the Company decides on dividends. In a scenario where CS MEDICA communicates an intent of paying dividends in the future, one may consider the risk of the Company not being able to generate sufficient profits in order to fulfill such commitments. CS MEDICA assesses the likelihood of the risk occurring as moderate.

Sale of shares from major shareholders, Board members, and those in senior management

Major shareholders, CEO, and members of the Board of Directors of CS MEDICA, together holding 100 percent of the shares in CS MEDICA - prior to the listing of the Company - have committed, via a lock-up commitment meaning that they commit not to divest any shares or warrants during the first twelve (12) months after the listing until the warrant exercise in the Company is completed, which is scheduled to take place approximately twelve (12) months after listing on Spotlight Stock Market.

Notwithstanding the provisions of the lock-up agreements, the parties who have agreed to a lock-up of shares may sell shares according to the terms and conditions of a public takeover offer according to the Swedish Public Takeover Bids on the Stock Market Act (Lag om offentliga uppköpserbjudanden). From a longer-term perspective, one should be aware that there is a risk that the parties who have agreed to a lock-up will divest part or all of their holdings in the Company, and this entails a potential risk for other shareholders, as there is a potential that this adversely affects CS MEDICA' s share price. A lower share price may cause difficulties for the Company to raise capital on favorable terms in the future. CS MEDICA assesses the likelihood of the risk occurring as low.

TERMS AND CONDITIONS FOR THE SECURITIES

ISSUER

CS MEDICA A/S with the corporate registration number (In Danish CVR-no) 33871643 and LEI code 549300SC8KWO7JFWLN17. The issuer is identical to the offeror of the units asking for admission to trading on Spotlight.

RESOLUTIONS, AUTHORISATIONS, AND APPROVALS

On the 1st of July 2021, the Board of Directors of the Company has decided, based on an authorization from the Extraordinary General Meeting on 16th of April 2021, to issue New Shares and warrants (TO 1) to be subscribed by the subscribers of units. One unit grants the right to subscribe to five (5) New Shares and two (2) warrants. The New Shares and the warrants being subscribed as part of the Issue of Units are subscribed without preferential rights for the existing shareholders. The reason to waive the shareholders' preferential right is for the Company to be able to spread the ownership and to be supplied with working capital for business development and capital for expansion of the Company's business. Besides the above-mentioned approval, the Board of Directors decided in July 2021, based on an authorization from the Extraordinary General Meeting in April 2021, to issue an incentive warrant program to all members of the Company's board of directors, the executive board, and the advisory board. No other resolutions, authorizations, or approvals have been made in the Company to issue new shares or warrants.

The New Shares and the warrants are expected to be issued in August 2021 and the warrants are expected to be exercised approx. twelve months after the Issue of Units.

INFORMATION CONCERNING THE SECURITIES TO BE OFFERED

In this Prospectus, the Company offers units, each consisting of five (5) New Shares and two (2) warrants in the Company. The Offer consists of a minimum of 468,400 units and a maximum of 580,400 units with a price of DKK 38.50 per unit. The Offer consists of a minimum of 936,800 warrants and a maximum of 1,160,800 warrants, each granting the right to subscribe for one (1) share in the Company of DKK 9.30 each. All shares belong to the same share class and carry the same rights. With a subscription of the maximum number of units in the Offer, the Company's share capital will increase from DKK 520,000 to DKK 708,630, and the number of shares will increase from 8,000,000 to 10,902,000. With a subscription of the maximum number of units in the Offer, the issue proceeds to be received by the Company (excluding any costs in relation to the Offer) will amount to approx. DKK 22.3 million. If all the warrants are exercised, the share capital will increase additionally from DKK 75,452 to DKK 784,082. The subscription amount from a full exercise amounts to approx. DKK 10.8 million.

The shares will be traded under the International Security Identification Number (ISIN DK0061668225 on Spotlight under the code/ticker "CSMED". The shares will have CFI code ESVUFN and FISN code CS MEDICA AS/-. The warrants will be traded under the International Security Identification Number (ISIN) DK0061668308 on Spotlight under "CSMED TO 1", and the warrants will have CFI code RWSTCB and FISN code CS MEDICA/OPT RTS 20220715.

The New Shares and warrants (TO 1) are issued according to the Danish Companies Act (no. 763 of 23/07/2019) and the Company's Articles of Association as of the date of this Prospectus. the Company is, moreover, subject to general Danish legislation, including Regulation (EU) 2017/1129 and the Danish Act on Capital Markets (no. 377 of 02/04-2020). Due to its listing on Spotlight, the Company is, however, bound to the obligations set out in the applicable Spotlight Regulations, including its Danish Supplement. Such obligations include, but are not limited to, complying with disclosure and information requirements in the Swedish Securities market and the Danish Securities market. Through its listing on Spotlight, the Company may also be subject to Swedish self-regulation, which implies takeover rules and recommendations on directed cash issues, while the Swedish Securities Council may, on request, decide whether a measure by the Company or its shareholders is consistent with which if the body of the Swedish self-regulating system issuing rulings, advice and inform good practice in the Swedish stock market.

The shares are registered by name (in Danish: "*navneaktier*"), and the shares and warrants are registered electronically (by name) in VP Securities A/S (in Danish: "*Værdipapircentralen*"), Weidekamp-sgade 14, 2300 København S, Denmark. The New Shares and warrants are issued in Danish Kroner (DKK).

DISTRIBUTION OF PROFIT AND VOTING RIGHTS ETC.

The New Shares will have identical rights as the existing shares. These include voting rights, the right to receive a dividend, the right to participate in the proceeds in case of a dissolution or liquidation of the Company, and pre-emptive rights in connection with capital increases. The warrants do not give the shareholders such rights (until these are exercised and the resulting shares are issued).

All shares in the Company carry an equal right to dividends. Dividend on New Shares that are newly issued in the Issue of Units as described in this Prospectus will be paid on the record day for the dividend that may occur after the registration of the shares in the share register kept by VP Securities A/S. The right to a dividend applies to investors who are registered as shareholders in the Company on the record day for the distribution of dividends. There are no existing restrictions on dividends or special procedures for shareholders resident outside of Denmark, and payment of any distribution of dividend is intended to take place via VP Securities A/S in the same manner as for shareholders resident in Denmark. Dividends accrue to the Company if it has not been claimed by the shareholder within three (3) years from the time of the declaration of the dividends.

The rights of the shareholders can only be changed per the procedures specified in the Danish Companies Act. All shares possess equal rights to profit distribution, as well as to any surplus in the event of liquidation or bankruptcy. At General Meetings, each share has one vote, and each shareholder can vote for its full number of shares without limitation. All shares provide shareholders with equal rights to the number of shares they own.

Under the Danish Companies Act, a single shareholder who holds more than 90 percent of the share capital in a company has the right to redeem the remaining shares from the other shareholders in the Company. Correspondingly, a shareholder whose shares can be redeemed is entitled to such redemption by a single shareholder holding more than 90 percent of the share capital in a company. The shares that are newly issued in the Issue of Units as described in this Prospectus are not subject to an offer that is made because of a bid obligation, redemption, or resolution obligation.

TAKEOVER RULES

The Swedish Corporate Governance Board has issued the "takeover rules" for certain trading platforms, which are essentially equivalent to the rules that apply to companies for which shares are admitted to trading on a regulated market. The takeover rules will be applied to public takeover offers for companies in which shares are traded on Spotlight. This means that, in their entirety, the rules will apply not only in cases in which the shares are traded exclusively on Spotlight but also in cases in which the shares are traded on both Spotlight and a foreign marketplace. It follows from point II.21 (defensive measures) and section III (bid obligation) in the takeover rules issued by The Swedish Corporate Governance Board that these takeover rules do not apply to the Company, as they only apply to target companies that are Swedish limited liability companies. The takeover rules in the Danish Act on Capital Markets do not apply to the Company as Spotlight is not a regulated market.

THE SECURITIES' TRANSFERABILITY

There are no restrictions on the transferability of the shares or warrants, except for the lock-up described under section "Terms and conditions for the offer" in this Prospectus.

TAX CONSIDERATIONS

An investment in the Issue of Units described in this Prospectus may result in tax consequences for the investor. CS MEDICA is a Danish registered company that has an unlimited tax liability in Denmark. The Company's shares and warrants are expected to be traded on Spotlight, a multilateral trading platform (MTF). The tax legislation in the investor's home country and Sweden may influence any income received from the Issue of Units described in this Prospectus. Taxation of any dividend, as well as capital gains tax and rules regarding capital losses on the sale of securities, depends on the individual investors' specific situation. Shareholders may need to consult their accountant or tax adviser for a closer assessment of tax consequences, including the applicability and effect of foreign tax rules and tax treaties when being a shareholder in the Company.

LOCK-UP AGREEMENTS

All (two) shareholders in the Company, together holding 8,000,000 shares (corresponding to 100 percent of the shares prior to the listing of the Company) have entered into lock-up agreements with Sedermera Fondkommission AB. The agreement extends within twelve (12) months from the first day of trading on Spotlight Stock Market. The lock-up agreements comprise 100 percent of all the Shares and warrants of the shareholders' holdings and state that no selling of any shares or warrants until the exercise of the Warrant series TO 1, which is scheduled to take place approx. twelve (12) months after listing on Spotlight Stock Market, is allowed. There are no exemptions to the lock-up agreements, meaning they are regulated under the same terms and conditions. Apart from lock-up agreements, there are no limitations to freely transfer shares in the Company. For additional information on the lock-up agreements, please refer to section "Terms and conditions for the offer – Lock-up" in this Prospectus. The parties listed below have committed to lock-up-agreements:

- LHX Invest ApS
- CoLund ApS

. Parties that have committed in a lock-up agreement and their respective holdings after the execution of a fully subscribed Offer.

Part	Number of shares	Percentage of votes and capital	Expected expiration date
LHX Invest ApS*	4,000,000	36.7%	16th of September 2022
CoLund ApS**	4,000,000	36.7%	16th of September 2022
Total	**8,000,000**	**73.4%**	

*Lone Henriksen is CEO in CS MEDICA and 100 percent owner of LHX Invest ApS.
**Gitte Henriksen is CFO and Member of the Board of Directors in CS MEDICA and 100 percent owner of CoLund ApS.

TERMS AND CONDITIONS FOR THE OFFER

THE OFFER

Existing shareholders, the public, and professional investors in Sweden and Denmark are hereby invited to subscribe for units in the Company during the period from the 17th of August 2021 to the 31st of August 2021. The Board of Directors of the Company decided on the 1st of July 2021, based on an authorization from the extraordinary general meeting on 16th of April 2021, on implementing a new Issue of Units and to increase the share capital by at least DKK 152,230.00 and a maximum of DKK 188,630.00 through a new issue of at least 2,342,000 New Shares and a maximum of 2,902,000 shares, each with a nominal value of DKK 0.065 and also issue at least 936,800 warrants and a maximum of 1,160,800 warrants.

The total unit issue amounts to a minimum of DKK 18,033,400.00 and a maximum of DKK 22,345,400.00 where DKK 785,400.00 is regarding compensation for a bridge loan and is not capital to the Company. The subscription price per unit is DKK 38.50.

A maximum of 580,400 units will be issued and the subscription price in the issue will be DKK 38.50 per unit. One (1) unit consists of five (5) New Shares and two (2) warrants of series TO 1, issued free of payment. One (1) warrant gives the right to subscribe for one (1) New Share at DKK 9.30 during the subscription period of the warrants, which will take place from 18th of August 2022 until 1st of September 2022.

The cost of the initial Issue of Units amounts to approx. DKK 1.8 million. The cost of the exercise of the warrants, TO 1, amounts to approx. DKK 0.9 million

SUBSCRIPTION PRICE AND VALUATION

The subscription price is DKK 38.50 per unit. A brokerage fee may occur. The minimum number of units which can subscribe for is 120 units, which corresponds to DKK 4,620.00.

The Company's pre-money valuation prior to the new Issue of Units amounts to approx. DKK 61.6 million. The valuation has been determined by the Board of Directors of the Company in consultation with Sedermera Fondkommission and is based on discussions on the Company's existing operations, future potential, objectives, and long-term business prospects. The assessment has also considered the market price of comparable publicly traded companies. In connection with the discussions, the Company has received pre-subscription commitments corresponding to approximately 60 percent of the initial issue. In light of this, the subscription price is considered to be market-based.

WARRANTS OF SERIES TO 1

One (1) warrant of series TO 1 entitles to subscription of one (1) New Share with a subscription price of DKK 9.30 during the subscription period 18th of August 2022 until 1st of September 2022. If all warrants are exercised during this period, the Company will receive an additional of approximately DKK 10.8 million before issue costs.

SUBSCRIPTION PERIOD

Subscription of units will take place within the period from the 17th of August 2021 to the 31st of August 2021.

When subscribing via your bank, the last subscription date may vary. You should therefore contact your bank early in the subscription period to subscribe or get information about their last day for subscription.

SUBSCRIPTION COMMITMENTS

CS MEDICA has received subscription commitments of approx. DKK 13.4 million, corresponding to approx. 60 percent of the initial issue volume. No premium compensation is paid for the subscription commitments. For the Company to accelerate its business until the implementation of the Offer, the Company has executed a bridge financing of approx. DKK 3.9 million, for which the bridge financers will receive compensation in the form of extra units (corresponding to 20 percent of the bridge loan) in the Offer. The compensation related to the bridge

loan amounts to approx. DKK 0.8 million. Of the subscription commitments, another approx. DKK 2.8 million is related to previously completed bridge financing that is set off against units in the forthcoming Issue of Units. The bridge loan together with the compensation, as well as the previously obtained loan of approx. DKK 2.8 million, is to be redeemed against units in this Offer. The compensation will thus not be provided to the Company.

All parties that have entered subscription commitments can be reached via the Company's address. All subscription commitments were agreed to in writing in March 2021. All parties who have entered a subscription commitment can be reached via the Company's address. In addition to the bridge financing received and set off against units, the subscription commitments have not been secured via a pre-transaction, bank guarantee, or the like. Note that shares are primarily allotted to subscribers in the Issue of Units, in relation to the subscription undertaking entered. The parties that have submitted subscription commitments are presented below.

