H1 REPORT

October 2023 – March 2024

CSMEDICA

WORLD-CHANGING PRODUCTS FOR A BETTER EVERY DAY

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

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BRIEFLY ABOUT CS MEDICA A/S

As a Danish MedTech combining **research & development, technology, and nature to advance human health,** we are dedicated to improving people's quality of life, by **challenging how to treat pain, autoimmune diseases, and stress-related disorders** like arthritis, psoriasis, insomnia, hair loss, allergies, and overall pain relief.

Our purpose is to **drive change to treatments,** built upon our knowledge of the endocannabinoid system, the benefits of the cannabis plant, and our experience in the pharmaceutical industry.

We envision a world where treatments have **proven efficacy but fewer side effects** for pain relief, transforming 2 or 4-legged patients' symptoms for a better every day with evidence-based, CBD-integrated treatments in the form of **topical creams; gels, lotion, and sprays, registered under medico legislations** globally as OTC (over-the-counter) or substance-based medical device products.

The **company is listed** on Spotlight Stock Market in Stockholm (symbol: “CSMED. For more information, visit cs-medica.com and LinkedIn.

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COMMENTS FROM THE CEO

"Delivered on revenue expectations while making significant strides in reducing lead time to market".

We are pleased to share our first half-year report, highlighting our achievements and strategic advancements. In the second quarter of 2023/2024, CS MEDICA met revenue expectations with mDKK 2.45. We made significant strides in reducing lead time to market, demonstrating the efficacy of our strategic shift implemented last year. This culminates in our most robust half-year performance with mDKK 4.13 in revenue.

Global Reach

We have observed strong global demand and have strategically focused on European sales to drive revenue. In markets with longer lead times, such as the US, South America, MENA, and Australia, we are leveraging partners for local registrations and channel sales to build a robust pipeline. Our efforts in delivering marketing content, consumer insights, and innovative treatments have enabled expansion to over 25 countries. We are proud to share that we achieved this with a 47% reduction in our burn rate related to organization and supply while balancing our brand and own label products equally to secure reach, volume, and improved cash flow.

We have achieved a critical mass of local medical registrations, enabling global sales approval and accelerating the conversion of our order pipeline to revenue. Due to market lead times, our order intake pipeline is growing faster than revenue. Since shifting strategy, we have seen positive effects and increased production speed. However, production capacity and growth remain constrained by limited funding.

Financial Situation

Since identifying a going concern issue last year, we have taken crucial actions to mitigate and stabilize our financial situation. The absence of expected funding from our investor partner has made this particularly challenging, necessitating a focus on resolving the going concern issue. We have consolidated operations, prioritized markets where our expertise in innovative treatments is well-established, and actively pursued new funding to enhance our production capacity. Leveraging our status as a listed company on the German stock market, we have pitched to industry investors. This half year, we also restructured debt, reduced costs further, and refined our strategy. We still face challenges securing sufficient liquidity to meet our financial obligations but are beginning to yield positive results on our top lines.

Growth Journey at Halt

Since going public on the growth stock market in September 2021, we have rapidly developed, positioning ourselves to benefit significantly from our unique products, patents, and partnerships. However, our growth has been temporarily halted due to financial vulnerability caused by a delayed cash injection from a Chinese investor, compounded by issues with capital transfers from China. This delay has deprived us of substantial funds needed to finance our expected growth.

Despite these challenges, our order intake and sales continue to increase, outpacing our revenue growth due to the lead time from order to revenue, driven by local registrations and production time. We need additional capital to increase production capacity. We currently have an order intake backlog of mDKK 10.6, which we aim to deliver as soon as possible in 2024, backing this year's outlook.

Interest in our company and products remains high, attracting more investors who recognize our potential. This interest is reflected in a 33,76% increase in our share price this year.

Sincerely,
Lone Henriksen, CEO of CS MEDICA

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PERFORMANCE HIGHLIGHTS

Following growth in Q1, we see continued development in Q2 2023/2024, delivering 76,000 units to new and existing customers. All sales were within the EU, with a new market launch in Switzerland, strengthening our presence in the DACH region.

With existing customers built over the last two years, recurring sales were driven by Italy, Spain, Sweden, Germany, and Slovenia. Sales exceeded targets by 18%, reaching mDKK 2.45, marking our best result in five quarters. Notably, 82% of sales were recurring, demonstrating our improved market position through our partners and their sales channels. Own-label products accounted for 86% of sales, improving cash flow and volume.

Order intake is mainly from the EU, MENA, and APAC regions. Own-label products cover 11% of the order intake, with the majority for the CANNASEN® brand.

Reducing Delays in Revenue Breakthrough

We continue to face delays due to limited financial capacity, a challenge expected to persist into 2nd half of 2023/2024. Our supply chain needs further optimization, and we are streamlining our primary and secondary packaging to improve efficiency and control extended lead times. Enhancing our financial capacity is critical to reducing these delays and speeding up deliveries in the upcoming quarters.

Financial highlights for Q2 2023/2024 (October 2023 – March 2024)

- In the second quarter of 2023/2024 (January– March 2024), CS MEDICA sustained its growth trajectory and exceeded the Net Sales targets by 18%, reaching a **net sales** of mDKK 2.45 (251). This accumulated to a revenue of mDKK 4.13 in the first half of 2023/2024 (Oct-Mar), and an **order intake backlog** of mDKK 10.6 in the first half year.
- **Operating loss** in the second quarter was reduced by 47%, from mDKK 4.23 last year to mDKK 2.23 current quarter, surpassing the cumulative reduction of 30% for the first half of 2023/2024. This quarterly enhancement stems not only from increased net sales but also from a significant reduction in administration costs by 77% to mDKK 0.49 together with a 59% reduction in sales and distribution expenses.
- **Credit bank/Cash and Cash equivalents** at the end of the Q2 quarter closed at mDKK -2.04 (30), which subsequently has been reduced to mDKK 1,2 in alignment with the credit line at Danske Bank. To bolster CS MEDICA's liquidity, the focus remains on upfront payments, short-term sales, and the factoring agreement with Svea. Simultaneously, we continue to explore various options for funding transfer in collaboration with our investor, RongShi. However, due to delays and our current going concern, we no longer solely depend on this funding. We now view the funding from RongShi as having long-term potential, hence, we intensely investigate alternative funding solutions to ensure financial stability.
- At the end of the Q2 period, CS MEDICA's **equity/asset ratio** was 15% (70%),

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	Quarter 2			YTD		
	2023/2024 DKK	2022/2023 DKK	2021/2022 DKK	2023/2024 DKK	2022/2023 DKK	2021/2022 DKK
Net sales	2.454.657	251.401	149.121	4.139.287	321.673	834.143
Gross profit	1.084.007	409.853	87.633	1.718.366	453.416	611.985
Operating profit	- 2.233.050	- 4.231.295	- 351.907	- 6.030.989	- 8.602.634	- 511.320
Depreciation and amoritsation	- 519.045	- 519.045	- 286.757	- 1.038.090	- 1.037.990	- 556.847
Net financials	- 412.296	- 100.923	- 38.847	- 753.280	- 132.311	- 108.626
Profit before taxes	- 2.645.347	- 4.332.218	- 390.754	- 7.243.410	- 8.734.945	- 619.945
Net profit	- 1.772.361	- 3.417.094	- 390.754	- 5.492.125	- 6.888.497	- 619.945
Credit bank /Cash and cash equivalents	- 2.044.402	29.520	- 308.395	- 2.044.402	29.520	- 308.395
Addition R&D costs	2.291.096	329.289	1.207.043	2.745.436	688.880	235.782
Cash flow	133.514	- 38.819	148.303	- 1.629.388	- 2.904.263	- 605.279
Total Assets	33.727.615	25.796.644	6.268.986	33.727.615	25.796.644	6.268.986
Equity	4.921.654	18.038.047	- 532.704	4.921.654	18.038.047	- 532.704
Financial Ratios						
Gross margin	44%	163%	59%	42%	141%	73%
Operating margin	-91%	-1683%	-236%	-146%	-2674%	-61%
Addition R&D cost in % of sale	93%	131%	809%	66%	214%	28%
Net profit margin	-72%	-1359%	-262%	-133%	-2141%	-74%
Equity ratio	15%	70%	-8%	15%	70%	-8%
Share performance						
Basic earnings per share	-14%	-28%	-4%	-45%	-56%	-6%
Total number of shares	12.322.635	12.322.635	11.002.000	12.322.635	12.322.635	11.002.000
Share Price	4,7	6,9	7,6	4,7	6,9	7,6

These unaudited consolidated financial statements for the second quarter of 2023/2024 have been prepared in accordance with IAS 34 'Interim Financial Reporting' and additional Danish disclosure requirements for listed companies. The accounting policies adopted in the preparation are consistent with those applied in the Annual Report 2022/2023 of CS MEDICA.

