

2022 - 2023 HALF-YEAR REPORT

JANUARY – MARCH 2023
CS MEDICA A/S | 33871643 | www.cs-medica.com

CSMEDICA⁺

WORLD-CHANGING PRODUCTS FOR A BETTER EVERY DAY



Table of Content

COMMENTS FROM THE MANAGEMENT	3
PERFORMANCE HIGHLIGHTS	4
STRATEGIC ASPIRATIONS	6
OUTLOOK	13
INNOVATION AND THERAPEUTIC FOCUS	15
SHARE INFORMATION	16
MANAGEMENT STATEMENT	18
FINANCIALS	21
Financial comments	21
Financial Statements	23
Financial Statements Parent.....	28



COMMENTS FROM THE MANAGEMENT

Future-proofing our journey

The key to success in uncertain times is adaptability and resilience. Businesses must be willing to rethink their strategies, embrace new ideas and technologies and prepare for crisis management. Just as it demands investments to help fuel innovation and growth in even the toughest of times.

CS MEDICA has been reframing its strategies, processes, and technologies to drive its first-mover products to global markets. As a result, the number of markets registering and selling our products has gone up to 15 countries in a year. Moreover, the interest in our unique medical devices with cannabinoids has grown rapidly, especially after we could confirm a Notified Body approved us in the Netherlands and we are in the progress of the MDR transition. However, to speed up our presence in the markets, our product production needs to follow, but challenges with supply, delays in the design of own-label solutions, and low liquidity have been a significant slowdown in the previous quarter.

Half-year and coming quarters

Net Sales reached mDKK 0,25 in Q2, summing to mDKK 0,32 for the first half of 2023, which is lower than expected. Due to lack of stock, delays in production, and hence delivery of orders we have yet to be able to invoice all order intakes from the previous quarter. The order intake for Q2 reached mDKK 1.9 with delivery in Q3-4, summing up to mDKK 3.0 for the first half of 2023.

To deliver on our strategic approach to sustainable growth, we have increased resources in the sales team and intensified our awareness and participation at relevant fairs to reach more revenue and partners faster, which already shows in start Q3. Consequently, our top priority is securing new funding to support production and higher stock levels to deliver orders more quickly.

Despite the challenges we believe that we can still meet the expectations set in Q1 for the financial year 2022/2023.

Funding securing our growth

We're exploring various options to short-term finance our continuous growth, R&D, and

compliance with MDR requirements. After a year-long negotiation, CS MEDICA finally succeeded in finalizing and signing the Investment agreement with Inner Mongolia RongShi Hi-Tech Co., Ltd. ("RongShi") with a direct Issue of mDKK 60, at a share price of DKK 28.13. The funding is based on terms to be fulfilled by CS MEDICA, which will fund the growth on a long-term basis, with the first half of the investment expected to be transferred in Q3 2022/2023. In this quarter the funding was secured by loans and credit from family. To secure the growth plans up to the direct issue, CS MEDICA is adjusting its funding strategy to adapt to the funding needs in the intermediate period.

Growing markets

In accordance with our strategic emphasis on emerging markets, China and India hold significant value for our expansion initiatives.

Together with the Investment Agreement with RongShi, a joint venture was formed for the manufacture and distribution of CANNASEN® CBD products in Asia. The joint venture shall assume responsibility for the marketing and sale of CANNASEN® CBD products originating from CS MEDICA until the construction of the production site is completed.

In India, CS MEDICA initiated the establishment of a subsidiary, with the registration of four cosmetic products initiated and with sales expected to commence in India ultimo 2023.

On a global level, we seek to grow awareness and partnerships, by joining key fair events presenting our CANNASEN® product line including our upcoming pipeline of VET (3 products), SPORT (1 product now), and HAIR (2 products).

Regulatory

Our main strategy for sustainable growth and competitive edge is transitioning to MDR. Being a top CBD technology medical device manufacturer, we have regulatory approval to extend our transition period until the end of 2028. This enables us to continue selling our MD products uninterrupted, providing a significant competitive advantage.