Underwriters	Corporate registration number	Address	Subscription commitment (DKK)	Of which contributed as bridge financing (DKK)
Finn-Ove Henriksen and Nina Henriksen*			2,800,000.00	0.00
Ylber Rexhepi			1,943,942.00	719,719.00
Tonoy Sayeed			1,225,801.50	453,799.50
Kent Eklund			864,017.00	319,896.50
Taulant Bara			864,017.00	319,896.50
Thomas Gidlund			755,947.50	279,856.50
Andreas Kjær			747,131.00	276,584.00
Nils-Holger Olsson			647,955.00	239,893.50
Niclas Andersson			539,962.50	199,892.00
Gerhard Dal			432,008.50	159,967.50
Stephan Käll			394,124.50	145,915.00
Peter Rundlöf			324,016.00	119,927.50
Strategic Wisdom Nordic AB	556543-2472	Norrviksvägen 24A, 181 565 Lidingö, Sweden	324,016.00	119,927.50
Johan Larsholm			269,962.00	99,946.00
Kurera Sverige AB	556901-8533	Vårfruvägen 29, 618 35 Kolmården, Sweden	215,946.50	79,926.00
Niclas Löwgren			215,946.50	79,926.00
Christian Månsson			162,046.50	60,021.50
Erik Svensson			162,046.50	60,021.50
Johan Stein			162,008.00	59,983.00
Göran Ofsén			129,591.00	48,009.50
Wehlins Byggmontage AB	556925-8865	Åvarpsvägen 79, 262 93 Ängelholm, Sweden	129,552.50	47,932.50
Nils Brünner			53,977.00	19,981.50
Johan Wehlin			43,158.50	15,977.50
Total compensation related to bridge financing			*785,400.00 DKK*	*0.00*
Total:			**13,407,173.50**	**3,927.000.00**

*Family relation to Lone Henriksen, CEO, and Gitte Henriksen, CFO, and Member of the Board of Directors.

APPLICATION FOR SUBSCRIPTION OF UNITS

Application for subscriptions of units shall be made via your bank/trustee by following their routines and guidelines. It is not possible to send a subscription form to Nordic Issuing. Please note that not all banks/trustees offer their customers to subscribe to the issue. The following banks offer a subscription of units through their online platforms: Avanza, Nordnet, Nordea, and Arbejdernas Landsbank. The minimum subscription is 120 units, which corresponds to DKK 4,620.00. Thereafter, a subscription takes place in any number of units. It is only allowed to submit one subscription form per subscriber. In case several subscription forms are submitted, only the last received will be considered. Incomplete or incorrectly completed subscription forms may be disregarded. No additions and changes may be made in the text printed on the subscription form.

The Board of Directors of the Company reserves the right to extend the subscription period and the time of payment. The offer is conditional on the fact that no circumstances occur which may result in the timing of the new issuance being deemed inappropriate and that the spread requirement is met. Such circumstances may, for example, be of an economic, financial, or political nature and may relate to circumstances in Sweden or Denmark as well as abroad, as well as the interest in participating in the new Issue of Units is deemed insufficient by the Board of Directors of the Company. In such cases, the Board of Directors will not complete the new Issue of Units. If the offer is revoked, this will be published through a press release no later than before the settlement notes are sent, which is scheduled to take place at the beginning of August 2021.

Please note that the subscription is binding.

SUBSCRIPTION – VIA NORDNET

If you are a customer of Nordnet you can subscribe via Nordnet's website. The subscription can be made from 17th of August 2021 until 30th of August 2021 at 23:59. In order not to lose the right to any allotment, there must be sufficient cash available on the account from which the subscription is made from 30th August 2021 until the settlement date, which is estimated to be 6th September 2021. Only one application form per investor is allowed and in the case of more submitted applications, Nordnet reserves the right to consider only the most recent. Please note that the subscription is binding. More information on how to become a customer of Nordnet and information on the subscription procedure can be found at www.nordnet.se or www.nordnet.dk.

SUBSCRIPTION – VIA AVANZA

If you are a customer of Avanza, you can subscribe via Avanza's website. The subscription can be made from the 17th of August 2021 until the 30th of August 2021 at 23:59. In order not to lose the right to any allotment, there must be sufficient cash available on the account from which the subscription is made from 30th August 2021 until the settlement date, which is estimated to be 6th September 2021. Only one application form per investor is allowed and in the case of more submitted applications, Avanza reserves the right to consider only the most recent. Please note that the subscription is binding. More information on how to become a customer of Avanza and information on the subscription procedure can be found at www.avanza.se.

SUBSCRIPTION FOR MORE THAN EUR 15,000

If the subscription amounts to or exceeds EUR 15,000, a money-laundering form (which can be found at Nordic Issuing's website (www.nordic-issuing.se) must be completed and submitted to Nordic Issuing pursuant to Act (2017:630) on measures against money laundering and terrorist financing. Please note that Nordic Issuing cannot guarantee that the subscription form is considered if a correct money laundering form is not available to Nordic Issuing during the subscription period.

PUBLICATION OF THE OUTCOME OF THE ISSUE OF UNITS

As soon as possible after the subscription period has ended, the Company will disclose the outcome of the new Issue of Units. The publication is scheduled for the 2nd of September 2021 and will be made through a press release, which will be available on the Company's website as well as on Spotlight's website.

ALLOCATION

Issue of Units is not oversubscribed:
All subscribers will receive the number of Units subscribed for on the subscription form.

Issue of Units is oversubscribed:
Allocation of Units will be decided by the Company's Board of Directors in dialogue with Sedermera, with the objective to ensure a strong ownership base, as well as broaden the Company's ownership in order to achieve good liquidity in the Company's shares and warrants after planned listing.

The Company's Board of Directors is entitled to make the allotment of Units partly or entirely through random selection. This is a computerized process that relies on algorithms that randomly execute the drawing of lots and will be executed by the issuing agent in the new Issue of Units. This further means that allocation may happen with fewer Units than subscribed for on the subscription form or no Units at all.

Full allocation will, however, be made to the subscribers who have signed pre-subscription commitments.

NOTIFICATION OF ALLOCATION

Allocation of units is scheduled to happen as soon as possible after terminated subscription period and the notification will be received from your bank/trustee around the 2nd of September 2021 by booking the allotted number of shares and warrants against the debit of payment in the specified account.

If a correct account number is not available on the last day of the subscription period, the 31st of August 2021, there is a risk that allotted units will not be delivered in time for the listing date or that the units are transferred to another party.

DELIVERY OF SHARES AND WARRANTS

New Shares and warrants will be delivered to your bank/trustee after the new unit issue has been registered with the Danish Business Authority (Erhvervsstyrelsen), which is scheduled to happen around the 7th of September 2021.
Since the Company is a Danish public limited company, all the Company's shares and warrants will be registered in the VP system. Trading and settlement will take place within the framework of the VP system.

POTENTIAL PAYABLE FEES

Clearing and settlement take place within VP's system in Denmark. This may mean that banks and managers who are not members of VP in Denmark may charge an administrative fee for the subscription of shares and warrants in the Company's new Issue of Units.

COMMENCEMENT OF TRADING

At the time of the publication of the Prospectus, the Company has been approved for listing by Spotlight with reservation for the spread requirement. The Company's New Shares will be traded on Spotlight under the label CSMED, and with the ISIN code DK0061668225. The New Shares have CFI code ESVUFN and FISN code CS MEDICA AS/-. The warrants will be traded on Spotlight under the label CSMED TO 1, and with ISIN code DK0061668308. All shares and warrants in the Company are scheduled to be admitted to trading on the 14th of September 2021. Trading takes place in DKK.

The prerequisite for listing is (i) Spotlight's spread requirements are met and (ii) the lowest level of DKK 18,033,400.00 for the implementation of the new Issue of Units is achieved.

TRADING IN DKK ON SPOTLIGHT STOCK MARKET DENMARK

Trading in the Company's shares and warrants will be made in DKK on Spotlight. It is required that your bank/trustee is a member of Spotlight or has a custodian bank that is a member of Spotlight, to conduct trading in the Company shares and warrants on Spotlight.

Most Swedish banks are members of Spotlight. Some Danish banks are members of Spotlight either directly (Nordnet, Nordea, and Danske Bank) or indirectly via a custodian bank, which means that they can trade securities on Spotlight. Please check if your bank can trade shares and warrants on Spotlight. Nordic Issuing can assist you in a dialogue with your bank if necessary.

RIGHT TO DIVIDEND

The New Shares entitle the shareholder to a dividend the first time after the new Issue of Units has been registered with the Danish Business Authority. Any dividends are paid in DKK and are decided at the Annual General Meeting. The payment is provided by VP or for nominee registered holdings in accordance with the

respective trustee's routines. The dividend is paid to the person who on the record day of the shareholders' meeting was registered as a shareholder in the share register held by the VP.

APPLICABLE LAW

The New Shares and warrants are subject to the Danish Companies Act (Selskabsloven) (equivalent to the Swedish Companies Act) and governed by Danish law. However, under Swedish law, the Company is entitled, in relevant respects, directly attributable to Spotlight's listing agreement and Swedish stock exchange regulations.

SHAREHOLDER'S REGISTER

The Company is a VP-based affiliated company since June 2021. The Company's share register with information about shareholders is handled and accounted for by VP Securities A/S, Weidekampsgade 14, 2300 København S, Denmark.

SHAREHOLDER'S RIGHTS

Shareholders' rights regarding the distribution of profits, voting rights, pre-emption rights for a subscription of shares, etc. are governed by The Company's Articles of Association, which are available through the Company's website as well as by the Danish Companies Act.

SHAREHOLDER'S REPORT OBLIGATION

All shareholders in the Company must comply with the reporting rules to the Danish "Public Ownership Register". The registration of holdings shall be made to the Company within 14 days after the registration obligation has been actualized (when the holding amounts to or exceeds five percent in the Company and/or passes some other thresholds).

TAX REGISTRATION FOR DANISH SUBSCRIBERS

Purchase of units in the Company in connection with the listing are not automatically reported to the Danish tax authorities. A Danish investor must actively report its subscription of units to the Danish tax authorities.

RESTRICTIONS REGARDING PARTICIPATION IN THE OFFER

Due to restrictions in applicable law in the United States, Canada, Australia, Hong Kong, Singapore, South Africa, Switzerland, New Zealand, Japan, or other countries where participation requires further prospectuses, registrations, or actions other than those under Swedish and Danish law, the offer to subscribe for units is not directed at persons or others with registered address in any of these countries.

DILUTION

The New Shares in the issue will result in the Company's share capital increasing by nominally DKK 152,230.00 with minimum subscription and nominally DKK 188,630.00 with a maximum subscription. The existing shares, which have been issued as of the date of this Prospectus, will be diluted by the issue of New Shares in the unit issue. Following the completion of the issue, the existing shares, which have been issued as of the date of this Prospectus, will make up approximately 77 percent of the Company's total share capital with minimum subscription and approximately 73 percent with a maximum subscription. The dilution after the warrant exercise (provided that all warrants are exercised) is another approx. 10 percent. The existing shares, which have been issued as of the date of this Prospectus, given full subscription and that the Issue of Units is fully subscribed, will make up approx. 63 percent.

In the scenario where all warrants of the incentive program are to be exercised, there will be another dilution of a maximum approx. 3.74 percent after the initial Issue of Units (if it is fully subscribed). The dilution amounts to approx. 5.9 percent in relation to the current shareholders' holdings of the Company.

ADDITIONAL INFORMATION

All shares and warrants that are offered through this new Issue of Units will be newly issued. There are no natural or legal persons offering to sell or loan shares or warrants in this new Issue of Units.

In case any subscriber pays an excess amount for subscribed units, the exceeding amount will be refunded to the subscriber. Amounts below DKK 100 will not be refunded.

FINANCIAL ADVISER AND ISSUING AGENT

Sedermera Fondkommission is the financial adviser to the Company and Nordic Issuing is the issuing agent in the new issue of units.

CORPORATE GOVERNANCE

BOARD OF DIRECTORS

According to clause 6.1 of CS MEDICA's Articles of Association, the Board of Directors shall consist of at least four (4) and no more than eight (8) members elected by the General Meeting. As of the date of this Prospectus, the Board of Directors consists of five (5) members elected by the Extraordinary General Meeting held on the 16th of April 2021 for the period until the end of the next Annual General Meeting. All members of the Board of Directors may be contacted at the Company's address Fruebjergvej 3, 2100 Copenhagen, Denmark.

The table below contains information about the members of the Board of Directors, their year of birth, each member's position, the year they were elected as board members for the first time, and whether they are independent to the Company and its executive management, and major shareholders. The table is followed by individual information regarding each board member as well as their shareholdings and potential warrants of the incentive program in the Company as of the date of this Prospectus.

				Independent in relation to:	
Name	**Year of birth**	**Position**	**Member of the Board since**	**The Company and its executive management**	**Major shareholders**
Jørgen Flemming Ladefoged	1970	Chairman	2021	Yes	Yes
Gitte Henriksen	1967	Member	2021	No	No
Stein Løkstad	1955	Member	2021	Yes	Yes
Anders Permin	1963	Member	2021	Yes	Yes
Bo Unéus	1960	Member	2021	Yes	Yes

Jørgen Flemming Ladefoged (1970) – Chairman of the Board

Jørgen Flemming Ladefoged holds an M.Sc. in Finance from Duke University and has more than ten years of experience in the pharmaceutical industry, as well as the robotics and automation industry. Jørgen is the founder and CEO at EffiMat Storage Technologies A/S and former CEO at Handler A/S before the company was acquired by SSI Schäfer. Moreover, he is a founder of Dematic in Scandinavian countries.

Other ongoing assignments: Member of the board of Directors at "Digital Valley" (the German/Danish innovation alliance), Major (reserve) in the Danish Army, Chairman of the Board at Galaxa Pharma A/S, Chairman of the Board at CanNordic A/S, Executive Manager and shareholder at JFL CHARLOTTENLUND ApS, Executive Manager and shareholder at RNC ApS, and Executive Manager and shareholder at JFLCYH ApS.
Assignments concluded over the past five (5) years: Vice Chairman and board member at Odense Robotics and Executive Manager at EFFIMAT STORAGE TECHNOLOGY A/S.
Shareholding in the Company: Jørgen Flemming Ladefoged does not own any shares in the Company.
Warrants of the incentive program: 62,500.

Gitte Henriksen (1967) – CFO, COO, and Member of the Board

Gitte Henriksen holds an M.Sc. in Business Administration and Finance. Gitte has experience as an auditor from KPMG with more than 20 years of experience in business development within "Big 4" companies including business divestiture, acquisition, and retention. She is a chairman of a board at Wirefree service (Orange Denmark). In addition, Gitte has valuable experience in strategy development, implementation, and execution, as well as project management, marketing, human resources, system, and process design and optimization in international projects.

Other ongoing assignments: Chairman of the board at Wirefree Services Denmark A/S, Board Member at Galaxa Pharma A/S, Board Member at CanNordic A/S
Assignments concluded over the past five (5) years: CFO at Iglobal AB,
Shareholding in the Company: Gitte Henriksen holds, through the company CoLund ApS, 4,000,000 shares equaling 50 percent of the votes and capital in the Company, pre-IPO.
Warrants of the incentive program: 93,750.

Stein Løkstad (1955) – Member of the Board

Stein Løkstad holds a Cand. Mag within political science at Universitetet I Bergen (UiB). Stein is experienced in leading companies in periods of change, meeting and exceeding high expectations of result achievement. Stein also has previous experience from various leadership positions such as his roles within the Brenntag Group, as a facilitator for the development and implementation of their European strategy. Stein's previous business experience comes from highly regulated sectors – the food, the vaccines, and the pharmaceutical industries.

