

Q2 REPORT

January – March 2026



CSMEDICA

WORLD-CHANGING PRODUCTS FOR A BETTER EVERY DAY

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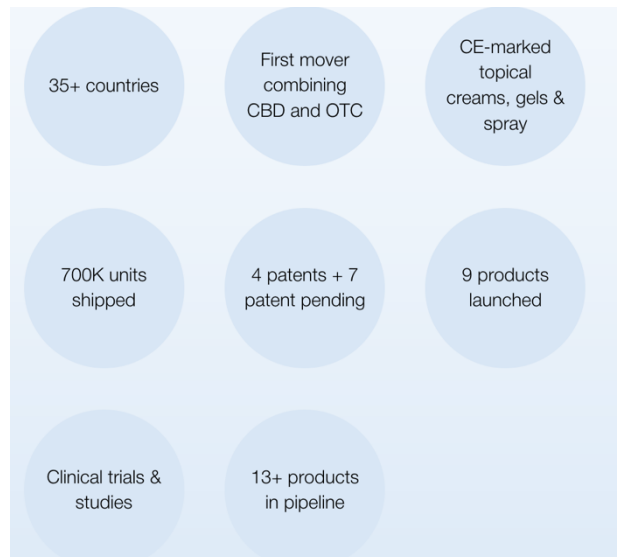
BRIEFLY ABOUT CS MEDICA A/S

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

Timing Effects in Q2 Following Strong Q1 Execution

The second quarter of the 2025/2026 financial year reflects a temporary slowdown following the strong performance in Q1. While the Company continues to operate within the improved framework established after comprehensive consolidation, revenue in Q2 was impacted by delays in production and delivery schedules. These timing effects have postponed revenue recognition into subsequent quarters and do not reflect a change in underlying demand or commercial progress.

Operational Execution and Revenue Timing

The primary operational focus in Q2 remained on production, delivery and onboarding of both new and existing partners across the EU and selected international markets. During the quarter, a number of planned productions were delayed due to final coordination within the supply chain, batch releases and partner-specific requirements.

As a result, revenue originally expected in Q2 has been deferred. These orders remain confirmed and are expected to be delivered and recognised in the coming quarters, supporting the Company's continued growth trajectory.

Gross Profit Development and Margin Optimisation

Gross profit and margin in Q2 were positively impacted by a reversal of prior inventory write-downs, following the sale of inventory at higher prices than previously anticipated. This resulted in a temporarily elevated gross margin for the quarter, which is considered non-recurring.

On an accumulated basis, gross profit improved compared to the same period last year, increasing to 45% from 28% in Q2 2025. This reflects the Company's continued focus on optimising gross margins, improving pricing structures and reducing lead times across the supply chain. These initiatives are beginning to materialise in the financial performance,

while further optimisation remains a key operational priority.

Regulatory Progress and Execution Focus

The MDR transition process continues, although slower than previously expected. Pain Patch and Psoriasis Gel have been approved, while Arthritis Gel and Wound Gel were submitted later than expected and are awaiting approval. Submission of Nasal Night and Nasal Protect is delayed compared to the original timeline..

While the underlying commercial demand remains intact, the timing of certain significant orders is affected by MDR-related approvals, documentation requirements and partner readiness in selected markets. This may postpone parts of the commercial pipeline and reduce revenue visibility for the remainder of the 2025/2026 financial year.

Management has therefore increased its operational focus on QA/RA execution, including process discipline, documentation flow, regulatory capacity and internal accountability. These measures form part of the continued consolidation of CS MEDICA and are intended to improve execution predictability and support future revenue conversion.

Order Intake, Pipeline and Market Development

Underlying commercial activity remains strong, with continued demand from both existing and new partners. Repeat orders and ongoing onboarding processes confirm product-market fit and the establishment of recurring revenue streams.

