

Q2 REPORT

January – March 2025



CSMEDICA

WORLD-CHANGING PRODUCTS FOR A BETTER EVERY DAY

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

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 everyday with evidence-based, CBD-infused 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.

- 35+ countries
- First mover combining CBD and OTC
- CE-marked topical creams, gels & spray
- 650K units shipped
- 3 patents + 8 patent pending
- 9 products launched
- 4 CMOs in Europe + 2 outside in progress
- Clinical trials & studies
- 13+ products in pipeline



COMMENTS FROM MANAGEMENT

Dear shareholders, partners, and stakeholders.

The second quarter of our financial year (January–March 2025) has been one of fundamental transition, marked by external pressures and internal restructuring.

Most notably, the delisting from Spotlight was a forced outcome that we had to accept and navigate within. We recognize and deeply regret the negative consequences this had for our shareholders, particularly the loss in share value. The frustration is entirely justified, and our responsibility is to rebuild the foundation that will allow for future share activation, once performance has stabilized and regained strength.

Q2: Rebuilding with Discipline and Direction

This quarter has been focused on correcting course and preparing for a more sustainable commercial model:

- **Governance & Leadership Reset:** Our CEO Lone Henriksen left for sick leave, and to strengthen execution and accountability after the delisting, a shift in the management team and board was established.
- **SOP & Pricing Overhaul:** All internal procedures have been revisited and optimized. We migrated to a new economic system, and a new pricing model has been developed to protect margins and eliminate risk-heavy deals, with an impact from Q3.
- **Cash-Focused Sales Strategy:** We now top prioritize revenue opportunities with invoicing potential within 2–3 months to improve liquidity and visibility.

- **Selective Product Registrations:** We've introduced strict prioritization of product registrations based on cash flow impact—no longer covering registration costs.
- **Supply Chain Optimization:** Due to long European lead times on tubes, we've shifted sales focus toward faster SKUs while searching for alternative suppliers to reduce dependency.

Commercial Highlights: A Turnaround in Motion

Despite the heavy internal focus and supply challenges in Q2, we closed the quarter with a total revenue of DKK 1.3 million (DKK 2,45 million), and an order intake of DKK 2.7 million, including DKK 1.8 million in recurring sales—all currently in production and with DKK 0,4 million in prepayments from customers. This validates our revised commercial focus and marks the beginning of more predictable cash flow.

Q3 Outlook: Early Momentum and Clear Priorities

We are already seeing early signs of improvement in Q3, with increased prepayments and a growing production pipeline. As we move forward, our mission is clear: to stabilize operations, protect profitability, and re-establish the credibility and performance needed to support shareholder value before reactivating the share.

Thank you for your continued support and patience during this important phase. We are moving forward with greater focus, leaner operations, and a long-term vision for growth.

Best regards,
Gitte Lund Henriksen
Founder and Co-CEO of CS MEDICA

	Quarter 2		YTD	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Net sales	1.328.728	2.454.657	1.608.625	4.139.287
Gross profit	324.845	1.084.007	455.728	1.718.366
Operating profit	- 3.093.506	- 2.233.050	- 6.107.205	- 6.030.989
Depreciation and amortisation	- 490.712	- 519.045	- 1.185.117	- 1.038.090
Net financials	- 823.403	- 412.296	- 1.580.330	- 753.280
Profit before taxes	- 3.916.909	- 2.645.347	- 7.687.535	- 7.243.410
Net profit	- 3.011.499	- 1.772.361	- 5.949.071	- 5.492.125
Credit bank /Cash and cash equivalents	- 233.799	- 2.044.402	- 233.799	- 2.044.402
Addition R&D costs	1.316.039	2.291.096	2.066.211	2.745.436
Cash flow	130.605	133.514	561.571	- 1.629.388
Total Assets	35.654.599	33.727.615	35.654.599	33.727.615
Equity	29.532	4.921.654	29.532	4.921.654
Financial Ratios				
Gross margin	24%	44%	28%	42%
Operating margin	-233%	-91%	-380%	-146%
Addition R&D cost in % of sale	99%	93%	128%	66%
Net profit margin	-227%	-72%	-370%	-133%
Equity ratio	0%	15%	0%	15%
Share performance				
Basic earnings per share	-18%	-14%	-35%	-45%
Total number of shares	17.125.827	12.322.635	17.125.827	12.322.635
Share Price		6,9	-	6,9