Other ongoing assignments: CEO at Stein ApS.
Assignments concluded over the past five (5) years: General Manager at Brenntag Biosector A/S.
Shareholding in the Company: Stein Løkstad does not own any shares in the Company.
Warrants of the incentive program: 31,250.

Anders Permin (1963) – Member of the Board

Anders Permin holds a Ph.D. in Veterinary Microbiology and an MMBA in Business Administration. Permin is also the CEO and founder of Unibrains.dk, helping companies with life science documentation, market analysis, and IT solutions. Previously, he worked as Deputy Director at the National Food Institute of the Technical University of Denmark.

Other ongoing assignments: CEO at Værløse Dyreklinik Ap, CEO at Unibrains ApS, CEO at Permin Holding IVS, CEO at ASQARI IVS, Chairman of the board of KirkeVærløse Ejerforening, member of the advisory board of CSR-link and Chairman of the Bioscience group of the Danish Veterinary Association and member of the executive board of DDD. Executive Manager and shareholder at VDK Invest ApS
Assignments concluded over the past five (5) years: CTO at Saxocon ApS and Senior executive officer at DTU Administration.
Shareholding in the Company: Anders Permin does not own any shares in the Company.
Warrants of the incentive program: 31 250.

Bo Unéus (1960) – Member of the board

Bo has held senior positions at Nordstjernan and Skåne-Gripen, where he worked on an international level. Bo also has extensive experience with change management within larger companies and groups, including Fiat in Turin, Italy. Additionally, Bo is former Sales Manager of BTS and Celemi, Marketing Director at Skåne-Gripen AB, and Export Manager at The Swedish Trade Council in Berlin.

Other ongoing assignments: Chairman of the board at Redsense medical, founder and owner of Hügoth AB. Member of the Board at Kiwok Development AB
Assignments concluded over the past five (5) years: None.
Shareholding in the Company: Bo Unéus does not own any shares in the Company.
Warrants of the incentive program: 31,250.

EXECUTIVE MANAGEMENT

All persons discharging managerial responsibilities in CS MEDICA may be contacted at the Company's address, Fruebjergvej 3, 2100 Copenhagen, Denmark. The table below contains information about the executive management of CS MEDICA, their year of birth, current position, and the year the person became a member of the executive management. The table is followed by individual information regarding each person as well as their shareholdings and potential stock options in the Company as of the date of this Prospectus.

Name	Year of birth	Position	Member of executive management since
Lone Henriksen	1970	Chief Executive Officer (CEO), and Chief Scientific Officer (CSO)	2011
Gitte Henriksen	1967	Chief Financial Officer (CFO), and Member of the Board	2014
Cathy Bendix Jolibois	1971	Chief Sales Manager (CSM)	2021
Hanne Søgaard Røhe	1966	Chief Marketing Officer (CMO)	2021

Lone Henriksen (1970) – CEO, and CSO

Lone Henriksen holds a B.Sc. in Biochemistry and a B.Sc. in Business and Strategic Marketing. She has more than 20 years of experience in the pharmaceutical industry. Lone has valuable experience with sourcing and securing GMP and GDP in the value chain; R&D in ingredients, health food, cosmetics, and pharmaceuticals; as well as a stakeholder- and project management and logistics.

Other ongoing assignments: CEO at LHX Consult.
Assignments concluded over the past five (5) years: Founder and CEO at CS MEDICA and CanNordic.
Shareholding in the Company: Lone Henriksen holds, through the fully-owned company LHX Invest ApS, 4,000,000 shares equaling 50 percent of the votes and capital in the Company, pre-IPO.
Warrants of the incentive program: 93,750.

Gitte Henriksen (1967) – CFO, COO, and Member of the Board of Directors

See described above in chapter "Board of Directors".

Cathy Bendix Jolibois (1971) - CSM

Cathy Bendix Jolibois holds a BTS in International trade, a LIF (lægemiddelkonsulent) and a mini-MBA. She has more than 20 years of experience in international business, working with different business models like direct sales, distributors/agents, networks, and subsidiaries within the pharmaceutical industry.

Other ongoing assignments: Founder of the Export Republic, a consulting company.
Assignments concluded over the past five (5) years: Global Sales Director at UMAGE A/S and Head of global sales at NUPO A/S.
Shareholding in the Company: Cathy Bendix Jolibois does not own any shares in the Company.
Warrants of the incentive program: 62,500.

Hanne Søgaard Røhe (1966) - CMO

Hanne Søgaard Røhe holds a B.Sc. in International Trade and exports, a B.Sc. in Business Administration, “First Mover”, Blue ocean strategies - and Digital Marketing Diploma. She has more than 20 years of experience in international business, working with different business models B2B and B2C within the pharmaceutical industry. She is a strong marketing professional with extensive experience in launching new brands and technologies based on solid commercial programs with a customer-centric mindset.

Other ongoing assignments: None.
Assignments concluded over the past five (5) years: Nordic Marketing Manager, Trade Marketing Manager, and Sr. Brand Manager at Alcon A/S.
Warrants of the incentive program: 62,500.

ADVISORY BOARD

CS MEDICA has an advisory board that advises in the research and development of novel and ground-breaking pharmaceutical and nutraceutical preparations, alternative energy sources, and formulations, strategic financial planning as well as mergers and acquisitions.

Eske Dyva (1966)

Eske Dyva is an expert in sales strategy, management, and implementation. Eske Dyva has Strong trading skills and a thorough understanding of the entire value chain of pharmacy, retail, and customers within OTC, MD, and cosmetics. Eske also has experience with several startups.

Shareholding in the Company: Eske Dyva does not own any shares in the Company.
Warrants of the incentive program: 62,500.

Steen Søndergaard (1964)

Steen Søndergaard is a senior advisor in B2B and B2C sales and marketing and the founder of several marketing and advertising agencies. For the last 25 years, Steen has been honored and known for a strong track record in ROI cases in the Pharma industry. Besides his marketing skills, Steen is an experienced entrepreneur through his roles as owner, board member, and CEO in a diverse range of companies.

Shareholding in the Company: Steen Søndergaard does not own any shares in the Company.
Warrants of the incentive program: 62,500.

ADDITIONAL INFORMATION ABOUT THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT

All members of the Board of Directors are elected until the following Annual General Meeting. Members of the Board of Directors may resign from their position at any time. The division of responsibilities between the CEO and the Board of Directors is defined in the Board of Directors' rules of procedure as well as the CEO instructions and delegation of authority established by the Board of Directors. Both the rules of procedure as well as the CEO instructions are determined annually by the Company's Board of Directors. issues related to audit and compensation matters are decided directly by the Board of Directors. The Company is not obligated to follow the Danish or the Swedish Code of Corporate Governance and has not voluntarily pledged to follow this.

No member of the Board of Directors or the executive management has, during the past five years, been convicted in any fraud-related case, nor been subject to any prohibition of engaging in commercial activities. There exist no sanctions or allegations from the competent authorities (including approved professional bodies) against these persons and no member of the Board of Directors or the executive management has, in the past five years, been disqualified by a court from holding a position on an administrative, management or supervisory body or from holding an executive or senior position at a company. No member of the Board of Directors or the executive management has, during the past five years, been declared bankrupt or in liquidation, nor been involved in any bankruptcy or mandatory liquidation proceedings concerning companies they have represented in the past five years.

Further, there is a family tie between Lone Henriksen, the CEO, and Gitte Henriksen, the CFO and a Member of the Board, who are siblings.

Besides the above-mentioned family relation, there are no family ties between any of the members of the Board of Directors or executive management. No member of the Board of Directors or executive management has any conflicts of interest in which private interests would conflict with the Company's interests. Further, no member of the Board of Directors or the executive management has entered into any agreement with the Company that would entitle to post-employment benefits, other than what is outlined in this Prospectus. However, certain members of the Board of Directors and the executive management have financial interests in the Company due to them holding shares.

REMUNERATION TO THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Remuneration to the Board of Directors and executives in CS MEDICA during the financial year 2020/2021. Figures in TDKK.

Name	Basic salary	Board fee	Variable remuneration	Pension costs	Salary paid out per the date of the prospectus	Total salary to be paid during the period
Gitte Henriksen	936	25	0	0	316	**961**
Jørgen Flemming Ladefoged	0	25	0	0	0	**25**
Stein Løkstad	0	25	0	0	0	**25**
Anders Permin	0	25	0	0	0	**25**
Bo Unéus	0	25	0	0	0	**25**
Lone Henriksen	960	0	0	0	320	**960**
Cathy Bendix Jolibois	612	0	0	0	0	**612**
Hanne Søgaard Røhe	720	0	0	0	0	**720**
Total	**3,228**	**125**	**0**	**0**	**636**	**5,711**

SELECTED FINANCIAL INFORMATION

PRESENTATION OF FINANCIAL INFORMATION

CS MEDICA A/S is part of a group and has two fully-owned subsidiaries: Galaxa Pharma A/S and CanNordic A/S. Therefore, the financial information in this Prospectus applies to the group. The financial overview presents accounts taken from the group's audited annual reports for the last two financial years 1st of October 2018 to 30th of September 2019 and 1st of October 2019 to 30th of September 2020, which are incorporated by reference. Although the Company does not have the requirement to include a management report in its annual report, the Board of Directors of CS MEDICA wants to highlight the fact that the management report in the annual financial reports of 2018/2019 and 2019/2020 is not comprehensive of its kind but rather standardized.

In addition, information is also included on the income statement, balance sheet, statement of changes in equity, and cash flow for the interim period 1st of October 2020 – 30th of June 2021 with comparative accounts for the corresponding period 1st of October 2019 – 30th of June 2020. Accounting for the above-mentioned interim accounts is incorporated by reference and is unaudited. The annual reports and interim accounts have 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. CS MEDICA's independent Auditor is Christensen Kjærulff, Statsautoriseret Revisionsaktieselskab with the corporate registration number (CVR-no) 28320124 and visiting address Store Kongensgade 68, 1264 København K, Denmark. Kristian Pryds (Spot 24819) and Anders Nielsen (MNE 42832), State Authorised Public Accountants, and members of FSR – Danish Auditors, are the auditors in charge as of the date of this Prospectus.

The Prospectus contains financial information prepared per the provisions of the Danish Financial Statements Act for reporting class B enterprises with the addition of certain provisions from reporting class C. The parent company has applied the same accounting principles as the group. The Company's functional currency is the Danish kronor.

Herewith is an explanation of the accounting policies used, as well as a table of which notes are required for accounting classes B and C. The Danish Financial Statements Act has largely been prepared following the same accounting principles as IFRS. However, there are more lenient requirements for small and medium-sized companies. The Annual Accounts Act is divided into accounting classes, where class B has the fewest disclosure and note requirements. Class B companies are companies with a turnover of less than DKK 89 million, a balance sheet total of less than DKK 44 million, and less than 50 employees. If you exceed two of these limits for two financial years in a row, you must submit an annual report following accounting class C. For class B, there is no requirement for, for example, an equity statement, a requirement for capitalization of development assets, or a cash flow statement. This is a requirement for class C. You can voluntarily apply rules from higher accounting classes and if you do so, you refer in applied accounting practice to the fact that you have used accounting class C for selected accounting items.

FINANCIAL INFORMATION INCORPORATED BY REFERENCE

The information in this section should be read together with the Company's audited annual financial reports for the period 1st of October 2018 to 30th of September 2019 and 1st of October 2019 to 30th of September 2020, including notes, unaudited interim financial reports for the period 1st of October 2020 to 30th of June 2021 and 1st of October 2019 to 30th of June 2020, including notes, which has been incorporated in this Prospectus by reference (see section "*Documents incorporated by reference*" on page 4). Full historical financial information is incorporated by reference. The following document incorporated by reference herein is available at CS MEDICA's office (Fruebjergvej 3, 2100 Copenhagen, Denmark) and website www. cs-medica.com. The pages that are not incorporated below are not relevant or are presented elsewhere in this Prospectus.

Annual Financial Report 2018/2019

- Income statement (page 5), Balance sheet (pages 6-7), and Notes (page 11).
- Independent auditor's report (page 2).
- Link to document: click here

Annual Financial Report 2019/2020

- Income statement (page 5), Balance sheet (pages 6-7), Statement of changes in equity (page 8), Cash flow statement (page 10), and Notes (page 11).
- Independent auditor's report (page 2).
- Link to document: click here

Interim Financial reports1st of October 2020 – 30th of June 2021

- Income statement (pages 5), Balance sheet (pages 6-7), Statement of changes in equity (page 8), Cash flow statement (page 9), and Notes (page 10).
- Link to document: click here

Interim Financial reports 1st of October 2019 – 30th of June 2020

- Income statement (pages 5), Balance sheet (pages 6-7), Statement of changes in equity (page 8), Cash flow statement (page 9), and Notes (page 10).
- Link to document: click here

FINANCIAL CALENDAR

YEAR-END REPORT 2021/2022	ANNUAL GENERAL MEETING
18th of November 2021	9th of December 2021

INCOME STATEMENT FOR THE GROUP

DKK	2020-10-01 – 2021-06-30 Unaudited	2019-10-01 – 2020-06-30 Unaudited	2019-10-01 – 2020-09-30 Audited	2018-10-01 – 2019-09-30 Audited
Revenue	924,903	1,808,251	2,110,727	1,425,936
Other operating income*	1,356,335	303,287	676,232	-
Cost of raw materials and consumables	-436,535	-1,178,963	-1,428,074	-600,293
Other external costs	-381,088	-177,320	-591,516	-614,513
Other operating costs**	-539,723	-279,582	-	-
Gross profit	**923,892**	**475,673**	**767,369**	**211,130**
Staff cost***	-	-	-271,386	-
Amortisation and impairment of intangible assets	-765,262	-193,647	-384,516	-24,433
Operating profit	**158,630**	**282,026**	**111,467**	**186,697**
Income from subsidiaries	-	-	-	-
Other financial income	419	41	1,297	131
Other financial costs	-175,877	-82,746	-144,550	-138,325
Pre-tax net profit or loss			**-31,786**	**48,503**
Tax on profit or loss for the year	299,691	-	-22,793	-167,579
Net profit or loss for the year	**282,863**	**199,321**	**-54,579**	**-119,076**

** Income related to subsidiaries and grants.*

*** The Board of Directors of CS MEDICA wants to highlight the discrepancy in the presentation of the costs related to the Company's operations in the annual and the interim reports for the group. In the annual reports, all costs related to the operations have been included in external costs, whereas the costs are presented between two separate costs in the figures of the interim report. 'Other operating costs' comprises costs related to marketing, sale, logistics, and corresponding operational costs. As per the interim reports, 'external costs' comprises other costs not related to the Company's operations. The Company will maintain separating the two costs in future reports.*** For the interim report, the staff costs are included underdevelopment project in progress.*

BALANCE SHEET FOR THE GROUP

DKK	2021-06-30 Unaudited	2020-06-30 Unaudited	2020-09-30 Audited	2019-09-30 Audited
ASSETS				
Non-current assets				
Development project in progress*	7,028,186	2,897,258	3,451,421	2,103,800
Total intangible assets	*7,028,186*	*2,879,258*	*3,451,421*	*2,103,800*
Shares in subsidiaries	-	-	-	-
Deposits	29,139	12,432	-	-
Total investments	*29,139*	*12,432*	-	-
Total non-current assets	**7,057,325**	**2,909,690**	**3,451,421**	**2,103,800**
Current assets				
Manufactured goods and trade goods for resale	1,148,398	362,090	1,120,781	461,502
Total inventories	*1,148,398*	*362,090*	*1,120,781*	*461,502*
Trade receivables	538	1,334,539	46,287	108,077
Contract work in progress	516,494	384,051	-	-
Receivables from subsidiaries	-	-	-	-
Deferred tax assets	1,317,078	532,259	451,637	549,471
Other receivables	616,198	46,731	69,200	52,052
Total receivables	*2,450,308*	*2,297,580*	*567,124*	*709,600*
Available funds	-	-	296,884	4,169
Total current assets	**3,598,706**	**2,659,670**	**1,984,789**	**1,175,271**
Total assets	**10,656,031**	**5,569,360**	**5,436,210**	**3,279,071**

* Development costs include salaries, IPR rights, and costs that can be directly attributed to development activities. At the end of the development work, capitalized development costs are depreciated on a straight-line basis over the estimated economic life. The depreciation period is three years (opposed to the ten years mentioned in the annual report).