Significant events in the financial period, Q2 2023/2024 (January - March 2024)

- Mar 29, 2024, CS MEDICA A/S: Release of 2023 Q report, for the period October – December 2023, including an invitation to a live-streamed conference call on 5st April, at 11 AM CET. [8]
- Feb 29, 2024, CS MEDICA A/S: Minutes of The General Assembly. [7]
- Feb 28, 2024, Letter from the CEO: CS MEDICA's 2024 Progress Report. [6]
- Feb 20, 2024, CS MEDICA A/S Partners with New Distributor To Launch Cannasen® Into Jordan. [5]
- Feb 14, 2024, CS MEDICA A/S: Notice Of Shareholders' Annual General Meeting. [3] [4]
- Feb 14, 2024, CS MEDICA A/S: Publication Of Annual Report 2022/2023 And Calls For Conference Call. [2]
- Feb 02, 2024, CS MEDICA A/S Achieves New Milestone With Patent On Their Wound Care Treatment. [1]

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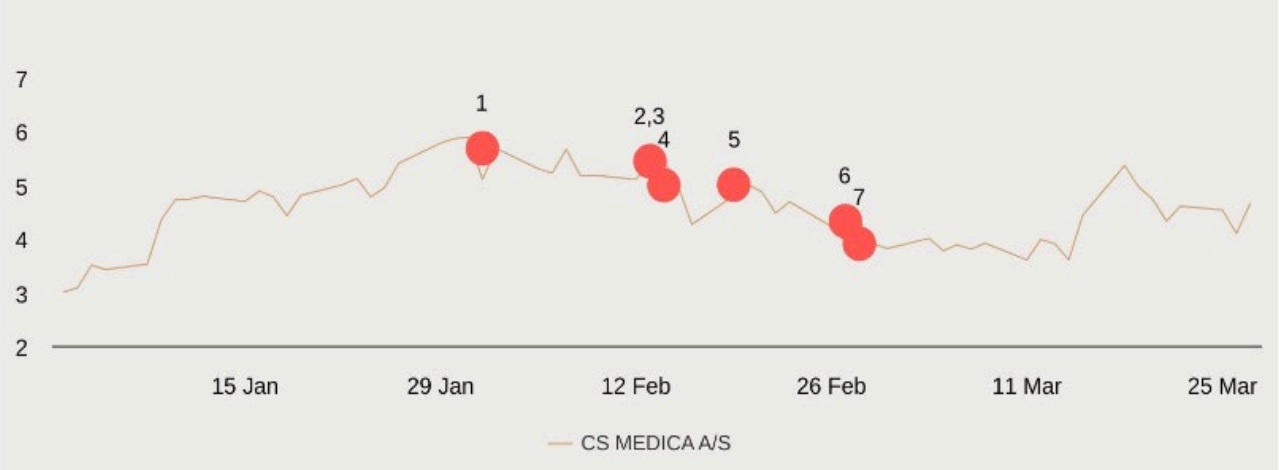
- Jan 26, 2024, CS MEDICA Breaks New Ground In Australia With Registration Of CANNASEN® Pain Patch And Launch Of Its Cosmetic Products.
- Jan 23, 2024, DANSKE BANK Extends CS MEDICA's Credit Line.



Significant events after the period

- May 07, 2024, CS MEDICA Aligns Financial Priorities: Transition to Calendar Year 2024 Postponed.
- Apr 30, 2024, CS MEDICA A/S Enters New Partnership with Award-Winning OTC Company Holding a Strong Position in the Chronic Pain Segment in Germany.
- Apr 25, 2024, CS MEDICA A/S: CEO, Lone Henriksen, buys shares in the Company.
- Apr 22, 2024, CS MEDICA Advances Global Reach with 180˚ Drug Store Alliance, Powered by Pull Market Strategy.
- Apr 04, 2024, CS MEDICA A/S Breaks Through Asian Market Barrier with Approval of Protective Nasal Gel in Malaysia.

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STRATEGIC ASPIRATIONS

CS MEDICA has reached a juncture in its growth journey, areas of importance this half year are enclosed below.

Our new "4R" approach is showing its effect and achievements on operational efficiency this 1H:

1. **Reflect**: Since budgeting with the expected funding from our Chinese partner, we have faced unforeseen challenges and delays. We have used too many resources and time to resolve the Chinese funding situation, leading to a vulnerable financial position. We have now developed an independent strategy, meaning we are still working on the partnership but also seeking alternative routes to ensure development and financial backing. Consequently, we have implemented new funding strategies and operational processes to better anticipate and navigate setbacks. By preparing for various scenarios and ensuring contingency plans are in place, we have contributed to growth in sales and a robust order pipeline over the last half year.

2. **Revise**: We've adapted our focus to maintain and increase value, as evidenced by obtaining patents, new registrations, and distribution agreements and enhancing our MedTech offerings to protect our market cap and share.

3. **Reframe**: We've repositioned and strengthened our market awareness. We know that we can respond faster, and we already have a higher demand for our treatments than the average. To lower costs associated with building our brand independently, we have restrategized to a B2B2C approach. By joining forces with strong partners, we provide unique formulas, brand content, consumer data, market insights, and compliance knowledge to launch in new markets. This shift converts marketing into a new profit pool, offering marketing as a service. Consequently, we allocate costs primarily where we add value and competitiveness as a MedTech company, focusing on production, patents, compliance, R&D, clinical trials, proven studies, and IPRs.

4. **Reinvigorate**: Through all these challenges, we've kept our team motivated, fostering a culture of persistence and determination that has underpinned our achievements.

Market Expansion

We have observed strong global customer demand. By strategically focusing on European sales, we can generate revenue while building a pipeline and leveraging partners for local registrations and channel sales in key markets such as the US, South America, MENA, and Australia. Our efforts to deliver valuable content, consumer insights, and innovative treatments have facilitated our expansion to over 25 countries. We achieved this with a 47% reduction in our previous burn rate, balancing our brand and own-label products equally.

The market dynamics for products containing cannabinoids have changed. Pain management, autoimmune, and stress-related disorders are not just growing categories within healthcare; they are also evolving with new research, patient needs, and societal trends. The pharmaceutical industry covers most pain treatments. However, the trend is toward care models combining drugs with a variety of non-pharmacological interventions. Over 50% of patients with these conditions seek alternative solutions, like Evidence-Based Complementary and Alternative Medicine (CAM), which offer fewer side effects yet supported by scientific evidence and compliant with legislation; our portfolio ensures patients receive effective and safe care with its clinically proven over-the-counter topical creams and gels, registered under strict regulations such as EU MDR, US FDA, and UK MHRA, meets these stringent requirements. Consequently, cannabis companies lacking proof of concept or evidence are seeking medical devices like our portfolio as complementary products.
With our strong compliance and competitive advantage, we capitalize on the demand for our innovative products. By now reaching a critical mass of necessary local market registrations for sales

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approval, we have reduced the lead time to market by 4-8 months on average this first half year, allowing us to move directly into the production process speeding up revenue growth.

China
During this quarter, our Asian expert on the Board met with Rongshi to discuss our JV progress and address funding delays.

