

Q1 REPORT

October – December 2025



CSMEDICA⁺

WORLD-CHANGING PRODUCTS FOR A BETTER EVERY DAY

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

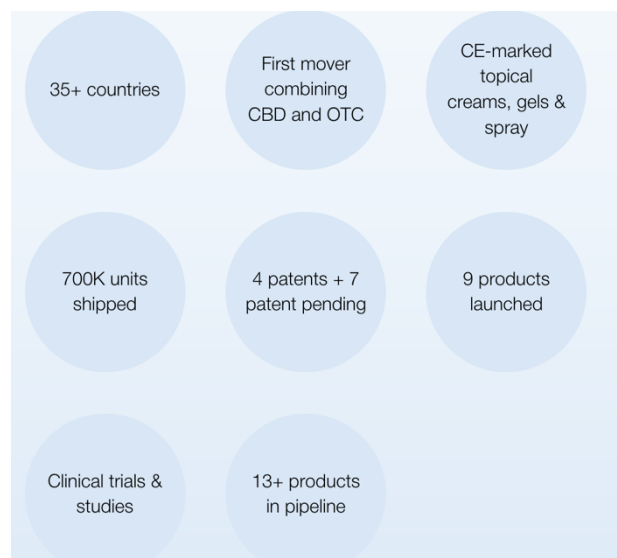
BRIEFLY ABOUT CS MEDICA A/S

CS MEDICA is a Danish MedTech company combining research, technology, and nature to advance human health. We develop IPR-secured, MDR-certified medical technical products designed to improve quality of life by redefining how pain, autoimmune conditions, and stress-related disorders are treated — including arthritis, psoriasis, insomnia, allergies, hair loss, and other chronic discomforts.

Our purpose is rooted in scientific understanding of the endocannabinoid system, the documented benefits of the cannabis plant, and long-standing pharmaceutical expertise. This foundation enables us to create non-addictive, regulator-validated alternatives that deliver therapeutic relief with fewer side effects.

Our portfolio consists of CE-marked medical technical products and an expanding pipeline of evidence-based formulations, protected through patents and trademarks across key global markets. These products are available as topical creams, gels, lotions, and sprays, registered internationally under medical device legislation as OTC (over-the-counter) solutions.

Built on a capital-light, ISO-certified outsourced manufacturing model and strict compliance with ISO 13485, ISO 14971, ISO 10993, EU MDR, UK MDR, and FDA requirements, CS MEDICA ensures scalable, high-quality production and a robust supply chain.



Across both human and veterinary applications, we envision treatments that combine proven efficacy with improved tolerability — enabling better everyday living for patients, whether on two legs or four.



COMMENTS FROM MANAGEMENT

A Breakthrough Quarter Following Comprehensive Consolidation

The first quarter of the 2025/2026 financial year marks a clear turning point for CS MEDICA. Following several years of comprehensive consolidation across the organisation, regulatory framework, supply chain and commercial platform, the effects are now materialising in strong revenue growth, improved cash flow and significantly reduced losses. Q1 confirms that the company has entered a new operational phase characterised by disciplined cost management and stronger execution.

Operational Execution and Revenue Performance

The primary operational focus in Q1 was on production and delivery to both new and existing partners across a diversified customer base in the EU and MENA regions. Production timelines were largely realigned during the quarter, with only a limited number of productions remaining behind schedule. This improvement was a key contributor to the strong quarterly performance.

Net sales increased to **DKK 3.8 million**, compared to **DKK 0.3 million** in the corresponding quarter last year, driven by continued strong order intake from existing EU partners and the execution of deliveries built up during Q4. Revenue exceeded the internal target of **DKK 3.4 million** and was **12.2% above budget**. Gross profit increased to **DKK 1.3 million**, while the gross margin of **35%** was temporarily impacted by product mix, ramp-up effects and delivery timing. Gross profit in absolute terms developed ahead of plan.

Sales were driven by CANNASEN inventory, accounting for **14% of total revenue**, while **37% of revenue** originated from repeat orders from long-standing customers inside and outside the EU. Several partners in the DACH and MENA regions placed their first repeat orders during the quarter, confirming successful market launches, end-user uptake and the establishment of recurring demand.