The commercial pipeline remains solid at DKK 24.8 million, with a significant portion progressing through registration, artwork, production and regulatory processes. This supports future revenue generation across the EU, MENA and selected non-EU markets.

Cost Discipline and Financial Stability

Management maintained strict cost discipline during the quarter, ensuring that the cost base

remains aligned with the current activity level. This provides resilience during periods where revenue is impacted by operational timing differences.

Management will continue to prioritise operational consolidation, resource allocation and activities that directly support regulatory execution, order conversion and financial stability.

Outlook

As a consequence of delayed order execution related to the MDR transition process and related QA/RA execution, Management revises the revenue target for the 2025/2026 financial year to DKK 8.0 million.

The revised revenue target reflects the expected postponement of certain key orders into later periods, while the underlying

commercial pipeline remains intact. Management continues to pursue replacement revenue from the existing pipeline, but this is challenged by extended production lead times in Europe, particularly related to tubes.

The revised outlook is primarily driven by timing effects related to regulatory execution and order conversion, rather than reduced market demand. These delays are expected to postpone the Company's path towards cash-positive and EBITDA-positive operations.

Management remains focused on converting pipeline into revenue, increasing the share of recurring revenue, improving margins and strengthening execution predictability.

On behalf of the Management Team
CS MEDICA A/S

	Quarter 2		YTD	
	2025/2026 DKK	2024/2025 DKK	2025/2026 DKK	2024/2025 DKK
Net sales	262.747	1.328.728	4.028.564	1.608.625
Gross profit	487.061	324.845	1.804.074	455.728
Operating profit	- 2.822.906	- 3.090.041	- 4.147.746	- 6.103.740
Depreciation and amortisation	- 472.580	- 490.712	- 939.392	- 1.185.117
Net financials	- 448.141	- 823.403	- 835.018	- 1.580.330
Profit before taxes	- 3.271.047	- 3.913.444	- 4.982.764	- 7.684.070
Net profit	- 2.551.417	- 3.008.034	- 3.668.957	- 5.945.606
Credit bank /Cash and cash equivalents	3.205	- 233.799	3.205	- 233.799
Addition R&D costs	235.364	1.316.039	420.872	2.066.211
Cash flow	- 2.250.887	130.605	112.425	561.571
Total Assets	34.906.103	36.973.235	34.906.103	36.973.235
Equity	- 7.946.734	32.997	- 7.946.734	32.997
Financial Ratios				
Gross margin	185%	24%	45%	28%
Operating margin	-1074%	-233%	-103%	-379%
Addition R&D cost in % of sale	90%	99%	10%	128%
Net profit margin	-971%	-226%	-91%	-370%
Equity ratio	-23%	0%	-23%	0%
Share performance				
Basic earnings per share	-13%	-18%	-19%	-35%
Total number of shares	19.026.651	17.125.827	19.026.651	17.125.827
Share Price			-	-

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. January – 31. March 2026

	Quarter 2		Year-to-Date	
	2025/2026 DKK	2024/2025 DKK	2025/2026 DKK	2024/2025 DKK
Income Statement				
Net Sales	262.747	1.328.728	4.028.564	1.608.625
Costs of goods sold	224.314	-1.003.884	-2.224.490	-1.152.897
Gross Profit	487.061	324.845	1.804.074	455.728
Other operating income	0	0	0	77.500
Sales and distribution cost	-507.160	-194.446	-851.757	-394.484
Administrative costs	-533.247	-1.068.641	-943.641	-1.630.303
Staff costs	-1.796.981	-1.661.087	-3.217.033	-3.427.067
Depreciation and amortisation	-472.580	-490.712	-939.392	-1.185.117
Operating profit	-2.822.906	-3.090.041	-4.147.749	-6.103.743
Income from equity investments in group enterprises	0	0	0	0
Financial costs net	-448.141	-823.403	-835.015	-1.580.327
Profit or loss before tax	-3.271.047	-3.913.444	-4.982.764	-7.684.070
Tax on net profit or loss for the year	719.630	905.410	1.313.806	1.738.465
Net profit or loss for the year	-2.551.417	-3.008.034	-3.668.957	-5.945.606
Comprehensive income				
Net profit or loss for the year	-2.551.417	-3.008.034	-3.668.957	-5.945.606
Other comprehensive income:				
Cost Direct Issue & IPO	0	0	0	0
Total comprehensive income for the year	-2.551.417	-3.008.034	-3.668.957	-5.945.606