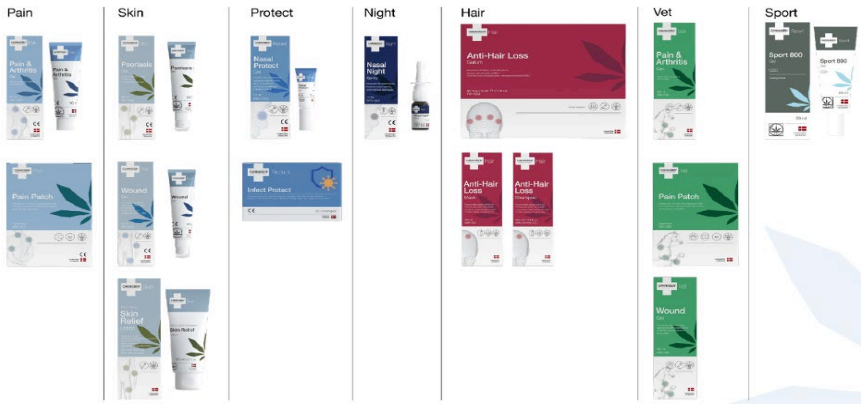
- **IPR Transfer Agreement (MDKK 4.9)**: The transfer is delayed due to additional documentation requirements from Chinese authorities. Rongshi to solve.
- **Investment Agreement**: We are adjusting the agreement with our JV partner to streamline processes and initiate the first tranche (30 MDKK) of investment without needing 3-5 product approvals from the Chinese FDA.
- **Market Access**: Progress through the Hainan Fast Track program is helping us enter the Chinese market without immediate Chinese FDA approval. Entering through Hong Kong can additionally be an option as we have UK MHRA approval.

We have developed a new independent strategy for China, viewing product sales and funding as long-term opportunities. We have learned valuable lessons from this 'experience' and are comfortable now having an Asian expert on our Board, working with the local department of Invest Denmark and Bech-Bruun. Despite regulatory complexities, we remain focused on advancing our objectives and will continue to rethink business development opportunities in this region from a long-term perspective.

India
During this quarter, our activities in the Indian market have focused on identifying **Cost Optimization** potential. Identifying a suitable CMO with ISO13485 & GMP-approved facilities to reduce production time to 8 weeks and cut costs by up to 50%.

The next steps are to conduct **Product Tests** for our formulas with key market players, expected to conclude by Q4 2023/2024, to enhance market understanding and enable strategic collaborations. And ensure **Regulatory Compliance** by auditing and validating the new CMO's production facility and conducting stability tests according to ICH stability zone IVb standards for India.

New segments
All further development of the product pipeline is still on hold due to financial constraints and focus on operations to deliver short-term revenue. We continue with our make-to-order strategy.



Compliance as a Competitive Advantage
We have reached a critical mass of local registrations, enabling us to accelerate net sales and market penetration. Our Compliance & Marketing as a Service (CMaaS) framework ensures commitment to regulatory standards, reducing lead times for local registrations and aligning operations with evolving

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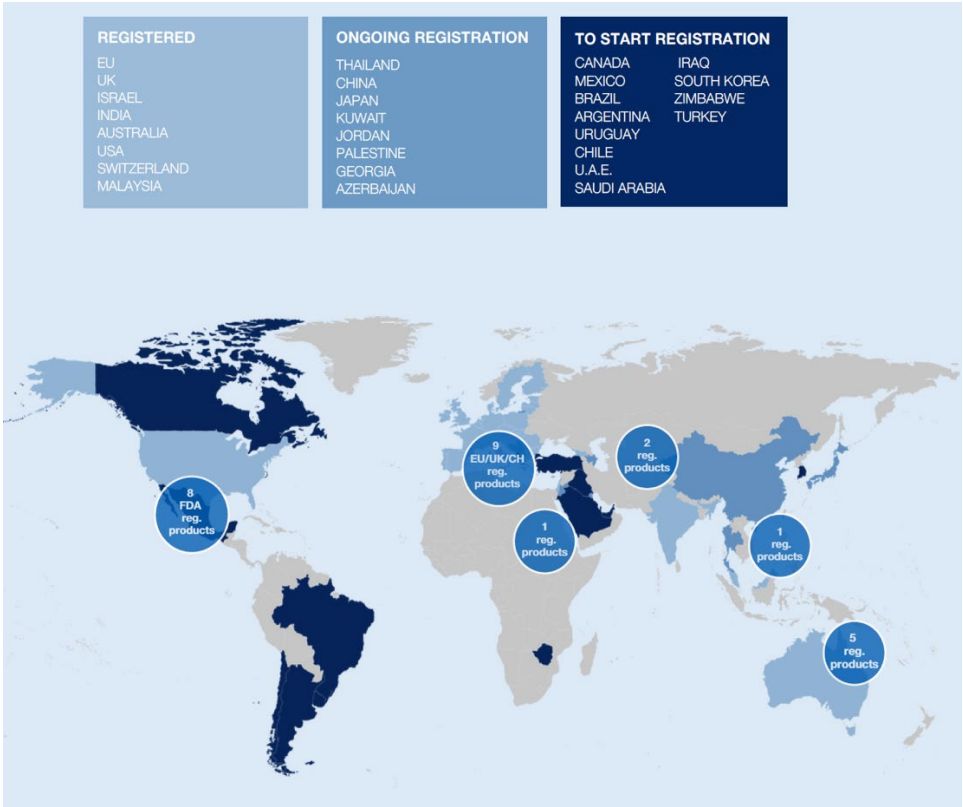
requirements. While the cost of reaching this level of registrations has been high, our new strategy allows us to share these costs with partners and secure faster, cost-effective market entry.

In Q2, our compliance efforts have led to notable progress:

- **Market Expansion Achievements**: On January 26, 2024, the CANNASEN® Pain Patch and two cosmetic products were registered in Australia.
- **MDR Transition Readiness**: We are on track with the Medical Device Regulation (MDR) transition, securing product sales until the end of 2028. A successful audit by Notified Body BSI has reinforced our compliance strategy, with two products already MDR compliant.

After local registration, which can vary from 1-12 months depending on the market, we can market and sell our products under the CANNASEN® brand or as own-label solutions.



Funding and Strategic Cooperation

CS MEDICA has prioritized short-term funding for the first half year to address our going concern. To secure the necessary capital, we are evaluating multiple funding options, including investor partnerships, bridge loans, and potential listings on the German Stock Markets.

- **Organic Growth:** Despite increasing revenue, we need additional funding to expand capacity. Focusing on own-label solutions with prepayment terms has improved our financial situation this quarter.
- **Diversifying Funding Sources**: We seek funding beyond existing credit facilities and factoring arrangements. Prioritizing investment agreements through distribution partners or Contract Manufacturing Organizations (CMOs) aims to meet financial needs and growth.
- For more information, please refer to the "Financing and Financial Position" section.

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STRATEGIC OUTLOOK

2023/2024 (October – September) will be characterized by a high percentage of recurring sales with established partners and a balanced mix of CANNASEN® and own-label products. We anticipate accelerating growth within EU markets and onboarding new customers outside the EU, securing a robust pipeline.

Looking ahead, CS MEDICA is well-positioned to leverage its market position. Both the pharmaceutical and cannabis industries recognize our portfolio of CBD-based medical devices, registered under strict regulations, as valuable additions to their offerings.

Resolving our funding situation is crucial. Focusing on short-term funding wins and alternative financing has bolstered our financial stability. Our commitment to innovation, compliance, and strategic partnerships will continue to drive growth and market penetration. We remain focused on delivering exceptional value to stakeholders and building a resilient, sustainable value chain.

Expectations
The Strategic Outlook for CS MEDICA encapsulates our comprehensive vision across various treatment areas and markets, setting the stage for our future growth and operational targets. These strategic aspirations and objectives are the milestones we strive to achieve as we advance.