PERFORMANCE HIGHLIGHTS

Financial highlights for Q2 2022/2023

- In this second quarter of 2022/2023 (January – March 2023), CS MEDICA received orders corresponding to mDKK 1.9, which together with the orders from Q1, mDKK 1.1, total mDKK 3.0, currently in production with delivery planned for Q3 and Q4 of 2022/2023. Following the macroeconomic challenges, CS MEDICA is facing a production period of 3-6 months, followed by a local legislation window of 1 to 8 months, depending on the region. On top of that CS MEDICA has experienced delays with finalizing the own-label packaging design, resulting in new orders expected for delivery and invoicing in the second quarter of 2023 have been postponed to the third quarter of 2022/2023. Consequently, the net sales for this quarter amounted to only tDKK 251 (94).
- Operating profit for the first quarter amounted to tDKK -4.231 (-4.857). The cost mainly consisted of costs for clinical trials, new design and production startup, administrative- and staff costs.
- Cash and Cash equivalents at the end of the second Quarter of 2022/2023, total tDKK 29 (1.848) are subsequently reinforced with a loan and credit from the two founders and family of tDKK 3.000. With this in place and in combination with the factoring agreement with Svea, the liquidity in the day-to-day operation is secured.
- The long-term funding is attained by the company's agreement with Inner Mongolia RongShi Hi-Tech Co., Ltd., which now is finalized after a year-long negotiation about a cash capital increase (direct issue) at a price of DKK 28.13. The direct issue amounts to mDKK 60 corresponding to 14.76% of CS MEDICA 's outstanding shares on a non-diluted basis and secured alongside the establishment of a joint venture in Ordos, Inner Mongolia.
- At the end of the period, CS MEDICA's equity/asset ratio was 70% (84%).

	Quarter		YTD	
	2022/2023	2021/2022	2022/2023	2021/2022
Net sales	251.401	93.891	321.673	221.148
Gross profit	409.853	- 174.951	453.416	- 101.504
Operating profit	- 4.231.295	- 4.857.115	- 8.602.634	- 7.793.081
Depreciation and amortisation	- 519.045	- 518.945	- 1.037.990	- 1.037.890
Net financials	- 100.923	46.848	- 132.311	- 92.012
Profit before taxes	- 4.332.218	- 4.810.267	- 8.734.945	- 7.885.091
Net profit	- 3.417.094	- 3.841.130	- 6.888.497	- 6.218.829
Cash and cash equivalents	29.520	1.847.706	29.520	1.847.706
Addition R&D cost	329.289	1.394.379	688.880	2.196.614
Cash flow	- 38.819	- 4.342.504	- 2.904.262	- 8.148.378
Total Assets	25.796.644	21.651.493	25.796.644	21.651.493
Equity	18.038.047	18.126.639	18.038.047	18.126.639
Financial Ratios				
Gross margin	163%	-186%	141%	-46%
Operating margin	-1683%	-5173%	-2674%	-3524%
Addition R&D cost in % of sale	131%	1485%	214%	993%
Net profit margin	-1359%	-4091%	-2141%	-2812%
Equity ratio	70%	84%	70%	84%
Share performance				
Basic earnings per share	-28%	-35%	-56%	-57%
Total number of shares	12.322.635	11.002.000	12.322.635	11.002.000
Closing share price	6,9	7,6	6,9	7,6

These unaudited consolidated financial statements for the second quarter of 2022/2023 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 2021/2022 of CS MEDICA.

Significant events during the second quarter (January – March 2023)

- [Jan 18, 2023](#), CS MEDICA A/S terminates negotiations with Inner Mongolia Rong Shi Hi-Tech Co. (“RongShi”), Ltd as the companies fail to reach acceptable terms. The negotiation with Heilongjiang FuYu ShengKun Textile Industry Co, is being closed conjointly.
- [Jan 18, 2023](#), CS MEDICA received in January 2023, a loan of 3,5 MDKK, from Nina Henriksen, the mother of the two founders, CEO Lone Henriksen and CFO Gitte Lund Henriksen.
- [Feb 13, 2023](#), CS MEDICA A/S announces that the Company has entered into an agreement with the financial advisor Kapital Partner in Denmark. With this cooperation, the company secures valuable insights and guidance on financial decisions and strategies as well as assistance in sourcing financial partners and maximizing shareholder value.
- [Mar 01, 2023](#), CS MEDICA A/S announces that CEO, Lone Henriksen, CFO Gitte Lund Henriksen and COO Heidi Ahlefeldt-Laurvig, has acquired in total 118.713 shares in CS MEDICA at an average price of DKK 3,98, amounting to a total value of 472.710 DKK including commission.
- [Mar 26, 2023](#), CS MEDICA A/S has entered into an agreement with Inner Mongolia Rong Shi Hi-Tech Co., Ltd (“RongShi”) regarding a directed issue of DKK 60 million at a share price of DKK 28.18 (share price premium of 454%).
- [Mar 26, 2023](#), CS MEDICA A/S has entered a joint venture with Inner Mongolia RongShi Hi-Tech Co., Ltd (“RongShi”) regarding production of CS-Medica's CANNASEN® CBD medical products in China and distribution of CANNASEN® CBD products to the Asian market. The Joint Venture has been registered in Ordos, Inner Mongolia, China.
- [Mar 30, 2023](#), CS MEDICA has been approved by regulatory authorities to extend the transition period to the Medical Device Regulation (MDR) until end 2028. The extension comes as a relief to the Company and many other researchers and healthcare professionals concerned about the impact of the strict regulatory requirements on the availability of medical devices.