EQUITY AND LIABILITIES FOR THE GROUP

DKK	2021-06-30 Unaudited	2020-06-30 Unaudited	2020-09-30 Audited	2019-09-30 Audited
Equity and liabilities				
Equity				
Contributed capital	520,000	80,000	80,000	80,000
Share premium	-	-	2.193,000	-
Cost of IPO	-528,420	-	-	-
Reserve for development costs	5,481,985	2,259,861	2,692,109	1,631,594
Retained earnings	-5,631,881	-3,899,601	-4,877,868	-3,470,655
Equity before non-controlling interests	*-158,316*	*1,559,740*	*87,241*	*-1,759,061*
Total equity	**-158,316**	**-1,559,740**	**87,241**	**-1,759,061**
Provisions				
Provisions for deferred tax	1,540,063	516,903	759,313	460,193
Other provisions	494,850	494,850	494,850	494,850
Total provisions	**2,034,913**	**1,011,753**	**1,254,163**	**955,043**
Liabilities other than provisions				
Subordinate loan capital	6,727,000	3,615,000	1,724,380	2,016,667
Loans	403,546	375,000	1,502,955	1,499,959
Credit institutes	1,430,633	1,499,959	-	-
Total long-term liabilities other than provisions	*8,561,179*	*5,489,959*	*3,227,335*	*3,516,626*
Equity and liabilities				
Bank overdraft	134,092	277,778	-	398,502
Trade payables	-	-	486,665	134,985
Other payables	84,163	349,610	380,806	32,976
Total short-term liabilities other than provisions	*218,255*	*627,388*	*867,471*	*566,463*
Total liabilities other than provisions	**8,779,434**	**6,117,347**	**4,094,806**	**4,038,089**
Total equity and liabilities	**10,656,031**	**5,569,360**	**5,436,210**	**3,279,071**

CASH FLOW STATEMENT FOR THE GROUP

DKK	2020-10-01 – 2021-06-30 Unaudited	2019-10-01 – 2020-06-30 Unaudited	2019-10-01 – 2020-09-30 Audited	2018-10-01 – 2019-09-30 Audited
Net profit or loss for the year	**282,863**	**199,321**	**-54,579**	**-119,076**
Adjustments*	856,029	351,352	407,309	192,012
Change in working capital	-1,950,963	-1,364,308	170,624	1,056,819
Cash flows from operating activities	**-812,071**	**-813,635**	**523,354**	**1,129,755**
Purchase of intangible assets	-4,342,027	-987,105	-1,732,137	-1,043,560
Cash flows from investment activities	**-4,342,027**	**-987,105**	**-1,732,137**	**-1,043,560**
Subordinate loans	3,927,000	-	-	-
Loans internal partners	1,500,000	2,000,000	1,900,000	-
Cost IPO	-528,420	-	-	-
Interest paid	-175,458	-82,705	-	-
Cash flows from financing activities	**4,723,122**	**1,917,295**	**1,900,000**	**-**
Change in cash and cash equivalents	**-430,976**	**116,555**	**691,217**	**86,195**
Cash and cash equivalents at the beginning of the period	296,884	-394,333	-394,333	-480,528
Cash and cash equivalents at the end of the period**	**-134,092**	**-277,778**	**296,884**	**-394,333**

* Amortization of intangible assets, other financial costs, tax on net profit or loss for the year, and credit received.
** Cash and cash equivalents comprise cash at bank and in hand with deduction of bank overdraft.

STATEMENT OF CHANGES IN EQUITY FOR THE GROUP (2018/2019 AND 2019/2020)

DKK (audited)	Contributed capital not paid	Share premium	Reserve for development costs	Retained earnings	Total
Equity 1st of October 2018	80,000	-	817,936	-2,527,913	-1,629,977
Profit or loss for the year brought forward	-	-	-813,658	-932,734	-119,076
Profit or loss previous year	-	-	-	-10,008	-
Equity 1st of October 2019	80,000	-	1,631,594	-3,470,655	-1,759,061
Share premium	-	2,193,000	-	-	2,193,000
Profit or loss for the year brought forward	-	-	1,060,515	-1,115,173	-54,658
Profit or loss previous year	-	-	-	-292,090	-292,040
	80,000	**2,193,000**	**2,692,109**	**-4,877,868**	**87,241**

STATEMENT OF CHANGES IN EQUITY FOR THE GROUP (1ST OF OCTOBER 2020 – 30TH OF JUNE 2021)

DKK (audited)	Contributed capital not paid	Reserve for outstanding loans and collateral	Reserve for development costs	Retained earnings	Total
Equity 1st of October 2020	80,000	-	2,692,109	-2,684,868	87,241
capital increase	440,000	-	-	-440,000	-
Retained earnings for the year	-	-	2,789,876	-2,507,013	282,863
IPO cost	-	-528,420	-	-	-528,420
	520,000	**-528,420**	**5,481,985**	**-5,631,881**	**-158,316**

PARENT COMPANY INCOME STATEMENT

DKK	2020-10-01 – 2021-06-30 Unaudited	2019-10-01 – 2020-06-30 Unaudited	2019-10-01 – 2020-09-30 Audited	2018-10-01 – 2019-09-30 Audited
Revenue	-	-	-	-
Other operating income	-	-	-	-
Cost of raw materials and consumables	-	-	-	-
Other external costs	-	-	-2,013	-
Other operating profit	-	-	-	-
Gross profit	**-**	**-**	**-2,013**	**-**
Amortisation, depreciation, and impairment of intangible assets	-	-	-	-
Operating profit	**-**	**-**	**-2,013**	**-**
Income from subsidiaries*	-22,050	-	40,658	-
Other financial income	-1,282	-2,013	-	-
Other financial costs	-	-	-	-107
Tax on net profit or loss for the year	306,195	-	-	58,710
Net profit or loss for the year	**282,863**	**-2,013**	**38,645***	**58,603**

** The Board of Directors of CS MEDICA wants to highlight the discrepancy in the report presented for the Danish FSA and the report published in the Danish Business Authority database. The correct result for the parent company is DKK 38,645 and not the DKK -8,128 presented in the report published in the Danish Business Authority database.*

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

DKK	2021-06-30 Unaudited	2020-06-30 Unaudited	2020-09-30 Audited	2019-09-30 Audited
ASSETS				
Non-current assets				
Development projects in progress*	511,418	-	-	-
Total intangible assets	*511,418*	-	-	-
Shares in subsidiaries	5,718,590	500,000	540,658	-
Total investments	5,718,590	500,000	*540,658*	-
Total non-current assets	**6,230,008**	**500,000**	**540,658**	**-**
Current assets				
Manufactured goods and goods for resale	-	-	-	-
Total inventories	-	-	-	-
Trade receivables	-	-	-	-
Amounts owed by group enterprises same	-	-	-	-
Contract work in progress	-	-	-	-
Receivables from subsidiaries	2,075,208	121,000	45,959	48,000
Deferred tax assets	306,195	-	-	-
Other receivables	58,296	-	-	-
Total receivables	2,439,699	121,000	45,959	48,000
Cash on hand and demand deposits	176,000	624	624	596
Total current assets	**2,615,699**	**121,624**	**46,583**	**48,596**
Total assets	**8,845,707**	**621,624**	**587,241**	**48,596**

** The development projects in progress relate to IPR rights for the parent company. that can be directly attributed to development activities. At the end of the development work, capitalized development costs are depreciated on a straight-line basis over the estimated economic life. The depreciation period is three years (opposed to the ten years mentioned in the annual report).*

PARENT COMPANY EQUITY AND LIABILITIES

DKK	2021-06-30 Unaudited	2020-06-30 Unaudited	2020-09-30 Audited	2019-09-30 Audited
Equity				
Contributed capital	520,000	80,000	80,000	80,000
Share premium	4,786,982	-	-	-
Cost IPO	-528,420	-	-	-
Reserve for development costs	398,906	-	-	-
Retained earnings	-548,802	-33,417	7,241	-31,404
Equity before non-controlling interest	*4,628,666*	*46,583*	*87,241*	*48,596*
Total equity	**4,628,666**	**46,583**	**87,241**	**48,596**
Provisions				
Provisions for deferred tax	290,041	73,921	-	-
Other provisions	-	-	-	-
Total provisions	**290,041**	**73,921**	**-**	**-**
Long term liabilities other than provisions				
Subordinate loan capital	3,927,000	-	-	-
Loans	-	-	-	-
Payables to subsidiaries	-	501,120	500,000	-
Other payables	-	-	-	-
Total long-term liabilities other than provisions	**3,927,000**	**501,120**	**500,000**	**-**
Short term liabilities other than provisions				
Bank overdraft	-	-	-	-
Trade payables	-	-	-	-
Payables to shareholders and management	-	-	-	-
Other payables	-	-	-	-
Total short-term liabilities other than provisions	**-**	**-**	**-**	**-**
Total liabilities other than provisions	**3,927,000**	**501,120**	**-**	**-**
Total equity and liabilities	**8,845,707**	**621,624**	**587,241**	**48,596**

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY (2018/2019 AND 2019/2020)

DKK (audited)	Contributed capital	Retained earnings	Total
Equity 1st of October 2018	80,000	-90,008	-10,008
Profit or loss for the year brought forward	-	58.604	58,604
Equity 1st of October 2019	80,000	-31,404	48,596
Profit or loss for the period until the 30th of September 2020	-	38,645	38,645
Equity 30th of September 2020	*80,000*	*7,241*	*87,241*

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY (1ST OF OCTOBER 2020 – 30TH OF JUNE 2021)

DKK (audited)	Contributed capital	Share premium	Reserve for outstanding loans and collateral	Reserve for development costs	Retained earnings	Total
Equity 1st of October 2020	80,000	-	-	-	7,241	87,241
Convertion to A/S	440,000	-	-	-	-440,000	-
Retained earnings for the year	-	-	-	398,906	-116,043	282,863
Share exchange*	-	4,786,982	-	-	-	4,786,982
IPO cost	-	-	-528,420	-	-	-528,420
Equity 30th of June 2020	**520,000**	**4,786,982**	**-528,420**	**398,906**	**-548,802**	**4,628,666**

** In CanNordic A/S, share capital owned by family members of the shareholders of the Company has been exchanged for shares in CS MEDICA via tax-free share exchange. New shares have been issued in CS MEDICA, for use in the exchange, and were adopted at the general meeting on the 16th of April 2021. The new shares are owned by LHX Invest ApS and CoLund ApS equally. The valuation of the shares is based on the IPO valuation, corresponding to a value of DKK 4,786,982.*

PARENT COMPANY CASH FLOW STATEMENT

DKK	2020-10-01 – 2021-06-30 Unaudited	2019-10-01 – 2020-06-30 Unaudited	2019-10-01 – 2020-09-30 Reviewed	2018-10-01 – 2019-09-30 Reviewed
Net profit or loss for the year	282,863	-2,013	38,645	58,603
Adjustments*	-14,871	75,934	-40,658	-58,603
Change in working capital	-58,297	-	2,041	703
Interest received, etc.	-	-	-	
Cash flows from operating activities	**209,695**	**73,921**	**28**	**703**
Purchase of intangible assets	-511,418	-	-	-
Purchase of fixed assets investments	-	-	-500,000	-
Cash flows from investment activities	**-511,418**	**-**	**-500,000**	**-**
Subordinate loans	3,927,000	-	-	-
Intercompany payables	-	-	500,000	
Cost IPO	-528,420	-	-	-
Share exchange	4,786,982	-	-	-
Subsidiary investments and change in intercompany	-7,707,181	-71,880	-	-
Interest paid	-1,282	-2,013	-	-107
Cash flows from financing activities	**477,099**	**-73,893**	**500,000**	**-107**
Change in cash and cash equivalents	**175,376**	**28**	**28**	**596**
Cash and cash equivalents at the beginning of the period	*624*	*596*	*596*	-
Cash and cash equivalents at the end of the period	**176,000**	**624**	**624**	**596**

* Other financial costs, tax on net profit or loss for the year, and credit received.

COMMENTS TO THE FINANCIAL DEVELOPMENT

CS MEDICA has two fully-owned subsidiaries, Galaxa Pharma A/S and CanNordic A/S. CS MEDICA does not hold any other ownerships.

2019/2020

Highlights

In 2016, CS MEDICA began the development of its brand containing Cannabidiol (CBD) from medical Cannabis under the brand name CANNASEN®. The brand consists of products within, treatment, care, and anti-aging. The development of the first two products, arthritis gel, and psoriasis gel, have been finalized in the period and approved as a class I MD waiting for a class IIa approval. The products are in this period put in production with a product launch in the Danish market October/ November 2020.

Development in activities and financial conditions

The group result of the year, approx. DKK -0.06 million is not satisfactory and should be seen in the light of significant resources being spent on the product development of CANNASEN®, causing a reduced focus on already launched products in Galaxa Pharma.

Due to COVID-19, the launch of CANNASEN® Psoriasis and Arthritis gel, originally scheduled for marked introduction in March 2020, was postponed to October/November 2020. Simultaneously the agreed testing of CANNASEN® psoriasis gel in collaboration with CPG, Wuhan, scheduled for March 2020 has been put on hold until further notice. CPG, with its 3,600 employees and a turnover of approx. DKK 1,2 billion, is one of the largest pharmaceutical companies in China, and crucial for the Company's rollout in Asia. CS MEDICA had a meeting with them in November, arranged by the Foreign Ministry, and the collaboration is based on the introduction of the Company's Psoriasis gel in combination with their food supplement. CPG has high expectations for the collaboration but because the company is in Wuhan, all science personnel have been taken off duty for the development of the COVID-19 vaccine.