New customers receiving stock during the quarter were based in the Czech Republic, Italy and Cyprus.

Order Intake, Pipeline and Market Activation

Total order intake for the quarter reached **DKK 5.6 million**, exceeding expectations. Orders were split across the EU, MENA and Mexico. While the EU remains the primary focus due to faster conversion from order to delivery, onboarding of customers requiring pre-production registrations continues to support CANNORDIC's global market presence.

The commercial pipeline remains solid at approximately **DKK 23.8 million**, with **75% dependent on registration processes**. Around **DKK 6.0 million** is currently progressing through translation, artwork, production, release and MDR transitioning, supporting future revenue generation across EU, MENA and selected non-EU markets.

Earnings Improvement and Cost Discipline

Operating profit improved materially to **DKK -1.3 million**, compared to **DKK -3.0 million** in the prior year. This improvement reflects completed cost consolidation, strict prioritisation of activities, focused execution and the absence of extraordinary regulatory and build-up costs that previously weighed on performance. Net profit improved to **DKK -1.1 million** from **DKK -2.9 million**, confirming a structural improvement in recurring performance and operating leverage.

Cash Flow Development and Liquidity

The Group generated a **positive total cash flow of DKK 2.4 million** during the quarter, resulting in cash and cash equivalents of **DKK 2.3 million** at the end of Q1.

Cash flow from operating activities was **DKK -4.6 million**, primarily driven by a temporary increase in working capital related to higher activity levels, including inventory build-up, increased receivables following higher end-of-quarter invoicing and settlement of payables. Cash flow from investing activities remained limited at **DKK -0.2 million**. Liquidity during

the quarter was supported by **DKK 7.1 million in financing activities**, primarily related to short-term funding used to bridge timing between production, delivery and customer payments during the scaling phase.

Lead Generation, R&D and Outlook

To support continued partner expansion, CANNORDIC will showcase its product portfolio at **WHX Dubai** in Q2 and activate AI-driven lead-generation tools to strengthen and diversify the commercial funnel beyond traditional pharma fairs.

R&D investments remained selective at **DKK 0.2 million**, corresponding to **5% of revenue**, reflecting continued prioritisation of

commercial execution, MDR completion and cash generation.

The budget for the 2025/2026 financial year totals **DKK 11.07 million**, representing an all-time high for the company. Q1 provides a strong head start, exceeding initial expectations. Management remains focused on sustaining momentum, increasing the share of recurring revenue, improving margins and progressing towards **cash-positive and EBITDA-positive operations** during the 2025/2026 financial year.

On behalf of the Management Team
CS MEDICA A/S

	Quarter 1		Year-To-Date	
	2025/2026 DKK	2024/2025 DKK	2025/2026 DKK	2024/2025 DKK
Net sales	3.765.817	279.896	3.765.817	279.896
Gross profit	1.317.013	130.883	1.317.013	130.883
Operating profit	- 1.324.300	- 3.013.699	- 1.324.300	- 3.013.699
Depreciation and amortisation	- 466.812	- 694.406	- 466.812	- 694.406
Net financials	- 386.872	- 756.927	- 386.872	- 756.927
Profit before taxes	- 1.711.172	- 3.770.626	- 1.711.172	- 3.770.626
Net profit	- 1.116.996	- 2.937.572	- 1.116.996	- 2.937.572
Credit bank /Cash and cash equivalents	2.254.092	364.404	2.254.092	364.404
Addition R&D costs	185.508	750.172	185.508	750.172
Cash flow	2.363.311	430.966	2.363.311	430.966
Total Assets	39.841.928	36.398.155	39.841.928	36.398.155
Equity	- 2.864.632	3.078.382	- 2.864.632	3.078.382
Financial Ratios				
Gross margin	35%	47%	35%	47%
Operating margin	-35%	-1077%	-35%	-1077%
Addition R&D cost in % of sale	5%	268%	5%	268%
Net profit margin	-30%	-1050%	-30%	-1050%
Equity ratio	-7%	8%	-7%	8%
Share performance				
Basic earnings per share	-6%	-17%	-6%	-17%
Total number of shares	19.026.651	17.125.827	19.026.651	17.125.827

COMPANY INFORMATION

CS MEDICA A/S

CVR: 33871643

Founding date: 17.08.2011

Research startup: 2015

First products launched: 2021

Headquarter: Copenhagen

Financial period: October– 30. September

Executive Management

- Lone Henriksen
- Gitte Henriksen
- Mikkel Raahauge Nielsen

Financial Calendar.