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

Investors:

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

Media:

Heidi Ahlefeldt-Laurvig	+45 8175 9440	hal@cs-medica.com
-------------------------	---------------	-------------------

Financial Calendar

Q3: Interim report, April– June 2025	17. July 2025
Q4: Year-end report, July– September 2025	30. November 2025
Annual report 2024/2025	10. January 2026
Annual General Meeting 2024/2025	27. January 2026

Financial Statements

Income Statement

1. January – 31. March 2025

	Quarter 2		Year-to-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Income Statement				
Net Sales	1.328.728	2.454.657	1.608.625	4.139.287
Costs of goods sold	-1.003.884	-1.370.650	-1.152.897	-2.420.921
Gross Profit	324.845	1.084.007	455.728	1.718.366
Other operating income	0	0	77.500	0
Sales and distribution cost	-194.446	-253.409	-394.484	-1.142.911
Administrative costs	-1.068.641	-495.196	-1.630.303	-1.179.727
Staff costs	-1.664.552	-2.049.408	-3.430.532	-4.388.631
Depreciation and amortisation	-490.712	-519.045	-1.185.117	-1.038.090
Operating profit	-3.093.506	-2.233.050	-6.107.208	-6.030.992
Income from equity investments in group enterprises	0	0	0	-459.141
Financial costs net	-823.403	-412.296	-1.580.327	-753.277
Profit or loss before tax	-3.916.909	-2.645.347	-7.687.535	-7.243.410
Tax on net profit or loss for the year	905.410	872.985	1.738.465	1.751.285
Net profit or loss for the year	-3.011.499	-1.772.361	-5.949.071	-5.492.125
Comprehensive income				
Net profit or loss for the year	-3.011.499	-1.772.361	-5.949.071	-5.492.125
Other comprehensive income:				
Cost Direct Issue & IPO	-37.350	0	-37.350	0
Total comprehensive income for the year	-3.048.849	-1.772.361	-5.986.421	-5.492.125

Balance

31. March 2025

	31. March 2025	31. March 2024
	DKK	DKK
Balance Sheet		
Assets		
Development projects & IPR rights	13.469.286	12.099.533
Rights	2.277.532	3.234.928
Equity investments in Joint Venture enterprises	4.113.010	4.113.010
Deferred tax assets	14.017.196	9.210.933
Deposits	57.000	62.569
Total non-current assets	33.934.024	28.720.973
Manufactured goods and goods for resale	973.593	2.536.019
Trade receivables	1.771.352	2.154.790
Other receivables	-790.571	287.764
Cash and equivalents	-233.799	28.068
Total current assets	1.720.575	5.006.641
Total assets	35.654.599	33.727.615

Balance

31. March 2025

	31. March 2025	31. March 2024
	DKK	DKK
Equity and liabilities		
Share Capital	1.113.179	800.971
Reserve for net revaluation according to the equity method	0	0
Reserve for development costs	10.546.116	9.477.707
Retained earnings	-11.629.762	-5.357.025
Other Capital reserves	0	0
Total equity	29.532	4.921.653
Other provisions	4.802.000	4.802.000
Subordinate loan capital	8.360.080	8.609.823
Interest bearing liabilities	562.937	501.429
Total non-current liabilities	13.725.016	13.913.252
Prepayments received from customers	2.838.831	1.854.053
Credit bank	0	2.072.470
Interest bearing liabilities	6.654.917	82.019
Trade payables	9.783.046	9.173.287
Other payables	2.623.257	1.710.880
Total current liabilities	21.900.050	14.892.710
Total liabilities	35.654.599	33.727.615