Significant events after the period

- [Apr 14, 2023](#), CS MEDICA A/S is pleased to announce the successful completion of its clinical trial for CANNASEN® Pain Patch.
- [Apr 14, 2023](#), CS MEDICA Greenlights Establishment of CANNORDIC India Pvt. Ltd. as Part of Global Expansion Strategy.
- [Apr 27, 2023](#), CS MEDICA and the joint venture, RongShi MEDICA (Ordos) Co. Ltd. are in progress in all areas of the business relationship and will attend the major events and exhibitions CPHI & PMEC 2023 in Shanghai and Guangzhou.
- [May 08, 2023](#), CS MEDICA's Nasal Protect Gel is a new and innovative treatment option that has demonstrated effectiveness in treating hay fever and allergic rhinitis, according to the results of a recent single-arm clinical trial.
- [May 09, 2023](#), By participating in key events, CANNORDIC, subsidiary of CS MEDICA A/S, expects to expand its awareness and customer base. Today CANNORDIC welcomes guests at its booth at Vitafoods Europe for the nutraceutical industry at Palexpo, Geneva.
- [May 15, 2023](#), CS MEDICA A/S's CANNASEN® Pain Patch receives approval from Israel's Ministry of Health and is set to debut as the first-ever OTC product with CBD in Israel.

STRATEGIC ASPIRATIONS

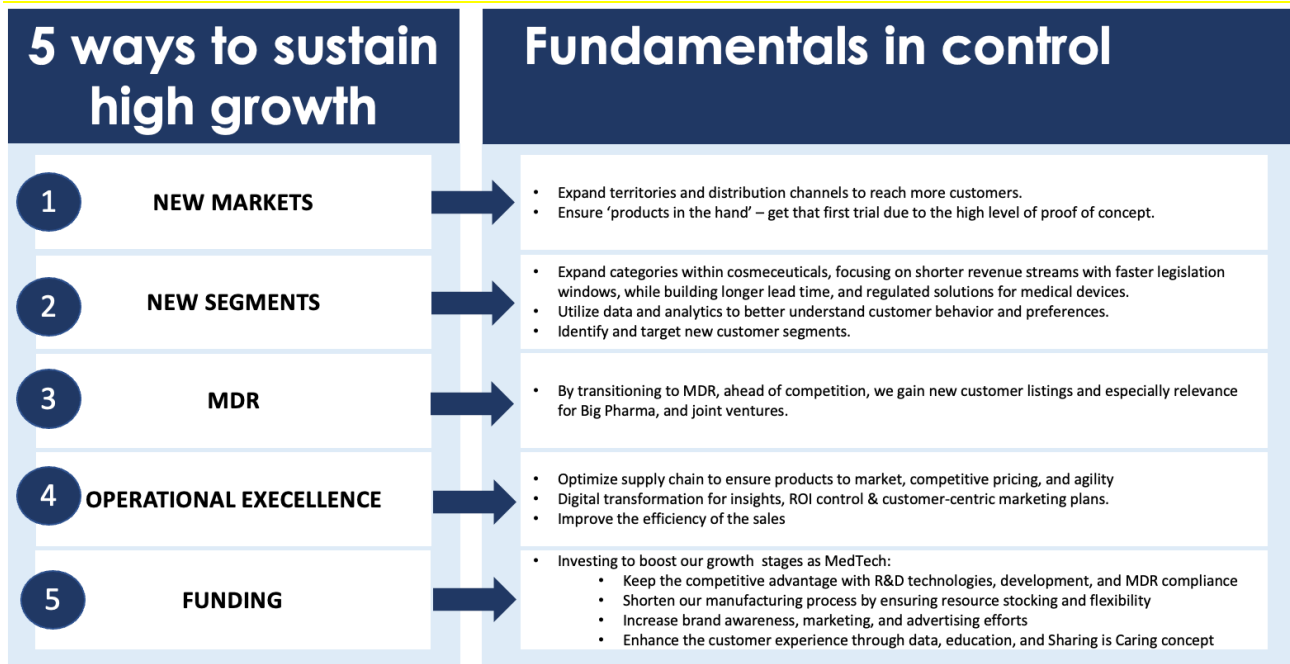
CS MEDICA is a science-based company that combines research, technology, and nature within healthcare. We are categorized as a MedTech company, part of the pharmaceutical industry.