Follow update on [cs-medica.com](https://www.cs-medica.com) website.

Financial Statements

Income Statement

1. October – 31. December 2025

	Quarter 1		Year-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Income Statement				
Net Sales	3.765.817	279.896	3.765.817	279.896
Costs of goods sold	-2.448.804	-149.013	-2.448.804	-149.013
Gross Profit	1.317.013	130.883	1.317.013	130.883
Other operating income	0	77.500	0	77.500
Sales and distribution cost	-343.670	-200.038	-343.670	-200.038
Administrative costs	-410.778	-561.659	-410.781	-561.662
Staff costs	-1.420.052	-1.765.980	-1.420.052	-1.765.980
Depreciation and amortisation	-466.812	-694.406	-466.812	-694.406
Operating profit	-1.324.300	-3.013.699	-1.324.303	-3.013.702
Income from equity investments in group enterprises	0	0	0	0
Financial costs net	-386.872	-756.927	-386.869	-756.924
Profit or loss before tax	-1.711.172	-3.770.626	-1.711.172	-3.770.626
Tax on net profit or loss for the year	594.176	833.055	594.176	833.055
Net profit or loss for the year	-1.116.996	-2.937.572	-1.116.996	-2.937.572
Comprehensive income				
Net profit or loss for the year	-1.116.996	-2.937.572	-1.116.996	-2.937.572
Other comprehensive income:				
Cost Direct Issue & IPO	0	0	0	0
Total comprehensive income for the year	-1.116.996	-2.937.572	-1.116.996	-2.937.572

Balance

31. December 2025

	31. December 2025 DKK	31. December 2024 DKK
Balance Sheet		
Assets		
Development projects & IPR rights	13.444.795	12.524.284
Rights	2.157.857	2.397.206
Equity investments in Joint Venture enterprises	4.113.010	4.113.010
Deferred tax assets	15.736.810	13.111.786
Deposits	103.994	57.000
Total non-current assets	35.556.466	32.203.286
Work in progress	0	0
Manufactured goods and goods for resale	675.769	1.128.548
Trade receivables	973.325	2.870.212
Other receivables	382.395	172.497
Cash and equivalents	2.254.092	23.612
Total current assets	4.285.462	4.194.869
Total assets	39.841.928	36.398.155

Balance

31. December 2025

	31. December 2025 DKK	31. December 2024 DKK
Equity and liabilities		
Share Capital	1.236.732	1.113.179
Reserve for net revaluation according to the equity method	0	0
Reserve for development costs	10.486.940	9.974.038
Retained earnings	-14.588.305	-8.008.836
Other Capital reserves	0	0
Total equity	-2.864.632	3.078.381
Other provisions	4.802.000	4.802.000
Subordinate loan capital	10.453.289	8.328.095
Interest bearing liabilities	0	541.369
Total non-current liabilities	15.255.289	13.671.464
Prepayments received from customers	1.875.886	2.421.893
Credit bank	0	388.016
Interest bearing liabilities	12.983.483	5.408.914
Trade payables	9.589.027	8.733.353
Other payables	3.002.875	2.696.134
Total current liabilities	27.451.271	19.648.310
Total liabilities	39.841.928	36.398.155