In the period CS MEDICA has converted the production capacity booked for CANNASEN® arthritis and psoriasis gel to COVID-19 protective agents joining the danish public arrangement under COVID-19 "Danmark hjælper Danmark". In the period CS MEDICA has launched:

- CANNASEN hand disinfection
- CANNASEN surface disinfection
- CANNASEN Antibacterial hand cream.

Liquidity and Financing

During the financial year, approx. DKK 1.9 million was added in loans from family, which subsequently was converted into shares. In addition, balances with owners, a total of approx. DKK 0.3 million, CS MEDICA has been converted into shares. Both conversions CS MEDICA performed in CanNordic A/S, which subsequently has been exchanged for shares in CS MEDICA.

2020/2021 (1 OCTOBER 2020 – 30 JUNE 2021)

Highlights

During the period, the Company products CANNASEN® Arthritis and Psoriasis Gels were launched and sold via Matas Online stores and on a shelf in 186 matas medico stores. Furthermore, agreements have been made

with the two pharmacy whole sellers in Denmark, Nomeco, and TMJ. Additionally, CANNASEN® products have been made available through the Swedish pharmacy chain Kronans Apotek., waiting to go on shelf in their more than 326 pharmacies at the beginning of 2021/2022.

Furthermore, the development of five CBD products, have been finalized, classified as a class I MD, and filed for class IIa approval, now altogether seven products introduced under the brand name CANNASEN®CBD,

CBD medical Devices finalized and filed for re-classification:

1. Arthritis gel
2. Psoriasis gel
3. Nasal Spray Night – CBD and CBN
4. Protective nasal gel
5. Wound Gel
6. Pain patch

CBD Cosmetics finalized and filed for re-classification:

7. CBD Anti-Hair loss serum

The CANNASEN® Anti-Hair loss serum has just been launched early H2 with ongoing sales on several pharmacy webshops in DK and Matas webshop - waiting for approval to be sold via the physical pharmacy stores. The remaining products are currently still under production with an expectation of being launched in H1 2021/2022.

In the future, the Company also foresees great possibilities in systemic treatments, combining gels/serum and complementing it with food supplements to enhance the efficacy of the treatment. Additionally, the development of a CBD skincare line will be initiated in 2021/2022, with a focus on a need-oriented perspective and outcome-based products.

Development in activities and financial conditions

The result of the period, approx. DKK 0.3 million, is not satisfactory and should be seen in the light of significant delays and delivery problems by subcontractors due to COVID-19 and costs related to marketing in connection with the launch of CANNASEN®, totally approx. DKK 0.5 million, together with depreciation on development assets of approx. DKK 0.8 million.

CS MEDICA is currently in the process of onboarding Amazon in Germany. CS MEDICA has entered a distribution agreement with the UK, BE, and NL with a minimum sale within the next six months of 16,000 pieces. corresponding to approx. DKK 1.5 million.

In Norway, CS MEDICA has made a distributor agreement with Apothek 1. However, the agreement is pending as Norway's local legislation categorizes CBD on the drug list. According to the Norwegian Medicines Agency, Norwegian legislation is expected to be aligned with the EU legislation, after which the agreement with Apothek 1 can be activated. CS MEDICA already complies with the requirement from the Norwegian Medicines Agency, through the Company's previously submitted clinical evidence of "no-trace of THC". Distributor agreements in ES, FR, IT, and IRE are in negotiation.

In general, the entire COVID-19 situation significantly affects the Company's rollout in Europe, as distributors, pharmacy chains as CS MEDICA as individual drugstores, and pharmacists are delayed in the range of committee meetings, on-boarding of new products, and sales meetings. Furthermore, the Company's clinical trials in India are temporarily on hold, due to the closure of hospitals and laboratories. CS MEDICA tries to compensate for this by focusing on online e-commerce platforms. However, CS MEDICA is still positive and has high expectations for the rest of the ongoing financial year.

Liquidity and Financing

The operations in the period have been financed by grants of approx. DKK 1 million and an additional approx. DKK 1.5 million was added in loans from family, which then amounts to a total of approx. DKK 2.8 million. Additionally, approx. DKK 3.9 million was added as a bridge loan. Both loans are offset in units in connection with an upcoming IPO. The Company is constantly applying for grants and currently has ongoing subsidy schemes through Innobooster of approx. DKK 0.5 million.

Events after the balance day

CS MEDICA is in the process of launching a redesign of the brand site, www.cannasen.com, including an extended Open-Access Repository System (OARS), a digital knowledge platform, sharing research results, clinical studies, and the latest literature within treatment with cannabinoids. The Company's OARS will secure significant knowledge-sharing eliminating any stigma against CBD in the launch of CANNASEN®. The system will be kept updated through a Semantic Market Monitoring System (SMMS), ensuring timely updates by monitoring combinations of keywords in real-time in all browsers. The Company's SMMS CS MEDICA crawler reads more than 30,000,000 pages per day.

The brand site is currently available in English, Danish, Swedish, and German. The local translation follows as CS MEDICA penetrates each country, supporting local distributors with the Company's CANNASEN® store locator, linking to local online and physical stores.

The Product Information Management (PIM) system has been completed and implemented in version two, securing quickly and timely launch and sharing of product information, related clinical trials, and studies with partners and sales channels. In addition, the PIM is supplemented with a Clinical Information Management system (CIM), which makes it possible to perform post-marketing clinical trials in collaboration with local organizations, such as arthritis and psoriasis organizations. This facility will be shared with local distributors so that post-marketing clinical trials can be conducted locally by the distributor in collaboration with organizations, thereby ensuring optimal knowledge sharing via the organizations representing the factual disease profile.

WORKING CAPITAL

According to the Company's assessment, the existing working capital intended to finance the 12-month development of the operations and the Company's growth plan is not sufficient for the current needs as of the Prospectus Date. The deficit amounts to approximately DKK 8.9 million. Working capital requirements are expected to arise in September 2021. To provide the Company with working capital, CS MEDICA is carrying out an Issue of Units, which can provide the Company with a maximum of DKK 15.4 million (after compensation to bridge financiers and issue costs but *including* the bridge financing accomplished in March of approx. DKK 3.9 million).

If all warrants of the Warrant series TO 1 are to be exercised, an additional approx. DKK 10.8 million (before transaction-related costs of approx. DKK 0.8 million) can be provided to the Company. The exercise period for the Warrant series TO 1 is planned to take place approx. 12 months after the execution of the IPO. The proceeds from the Warrant series are dependent on the fact if these are in the money at the point of execution. In other words, if the share price during the period trades at a lower value than the strike price for the warrants, the warrants series TO 1 will not be expected to generate any sufficient funds for the Company. Thus, any future proceeds from the warrant exercise are not guaranteed.

In order to raise sufficient working capital to be able to run its operations at a desirable pace for at least twelve months ahead, it is required that the Company is provided with at least approx. DKK 8.9 million through the Initial issue of Units described in this Prospectus. Given the lowest subscription rate of 80 percent, the Company will be provided with approx. DKK 11.5 million (after deducting issuing costs, compensation for the bridge loan, and the offset of the loan that was granted in 2020) through the initial part of the issue and therefore securing enough working capital beyond the upcoming 12-months. CS MEDICA has as of the Prospectus date, secured

a total of approx. DKK 13.4 million (before transaction-related costs) through pre-subscription commitments, which corresponds to approx. 60 percent of the initial issue volume. If the Company does not raise the above-mentioned capital after financing issue costs, the Company will investigate alternative financing options such as additional capital raising, grants, or financing together with one or more partners or conduct the business at a lower rate than expected, until additional capital can be raised. In the long run, there is a risk that, if all financing opportunities and sales fail, the Company will file for bankruptcy.

FUTURE CAPITAL REQUIREMENTS

If the Company secures sufficient capital to enhance their operations and thus achieving the financial targets of the Company it is, according to the Company's assessment, not necessary to use additional financing options for running the Company in the desired direction. However, if the Company does not achieve its financial targets, it is, according to the Company's assessment, a high probability that the Company needs to analyze further financing options in the future.

EMPLOYEES

As of the date of this Prospectus, the number of employees in CS MEDICA was nine.

AUDITING OF FINANCIAL INFORMATION

Notes to the financial statements can be found in the audited financial statements for the financial periods 1st of October 2018 – 31st of September 2019 and 1st of October 2019 – 31st of September 2020, which have been incorporated into the Prospectus by reference, see page 4 (section "Documents incorporated by reference").

The annual reports have been audited by the Company's auditor, Christensen Kjærulff (Statsautoriseret Revisionsaktieselskab, Store Kongensgade 68, Dk-1264 København K), without negative observations or comments. Unless otherwise stated, no other information in the Prospectus has been audited or reviewed by CS MEDICA's auditor.

SIGNIFICANT CHANGES IN FINANCIAL POSITION

There have been no significant changes regarding the Company's financial position after the 30th of June 2021 until the date of the Prospectus.

DIVIDEND POLICY

CS MEDICA does not have a dividend policy. The Board of Directors of CS MEDICA intends to finance development, operations, and growth with possible profits and grants. Consequently, the Board of Directors does not expect to declare dividends for the financial years 2020/2021 and 2021/2022. Any future dividends, and the amount of such, are dependent on, among other things, the Company's future earnings, financial condition, working capital requirements, and liquidity. Dividends are decided by the Annual General Meeting based on a proposal from the Board of Directors.

INVESTMENTS

The table below shows values regarding CS MEDICA's manufacturing goods and trade goods, as well as an estimated value of ongoing assignments. Historical investments have mainly been financed with loans and grants.

DKK	2021-06-30 Reviewed	2020-06-30 Reviewed	2020-09-30 Audited	2019-09-30 Audited
Development projects in progress	7,028,186	2,879,258	3,451,421	2,103,800
Total intangible assets	*7,028,186*	*2,879,258*	*3,451,421*	*2,103,800*
Total assets	**10,656,031**	**5,569,360**	**5,436,210**	**3,279,071**

LEGAL ISSUES, OWNERSHIP STRUCTURE, AND ADDITIONAL INFORMATION

SHARE INFORMATION

As of the date of this Prospectus, the Company's registered share capital amounts to DKK 520,000 divided among 8,000,000 shares. There is only one class of shares and the nominal value of each share is DKK 0.0650. According to CS MEDICA's Articles of Association, adopted by the Extraordinary General Meeting on 16th of April 2021, the authorized share capital of the Company is DKK 520,000 divided into 8,000,000 shares. CS MEDICA's shares have been issued according to Danish law and are denominated in DKK. The shares have been fully paid and are freely transferrable.

The imminent Issue of Units, upon registration, will result in the Company's share capital increasing from DKK 520,000 to DKK 708,630 and the number of shares increasing from 8,000,000 shares to 10,902,000 shares. The dilution after the initial Issue of Units (if it is fully subscribed) is approximately 27 percent. The dilution after the warrant exercise (provided that all warrants are exercised) is approximately 10 percent. Provided that the Issue of Units is fully subscribed, and all warrants are exercised the total dilution is approximately 34 percent.

Year	Event	Price per share (DKK)	Nominal value (DKK)	Increase in the number of shares	Increase in share capital (DKK)	Total number of shares	Total share capital (DKK)
2011	Company formation	-	100	800	80,000	800	80,000
2020	Tax free exchange	38.00	108.44	-	6,755	800	86,755
2021	Bonus issue	-	650	-	433,245	800	520,000
2021	Split (1:10,000)	-	0.0650	7,999,200	-	8,000,000	520,000
2021	Issue of Units*	7.70	0.0650	2,902,000	188,630	10,902,000	708,630
2022	Exercise of TO 1**	9.30	0.0650	1,160,800	75,452	12,062,800	784,082

** Given a fully subscribed Issue of Units.*
*** Given a fully subscribed Issue of Units and fully exercised warrants of series TO 1.*

OWNERSHIP STRUCTURE

The table below sets forth information about the shareholders of CS MEDICA as of the date of this Prospectus. There is only one class of shares and each share carries one (1) vote at general meetings. As of the date of this Prospectus, the Board of Directors is not aware of any agreements that can change the control of the Company. Except for what is presented in the table below, there are no, according to the Company's knowledge, natural or legal persons owning more than five (5) percent of the votes and capital.

Part	Number of shares	Percentage of votes and capital (%)
LHX Invest ApS*	4,000,000	50
CoLund ApS**	4,000,000	50
Total	**8,000,000**	**100**

*Lone Henriksen is CEO in CS MEDICA and 100 percent owner of LHX Invest ApS.
**Gitte Henriksen is CFO and member of the board of directors in CS MEDICA and 100 percent owner ofCoLund aps

CONFLICT OF INTERESTS

Sedermera Fondkommission provides financial advice and other services to CS MEDICA in connection with the Issue of Units. Sedermera Fondkommission (and its affiliates) have in the ordinary course of business provided,

and may in the future provide, various banking, financial, investment, commercial, and other services to the Company for which they have received, and may yet receive, remuneration.

No member of the Board of Directors or executive management has any private interests which might conflict with the Company's interests. However, certain members of the Board of Directors and executive management have financial interests in CS MEDICA because of their direct or indirect shareholdings in the Company, see section "Board of Directors and executive management" in this Prospectus.

SIGNIFICANT AGREEMENTS

The Company has many significant agreements, covering e.g. the production, development, and testing of products, as well as agreements related to the purchase of ingredients and assets. Examples of significant subcontractors would include production site finished products, and CBD isolates, warehouse facility provider Milcom A/S, cosmetic manufacturing company Oceanic S.A. and manufacturing Medical Devices product developer, Nutrin GmbH, specialized in medical products, food supplements, and dietetic foods. Generally, the Company has an NDA contract with all its subcontractors and partners.

Other significant agreements are with the Company's distributors such as Hampton Brands Ltd (UK), Kronans Apotek, Senitas BV (NL and B), Matas Operations A/S, and pharmacy whole sellers Nomeco A/S and TMJ Inc. Agreements regarding the distribution and sale of products, are covered under section "SALES CHANNELS AND DISTRIBUTION AGREEMENTS", on pages 19-21.

See summarization of agreements related to the production, MD development, logistics, pre-clinical- & clinical testing below.

CanNordic's partners

- **Development of technical documentation contact with R&D GmbH:** The Campany has since 16 November 2016, a contract with rent R&D to collect and prepare the technical documentation for medical devices products according to MDD 93/42/EWG regulation including clinical evaluation, risk management, and biological evaluation. The contract has no time limit, however, be terminated by mutual understanding and agreement.

- **Contract manufacturing with Nutrin GmbH, DE:** The Company has cooperated with Nutrin GmbH since 2016. The company has since 13 January 2020, a manufacturing contract with Nutrin GmbH. The object of the contract is the production of the medical devices products (within the meaning of Section 3 No. 1 of the Medical Devices Act (MPG) and Art. 1 Para. 2 a) of the Medical Device Directive 93/42 / EEC (MDD) by Nutrin GmbH on behalf of the Company. This contract also defines the Quality Agreement between the parties in accordance with ISO 13485 and MDD.
  Nutrin GMbH is a German ISO 13485 manufacturer specialized in medical device products, food supplements, and dietetic foods. Nutrin provides the services of manufacturing, batch release, and product liability. The contract signed is of six-month notice. The contract is unlimited and can be terminated within a six-month notice.