Equity Statement

1. January – 31. March 2025

	Quarter 2		Year-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Balance, beginning of period	1.113.179	800.971	1.113.179	800.971
Change	0	0	0	0
Contributed capital, end of period	1.113.179	800.971	1.113.179	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	9.974.039	7.962.089	9.445.405	6.931.784
Change	572.077	1.515.619	1.100.710	2.545.924
Reserve for development costs, end of period	10.546.116	9.477.708	10.546.116	9.477.708
Balance, beginning of period	-8.008.836	-2.069.045	-4.542.631	2.681.024
Share premium	0	0	0	0
Deferred tax	0	0	0	0
IPO cost and capital raising	-37.350	0	-37.350	0
Reserve for development costs	-572.077	-1.515.620	-1.100.710	-2.545.925
Retained earnings for the period	-3.011.499	-1.772.361	-5.949.071	-5.492.125
Retained earnings, end of period	-11.629.762	-5.357.026	-11.629.762	-5.357.026
Total Equity, end of period	29.532	4.921.653	29.532	4.921.653

Cash flow and capital allocation

1. January– 31. March 2025

	Quarter 2		Year-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Cash Flow statement				
Profit/loss before tax	-3.011.499	-1.772.361	-5.949.068	-5.492.122
Financial expenses, reversed	823.403	412.296	1.580.327	753.277
Depreciation, reversed	490.712	519.045	1.185.117	1.038.090
Changes in working capital	2.592.574	3.578.269	4.228.934	5.156.319
Cash flows from operating activities	895.189	2.737.248	1.045.310	1.455.564
Investing in Development projects	-1.316.039	-2.291.096	-2.066.211	-2.745.436
Cash flow from investment activities	-1.316.039	-2.291.096	-2.066.211	-2.745.436
Share capital	0	0	0	0
Share premium	0	0	0	0
Financial expenses paid	-823.403	-412.296	-1.580.330	-753.280
IPO cost and capital raising	-37.350	0	-37.350	0
Loan internal partners	144.638	178.505	266.748	511.394
Credit institutions	21.567	-78.847	25.487	12.370
Loan - short	1.246.003	0	2.907.917	-110.000
Cash flow from financing activities	551.455	-312.639	1.582.472	-339.516
Total cashflows end of period	130.605	133.514	561.571	-1.629.388
Cash/Credit, beginning of period	-364.404	-2.177.916	-795.371	-415.014
Cash/ Credit , end of period	-233.799	-2.044.402	-233.799	-2.044.402

	Quarter 2		Year-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Change in working capital				
Change in Finished goods	154.955	253.561	-10.348	174.012
Trade + other receivables	1.949.275	-1.204.880	3.103.880	-75.966
Trade + other payables	976.816	4.853.807	1.765.417	4.958.159
Prepayments from customers	416.938	548.765	1.108.449	1.118.290
Other provisions	0	0	0	0
Deferred tax	-905.410	-872.985	-1.738.465	-1.751.285
Joint Venture, not consolidated	0	0	0	688.990
Deposits	0	0	0	44.119
	2.592.574	3.578.269	4.228.934	5.156.319

Financial Statements Parent

Income Statement

1. January – 31. March 2025

	Quarter 2		Year-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Net Sales	527.964	374.537	815.023	746.666
Gross Profit	527.964	374.537	815.023	746.666
Sales and distribution cost	-14.305	-46.696	-16.423	-121.775
Administrative costs	-350.907	-303.453	-744.436	-723.097
Staff costs	-1.201.513	-1.070.782	-2.237.622	-2.293.205
Depreciation and amortisation	-171.050	-171.050	-103.150	136.199
Operating profit	-1.209.811	-1.217.443	-2.286.608	-2.255.213
Income from equity investments in group enterprises	-1.554.830	-975.013	-3.234.712	-3.954.173
Financial costs net	-713.727	-191.570	-1.388.766	-210.194
Profit or loss before tax	-3.478.367	-2.384.026	-6.910.085	-6.419.580
Tax on net profit or loss for the year	466.868	611.665	961.015	927.455
Net profit or loss for the year	-3.011.499	-1.772.361	-5.949.071	-5.492.124
Comprehensive income				
Profit or loss before tax	-3.011.499	-1.772.361	-5.949.071	-5.492.124
Other comprehensive income:				
Cost Direct Issue & IPO	-37.350	0	-37.350	0
Total comprehensive income for the year	-3.048.849	-1.772.361	-5.986.421	-5.492.124