We are the efficient OTC alternative. For individuals, who seek efficient and cleaner treatments over the counter, CS MEDICA revolutionizes with innovative products and technology within the cannabis and medical industries. From discovery to manufacturing, we commit to improving people's lives with world-changing products that make a difference.

We research, develop, manufacture, commercialize, and build brands. Our over-the-counter portfolio surpasses competitive products as we are already selling registered medical devices with cannabidiol under the pharmaceutical/ medico legislation in Europe, and with 160 free sales certificates outside Europe.

The market is competitive when we look at OTC products and alternative offerings for autoimmune diseases and stress-related disorders; however, when looking at efficient, safe products with cannabinoids, there are few regulated treatments on the market. Therefore, our core business offers our customers a quality product with high efficiency and bioavailability and registered healthcare treatment with the therapeutical benefits of cannabinoids.

CS MEDICA prioritizes the following presumptions to deliver sales growth in five core areas in 2022/23:



1. New Markets

As part of our strategic focus on New Markets, we target markets with shorter legislation windows as Europe and the UK short-term, and APAC with CHINA and INDIA as major markets important for our expansion longer-term. Additionally, we have increased the sales team with strong resources to reach global markets and partners faster. And finally, we have joined key fair events to grow awareness and the pipeline with potential new distributors and own-label partners.

Joint Venture in China

After almost a year of negotiation with Chinese Inner Mongolia RongShi Hi-Tech Co., Ltd (“RongShi”), CS MEDICA managed to finalize the Investment agreement on the long-negotiated share price of 28.13 DKK. After failing to agree on the terms in January, RongShi came back in February to open the negotiation again to meet CS MEDICA's requirements.

In March 2023, an Investment agreement was signed, supported by a Joint Venture (JV) company established in Erdos, Inner Mongolia, China. The JV's objective is to establish a production facility in Ordos within a few



years and market the CANNASEN® CBD brand in Asia, contingent on approval by the local regulatory authorities in Asian countries.

The success of the final negotiation was attributed by RongShi's aspiration to become the third pharmaceutical company in the highly sought-after state-level hi-tech zone in Erdos, Inner Mongolia¹. RongShi already obtained all the necessary local approvals and secured various subsidies to support the establishment of the JV production lines².

Below is a timeline defining the negotiation and activities related to the signing of the Investment- and Joint Venture agreement. For more detailed information regarding the Investment agreement, we refer to the funding section under Financial Comments.



The Joint Venture named Rongshi Medica (Ordos) Co., Ltd. ("JV") is owned 49% by CS MEDICA and 51% by RongShi. The production site will be established in Erdos, Inner Mongolia, in accordance with EU-GMP standards and ISO13485 standards including the gel production line, patch production line, and inhaler production line.

- The JV is the exclusive partner of CS MEDICA in Asia excluding India.
- The JV uses Cannasen® CBD as its brand. New packaging adapted to the Asian market will be designed jointly by the two shareholders.
- The JV will market and sell CANNASEN® CBD MD and cosmetic products in Asia. Until the production site has been established, the JV will sell registered and approved CANNASEN® products produced by CS MEDICA and sold to the JV. The products will be registered and approved in each Asian country they are marketed in. The registration process and market penetration will commence first in Asian countries with the least restrictive cannabis approval processes. The first pilot markets will be Thailand and Japan.

The Joint Venture³ is based on collaborative efforts.