- **Warehouse contract with Milcom Logistik og Distribution ApS:** The Company has since 20 August 2019 a contract with Milcom as warehouse and distribution facility provider. The contact defines the prices, storing, batch management, FEFO, and transport of the products to the customers. The contract has no time limit, however, be terminated by mutual understanding and agreement.

- **Approved supplier of food supplements/food with special medical purpose - Supplelab S.A., PL**: The Company has cooperated with Supplelab in Poland since December 2019. Supplelab has provided the food supplement for the clinical trials, which are currently ongoing in India. Supplelab is a contract manufacturer of the Companies CANNASEN® food supplements, produced according to HACCP, GMP, and GHP. The contract is unlimited and can be terminated within a six-month notice.

- **Agreement with approved contract manufacture of Medical device ISO13485 - Direct Salud S.L.U., ES:** The Company has, since September 2016, cooperated with Direct Salud in Spain on the development of the Pain Patch. Direct Salud is ISO13485 certified and is a contract manufacturer of the CANNASEN® CBD Pain Patch. The Company has, since May 2021, had a manufacturing agreement with Direct Salud for the manufacturing of the Company's medical device product Pain Patch. The contract is unlimited and can be terminated within a six-month notice. The agreement complies with danish law, and any dispute between the Parties will be settled by the danish jurisdiction.

- **Agreement with approved contract manufacture of Cosmetic & Medical device ISO13485 - Oceanic S.A., PL:** The Company has cooperated with Oceanic since January 2019 on the development of the Anti-hair loss serum, Disinfection Gel, Surface disinfection, and Moisturizing Antibacterial hand cream. In 2020 Oceanic achieved the ISO 13485 certification and the Company started the transfer of the production from Germany to Oceanic Poland. Oceanic is currently the backup production facility of CANNASEN®, but from 2 half of 2021, Oceanic will be the main contract manufacture of all CANNASEN® medical device products, except the Pain Patch, and skincare lines. Nutrin provides the services of batch release and product liability. The contract is unlimited and can be terminated within a six-month notice. The agreement complies with danish law, and any dispute between the Parties will be settled by the danish jurisdiction.

Clinical testing and Product Development Partners

- **PRRC- Art. 15 Person MDR contract:** The Company has since the 1st of May 2021, a contract with Dr. Dauer as a Person responsible for regulatory compliance (PRRC) according to Art. 15 of medical device regulation (EU) No. 2017/745. The contract defines the following responsibility of Dr. Dauer: The technical documentation drawn up the EU declaration of conformity, the post-market surveillance, the reporting obligations under articles 87 to 91 of MDR, and responsible for product releases. The contract has no time limit, however, be terminated by mutual understanding and agreement.

- **Dr. Maria Agustina Duguine from the Neurologic Institute of Buenos Aires, AR: Dr. Maria Agustina Duguine from the Neurologic Institute of Buenos Aires, AR:** The Company has cooperated with Dr. Maria Agustina Duguine, since the 23rd of November 2017, who holds a Ph.D. in chemistry and pharmacy and is an expert in the usage of CBD for pain management. The Company has, since the 19th of March 2018, a contract with Dr. Maria Agustina Duguine to develop the first formulation of the Arthritis Gel and Psoriasis Gel with optimized bioavailability and efficacy. The contract has no time limit, however, be terminated by mutual understanding and agreement.

- **Cooperation with Mittal Ayurved Sansthan MGCTS Group - A clinical research organization in India:** The Company has, since August 2019, in cooperation with Mittal Ayurved Sansthan MGCTS Group defined and developed the study plan for the clinical trials of Arthritis Gel and Psoriasis Gel alone and in a combination of food supplements. The clinical studies against placebo are to show the efficacy of the Gels and the clinical study in combination of food supplement against placebo supplement is to show that 1+1 is more than 2. The clinical studies are performing according to ICH guidelines. These clinical trials are ongoing currently in India at clinics and hospitals. Mittal Ayurved Sansthan MGCTS Group is also performing an absorption test and biocompatibility tests for the Company. The cooperation is based on a contract for each clinical trial and or test.

- **Cooperation with J.S. Hamilton, PL**: The Company has, since April 2019, cooperated and developed the clinical study plan in cooperation with J.S Hamilton for the clinical test of Anti-Hair loss serum. J.S. Hamilton has performed the clinical test of the Anti-Hair loss serum from January 2020 – June 2020 according to ICH guidelines – during the COVID-19 lockdown. The clinical test was performed to demonstrate the efficacy of the Anti-Hair loss serum. J.S Hamiltons accredited testing laboratories performed the GC analysis of CBD and THC content in the final CANNASEN topical products to check the content of CBD is correct and no trace of THC is present in the final medical device Cannasen®CBD

products. The cooperation is based on a contract for each clinical trial or laboratory test.

- **Cooperation with Josh Naturals, DE:** The Company has, since February 2017, cooperated and developed together with Josh Naturals. Josh Naturals is a distributor and a herbal extract and food, supplement expert. Josh Naturals helped in the development of the CANNASEN® food supplements, Arthritis, Psoriasis, and Immune booster to obtain the foreseen efficacy. Josh Naturals provided the herbal extracts for the Arthritis and Psoriasis food supplement used in the clinical trials performed in India. Josh Naturals will be the supplier of the herbal extracts for the food supplements and food for special medical purposes for the CANNASEN® food supplement production. The cooperation is based on a purchase contract for each active herbal ingredient.

- **Cooperation ration with Vivacell Biotechnology Gmbh, DE:** The Company has cooperated with Vivacell since January 2018. VivaCell is a provider of in vitro and in vivo Research Services in pharmaceuticals, nutraceuticals (human/animals), natural products and cosmetics, and oral care products. Vivacell has performed the in-vitro test on the Companies CANNASEN® medical device products to demonstrate the efficacy of the medical device products on a cellular level and as a pre-clinical test. The cooperation is based on a contract for each test.

- **Cooperation with 1A Food Consulting, DK**: The Company has since the 11th of July 2018 cooperated with 1A Food Consulting. The Company in cooperation with 1A Food Consulting developed the self-monitoring program for manufactures of food supplements for the Company. 1A Food consultants have contributed to the development of the food supplements and made the safety assessment file for each of the CANNASEN® food supplements. The cooperation is based on a contract for each task and safety assessment.

- **Cooperation with Patrade Lawyer, DK:** The Company has since the 1st of May 2018 cooperated with Patrade Lawyer. In cooperation with Patrade Lawyer the Company has secured and registered the Trademark CANNASEN® in class 03, 05, and 10 – covering the following territories: EU, Switzerland, Norway, India confirmed and the following territories applied and pending; the USA, Canada, China, South Korea, Thailand, Japan, Vietnam, Indonesia, Australia, New Zealand Argentina, Brazil, Chile, Japan, Korea, Malaysia, Thailand, and Vietnam. Together with Patrade the Company has developed and filed 7 patents covering 11 products (6 medical device products, 4 food supplements, and 1 Cosmetic; Anti-Hair loss serum). The Company is aiming to achieve the patent protection of the mentioned products in the 153 PCT member states. The cooperation is based on a contract for each patent and trademark application

Galaxa Pharma's partners

- **Resale and exclusive distribution agreement with Krayna Sp. Z o. o., PL:** The Company has, since the 10th of February 2021, a resale and exclusive distribution agreement with Krayna Sp. Z.o.o. The agreement is an exclusive agreement meaning the Company has exclusive rights to sell, and market Krayna's product line in Denmark, Sweden, and Norway. Krayna is a Vegan and natural cosmetic manufacturer from Poland. The agreement is valid for three years and shall be renegotiated on a three-year basis – the contract may, however, be terminated by mutual understanding and agreement.

- **Resale and exclusive distribution agreement with Oceanic S.A**.: The Company has, since the 7th of May 2015, a resales agreement with Oceanic S.A. The agreement is an exclusive agreement meaning the Company has the exclusive rights to sell and market Oceanic's branded cosmetics. The Company holds exclusive resales and distribution rights in Scandinavia, Denmark, Sweden, and Norway of Oceanic Brands: Long4Lashes and Lift4Skin. Oceanic is a manufacturer of branded cosmetics and ISO 13485 custom manufacture. Furthermore, Oceanic S.A. is approved as ISO1345 manufacture of CANNASEN® medical device and cosmetics products. The contract applies to 29/06/2026 - may, however, be terminated by mutual understanding and agreement.

- **Resale and distribution agreement with Aqua Biotechnology ASA (ABT), NO:** The Company has, since the 12th of February 2021, a resale agreement with ABT. The agreement grants The Company the distribution rights for Denmark for the certified organic skincare line Moana Skincare. Aqua Bio Technology (ABT) is developing and commercializing sustainable biotechnology for use in skincare products. ABT's cosmetics ingredients are effective and they provide the cosmetics industry with natural alternatives to traditional ingredients. ABT is a manufacture of the branded skincare

line Moana Skincare, with ingredients based on natural and sustainable substances, found in plants, algae, and the oceans. The Company holds a non-exclusive distribution right in Denmark of ABT's brand: MOANA. The agreement is valid for two years and shall be renegotiated on a two-year basis. The agreement may, however, be terminated by mutual understanding and agreement.

- **Warehouse contract with Milcom Logistik og Distribution ApS:** The Company has since the 20th of August 2019 a contract with Milcom as a warehouse and distribution facility provider. The contact defines the prices, storing, patch management, and transport of the products to the customers. The contract has no time limit, however, be terminated by mutual understanding and agreement.

- **Payment solutions agreement with NETS ApS**: The agreement with NETS enables payment solutions at the companies' webshop, cosmage.dk, with Danish domestic payment scheme (Dankort), and other NETS business areas. For this, the Company pays a fixed monthly fee to NETS. The agreement was signed in February 2017 and may be terminated for convenience with three (3) months' notice. The agreement is a standard agreement for "card linking" on the Danish domestic scheme, Dankort.

- **Agreement with Debtor A/S**: The agreement with the debtor enables the Company to get instant access to receivables from debtors regardless of payment deadline and without mortgage and guarantee. Danish and foreign invoices are sold on an invoice stock exchange at rates from 95 to 99 percent depending on the debtor. The agreement was signed in November 2019 and may be used when needed. No termination is required.

- **Agreement with Emærket Aps**: The agreement with e-mærket guarantees users of the company's webshop, cosmage.dk, safe and secure online shopping. The agreement is verified at the webshop through a certificate. For this, the Company pays a fixed yearly fee to emærket. The agreement was signed in April 2018 and may be terminated with one month's notice at the end of a membership period, with effect no earlier than April 2022.

At present, the Company has not entered into any other material agreements other than agreements attributable to the day-to-day operations.

INCENTIVE PROGRAM

In July 2021, the Board of Directors decided, based on an authorization from the Extraordinary General Meeting in April 2021, and in accordance with good practice, on an incentive warrant program during 2021/2022. The Company has issued 468,750 warrants, which in the event of full subscription and exercise of all warrants may increase the share capital by a maximum of nominally DKK 30,469. When exercising all warrants, this means an issue of 468,750 shares, the total number of shares thus amounting to 12,531,550. This means a maximum dilution rate of approx. 3.74 percent. The dilution amounts to approx. 5.9 percent in relation to the current shareholders' holdings of the Company. The warrants have been issued to all members of the board of directors, the executive board, and the advisory board. The warrant holders can subscribe for shares in the Company at a subscription price of DKK 7.70 with an annual increase of ten (10) percent each year from the date of the warrant issue. The increase in the subscription price shall be compounded as per the expiry of each calendar year, the first time on 31 December 2021. The warrants can be exercised in customary exercise windows from 2024 until and 2027. Each warrant entitles the holder to subscribe for one (1) new share in the Company. For more information about holders of warrants, see the section "Board of Directors and executive management".

	No. of warrants
Board of directors	
Jørgen Flemming Ladefoged (chairman)	62,500
Gitte Henriksen (CFO)	31,250
Bo Erik Lennart Unéus	31,250
Stein Arve Løkstad	31,250
Anders Permin	31,250
Subtotal board of directors	*187,500*
C-level management	
Lone Henriksen (CEO)	*93,750*
Gitte Henriksen (CFO)	*62,500*
Hanne Søgaard Røhe (CMO)	*62,500*
Cathy Jolibois	*62,500*
Subtotal C-level management	*281,250*
Advisory Board	
Eske Dyva	*62,500*
Steen Søndergaard	*62,500*
Subtotal Advisory Board	*125,000*
Total	***593,750***

Apart from the above, there are no outstanding warrants, convertibles, or similar that will affect the number of shares in the Company in the future.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties include the Company's Board of Directors, the Executive Management, the Management Team, affiliates to the mentioned parties, and the Company's major shareholders. Related parties also include companies in which these persons and shareholders have significant influence.

No transactions between the Company and related parties exist, except as stated in the following:

Loans with no interest

- CS MEDICA has, via two separate occasions been granted loans, corresponding to a total value of approx. DKK 2.8 million by Finn-Ove and Nina Henriksen – parents of CEO Lone Henriksen and CFO and Member of the Board of Directors Gitte Henriksen in the Company. The motive for the loans was to ensure that the Company had the requisites to continue to run the business in the desired direction. The loans above are to be offset against units in connection with the Offer. The agreement was not entered at arm's length.

Loans with interest

- The Company has also taken out loans from: Nordic/CabNova, Innovationsfonden, Finance Zealand, EU, Zealand International, and Erhvervsstyrelsen, see "Previous funding and grants". The loans have been provided to CS MEDICA due to the encouragement of CS MEDICA's potential ability in generating new jobs for the community. The agreements were entered at arm's length.

AUTHORITY PROCEEDINGS, LEGAL PROCEEDINGS, AND ARBITRATION

At present, the Company is involved in a dispute that concerns an agreement between the subsidiary Galaxa Pharma ApS and TMJ. The dispute concerns a delivery from Galaxa Pharma to TMJ – where TMJ argues of having the rights to return a major part of the purchased disinfection products against a refund corresponding approx. DKK 0.9 million.

The dispute was initiated on the 7th of January 2021 when TMJ contacted Galaxa Pharma. Although TMJ has been provided with well-founded rejections of their claim TMJ's lawyer has informed that TMJ has decided to take legal action in this matter. In the latest correspondence, TMJ's lawyer has expressed an interest in obtaining a choice of venue agreement between the parties. The Company's opinion in the matter is that the case is likely to be taken to the court, but that the Company's chances of success are predominant.

Besides the dispute mentioned above CS MEDICA has not been a party to any legal, arbitration, or governmental proceedings (including pending cases or such that the Company is aware may arise), during a period covering at least the previous twelve months, that has had or could have significant effects on the Company's financial position or profitability. Nor has the Company been informed of claims that could lead to CS MEDICA becoming a party to such a process or arbitration. Also, there are no other arrangements, known to the issuer, which may at a subsequent date result in or prevent a change in control of the issuer.