Expectations	**2023/2024**
Net Sales - mDKK	15
Gross Margin % (GM)	60
Order Pipeline- mDKK	+20
New Markets	EU/EMEA/NAFTA/LATAM/APAC
Product Registration initiated in new markets	Thailand, China, Japan, Kuwait, Jordan, Palestine, Georgia & Azerbaijan
Production time	Aim to reduce to 8-10 weeks
Clinical Trials Finalized	Nasal Night Spray, CBD Patch, Anti-hair loss Shampoo, Anti-hair loss Mask, Wound Gel

The execution of the strategic outlook at CS MEDICA is guided by a strong focus on solving our financial situation, and our core quality standards, aligning closely with our 4R strategy.

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INNOVATION AND THERAPEUTIC FOCUS

CS MEDICA is ready to kickstart its next innovative breakthroughs within the therapeutic landscape,

1. **Pharmaceutical Advances**: Launching into new medicinal treatments that promise to redefine patient care.
2. **Sports Recovery**: Developing cutting-edge solutions for pain management for sports and performance enhancement.
3. **Dermaceutical Innovations**: Crafting a line of skin health products at the dermatology and pharmaceutical expertise bridge.
4. **CBD Technology**: Finalizing a patent to secure our standing as pioneers in cannabinoid research.

However, financial backing is the catalyst to fuel this journey of discovery and health advancement. Until we can increase production capacity and support new R&D, we utilize current developments and formulas for new segments on a make-to-order strategy.

Development Stage

Treatment Registration	Desease indications	I	II	III	IV
Medical Device	Arthritis Gel*				LAUNCHED
	Psoriasis Gel*				LAUNCHED
	Pain Patch*				LAUNCHED
	Wound Gel*				LAUNCHED
	Protective Intranasal Gel*				LAUNCHED
	Insomnia Nasal Spray*				LAUNCHED
	Infect Protect Lozenges				LAUNCHED
	Pain Patch Hot				Q2 2025
Medical device Veterinary	Hotspot Gel – Dogs*				Q4 2023
	Mud Fever Gel – Horses*				Q4 2023
	Pain Patch – Horses*				Q4 2023
	Pain Gel – Dogs & Horses*				Q4 2023
Cosmeceuticals	Hair regrowth*				LAUNCHED
	PSOR + ATOPIC Lotion				LAUNCHED
	Sport Gel 1000*				Q4 2024
	Sport CBD Patch*				Q1 2024
	Sport Spray + Mg*				Q4 2024
	Anti-Hair loss Shampoo				Q2 2024
	Anti-Hair loss Mask				Q2 2024
	Psoriasis Shampoo				Q4 2024
Medicine	Inhalator – CBD				
	Inhalator – CBD + THC				
	Inhalator – CBD + Other Cannabinoid				

I: Concept and Feasibility - **II:** Research and Development - **III:** Clinical Development - **IV:** Regulatory Approval & Market Launch
* Patent Pending

IPR Rights and Patent Update

In this second quarter, we achieve our third patent in Denmark, the DK 181458: CANNASEN® Wound care Treatment.

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CS MEDICA strives towards granting patent acceptance on all present and future treatment products. All CS MEDICA's treatment products (topical and intranasal products) as of today are patent pending and have moved, from PCT (Patent Cooperation Treaty) covering 153 nations across the globe, into the following national continuation: DK, EU, USA, INDIA, CANADA, ISRAEL, AUSTRALIA, NEW ZEALAND, BRAZIL, JAPAN, SOUTH KOREA, CHINA, MALAYSIA, THAILAND.

The Company currently has seven proceeding patents that are filed and pending.

Trademarks
The Company protects its IPR by the mentioned patents and global trademarks registration in class 03 (Cosmetic), 05 (Pharmaceutical and natural remedies; health and medicated food supplements), and 10 (medical devices). Find more information on the CS MEDICA's IPR rights at cs-medic.com here.

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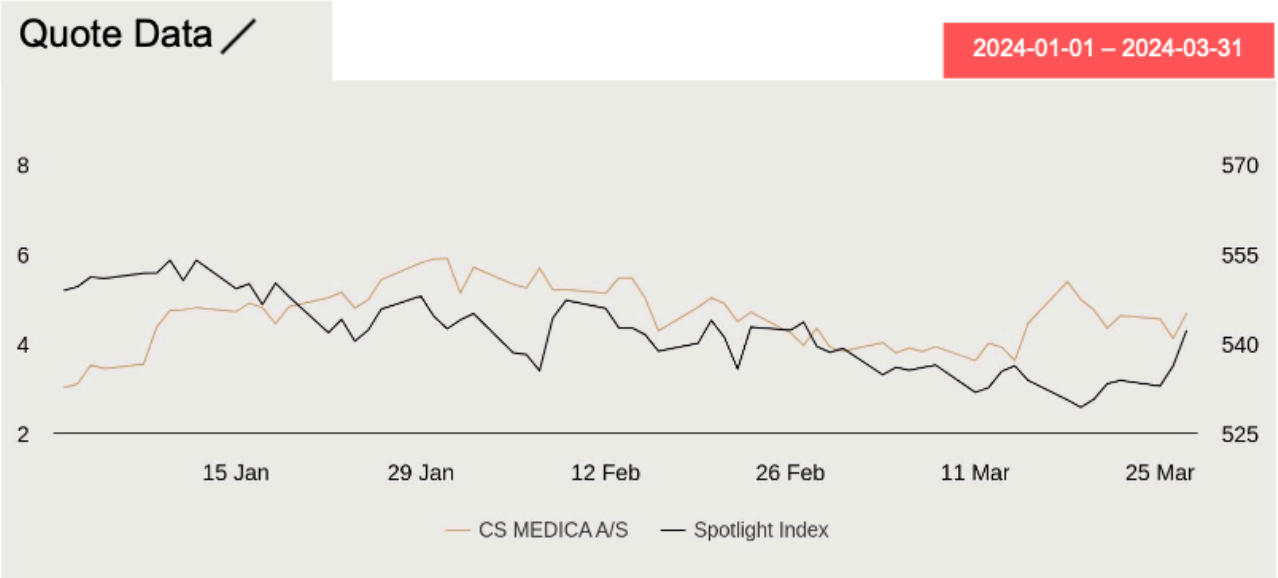
SHARE INFORMATION

CS MEDICA´s share
CS MEDICA´s share is listed on Spotlight Stock Market, www.spotlightstockmarket.com. The share has the ticker name CSMED and ISIN code DK0061668225. The number of shares in CS MEDICA as of March 31, 2024: 12.322.635 shares and MCAP of mDKK 57,3.

Since March 2023, CS MEDICA's shares have been available for trading on the **Frankfurt Börse**. Over the past month, we have actively engaged in roundtable discussions and meetings to raise awareness and interest among investors in Germany. These efforts have been fruitful, resulting in more than 130.000 shares traded over the past three weeks. With Germany being one of the largest markets in the EU for CBD-infused products, we have prioritized creating awareness for BtB, DtC, and investors to boost growth as well as cash injection.

Share price performance Q2 2023/2024
In the second quarter of 2023/2024, the CS MEDICA share reached an average price of 3,20 on Spotlight Denmark in the period, with a closing/last price of 4,65. The highest price reached DKK 5,98 and the lowest level at DKK 2,75. The trading volume of the CS MEDICA shares was 901.679, with a turnover of DKK 4.146.125 and 1.157 number of trades, equivalent to 7,3% of shares issued. As of March 31, 2024, the market average capitalization (MCAP) of CS MEDICA was mDKK 56,5.