Balance

31. March 2025

	31. March 2025 DKK	31. March 2024 DKK
Balance Sheet		
Assets		
Development projects & IPR rights	3.678.495	2.777.285
Equity investments in associated & group enterprises	14.404.523	7.383.869
Deferred tax assets	6.369.117	3.377.877
Deposits	57.000	57.000
Total non-current assets	24.509.135	13.596.031
Receivables from group enterprises	2.176.547	10.825.173
Other receivables	-821.487	-185.634
Cash and equivalents	-316.036	0
Total current assets	1.039.024	10.639.539
Total assets	25.548.160	24.235.570

	31. March 2025 DKK	31. March 2024 DKK
Equity and liabilities		
Share Capital	1.113.179	800.971
Reserve for net revaluation according to the equity method	0	0
Reserve for development costs	2.909.299	2.206.355
Retained earnings	-3.992.946	1.914.328
Total equity	29.532	4.921.654
Provisions for deferred tax	0	0
Other provisions	4.802.000	4.802.000
Subordinate loan capital	8.360.080	8.609.823
Interest bearing liabilities	0	46.424
Total non-current liabilities	13.162.080	13.458.247
Interest bearing liabilities	6.654.917	0
Credit bank	0	1.685.179
Trade payables	3.960.549	3.366.153
Other payables	1.741.083	804.337
Total current liabilities	12.356.548	5.855.669
Total liabilities	25.548.160	24.235.570

Equity Statement

1. January – 31. March 2025

	Quarter 2		Year-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Balance, beginning of period	1.113.179	800.971	1.113.179	800.971
Change	0	0	0	0
Contributed capital, end of period	1.113.179	800.971	1.113.179	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	2.726.418	1.003.334	2.328.472	987.429
Change	182.881	1.203.020	580.827	1.218.926
Reserve for development costs, end of period	2.909.299	2.206.355	2.909.299	2.206.355
Balance, beginning of period	-761.216	4.889.709	2.574.302	8.625.378
Share premium	0	0	0	0
Reserve for net revaluation according to the equity method subsidiaries	0	0	0	0
IPO cost and capital raising	-37.350	0	-37.350	0
Reserve for development costs	-182.881	-1.203.020	-580.827	-1.218.926
Retained earnings for the period	-3.011.499	-1.772.361	-5.949.071	-5.492.124
Retained earnings, end of period	-3.992.946	1.914.328	-3.992.946	1.914.328
Total Equity, end of period	29.532	4.921.654	29.532	4.921.654

Cash flow and capital allocation

1. January – 31. March 2025

	Quarter 2		Year-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Cash Flow statement				
Profit/loss before tax	-3.011.499	-1.772.361	-5.949.071	-5.492.124
Financial expenses, reversed	713.727	191.570	1.388.766	210.194
Depreciation, reversed	171.050	171.050	581.448	342.099
Changes in working capital	1.927.515	3.223.109	3.523.820	4.786.539
Cash flows from operating activities	-199.208	1.813.368	-455.037	-153.292
Investing in Development projects	-369.640	-1.542.334	-796.024	-1.614.100
Cash flow from investment activities	-369.640	-1.542.334	-796.024	-1.614.100
Share capital	0	0	0	0
Share premium	0	0	0	0
Financial expenses paid	-713.727	-191.570	-1.388.766	-210.194
IPO cost and capital raising	-37.350	0	-37.350	0
Loan internal partners	144.638	178.505	266.748	511.394
Credit institutions	0	11.435	-6.121	46.424
Loan - short	1.246.003	0	2.907.917	0
Cash flow from financing activities	639.564	-1.630	1.742.428	347.624
Total cashflows end of period	70.716	269.404	491.366	-1.419.768
Cash/Credit, beginning of period	-386.752	-1.954.583	-807.403	-265.411
Cash/ Credit , end of period	-316.036	-1.685.179	-316.036	-1.685.179

	Quarter 2		Year-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Change in working capital				
Trade + other receivables	873.084	27.874	1.029.346	51.516
Trade + other payables	683.009	2.286.446	1.171.145	2.093.105
Other provisions	0	0	0	0
Deferred tax	-466.868	-611.665	-961.015	-927.455
Loan Group Enterprises	838.290	1.520.454	2.284.343	3.569.373
Deposits	0	0	0	0
	1.927.515	3.223.109	3.523.820	4.786.539