MISCELLANEOUS

There exist no provision of the issuer's articles of association, statutes, charter, or bylaws that would have an effect of delaying, deferring, or preventing a change in control of the issuer.

AVAILABLE DOCUMENTS

The below documents are available in electronic form on the Company's website www.cs-medica.com. Printed copies of the documents are also available during ordinary office hours at CS MEDICA's office Fruebjergvej 3, 2100 Copenhagen, Denmark, during the period of validity of this Prospectus.

- Memorandum of Association (Constituent Document; Stiftelsesdokument)
- Articles of Association (Corporate Bylaws)

APPENDIX A – SWEDISH TRANSLATION OF THE SUMMARY

AVSNITT 1 – INLEDNING

1.1	Värdepapperens namn (ticker) och ISIN	Emissionen av Units består av units i CS MEDICA A/S. **Aktien:** ISIN code DK0061668225, Ticker CSMED. **Teckningsoptioner TO 1:** ISIN-kod DK0061668308, Ticker CSMED TO 1.
1.2	Namn och kontaktuppgifter för emittenten	CS MEDICA A/S, organisationsnummer 33871643 och LEI-kod 549300SC8KWO7JFWLN17. Representanter för CS MEDICA kan nås på telefon (+45) 70 70 73 37 och via e-post info@cs-medica.com. Företagets besöksadress är Fruebjergvej 3, 2100 Köpenhamn och hemsidan är www.cs-medica.com.
1.3	Namn och kontaktuppgifter för behörig myndighet som godkänt prospektet	Den danska finansiella tillsynsmyndigheten (Dk. Finanstilsynet) (”DSFA”) är den behöriga myndighet som ansvarar för godkännandet av Prospektet. Besöksadressen till DFSA är Århusgade 110, 2100 Köpenhamn, Danmark, och webbplatsen är www.finanstilsynet.dk. DFSA kan också nås på telefon (+45) 33 55 82 82 och mejl finanstilsynet@ftnet.dk.
1.4	Datum för godkännande	EU-tillväxtprospektet godkändes av det danska Finansinspektionen den 13 juli 2021.
1.5	Varning	Denna sammanfattning bör läsas som en introduktion till Prospektet. Varje beslut om att investera i värdepapperen bör grundas på att investeraren studerar hela Prospektet. Investeraren kan förlora hela eller delar av sitt investerade kapital. Om ett yrkande relaterat till information i Prospektet görs i domstol kan den investerare som är kärande enligt nationell lagstiftning i medlemsstaterna bli tvungen att betala kostnaden för att översätta Prospektet innan de rättsliga förfarandena inleds. Civilrättsligt ansvar omfattar enbart de personer som har presenterat sammanfattningen inklusive översättningar av denna, men enbart om sammanfattningen är vilseledande, felaktig eller inkonsekvent jämfört med de andra delarna av Prospektet eller om den tillsammans med andra delar av Prospektet inte ger den nyckelinformation som investerare behöver vid beslut om huruvida de ska investera i de berörda värdepapperen.

AVSNITT 2 – NYCKELINFORMATION OM EMITTENTEN

2.1	Information om emittenten av värdepapperet	CS MEDICA A/S, registrerat den 17 augusti 2011, är ett dansk aktiebolag som regleras av dansk lag och den danska aktiebolagslagen. Bolaget besöksadress är Fruebjergvej 3, 2100 Köpenhamn . Styrelsen har sitt säte i Köpenhamn, Danmark. Bolagets VD är Lone Henriksen sedan 2011. CS MEDICA är ett dansk medicobolag som har åtagit sig att utveckla och kommersialisera evidensbaserade och innovativa medicintekniska produkter, som innehåller cannabinoider från cannabis, inom smärtlindring och vård. Bolaget utforskar och utnyttjar ämnena i *Cannabis sativa L.*-växten. CS MEDICAs vision är att bli en världsledande tillverkare av medicintekniska produkter som innehåller cannabinoider från cannabis. Ambitionen är att kontinuerligt utveckla säkra och effektiva produkter med förmåga att öka livskvaliteten för patienter och människor i allmänhet. Följande tabell illustrerar Bolagets huvudägare. Styrelsen informerar om att det inte finns några aktieägaravtal eller andra överenskommelser mellan Bolagets aktieägare som försöker få gemensamt inflytande över Bolaget.

Del	Antal aktier	Procent av röster och kapital (%)
LHX Invest ApS*	4 000 000	50
CoLund ApS**	4 000 000	50
Totalt	**8 000 000**	**100**

** Lone Henriksen är VD och ensam ägare av LHX Invest ApS.*
*** Gitte Henriksen är CFO, styrelseledamot och ensam ägare av CoLund ApS.*

2.2 Finansiell nyckelinformation om emittenten

Den finansiella informationen som ingår i detta prospekt genom hänvisning omfattar de konsoliderade årsredovisningar för räkenskapsåren 2018/2019 och 2020/2021 och delårsbokslut som hänför sig till räkenskapsperioden 1 oktober 2020 - 30 juni 2021 med jämförande siffror för perioden 1 oktober 2019 – 30 juni 2020 som har upprättats i enlighet med bestämmelserna i årsredovisningslagen som reglerar företags rapporterar med klass B och C.

KONCERNENS RESULTATRÄKNING

DKK	2020-10-01 –2021-06-30 Oreviderad	2019-10-01 - 2020-06-30 Oreviderad	2019-10-01 - 2020-09-30 Granskad	2018-10-01 - 2019-09-30 Granskad
Inkomst	924 903	1 808 251	2 110 729	1 425 936
Övriga rörelseintäkter	1 356 335	303 287	676 232	-
Bruttovinst	923 892	475 673	767 369	211 130
Rörelseresultat	**158 630**	**282 026**	**111 467**	**186 697**

BALANSRÄKNING FÖR KONCERNEN

DKK	2021-06-30 Oreviderad	2020-06-30 Oreviderad	2020-09-30 Granskad	2019-09-30 Granskad
Summa immateriella tillgångar	7 028 186	2 897 258	3 451 421	2 103 800
Totala tillgångar	**10 656 031**	**5 569 360**	**5 436 210**	**3 279 071**

2.3 Huvudsakliga risker som är specifika för emittenten

COVID-19

Som ett resultat av spridningen av Covid-19 har flera länder runt om i världen infört restriktioner för bland annat resor och möjligheter för människor att träffas. Det finns en risk att avstängningar och krav på människor att arbeta hemifrån kan påverka Bolagets förväntade orderstock och kringgå Bolagets planer på att etablera sig på nya marknader. Det finns även en risk kopplad till Bolagets ambition att inleda dialoger med potentiella partners och därmed ingå avtal. Investeraren bör vara medveten om de risker som är förknippade med Covid-19s inverkan på logistiken för Bolagets produkter eller råvaror som behövs för att montera Bolagets produkter. Det finns en risk att pågående eller framtida kliniska prövningar, utveckling och/eller produktion av redan existerande och framtida produkter inte är möjliga eller kommer att försenas, vilket kan leda till att Bolagets finansiella och operativa mål misslyckas. Varje försening, effekt på produktkrav och/eller social inblandning kan leda till ökade kostnader för företaget, intäktsförlust, vilket i förlängning kan påverka Bolagets resultat, kapital och finansiella ställning negativt. CS MEDICA bedömer sannolikheten för att risken uppstår som hög.

EFTERFRÅGAN, PRIS OCH KONKURRENS

Till CS MEDICAs styrelses kännedom kommer det att finnas en ökande efterfrågan på produkter som innehåller cannabinoider från cannabis i framtiden. En ökad efterfrågan förväntas generera ett större antal marknadsaktörer - nyetablerade såväl som multinationella bolag som har kommit in på marknaden och har betydande ekonomiska resurser. Det finns en risk att en betydande investering och produktutveckling av en konkurrent leder till en mindre gynnsam situation när det gäller försäljnings- eller intäktsmöjligheter för företaget. I ett sådant scenario kan konkurrenten utveckla produkter som överträffar företagets produkter och därmed ta marknadsandelar från Bolaget. Investerare bör även överväga risken att ett större antal marknadsaktörer leder till en högre efterfrågan på råvaror. Med konstant utbud finns det en risk för att priset för Bolagets råvaror ökar och därmed skadar Bolagets resultat. Det finns även en risk att ökningen av marknadsaktörerna ökar efterfrågan på produkter. Det finns även en risk att CS MEDICA måste sänka sina marginaler på alla eller några av sina produkter för att hålla sig konkurrenskraftiga på marknaden och därmed skada Bolagets resultat och finansiella ställning. CS MEDICA bedömer sannolikheten för att dessa risker uppstår som måttliga

SECTION 3 – KEY INFORMATION ON THE SECURITIES

3.1	Värdepapperens huvuddrag	**TYP, KATEGORI OCH ISIN FÖR VÄRDEPAPPREN** CS MEDICAs Nya Aktier och teckningsoptioner i Emissionen av Units tas upp till handel på Spotlight. Det finns bara en klass av aktier i CS MEDICA. En (1) unit består av fem (5) Nya Aktier och två (2) teckningsoptioner av serie TO 1. ISIN-koden för aktierna är DK0061668225 och ISIN-koden för teckningsoptionerna är DK0061668308. **VALUTA, NOMINALVÄRDE OCH ANTAL AKTIER** CS MEDICA har endast ett aktieslag och samtliga utestående aktier har betalats fullt ut. De Nya Aktierna och teckningsoptionerna är denominerade i DKK. Före Emission av Units uppgår CS MEDICAs registrerade aktiekapital till 520 000 DKK fördelat på 8 000 000 aktier. Varje aktie har ett nominellt värde på 0,0650 DKK. De Nya Aktierna i CS-läkemedel utfärdas enligt dansk lag. **RÄTTIGHETER FÖR SÄKERHETEN** Samtliga rättigheter kopplade till aktien läggs till den som är registrerad i VP Securities A/S (”VP”). De Nya Aktierna kommer att ha samma rättigheter som de befintliga aktierna. Rättigheterna inkluderar rösträtt, rätten att få utdelning, rätten att delta i intäkterna vid upplösning eller likvidation av Bolaget och företrädesrätt i samband med emissionen av nya/ytterligare teckningsoptioner, konvertibla obligationer, och aktier med kontantbidrag. CS MEDICA är ett tillväxtbolag och har inte sedan dess start gett utdelning till aktieägarna. Bolaget har inte heller någon utdelningspolicy. Styrelsen för CS MEDICA avser att finansiera utveckling, verksamhet och tillväxt med möjliga vinster. Eventuell framtida utdelning, och beloppet av sådana, är bland annat beroende av Bolagets framtida resultat, finansiella ställning, rörelsekapitalbehov och likviditet. Vid utdelning har alla aktier i bolaget lika rätt till utdelning. Utdelning på de Nya Aktierna som nyligen emitterats i Emissionen av Units enligt beskrivningen i detta Prospekt kommer att betalas ut på avstämningsdagen för den utdelning som kan inträffa efter registreringen av de nya aktierna i VP:s aktieregister. Utdelningen är inte ackumulerad. Rätten till utdelning gäller investerare som är registrerade som aktieägare i CS MEDICA på avstämningsdagen för utdelning. Det finns inga befintliga begränsningar för utdelning eller särskilda förfaranden för aktieägare bosatta utanför Danmark, och utdelning av utdelning är avsedd att ske via VP på samma sätt som för aktieägare bosatta i Danmark. Utdelning tillfaller CS MEDICA om det inte har krävts av aktieägaren inom 3 (tre) år från utdelningstidpunkten. Utdelningen går till CS MEDICA efter begränsningen. **ÖVERFÖRBARHETEN AV VÄRDEPAPPERNA** Det finns inga begränsningar för överlåtbarheten av aktierna eller teckningsoptionerna, förutom lock-up.
3.2	Plats för handel med värdepapperen	CS MEDICA har ansökt om och godkänts för notering på Spotlight, där aktierna och teckningsoptionerna i CS MEDICA kommer att handlas. Bolaget är skyldigt att följa andra tillämpliga lagar, stadgar och rekommendationer som gäller för bolag som är listade på Spotlight. Detta Prospekt har granskats av Spotlight i enlighet med Spotlights regler inom ramen för noteringsprocessen. Spotlight driver en så kallad MTF-plattform. Bolag som är noterade på Spotlight har åtagit sig att följa Spotlights i enlighet med gällande regler. Åtagandet att följa reglerna syftar bland annat till att säkerställa att aktieägare och andra aktörer på marknaden får korrekt, omedelbar och samtidig information om alla omständigheter som kan påverka Bolagets aktiekurs. Handel på Spotlight sker i ett elektroniskt handelssystem som är tillgängligt för banker och börsmäklare anslutna till den nordiska tillväxtmarknaden (NGM). Detta innebär att alla som vill köpa eller sälja aktier som är noterade på Spotlight kan använda de banker eller börsmäklare som är medlemmar i Spotlight. Spotlight regler och aktiekurser finns på Spotlight hemsida (www.spotlightstockmarket.com).
3.3	Garantier som värdepapperen omfattas av	Värdepappren täcks inte av garantier.
3.4	Huvudsakliga risker som är specifika för värdepapperen	**PSYKOLOGISKA FAKTORER** Det finns en risk att värdepappersmarknaden påverkas negativt av psykologiska faktorer såsom investerarens reaktioner på trender, rykten kopplade till nyheterna och händelser utan direkt koppling till Bolagets verksamhet. Eftersom CS MEDICA verkar inom ett affärsområde som i vissa fall påverkas av ett relativt stort antal faktorer, såsom politiska, etiska och regulationer, kan Bolaget utsättas för en större grad av risk och därmed bli ett offer för trender och rykten som potentiellt kan skapa större psykologisk sårbarhet för Bolaget. Det finns en risk att CS MEDICAs aktiekurs påverkas på samma sätt, eller i större utsträckning, som andra värdepapper som tas upp för handel. Det finns också en risk för psykologiska faktorer och deras efterföljande effekter på kursutvecklingen påverkar aktiekursen för Bolagets aktier negativt. En lägre aktiekurs kan orsaka svårigheter för Bolaget att skaffa kapital på gynnsamma villkor i framtiden. CS MEDICA bedömer sannolikheten för att risken uppstår som måttlig.

KURSFÖRÄNDRINGAR

Det finns en risk att CS MEDICAs aktiekurs kommer att genomgå stora variationer i samband med en introduktion till Spotlight Stock Market. Valutakursförändringar kan uppstå på grund av stora förändringar i det politiska landskapet, makroekonomiska faktorer, marknadsklimat och/eller inköps- och försäljningsvolymer som inte nödvändigtvis har en koppling till Bolagets underliggande värde. Det finns en risk att prisfluktuationerna genererar osäkerhet om Bolagets värdering och därmed påverkar CS MEDICAs aktiekurs negativt. I ett scenario där Bolagets aktiekurs påverkas negativt kan man behöva överväga riskerna bakom Bolagets potentiella oförmåga att samla in pengar på gynnsamma villkor i framtiden. CS MEDICA bedömer sannolikheten för att risken uppstår som måttlig.