Dev. %	Dev.	Last	High	low	Average	No. of Trades	Volume	Turnover
55,0%	1,65	4,65	5,98	2,75	4,58	1 157	901 679	4 146 125

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*Hist.Dev.	%	High	low	T/O / day
1 week	2,7%	5,20	3,90	83 507
1 month	19,2%	5,40	3,40	70 738
3 months	55,0%	5,98	2,75	66 873
This year	55,0%	5,98	2,75	66 873
1 year	-32,4%	7,78	2,01	57 423
3 years	-44,6%	20,90	2,01	236 595
5 years	-44,6%	20,90	2,01	236 595

Data	
Average MCAP	56 463 506
VWAP	4,67
Average Spread	7,73%
Volatility	131.32%
Turnover Rate (yearly)	29.61%
Number of Days Traded	62
Number of Days Traded	98.41%
Index Development	-0,80%

Share ownership and Impact

The three largest shareholders own approximately 70% of the share capital. Shareholders owning more than 5% of the share capital in CS MEDICA according to the latest shareholding notifications, are:

- Lone Henriksen, CEO/CSO & Founder of CS MEDICA A/S (LHX Invest Aps)
- Gitte Lund Henriksen, CFO/CIO & Founder of CS MEDICA A/S (CoLund Aps)
- Nina Henriksen, mother of the 2 Founders of CS MEDICA A/S

While having 70% of the share ownership in the hands of the founders, their families, and management can provide stability and long-term focus, it raises concerns about share sensitivity, minority shareholder influence, market liquidity, and potential conflicts of interest. The overall impact on the share will depend on how the company and its investors perceive and manage these factors. The aim is still to protect the share from dilution in the short term and up list in the long term.

Trade balance

Net Buyer

Member	Net	Transactions Bid	VWAP-buy	Transactions Ask	VWAP-sell	Total Turnover
NON	802 583	793	4.53	616	4.62	5 558 494
ENS	133 643	30	4.39	0	0.00	133 643
SWB	17 456	16	4.46	13	4.85	57 577

Net Seller

Member	Net	Transactions Bid	VWAP-buy	Transactions Ask	VWAP-sell	Total Turnover
AVA	- 704 875	271	4.66	458	4.49	1 502 958
SHB	- 120 438	0	0.00	11	5.06	120 438
DDB	- 85 888	19	5.22	35	4.61	594 009

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ADDRESSING INVESTOR QUESTIONS

Why focus on market presence in Germany?
As a MedTech company with CBD-infused products regulated under the EU Medical Device Regulation, we must maintain transparency and raise awareness in markets like Germany, the largest market for CBD-infused treatments in the EU. This is vital not only for our investors and partners but also for the patients who rely on our innovative treatments.

Why don't you focus on fewer markets and in Europe?
We do focus on Europe, where we have established a strong presence and achieved sales. However, there is a strong pull effect from countries outside Europe, which we do not ignore. The partners we choose to make contracts with have a local presence and cover the costs to launch, where we support in compliance, marketing, and go-to-market strategy. This approach allows us to expand our market reach without incurring significant additional costs.

Why are you entering MENA as a territory?
We are entering the MENA region due to the high demand for natural, CBD-infused treatments as alternatives to traditional drugs. This aligns with our pull strategy and leverages the strong interest in innovative treatments for pain management, autoimmune, and stress-related disorders. With legislation in approximately 10 MENA countries advancing and local authorities favoring UK MHRA-approved products, we see a significant opportunity for market penetration. We received an order intake of 440,000 units and mDKK 32 in potential revenue if all registrations are approved, and we estimate 75-80% conversion of order intake to revenue within the first year. This strategic move supports our growth, market expansion goals, and cash flow as the order intake represents own-label with upfront payment for production as per registration.

Why don't you consolidate and focus on fewer products?
While pain management accounts for 70% of our sales, our core areas include treatments for autoimmune diseases and stress-related disorders. Our portfolio is in demand, and we have invested heavily in technical files, clinical trials, patents, and compliance. This investment enables us to boost sales, but due to liquidity constraints, we cannot scale the stock and supply chain. Consequently, we focus on a make-to-order manufacturing strategy or bundle the orders from our BtB customers to reach economic-of-scale, deliver with faster lead times, and improve cash flow.

Why do you say you are a first mover when there are many CBD products and medical cannabis companies?
We differentiate ourselves from cannabis companies by not being reliant on prescriptions or lifestyle/oils/cosmetic products. Our products are substance-based medical devices that combine medical technology with natural CBD, designed for pain, autoimmune, and stress-related symptoms under strict pharmaceutical regulations from MDR, FDA, TGA, MHRA, etc. This means our treatments in the form of gel, creams, sprays, and patches are clinically proven, with high bioavailability and fewer side effects but with over-the-counter accessibility.

Why spend money on patents and registrations versus production and stock to sell?
To generate revenue, we need stock, and to create stock, we need cash. Additionally, selling in target countries requires local registrations. Ensuring recurring sales involves building awareness, branding, and market knowledge. Due to financial constraints, we have prioritized approvals and partnered with local distributors. Our upfront investment in registrations and overall compliance has increased order intake, while patents and R&D provide market value and a competitive edge. This positions us to shift to capacity expansion and market push once we resolve the financial situation.

Why you say your market capitalization and intrinsic value of innovation are higher than presented on Spotlight?
As of March 31, 2023, our MedTech company's market capitalization was mDKK 57.3. To determine if this market cap accurately reflects the value of our products and intellectual property, we refer to

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an analysis by StarFish Medical[1]. The report indicates that, on average, medical devices are valued at $25.5 million in a merger and acquisition (M&A) context, considering factors such as clinical studies, regulatory pathways, technology complexity, and market demand.

This analysis suggests that our current market cap may not fully reflect the intrinsic value of our products and intellectual property. We believe our market cap is undervalued and does not adequately represent the true potential and innovation of our offerings. This highlights the need to better communicate our value to investors and stakeholders or reposition ourselves on the stock market as a MedTech and not a cannabis company, as we do in Germany.

[1] https://starfishmedical.com/assets/StarFish-Whitepaper-Cost-to-Develop-Medical-Devices-July-2020.pdf

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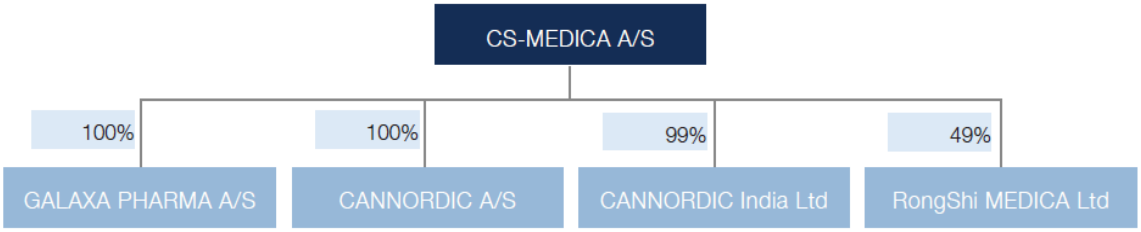
ABOUT CS MEDICA

CS MEDICA is a Danish MedTech company operating within research, development, manufacturing, commercializing, and operating within the pharmaceutical industry. The company combines science and nature with the purpose of creating over-the-counter treatments to fight autoimmune and stress-related diseases, built upon our knowledge of the endocannabinoid system, patients' needs, and our experience in the pharmaceutical industry. We do so by pioneering scientific breakthroughs, expanding access to our treatments, understanding patients globally, and working to prevent the pain caused by the diseases we treat.

The company is listed on the Spotlight Stock Market in **Stockholm** (symbol: “CSMED”). Furthermore, the company's shares are available for trading on Nordnet Denmark and the Frankfurt Börse. For further details, please visit cs-medica.com and follow us on LinkedIn.

CS MEDICA Group Overview



CS MEDICA A/S - Research and development
CS MEDICA aims to be a trusted MedTech company, and our vision is to improve people's quality of life by merging innovation, science, and nature within healthcare. R&D, therefore, plays a crucial role in the company's activities, both in securing effective, safe treatment options for pain, autoimmune diseases and stressrelated disorders, but also in exploring new innovative compounds of the cannabis plant and its potential life-improving capabilities. CS MEDICA A/S is our innovative and science-based business unit.

CANNORDIC A/S - Manufacturing
CANNORDIC is our manufacturing organization with development of global business contracts, supply of CBD ingredients and production of finished products.