Equity Statement

1. October – 31. December 2025

	Quarter 1		Year-to-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Balance, beginning of period	1.236.732	1.113.179	1.236.732	1.113.179
Change	0	0	0	0
Contributed capital, end of period	1.236.732	1.113.179	1.236.732	1.113.179
Balance, beginning of period	10.613.011	7.116.933	10.613.011	7.116.933
Change	-126.070	2.857.106	-126.070	2.857.106
Reserve for development costs, end of period	10.486.940	9.974.039	10.486.940	9.974.039
Balance, beginning of period	-13.597.380	-2.214.159	-13.597.380	-2.214.159
Share premium	0	0	0	0
Deferred tax	0	0	0	0
IPO cost and capital raising	0	0	0	0
Reserve for development costs	126.070	-2.857.107	126.070	-2.857.107
Retained earnings for the period	-1.116.996	-2.937.572	-1.116.996	-2.937.572
Retained earnings, end of period	-14.588.305	-8.008.837	-14.588.305	-8.008.837
Total Equity, end of period	-2.864.632	3.078.381	-2.864.632	3.078.381

Cash flow and capital allocation

1. October– 31. December 2025

	Quarter 1		Yeart-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Cash Flow statement				
Profit/loss before tax	-1.116.996	-2.937.572	-1.116.993	-2.937.569
Financial expenses, reversed	386.872	756.927	386.869	756.924
Depreciation, reversed	466.812	694.406	466.812	694.406
Changes in working capital	-4.296.872	1.554.048	-4.296.872	1.554.048
Cash flows from operating activities	-4.560.184	67.809	-4.560.184	67.809
Investing in Development projects	-185.508	-750.172	-185.508	-750.172
Cash flow from investment activities	-185.508	-750.172	-185.508	-750.172
Share capital	0	0	0	0
Share premium	0	0	0	0
Financial expenses paid	-386.872	-756.927	-386.872	-756.927
IPO cost and capital raising	0	0	0	0
Loan internal partners	106.274	204.422	106.274	204.422
Credit institutions	-508.268	3.920	-508.268	3.920
Loan - short	7.897.869	1.661.914	7.897.869	1.661.914
Cash flow from financing activities	7.109.004	1.113.329	7.109.004	1.113.329
Total cashflows end of period	2.363.311	430.966	2.363.311	430.966
Cash/Credit, beginning of period	-109.220	-795.371	-109.220	-795.371
Cash/ Credit , end of period	2.254.092	-364.405	2.254.092	-364.405

	Quarter 1		Yeart-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Change in working capital				
Change in Finished goods	913.674	-165.303	913.674	-165.303
Trade + other receivables	-1.450.262	1.072.293	-1.450.262	1.072.293
Trade + other payables	-3.114.231	1.480.113	-3.114.231	1.480.113
Other provisions	0	0	0	0
Deferred tax	-594.176	-833.055	-594.176	-833.055
Joint Venture, not consolidated	120	0	120	0
Deposits	-51.997	0	-51.997	0
	-4.296.872	1.554.048	-4.296.872	1.554.048

Financial Statements Parent

Income Statement

1. October – 31. December 2025

	Quarter 1		Year-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Net Sales	102.244	287.059	102.244	287.059
Gross Profit	102.244	287.059	102.244	287.059
Sales and distribution cost	-20.726	-2.118	-20.726	-2.118
Administrative costs	-45.878	-393.528	-45.878	-393.528
Staff costs	-380.618	-1.036.108	-380.618	-1.036.108
Depreciation and amortisation	-200.566	-410.399	277.732	67.899
Operating profit	-545.544	-1.555.094	-67.246	-1.076.796
Income from equity investments in group enterprises	-672.669	-1.201.584	-1.150.967	-1.679.882
Financial costs net	-274.614	-675.040	-274.614	-675.040
Profit or loss before tax	-1.492.828	-3.431.718	-1.492.828	-3.431.718
Tax on net profit or loss for the year	398.153	494.146	398.153	494.146
Net profit or loss for the year	-1.094.674	-2.937.572	-1.094.674	-2.937.572
Comprehensive income				
Profit or loss before tax	-1.094.674	-2.937.572	-1.094.674	-2.937.572
Other comprehensive income:				
Cost Direct Issue & IPO	0	0	0	0
Total comprehensive income for the year	-1.094.674	-2.937.572	-1.094.674	-2.937.572