AVSNITT 3 – NYCKELINFORMATION OM VÄRDEPAPPEREN TILL ALLMÄNHETEN

4.1 Villkor och tidsplan för att investera i värdepapperet

ERBJUDANDET

Befintliga aktieägare, allmänheten och professionella investerare i Sverige och Danmark inbjuds att teckna units i CS MEDICA under perioden från 17 augusti 2021 fram till den 31 augusti 2021. Styrelsen i CS MEDICA beslutade den 1 juli 2021, med stöd av bemyndigande från extra bolagsstämma den 16 april 2021, att genomföra en Emission av Units och öka CS MEDICAs aktiekapital med minst DKK 152 230 och högst DKK 188 630 genom en emission av minst 2 342 000 Nya Aktier och högst 2 902 000 Nya Aktier, var och en med ett nominellt värde på 0,0650 DKK samt emittering av minst 936 800 teckningsoptioner och högst 1 160 800 teckningsoptioner. Den totala Emissionen av Units uppgår till maximalt cirka DKK 33,1 miljoner och minst 26,7 miljoner (cirka 80 procent av den ursprungliga Emissionen av Units). Av den totala emissionsvolymen kan cirka 22,3 DKK kan förvärvas genom Nya Aktier i den initiala emissionen (vid fullteckning) och ytterligare cirka 10,8 miljoner DKK genom teckningsoptionsserien TO1 (vid fullt nyttjande av teckningsoptionerna). Teckningsoptionerna har en nyttjandeperiod på cirka 12 månader efter den planerade noteringen på Spotlight i september 2021.

Maximalt 580 400 units kommer att utfärdas och teckningskursen i Emissionen av Units blir 38,50 DKK per unit. En (1) unit består av fem (5) Nya Aktier och två (2) teckningsoptioner av serien TO 1. En (1) teckningsoption ger rätt att teckna en (1) ny aktie till 9,30 DKK under teckningsperioden för teckningsoptionerna. Om samtliga teckningsoptioner av serie TO 1 nyttjas under nyttjandeperioden för teckningsoptionerna ökar aktiekapitalet med ytterligare 75 452 DKK. Teckningskursen för de Nya Aktierna vid Emissionen av Units blir 7,70 DKK per aktie.

TECKNINGSKURS

Teckningskursen är DKK 38,50 per units. Courtage kan uppstå. Minsta teckningspost är 120 units, vilket motsvarar 4 620 DKK, och därefter kan teckningen göras i valfritt antal units.

VÄRDERING

CS MEDICAs pre-money värdering uppgår till cirka 61,6 miljoner DKK.

ANMÄLNINGSPERIOD

Teckning av units kommer att ske under perioden 17 augusti 2021 fram till den 31 augusti 2021. Vid teckning via bank, kan den sista teckningsdagen variera. Investeraren bör därför kontakta deras respektive bank i början av teckningsperioden för att teckna och/eller få information om den sista teckningsdagen via den specifika banken.

TECKNINGSÅTAGANDEN

CS MEDICA har i mars 2021 erhållit teckningsåtaganden på cirka DKK 13,4 miljoner, vilket motsvarar cirka 60 procent av den ursprungliga emissionsvolymen. Detta innebär att cirka 40 procent av emissionsvolymen är tillgänglig för teckning av aktieägare och andra investerare.

BRYGGLÅN

För att påskynda sin verksamhet fram till genomförandet av Erbjudandet har Bolaget genomfört en bryggfinansiering på cirka 3,9 miljoner DKK, för vilka bryggfinansierarna kommer att få ersättning på cirka 0,8 miljoner DKK i form av extra units (motsvarande 20 procent av brygglånet) i detta Erbjudande. Ersättningen kommer inte att ges till Bolaget. Dessutom har Bolaget ett tidigare erhållet brygglån (utan ränta) på cirka 2,8 miljoner DKK ska lösas in mot units i detta Erbjudande.

TECKNINGSOPTIONER AV SERIE TO 1

En (1) teckningsoption ger rätt att teckna en (1) Ny Aktie till 9,30 DKK under teckningsperioden för teckningsoptionerna, som kommer att äga rum från 18 augusti 2022 till 1 september juli 2022. Om samtliga teckningsoptioner nyttjas under denna period kommer Bolaget att få ytterligare cirka DKK 10,8 miljoner före emissionskostnaderna.

OFFENTLIGGÖRANDE AV UTFALLET I EMISSIONEN

Så snart som möjligt efter att teckningsperioden har avslutats kommer CS MEDICA att avslöja resultatet av Emissionen av Units. Publikationen är planerad till 2 september 2021 och kommer att göras genom ett pressmeddelande, som kommer att vara tillgänglig på CS MEDICA hemsida samt på Spotlight hemsida.

UTSPÄDNING

De Nya Aktierna i Emissionen av Units kommer att leda till att Bolagets aktiekapital ökar med 152 230 DKK vid minsta teckningsgrad och 188 630 DKK med en maximal teckningsgrad. De befintliga aktierna, som har emitterats från och med dagen för detta Prospekt, kommer att utspädas genom emitteringen av Nya Aktier i Emissionen av Units.

Efter genomförd Emission av Units kommer de befintliga aktierna, som har emitterats från och med dagen för detta prospekt, att utgöra cirka 77 procent av Bolagets totala aktiekapital vid minsta teckningsgrad och cirka 73 procent med maximal teckningsgrad. Dessutom, om alla teckningsoptioner ska nyttjas, kommer befintliga aktier att spädas ut med ytterligare cirka 3,74 procent.

EMISSIONSKOSTNADER

Den totala kostnaden för den initiala delen av Emissionen av Units uppgår till cirka 1,8 miljoner DKK, motsvarande cirka 8,54 procent av den ursprungliga emissionsvolymen. Vid fullteckning av teckningsoptionsserien TO 1 uppgår kostnaden till cirka DKK 0,9 miljoner, motsvarande cirka 8,23 procent av teckningsoptionsvolymen. Den totala kostnaden uppgår därmed till cirka 2,7 miljoner DKK, motsvarande cirka 8,44 procent av den totala emissionsvolymen.

POTENTIELLA AVGIFTER

Clearing och avveckling sker inom ramen för VP:s system i Danmark. Detta kan innebära att banker och chefer som inte är medlemmar i VP i Danmark kan ta ut en administrativ avgift för teckning i CS MEDICAs nya Emission av Units. Dessutom en avgift, i form av courtage, tas för handel med CS MEDICAs aktie och eller teckningsoptioner.

4.2 Motiv för EU-tillväxtprospektet

MOTIV FÖR NOTERING

Hittills har CS MEDICA fokuserat på att utvidga sin verksamhet inom de nordiska länderna. Med en växande efterfrågan på produkter som innehåller cannabinoider på den europeiska marknaden ligger CS MEDICA i en fas för att uppskalning av verksamheten. CS MEDICAs ambition är att fortsätta arbeta med organisations- och produktutveckling för att ingå nya strategiska partnerskap och lansera produkter på den större globala marknaden. enligt styrelsens bedömning är det befintliga rörelsekapitalet inte tillräckligt för att genomföra bolagets tillväxtplan som beskrivs i detta Prospekt under den kommande tolvmånadersperioden efter dagen för offentliggörandet av detta Prospekt. Inför den planerade noteringen på Spotlight i september 2021 genomför Bolaget därför en Emission av Units på cirka 33,1 miljoner DKK. Av den totala emissionsvolymen kan cirka 22,3 DKK förvärvas genom Nya Aktier i den initiala emissionen och ytterligare cirka 10,8 miljoner DKK genom teckningsoptioner, förutsatt att alla teckningsoptioner nyttjas, med en planerad notering på Spotlight i september 2021. Bolaget anser att en IPO och notering på Spotlight skulle öka möjligheterna att fortsätta med den höga takten för lansering av produkter, utvidga omfattningen och därmed ta värdefulla marknadsandelar. Följaktligen har Bolaget ansökt om handel i aktier och teckningsoptioner på Spotlight.

EMISSIONSLIKVIDENS ANVÄNDANDE

Bolaget har för avsikt att använda emissionsintäkterna från den initiala delen av Emissionen för att öka marknadspenetrationen, utveckla forsknings- och utvecklingsaktiviteter (FoU), genomföra kliniska prövningar i enlighet med MDR, uppdatera alla system från MDD till MDR, slutföra portaler, initiera och slutföra FDA-ansökan och marknadsanalyser (USA och Kanada), initiera patentansökningar för de kommande behandlingsprodukterna och säkra Bolagets immateriella rättigheter över hela världen. Intäkterna kommer också att användas för att kompensera för ett tidigare erhållet lån som beviljades från vänner och familj under 2020, vilket motsvarar ett värde på cirka 2,8 miljoner DKK. Lånet från 2020 ska lösas in mot Units i Erbjudandet, precis som bryggLånet på cirka 3,9 miljoner DKK genomfördes i mars 2021.

INITIAL EMISSION – CIRKA DKK 15,4 MILJONER (NETTO)

- Forskning och utveckling (biokompatibla tester, post-marknadskliniska prövningar och uppdatering av teknisk dokumentation enligt MDR - ny lag för medicintekniska produkter sedan den 26 maj 2021, uppdatera kvalitetsstyrd programvara, revision av alla

leverantörer, nytt kontrakt inom tillverkning - uppdatera teknisk fil och stabilitetstest) - cirka 20 procent.
- Kliniska prövningar enligt MDR - cirka 15 procent.
- Säkring och arkivering av globala patent på kommande behandlingsprodukter - cirka 3 procent.
- Slutföra portaler/uppdatera portaler för MDR (PIM - produktinformationshantering för delning av all produktrelaterad information samt kliniska prövningsportaler för försök efter marknadsföring tillsammans med säljteamet, partners och lokala organisationer med fokus på den framtida behandlingen av psoriasis och artrit) - cirka 7 procent.
- Marknadspenetration (SE, UK, BE, NL, DE, IT, ES, AU och FR) * - cirka 48 procent.
- Inled FDA godkännandeprocess och marknadsanalys (USA och Kanada) - cirka 7 procent.

**Sverige, Storbritannien, Belgien, Nederländerna, Danmark, Italien, Spanien, Österrike och Frankrike.*

Ytterligare cirka DKK 10,8 miljoner före emissionskostnader på cirka. DKK 0,9 miljoner (cirka 8,23 procent av emissionsvolymen) kan förvärvas av Bolaget vid fullt nyttjande av teckningsoptionerna.

TECKNINGSOPTIONER AV SERIE TO 1 – CIRKA DKK 9,9 MILJONER* (NETTO)

- Forsknings- och utvecklingsaktiviteter - cirka 10 procent.
- Aktiviteter för reglering av medicintekniska produkter (test av biokompatibilitet, klinisk utvärdering och kliniska prövningar efter marknadsföring) - cirka 7 procent.
- Globala patent på kommande behandlingsprodukter - cirka 13 procent.
- Marknadspenetration (resten av Europa, USA och Kanada) - cirka 45 procent.
- Kliniska prövningar enligt FDA - cirka 25 procent.

** Den avsedda användningen av likviden från nyttjandet av teckningsoptionerna baseras på antagandet att alla teckningsoptioner tecknas och nyttjas.*

Enligt Bolagets bedömning är det befintliga rörelsekapitalet som är avsett att finansiera 12-månadersutvecklingen av verksamheten och Bolagets tillväxtplan inte tillräckligt för de nuvarande behoven per Prospektdatumet. Underskottet uppgår till cirka 8,9 miljoner DKK. Krav på rörelsekapital förväntas uppstå i september 2021. För att förse bolaget med rörelsekapital genomför CS MEDICA därför en Emission av Units som kan ge bolaget maximalt 15,4 miljoner DKK (efter kompensation till brygglånegivare och emissionskostnader men inklusive bryggfinansiering på cirka 3,9 miljoner DKK). I händelse av att det kommande Erbjudandet tecknas fullt ut, bedömer Bolaget att intäkterna kommer att finansiera CS MEDICAs tillväxtplan fram till december 2024.

För att samla in tillräckligt med rörelsekapital för att kunna driva sin verksamhet i önskvärd takt under minst tolv månader framåt krävs att Bolaget förses med minst cirka 8,9 miljoner DKK genom den initiala Emmissionen av Units som beskrivs i detta Prospekt. Med tanke på att den lägsta teckningsnivån ligger på 80 procent kommer Bolaget att få cirka 11,5 miljoner DKK (efter avdrag för emissionskostnader, kompensation för brygglånet och kvittningen av lånet som beviljades 2020) genom den initiala delen av Emissionen och därmed säkra tillräckligt med rörelsekapital för de kommande 12 månaderna. CS MEDICA har från Prospektdatumet säkrat totalt cirka 13,4 miljoner DKK (före transaktionsrelaterade kostnader) genom teckningsåtagande, vilket motsvarar cirka 60 procent av den ursprungliga utgivningsvolymen. Om Bolaget inte samlar in ovanstående kapital efter finansieringskostnader, kommer Bolaget att undersöka alternativa finansieringsalternativ såsom ytterligare kapitalanskaffning, bidrag eller finansiering tillsammans med en eller flera partners eller bedriva verksamheten till en lägre ränta än förväntat. tills ytterligare kapital kan tas in. På lång sikt finns det en risk att om alla finansieringsmöjligheter och försäljning misslyckas kommer Bolaget att ansöka om konkurs.

INTRESSEKONFLIKT

Sedermera Fondkommission tillhandahåller finansiell rådgivning och andra tjänster till CS MEDICA i samband med Emission av Units. Sedermera Fondkommission (och dess dotterbolag) har under den ordinarie verksamheten tillhandahållit och kan i framtiden tillhandahålla olika bank-, finans-, investerings-, kommersiella och andra tjänster till Bolaget för vilket de har fått och kan ännu få ersättning för. Sedermera Fondkommission äger inga aktier i Bolaget men har rätt att teckna nya aktier och teckningsoptioner i den Emission av Units som beskrivs i detta Prospekt, under samma villkor som andra. Sedermera Fondkommission och Spotlight är sedan 15 december 2013 separata och oberoende sekundära namn för ATS Finans AB (tidigare sedan mars 2010 var Sedermera Fondkommission och Spotlight anslutna bolag i samma koncern). ATS Finans AB är ett finansiellt

	värdepappersbolag och övervakas av Finansinspektionen. Det nära förhållandet mellan Spotlight och Sedermera Fondkommission utgör en risk för en potentiell intressekonflikt. Spotlight har särskilt tagit hänsyn till detta i sin marknadsövervakningsaktivitet. Ingen styrelseledamot eller ledning har några privata intressen som kan strida mot bolagets intressen. Vissa styrelseledamöter och ledande befattningshavare har dock ekonomiska intressen i CS MEDICA på grund av deras direkta eller indirekta aktieinnehav i Bolaget.

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