Balance

31. March 2026

	31. March 2026	31. March 2025
	DKK	DKK
Balance Sheet		
Assets		
Development projects & IPR rights	13.327.254	13.469.286
Rights	2.038.183	2.277.532
Equity investments in Joint Venture enterprises	4.113.010	4.113.010
Deferred tax assets	13.123.250	14.017.196
Deposits	155.991	57.000
Total non-current assets	32.757.687	33.934.024
Work in progress	0	0
Manufactured goods and goods for resale	827.274	973.593
Trade receivables	932.407	1.771.352
Other receivables	385.530	528.066
Cash and equivalents	3.205	-233.799
Total current assets	2.148.416	3.039.212
Total assets	34.906.103	36.973.235

Balance

31. March 2026

	31. March 2026	31. March 2025
	DKK	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	10.395.258	10.546.115
Retained earnings	-19.578.724	-11.626.297
Other Capital reserves	0	0
Total equity	-7.946.734	32.996
Other provisions	4.802.000	4.802.000
Subordinate loan capital	10.520.953	9.678.716
Interest bearing liabilities	0	562.937
Total non-current liabilities	15.322.953	15.043.653
Prepayments received from customers	3.151.980	2.838.831
Credit bank	0	0
Interest bearing liabilities	14.754.272	6.654.917
Trade payables	5.803.206	9.783.046
Other payables	3.820.425	2.619.792
Total current liabilities	27.529.883	21.896.586
Total liabilities	34.906.102	36.973.235

Equity Statement

1. January – 31. March 2026

	Quarter 2		Year-To-Date	
	2025/2026 DKK	2024/2025 DKK	2025/2026 DKK	2024/2025 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	0	0	0	0
Change	0	0	0	0
Reserve for net revaluation, end of period	0	0	0	0
Balance, beginning of period	10.486.940	9.974.039	10.613.011	7.116.933
Change	-91.683	572.077	-217.753	3.429.183
Reserve for development costs, end of period	10.395.258	10.546.116	10.395.258	10.546.116
Balance, beginning of period	-17.118.990	-8.008.836	-16.127.520	-2.214.159
Share premium	0	0	0	0
Deferred tax	0	0	0	0
IPO cost and capital raising	0	-37.350	0	-37.350
Reserve for development costs	91.683	-572.078	217.753	-3.429.184
Retained earnings for the period	-2.551.417	-3.008.034	-3.668.957	-5.945.606
Retained earnings, end of period	-19.578.724	-11.626.298	-19.578.724	-11.626.298
Total Equity, end of period	-7.946.734	32.996	-7.946.734	32.996