GALAXAPAHARMA - Commercializing and brand building
GALAXA PHARMA is our distribution operation for marketing and sales direct-to-consumer, to retailers, and e-commerce.

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Company Information

The Company	CS MEDICA A/S Indiakaj 10 DK-2100 Copenhagen
CVR	33871643
Founding date	17.08.2011
Research startup	2015
First products launched	2021
Headquarter	Copenhagen
Financial period	1. October 2023 - 30.September 2024
Board of Directors	Flemming Hegaard Anders Permin Jesper Herold Halle Ib Madsen Gitte Henriksen
Executive Management	Lone Henriksen Gitte Henriksen Heidi Ahlefeldt-Laurvig Mikkel Raahauge Nielsen Suzan Al-Shuweli

Contacts for further information

Media:

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Investors:

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Gitte Henriksen	+45 2774 2280	glh@cs-medica.com
Heidi Ahlefeldt-Laurvig	+45 8175 9440	hal@cs-medica.com

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Financial Calendar

This quarter CS MEDICA announced a delay in the conversion of its financial year. Originally, the fiscal year was scheduled to convert from 1st October to 31st December 2023, aligning with the calendar year. However, after a cost/benefit evaluation, the company has decided to postpone its transition to occur from 1st October to 31st December 2024.

This strategic decision underscores CS MEDICA's priority to reverse its financial situation and focus on tasks only related to operational optimization. By postponing the fiscal year conversion, the company can allocate resources more effectively, enhancing the ability to meet financial goals as the daily operation will not be impacted, and ensuring a seamless transition end of 2024.

This quarterly report covering Q2 2024 (January - March) replaces the expected Q1 2024 in the calendar year.

Financial calendar dates

Q3: Interim report, April– June 2024	16 August 2024
Q4: Year-end-report, July– September 2024	14 November 2024
Annual report 2023/2024	28 November 2024
Annual General Meeting 2024	17 December 2024

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Forward-looking statements

CS MEDICA's reports in continuation of the publication of the Annual Report 2021/2022, and written information released, or oral statements made, to the public in the future by or on behalf of CS MEDICA, may contain forward-looking statements. Words such as 'believe', 'expect', 'may', 'will', 'plan', 'strategy', 'prospect', 'foresee', 'estimate', 'project', 'anticipate', 'can', 'intend', 'target', 'presume' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance identify forward-looking statements. Examples of such forward-looking statements include, but are not limited to:

- *statements of targets, plans, objectives, or goals for future operations, including those related to CS MEDICA's products, product research, product development, product introductions and product approvals as well as cooperation in relation thereto,*
- *statements containing projections of or targets for Net Sales, costs, income (or loss), earnings per share, capital expenditures, dividends, capital structure, net financials and other financial measures,*
- *statements regarding future economic performance, future actions and outcome of contingencies such as legal proceedings, and*
- *statements regarding the assumptions underlying or relating to such statements.*

In this document, examples of forward-looking statements can be found under the headings 'Outlook', 'Research and Development update' and 'Equity'

These statements are based on current plans, estimates and projections. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific. CS MEDICA cautions that a number of important factors, including those described in this document, could cause actual results to differ materially from those contemplated in any forward-looking statements.

Factors that may affect future results include, but are not limited to, global as well as local political and economic conditions, including interest rate and currency exchange rate fluctuations, delay or failure of projects related to research and/or development, unplanned loss of patents, interruptions of supplies and production, product recalls, unexpected contract breaches or terminations, government-mandated or market-driven price decreases for CS MEDICA's products, introduction of competing products, reliance on information technology, CS MEDICA's ability to successfully market current and new products, exposure to product liability and legal proceedings and investigations, changes in governmental laws and related interpretation thereof, including on intellectual property protection and regulatory controls on testing, approval, manufacturing and marketing, perceived or actual failure to adhere to ethical marketing practices, investments in and divestitures of domestic and foreign companies, unexpected growth in costs and expenses, failure to recruit and retain the right employees, failure to maintain a culture of compliance and epidemics, pandemics or other public health crises.
For an overview of some, but not all, of the risks that could adversely affect CS MEDICA's results or the accuracy of forward-looking statements in this document, reference is made to the overview of risk factors in 'Risk Management' of the Annual Report 2021/2022.

Unless required by law, CS MEDICA is under no duty and undertakes no obligation to update or revise any forward-looking statement after the distribution of this document, whether as a result of new information, future events, or otherwise.

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MANAGEMENT STATEMENT

The Board of Directors and Executive Management have reviewed and approved the financial report of CS MEDICA A/S for the period 01.01.2024 – 31.03.2024. The financial report has not been audited or reviewed by the company's independent auditors.

The financial report has been prepared in accordance with IAS 34 'Interim Financial Reporting' and additional Danish disclosure requirements for listed companies. In our opinion, the financial report gives a true and fair view of the Group's assets, liabilities, and financial position at 31. March 2024, and of the results of the Group's operations and cash flow for the period 01.01.2024 – 31.03.2024. Furthermore, in our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the results for the period and of the financial position of the Group as well as a description of the most significant risks and elements of uncertainty facing the Group in accordance with Danish disclosure requirements for listed companies. Besides what has been disclosed in the quarterly financial report, no changes in the Group's most significant risks and uncertainties have occurred relative to what was disclosed in the consolidated Annual Report 2022/2023.

Copenhagen, 16. May 2024

Executive Management

Lone Henriksen
CEO and CSO

H
COO and CMO

Mikkel Raahauge Nielsen
CCO

Suzan Al-Shuweli
Quality & RA manager

Board of Directors

Flemming Hegaard
Chairman of the Board

Anders Permin
Member of the Board

Jesper Herold Halle
Member of the Board

Ib Madsen
Member of the Board

Gitte Henriksen
Member of the Board
CIO and CFO

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FINANCIALS

Financial comments

Income Statement
In the second quarter of 2023/2024 (January– March 2024), CS MEDICA sustained its growth trajectory and exceeded the Net Sales targets by 18%, reaching a **net sales** of mDKK 2.45 (251). This accumulated to a revenue of mDKK 4.13 in the first half of 2023/2024 (Oct-Mar), and an **order backlog** of mDKK 10.6 in the first half year.

The **Gross Profit** has consequently increased from tDKK 409,9 in the second quarter 2022/2023 to tDKK 1.084 in 2023/2024, with a Gross Profit margin of 44%, accumulating to 42% in the first half year.

Sales and distribution costs decreased by 59% from tDKK 614 in the second quarter of 2022/2023 to tDKK 253,4 in 2023/2024%, accumulating to 33% in the first half year. This development is a consequence of our ongoing consolidation efforts, where we continuously seek smarter ways to address the market while additionally cutting costs as further consolidation.

Administration costs in the second quarter of 2023/2024 decreased by 77% to tDKK 495,2 (tDKK 1.675), reflecting lower spending in general compared to last year. In the first half year the reduction accumulates to a decrease of 57%. This reduction is a direct outcome of our cost reduction strategies, notably driven by relocating our office to a more cost-effective space, thereby reducing rent expenses. Alongside this move, our review and optimization of software expenses significantly contributed to these achievements.

Staff costs rose by 9% to tDKK 2.049 in the second quarter of 2023/2024 (compared to tDKK 1.874 in 2022/2023), compared to the cumulative increase of 22% in the first half of 2023/2024. During this quarter, we continued our consolidation efforts by further reducing staff within the BtC department as part of our adjustment to the BtBtC strategy. The full impact of this reduction will become more apparent in the upcoming quarters.

Depreciation and amortization are unchanged, tDKK 519, in the second quarter of 2023/2024 and 2022/2023.

Operating loss in the second quarter of 2023/2024, was reduced by 47% to tDKK -2.233 compared to tDKK 4.231 in 2022/2023. This improvement reflects our concerted efforts to enhance operational efficiency and cost management strategies, which accumulates to a reduction of 30% in the first half of 2023/2024.