Balance

31. December 2025

	31. December 2025 DKK	31. December 2024 DKK
Balance Sheet		
Assets		
Development projects & IPR rights	3.931.518	3.360.230
Equity investments in associated & group enterprises	11.048.556	16.079.027
Deferred tax assets	7.190.951	5.902.249
Deposits	0	57.000
Total non-current assets	22.171.025	25.398.506
Receivables from group enterprises	4.581.902	1.460.008
Other receivables	412.019	164.250
Cash and equivalents	2.210.811	79
Total current assets	7.204.732	1.624.337
Total assets	29.375.756	27.022.843

	31. December 2025 DKK	31. December 2024 DKK
Equity and liabilities		
Share Capital	1.236.732	1.113.179
Reserve for net revaluation according to the equity method	0	0
Reserve for development costs	3.066.584	2.726.418
Retained earnings	-7.138.215	-761.216
Total equity	-2.834.899	3.078.381
Provisions for deferred tax	0	0
Other provisions	4.802.000	4.802.000
Subordinate loan capital	9.197.873	8.328.095
Interest bearing liabilities	0	0
Total non-current liabilities	13.999.873	13.130.095
Interest bearing liabilities	12.983.483	5.408.914
Credit bank	0	386.832
Trade payables	3.164.116	3.249.116
Other payables	2.063.184	1.769.506
Total current liabilities	18.210.783	10.814.367
Total liabilities	29.375.756	27.022.843

Equity Statement

1. October – 31. December 2025

	Quarter 1		Year-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Balance, beginning of period	1.236.732	1.113.179	1.236.732	1.113.179
Change	0	0	0	0
Contributed capital, end of period	1.236.732	1.113.179	1.236.732	1.113.179
Balance, beginning of period	2.997.492	2.328.472	2.997.492	2.328.472
Change	69.092	397.946	69.092	397.946
Reserve for development costs, end of period	3.066.584	2.726.418	3.066.584	2.726.418
Balance, beginning of period	-5.974.449	2.574.302	-5.974.449	2.574.302
Share premium	0	0	0	0
Reserve for net revaluation according to the equity method	0	0	0	0
subsidiaries	0	0	0	0
IPO cost and capital raising	0	0	0	0
Reserve for development costs	-69.092	-397.946	-69.092	-397.946
Retained earnings for the period	-1.094.674	-2.937.572	-1.094.674	-2.937.572
Retained earnings, end of period	-7.138.215	-761.216	-7.138.215	-761.216
Total Equity, end of period	-2.834.899	3.078.381	-2.834.899	3.078.381

Cash flow and capital allocation

1. October – 31. December 2025

	Quarter 1		Year-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Cash Flow statement				
Profit/loss before tax	-1.094.674	-2.937.572	-1.094.674	-2.937.572
Financial expenses, reversed	274.614	675.040	274.614	675.040
Depreciation, reversed	200.566	410.399	200.566	410.399
Changes in working capital	-4.597.864	1.513.992	-4.597.864	1.513.992
Cash flows from operating activities	-5.217.358	-338.141	-5.217.358	-338.141
Investing in Development projects	-169.471	-426.384	-169.471	-426.384
Cash flow from investment activities	-169.471	-426.384	-169.471	-426.384
Share capital	0	0	0	0
Share premium	0	0	0	0
Financial expenses paid	-274.614	-675.040	-274.614	-675.040
IPO cost and capital raising	0	0	0	0
Loan internal partners	82.124	204.422	82.124	204.422
Credit institutions	0	-6.121	0	-6.121
Loan - short	7.897.869	1.661.914	7.897.869	1.661.914
Cash flow from financing activities	7.705.379	1.185.176	7.705.379	1.185.176
Total cashflows end of period	2.318.550	420.650	2.318.550	420.650
Cash/Credit, beginning of period	-107.739	-807.403	-107.739	-807.403
Cash/ Credit , end of period	2.210.811	-386.753	2.210.811	-386.753

	Quarter 1		Year-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Change in working capital				
Trade + other receivables	-1.639	73.950	-1.639	73.950
Trade + other payables	-663.512	-77.964	-663.512	488.136
Other provisions	0	566.100	0	0
Deferred tax	-398.153	-494.146	-398.153	-494.146
Loan Group Enterprises	-3.534.559	1.446.053	-3.534.559	1.446.053
Deposits	0	0	0	0
	-4.597.864	1.513.992	-4.597.864	1.513.992