Cash flow and capital allocation

1. January– 31. March 2026

	Quarter 2		Yeart-To-Date	
	2025/2026 DKK	2024/2025 DKK	2025/2026 DKK	2024/2025 DKK
Cash Flow statement				
Profit/loss before tax	-2.551.417	-3.008.034	-3.668.954	-5.945.603
Financial expenses, reversed	448.141	823.403	835.015	1.580.327
Depreciation, reversed	472.580	490.712	939.392	1.185.117
Changes in working capital	-1.775.140	1.383.125	-6.071.467	2.937.173
Cash flows from operating activities	-3.405.835	-310.795	-7.966.014	-242.986
Investing in Development projects	-235.364	-1.316.039	-420.872	-2.066.211
Cash flow from investment activities	-235.364	-1.316.039	-420.872	-2.066.211
Share capital	0	0	0	0
Share premium	0	0	0	0
Financial expenses paid	-448.141	-823.403	-835.018	-1.580.330
IPO cost and capital raising	0	-37.350	0	-37.350
Loan internal partners	67.664	1.350.622	173.939	1.555.044
Credit institutions	0	21.567	-508.268	25.487
Loan - short	1.770.789	1.246.003	9.668.658	2.907.917
Cash flow from financing activities	1.390.312	1.757.439	8.499.311	2.870.768
Total cashflows end of period	-2.250.887	130.605	112.425	561.571
Cash/Credit, beginning of period	2.254.092	-364.405	-109.220	-795.371
Cash/ Credit , end of period	3.205	-233.800	3.205	-233.800

	Quarter 2		Yeart-To-Date	
	2025/2026 DKK	2024/2025 DKK	2025/2026 DKK	2024/2025 DKK
Change in working capital				
Change in Finished goods	-251.505	154.955	662.169	-10.348
Trade + other receivables	37.664	743.291	-1.412.478	1.815.584
Trade + other payables	-1.708.092	1.390.289	-4.821.778	2.870.402
Other provisions	0	0	0	0
Deferred tax	198.791	-905.410	-395.385	-1.738.465
Joint Venture, not consolidated	0	0	0	0
Deposits	-51.997	0	-103.994	0
	-1.775.140	1.383.125	-6.071.467	2.937.173

Financial Statements Parent

Income Statement

1. January – 31. March 2026

	Quarter 2		Year-To-Date	
	2025/2026 DKK	2024/2025 DKK	2025/2026 DKK	2024/2025 DKK
Net Sales	79.221	527.964	181.464	815.023
Gross Profit	79.221	527.964	181.464	815.023
Sales and distribution cost	0	-14.305	-20.726	-16.423
Administrative costs	-238.910	-350.907	-284.789	-744.436
Staff costs	-520.193	-1.201.513	-900.811	-2.237.622
Depreciation and amortisation	-203.827	-171.050	73.905	-103.150
Operating profit	-883.710	-1.209.811	-950.956	-2.286.608
Income from equity investments in group enterprises	-1.530.878	-1.611.365	-2.681.845	-3.291.247
Financial costs net	-697.389	-653.727	-972.003	-1.328.766
Profit or loss before tax	-3.111.977	-3.474.902	-4.604.804	-6.906.620
Tax on net profit or loss for the year	347.842	466.868	745.995	961.015
Net profit or loss for the year	-2.764.135	-3.008.034	-3.858.809	-5.945.606
Comprehensive income				
Profit or loss before tax	-2.764.135	-3.008.034	-3.858.809	-5.945.606
Other comprehensive income:				
Cost Direct Issue & IPO	0	0	0	0
Total comprehensive income for the year	-2.764.135	-3.008.034	-3.858.809	-5.945.606

Balance

31. March 2026

	31. March 2026 DKK	31. March 2025 DKK
Balance Sheet		
Assets		
Development projects & IPR rights	3.967.321	3.678.495
Equity investments in associated & group enterprises	8.246.613	14.347.988
Deferred tax assets	5.443.784	6.369.117
Deposits	0	57.000
Total non-current assets	17.657.718	24.452.600
Receivables from group enterprises	7.248.801	1.176.547
Other receivables	397.880	497.150
Cash and equivalents	-1.688	-316.036
Total current assets	7.644.992	1.357.661
Total assets	25.302.710	25.810.261

	31. March 2026 DKK	31. March 2025 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	3.094.511	2.909.299
Retained earnings	-12.258.255	-3.989.481
Total equity	-7.927.012	32.997
Provisions for deferred tax	0	0
Other provisions	4.802.000	4.802.000
Subordinate loan capital	9.189.937	8.618.716
Interest bearing liabilities	0	0
Total non-current liabilities	13.991.937	13.420.716
Interest bearing liabilities	14.754.272	6.654.917
Credit bank	0	0
Trade payables	2.294.460	3.960.549
Other payables	2.189.053	1.741.083
Total current liabilities	19.237.785	12.356.548
Total liabilities	25.302.710	25.810.261