Income from equity Investment in group enterprises, tDKK 0 excludes second-quarter results from RS Medica, the company's joint venture in Hainan, as their financial reports are pending.

Financial items (net) incurred a net cost of tDKK 412 in the second quarter of 2023/2024, compared to tDKK 100,9 in 2022/2023. The costs in 2022/2023 primarily consisted of low-interest loans from family and founders, featuring a monthly interest rate of 0.35%, along with Vækstlån with a nominal yearly interest rate of 10,723% (Cibor 3 mdr +7,190%). In 2023, additional financial costs arose due to CS MEDICA's financial constraints.

The effective tax rate is 33% in the second quarter of 2023/2024. The high effective tax results from tax being based on acquiring Development projects rather than the depreciation of development projects.

The **Net Loss i**n the second quarter of 2023/2024, tDKK –1.772, demonstrates resilience with a reduced loss of 48% compared to tDKK -3.417 recorded in 2022/2023. In the first half of 2023/2024 the reduced loss accumulated to 20%.

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Cash flow and capital allocation
Capital expenditure in research and development projects was tDKK 2.291 (329) in the second quarter of 2023/2024. This expenditure primarily relates to investments in patents and costs associated with the transition to MDR (Medical Device Regulation). Additionally, costs were incurred for the progression of our product pipeline, including additional product tests and documentation necessary to secure new net sales streams.

Cash flow from financing activities, a total of tDKK -312 in the fourth quarter relates to loans raised from the CS MEDICA founders and their family, tDKK 179 reduced by finance expenses.

In the second quarter of 2023/2024, the total cash flow depicted an inflow of tDKK 133,5, in contrast to an outflow of tDKK 38,8 in 2022/2023. Despite investments in development projects, changes in trade and other payables outweighed this investment.

Credit bank/Cash and Cash equivalents at the end of the Q2 quarter closed at mDKK -2.04 (30), which has been reduced to mDKK 1,2 in alignment with the credit line at Danske Bank.

Equity Statement
Total equity was tDKK 4.922 (18.038) at the end of the second quarter of 2023/2024, equivalent to 15% of total assets, compared with 70% at the end of the second quarter of 2022/2024 . Please refer to the Equity statement for further elaboration on the changes in equity.

Financing and financial position
Credit line/Cash and Cash equivalents, total tDKK –2.044 (30) at the end of the second quarter of 2023/2024 consistent with the previous period. To bolster CS MEDICA's liquidity, the focus remains on Upfront payments, short-term sales, and the factoring agreement with Svea. Simultaneously, we continue to explore various options for funding transfer in collaboration with our investor, RongShi. However, due to delays and our current going concern, we no longer solely depend on this funding. We now view the funding from RongShi as having long-term potential, hence, we intensely investigate alternative funding solutions to ensure financial stability.

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Financial Statements

Income Statement

1. January – 31. March 2024

	Quarter 2		Yeart-To-Date	
	2023/2024 DKK	**2022/2023** DKK	**2023/2024** DKK	**2022/2023** DKK
Income Statement				
Net Sales	2.454.657	251.401	4.139.287	321.673
Costs of goods sold	-1.370.650	158.451	-2.420.921	131.743
Gross Profit	**1.084.007**	**409.853**	**1.718.366**	**453.416**
Other operating income	0	41.238	0	82.476
Sales and distribution cost	-253.409	-613.999	-1.142.911	-1.714.117
Administrative costs	-495.196	-1.674.986	-1.179.727	-2.800.526
Staff costs	-2.049.408	-1.874.356	-4.388.631	-3.585.893
Depreciation and amoritsation	-519.045	-519.045	-1.038.090	-1.037.990
Operating profit	**-2.233.050**	**-4.231.295**	**-6.030.992**	**-8.602.634**
Income from equity investments in group enterprises	0	0	-459.141	0
Financial costs net	-412.296	-100.923	-753.277	-132.309
Profit or loss before tax	**-2.645.347**	**-4.332.218**	**-7.243.410**	**-8.734.943**
Tax on net profit or loss for the year	872.985	915.124	1.751.285	1.846.448
Net profit or loss for the year	**-1.772.361**	**-3.417.094**	**-5.492.125**	**-6.888.495**
Comprehensive income				
Net profit or loss for the year	-1.772.361	-3.417.094	-5.492.125	-6.888.495
Other comprehensive income:				
Cost Diret Issue & IPO	0	0	0	0
Total comprehensive income for the year	**-1.772.361**	**-3.417.094**	**-5.492.125**	**-6.888.495**

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Balance
31. March 2024

	31. March 2024 DKK	31. March 2023 DKK
Balance Sheet		
Assets		
Development projects & IPR rights	12.099.533	9.452.122
Rights	3.234.928	3.713.626
Deferred tax assets	9.210.933	5.352.068
Deposits	62.569	200.709
Total non-current assets	**28.720.973**	**18.718.525**
Manufactered goods and goods for resale	2.536.019	1.878.101
Trade receivables	2.154.790	5.146.784
Other receivables	287.764	23.713
Cash and equivalents	28.068	29.520
Total current assets	**5.006.641**	**7.078.119**
Total assets	**33.727.615**	**25.796.644**

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Balance
31. March 2024

	31. March 2024 DKK	31. March 2023 DKK
Equity and liabilities		
Share Capital	800.971	800.971
Reserve for net revaluation according to the equity method	0	0
Reserve for development costs	9.477.708	7.372.655
Retained earnings	-5.357.025	9.864.420
Other Capital reserves	0	0
Total equity	**4.921.654**	**18.038.047**
Other privisions	4.802.000	82.472
Subordinate loan capital	8.609.823	4.220.858
Interest bearing liabilities	501.429	529.153
Total non-current liabilities	**13.913.252**	**4.832.483**
Credit bank	2.072.470	0
Interest bearing liabilities	82.019	354.482
Trade payables	9.173.287	2.267.797
Other payables	3.564.932	303.835
Total current liabilities	**14.892.709**	**2.926.114**
Total liabilities	**33.727.615**	**25.796.644**

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Equity Statement
1. January – 31. March 2024

	Quarter 2		Yeart-To-Date	
	2023/2024	**2022/2023**	**2023/2024**	**2022/2023**
	DKK	DKK	DKK	DKK
Balance, beginning of period	800.971	800.971	800.971	800.971
Change	0	0	0	0
Contributed capital, end of period	**800.971**	**800.971**	**800.971**	**800.971**
Balance, beginning of period	0	0	0	0
Change	0	0	0	0
Reserve for net revaluation, end of period	**0**	**0**	**0**	**0**
Balance, beginning of period	7.962.089	7.427.318	7.919.213	7.435.878
Change	1.515.619	-54.663	1.558.495	-63.223
Reserve for development costs,end of period	**9.477.708**	**7.372.655**	**9.477.708**	**7.372.655**
Balance, beginning of period	-2.069.045	13.226.851	1.693.595	16.689.694
Share premium	0	0	0	0
Deferred tax	0	0	0	0
IPO cost	0	0	0	0
Reserve for development costs	-1.515.619	54.663	-1.558.495	63.221
Retained earnings for the period	-1.772.361	-3.417.094	-5.492.125	-6.888.495
Retained earnings,end of period	**-5.357.025**	**9.864.420**	**-5.357.025**	**9.864.420**
Total Equity, end of period	**4.921.654**	**18.038.047**	**4.921.654**	**18.038.047**

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Cash flow and capital allocation