Equity Statement

1. January – 31. March 2026

	Quarter 2		Year-To-Date	
	2025/2026 DKK	2024/2025 DKK	2025/2026 DKK	2024/2025 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	0	0	0	0
Change	0	0	0	0
Reserve for net revaluation, end of period	0	0	0	0
Balance, beginning of period	3.066.584	2.726.418	2.997.492	2.328.472
Change	27.927	182.881	97.019	580.827
Reserve for development costs, end of period	3.094.511	2.909.299	3.094.511	2.909.299
Balance, beginning of period	-9.466.193	-761.216	-8.302.427	2.574.302
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	0	-37.350	0	-37.350
Reserve for development costs	-27.927	-182.881	-97.019	-580.827
Retained earnings for the period	-2.764.135	-3.008.034	-3.858.809	-5.945.606
Retained earnings, end of period	-12.258.255	-3.989.481	-12.258.255	-3.989.481
Total Equity, end of period	-7.927.012	32.997	-7.927.012	32.997

Cash flow and capital allocation

1. January – 31. March 2026

	Quarter 2		Year-To-Date	
	2025/2026	2024/2025	2025/2026	2024/2025
	DKK	DKK	DKK	DKK
Cash Flow statement				
Profit/loss before tax	-2.764.135	-3.008.034	-3.858.809	-5.945.606
Financial expenses, reversed	697.389	653.727	972.003	1.328.766
Depreciation, reversed	203.827	171.050	404.393	581.448
Changes in working capital	-1.295.089	1.778.066	-5.892.952	3.292.059
Cash flows from operating activities	-3.158.008	-405.192	-8.375.366	-743.333
Investing in Development projects	-119.956	-369.640	-289.427	-796.024
Cash flow from investment activities	-119.956	-369.640	-289.427	-796.024
Share capital	0	0	0	0
Share premium	0	0	0	0
Financial expenses paid	-697.389	-653.727	-972.003	-1.328.766
IPO cost and capital raising	0	-37.350	0	-37.350
Loan internal partners	-7.936	290.622	74.189	495.044
Credit institutions	0	0	0	-6.121
Loan - short	1.770.789	1.246.003	9.668.658	2.907.918
Cash flow from financing activities	1.065.464	845.548	8.770.844	2.030.725
Total cashflows end of period	-2.212.500	70.716	106.051	491.367
Cash/Credit, beginning of period	2.210.811	-386.753	-107.739	-807.403
Cash/ Credit , end of period	-1.688	-316.037	-1.688	-316.036

	Quarter 2		Year-To-Date	
	2025/2026	2024/2025	2025/2026	2024/2025
	DKK	DKK	DKK	DKK
Change in working capital				
Trade + other receivables	14.139	-332.900	12.500	-258.950
Trade + other payables	-743.786	711.433	-1.407.299	1.171.145
Other provisions	0	-28.424	0	0
Deferred tax	570.579	-466.868	172.426	-961.015
Loan Group Enterprises	-1.136.021	1.894.825	-4.670.580	3.340.878
Deposits	0	0	0	0
	-1.295.089	1.778.066	-5.892.952	3.292.059

	Quarter 2	
	2025/2026	2024/2025
Equity investments in associated & group		
Equity Subsidiaries		
CANNORDIC A/S (100%)	2.095.421	7.896.294
Galaxa Pharma ApS (100%)	0	61.152
	2.095.421	7.957.446
Equity Joint Venture		
Capital RongShi MEDICA Ltd (49%)	4.113.010	4.113.010
Rights	2.038.183	2.277.532
	8.246.613	14.347.988