1. January – 31. March 2024

	Quarter 2		Yeart-To-Date	
	2023/2024	2022/2023	2023/2024	2022/2023
	DKK	DKK	DKK	DKK
Cash Flow statement				
Profit/loss before tax	-1.772.361	-3.417.094	-5.492.122	-6.888.495
Financial expenses, reversed	412.296	100.923	753.277	132.309
Depreciation, reversed	519.045	519.045	1.038.090	1.037.990
Changes in working capital	3.578.269	287.568	5.156.319	-426.419
Cash flows from operating activities	**2.737.248**	**-2.509.557**	**1.455.564**	**-6.144.615**
Investing in Developnment projects	-2.291.096	-329.289	-2.745.436	-688.880
Cash flow from investment activities	**-2.291.096**	**-329.289**	**-2.745.436**	**-688.880**
Share capital	0	0	0	0
Share premium	0	0	0	0
Financial expenses paid	-412.296	-100.923	-753.280	-132.311
Cost IPO	0	0	0	0
Loan internal partners	178.505	2.970.858	511.394	4.220.858
Credit institutions	-78.847	40.093	12.370	-65.771
Credit institutions - short	0	-110.000	-110.000	-93.543
Cash flow from financing activities	**-312.639**	**2.800.028**	**-339.516**	**3.929.233**
Total cashflows end of period	**133.514**	**-38.819**	**-1.629.388**	**-2.904.263**
Cash/Credit, beginning of period	-2.177.916	68.339	-415.014	2.933.783
Cash/ Credit , end of period	**-2.044.402**	**29.520**	**-2.044.402**	**29.520**

	Quarter 2		Yeart-To-Date	
	2023/2024	2022/2023	2023/2024	2022/2023
	DKK	DKK	DKK	DKK
Change in working capital				
Change in Finished goods	253.561	-265.295	174.012	-529.567
Trade + other receivables	-1.204.880	110.509	-75.966	1.323.137
Trade + other payables	5.402.572	1.455.716	6.076.449	800.553
Other provisions	0	-41.238	0	-82.476
Deferred tax	-872.985	-915.124	-1.751.285	-1.846.368
Joint Venture, not consolidated	0	0	688.990	0
Deposits	0	-57.000	44.119	-91.697
	3.578.269	**287.568**	**5.156.319**	**-426.419**

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Financial Statements Parent

Income Statement

1. January – 31. March 2024

	Quarter 2		Year-To-Date	
	2023/2024 DKK	**2022/2023** DKK	**2023/2024** DKK	**2022/2023** DKK
Net Sales	374.537	202.545	746.666	484.462
Gross Profit	**374.537**	**202.545**	**746.666**	**484.462**
Sales and distribution cost	-46.696	-214.909	-121.775	0
Administrative costs	-303.453	-877.745	-723.097	-1.657.832
Staff costs	-1.070.782	-1.023.354	-2.293.205	-1.901.808
Depreciation and amoritsation	-171.050	-171.050	136.199	-341.999
Operating profit	**-1.217.443**	**-2.084.514**	**-2.255.213**	**-3.417.177**
Income from equity investments in group enterprises	-975.013	-2.052.070	-3.954.173	-4.441.805
Financial costs net	-191.570	383.155	-210.194	376.851
Profit or loss before tax	**-2.384.026**	**-3.753.429**	**-6.419.580**	**-7.482.131**
Tax on net profit or loss for the year	611.665	336.335	927.455	593.632
Net profit or loss for the year	**-1.772.361**	**-3.417.094**	**-5.492.124**	**-6.888.499**
Comprehensive income				
Profit or loss before tax	-1.772.361	-3.417.094	-5.492.124	-6.888.499
Other comprehensive income:				
Cost Diret Issue & IPO	0	0	0	0
Total comprehensive income for the year	**-1.772.361**	**-3.417.094**	**-5.492.124**	**-6.888.499**

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Balance
31. March 2024

	31. March 2024 DKK	31. March 2023 DKK
Balance Sheet		
Assets		
Development projects & IPR rights	2.777.285	1.134.224
Equity investments in associated & group enterprises	7.383.869	726.974
Deferred tax assets	3.377.877	1.979.874
Deposits	57.000	57.000
Total non-current assets	**13.596.031**	**3.898.073**
Receivables from group enterprises	10.825.173	19.521.756
Other receivables	-185.634	0
Cash and equivalents	0	2.020
Total current assets	**10.639.539**	**19.523.776**
Total assets	**24.235.570**	**23.421.848**

	31. March 2024 DKK	31. March 2023 DKK
Equity and liabilities		
Share Capital	800.971	800.971
Reserve for net revaluation according to the equity method	0	0
Reserve for development costs	2.206.355	884.695
Retained earnings	1.914.328	16.352.380
Total equity	**4.921.654**	**18.038.047**
Subordinate loan capital	8.609.823	4.220.858
Other Provisions	0	0
Interest bearing liabilities	13.458.247	4.220.858
Total non-current liabilities	**13.458.247**	**4.220.858**
Credit bank	1.685.179	0
Trade payables	3.366.153	1.021.697
Other payables	804.337	141.246
Total current liabilities	**5.855.669**	**1.162.944**
Total liabilities	**24.235.570**	**23.421.848**

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Equity Statement
1. January – 31. March 2024

	Quarter 2		Year-To-Date	
	2023/2024	**2022/2023**	**2023/2024**	**2022/2023**
	DKK	DKK	DKK	DKK
Balance, beginning of period	800.971	800.971	800.971	800.971
Change	0	0	0	0
Contributed capital, end of period	**800.971**	**800.971**	**800.971**	**800.971**
Balance, beginning of period	0	0	0	0
Change	0	0	0	0
Reserve for net revaluation, end of period	**0**	**0**	**0**	**0**
Balance, beginning of period	1.003.334	867.200	987.429	862.855
Change	1.203.020	17.495	1.218.926	21.840
Reserve for development costs,end of period	**2.206.355**	**884.695**	**2.206.355**	**884.695**
Balance, beginning of period	4.889.709	19.786.969	8.625.378	23.262.717
IPO cost	0	0	0	0
Reserve for development costs	-1.203.020	-17.495	-1.218.925	-21.838
Retained earnings for the period	-1.772.361	-3.417.094	-5.492.124	-6.888.499
Retained earnings,end of period	**1.914.328**	**16.352.380**	**1.914.329**	**16.352.380**
Total Equity, end of period	**4.921.654**	**18.038.047**	**4.921.655**	**18.038.047**

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Cash flow and capital allocation

1. January – 31. march 2024

	Quarter 2		Year-To-Date	
	2023/2024	2022/2023	2023/2024	2022/2023
	DKK	DKK	DKK	DKK
Cash Flow statement				
Profit/loss before tax	-1.772.361	-3.417.094	-5.492.124	-6.888.499
Financial expenses, reversed	191.570	-383.155	210.194	-376.851
Depreciation, reversed	171.050	171.050	342.099	341.999
Changes in working capital	3.223.109	359.544	4.786.539	397.066
Cash flows from operating activities	**1.813.368**	**-3.269.655**	**-153.292**	**-6.526.285**
Investing in Developnment projects	-1.542.334	-73.804	-1.614.100	-130.750
Cash flow from investment activities	**-1.542.334**	**-73.804**	**-1.614.100**	**-130.750**
Share capital	0	0	0	0
Share premium	0	0	0	0
Financial expenses paid	-191.570	383.155	-210.194	376.853
Cost IPO	0	0	0	0
Loan internal partners	178.505	2.970.858	511.394	4.220.858
Credit institutions	11.435	0	46.424	0
Cash flow from financing activities	**-1.630**	**3.354.013**	**347.624**	**4.597.711**
Total cashflows end of period	**269.404**	**10.554**	**-1.419.768**	**-2.059.323**
Cash/Credit, beginning of period	-1.954.583	-8.534	-265.411	2.061.343
Cash/ Credit , end of period	**-1.685.179**	**2.020**	**-1.685.179**	**2.020**

	Quarter 2		Year-To-Date	
	2023/2024	2022/2023	2023/2024	2022/2023
	DKK	DKK	DKK	DKK
Change in working capital				
Trade + other receivables	27.874	0	51.516	0
Trade + other payables	2.286.446	743.588	2.093.105	522.675
Other provisions	0	-304.281	0	0
Deferred tax	-611.665	-336.335	-927.455	-593.632
Loan Group Enterprises	1.520.454	313.572	3.569.373	525.022
Deposits	0	-57.000	0	-57.000
	3.223.109	**359.544**	**4.786.539**	**397.066**

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Verification

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Document

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