- CS MEDICA is responsible for the approval of the CANNASEN® CBD product line by the Chinese FDA, and will deliver all know-how related to the acquisition and installation of the production line, as well as product-related quality assurance according to ISO 13485 and approvals associated with the ongoing

¹ Erdos Hi-Tech Zone, managed by the Erdos government, covers an area of 270.6 square kilometers and includes four parks: Hi-Tech industry park, an equipment manufacturing industry park, a textile industry park, and an auto expo park, with over 2000 registered companies. It serves as an important platform for Erdos' industrial transformation and is a key driver of scientific and technological innovation.

² The JV will among others receive government supports such as technology project funding, patent funding, 5 years of tax exemption, 3 years of free office and apartments, and more at the beginning of the JV. The local government will also provide assistance for the JV's growth.

³ Please refer to the [PM](#) published the 27th of March 2023, for more information about the progress of the Joint Venture.

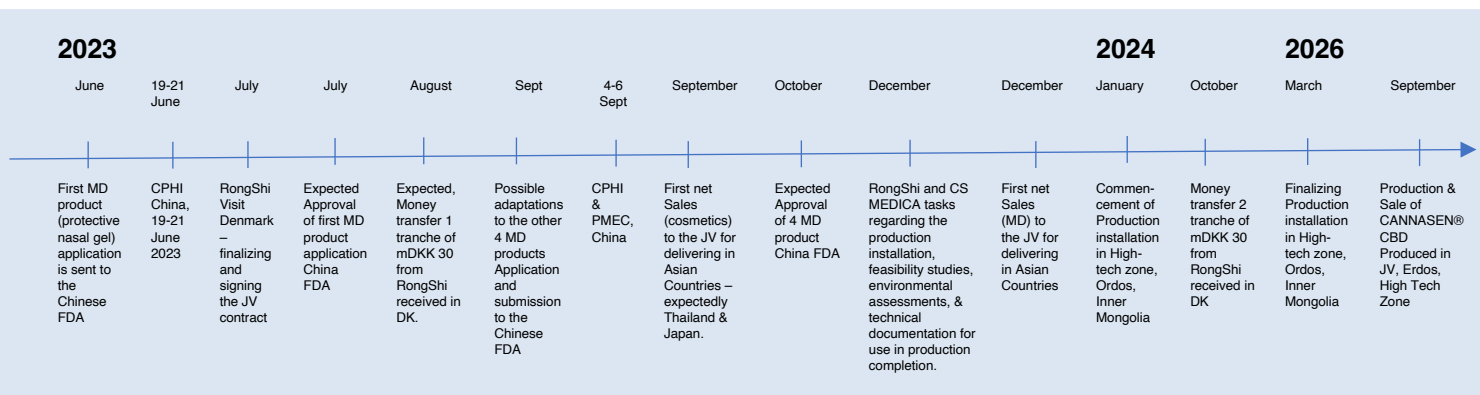


production. Furthermore, the company will deliver all product and production instructions related to the ongoing production.

- RongShi is responsible for all capital investments of the JV including the land, construction, equipment, installation, etc. of all production lines. After finalizing the installation, RongShi will be responsible for the ongoing production processes according to instructions from CS MEDICIA. Furthermore, the RongShi will handle all coordination with and approvals by legal authorities related to the product line installation and commissioning. Additionally, the RongShi will investigate the possibilities for grants and subsidiaries from the Chinese government.

The joint venture, RongShi MEDICA (Ordos) Co. Ltd., is currently underway across all relevant business areas, with an anticipated initial sale of CS MEDICA's cosmetic products scheduled for September 2023. In addition, the JV plans to launch CS MEDICA's MD products in December 2023, and the first batch of CANNASEN® CBD MD products produced by the joint venture is expected to be available in the autumn of 2026.

In the below timeline, we have listed the most important areas of progress and the expected timeline.



Find more information about the JV progress in [PM](#) published on the 27th of April 2023.

Fair events with JV

The JV already commenced its operation, starting with 2 fairs in the upcoming quarters.

- CPHI, China 19-21 June 2023
- CPHI & PMEC, China, 4-6 September 2023

CPHI China is one of the largest pharmaceutical industry events in the world. The event is organized by UBM EMEA and is held annually in Shanghai, China. CPHI China provides business opportunities in the Chinese market. It is a significant event for anyone involved in the pharmaceutical industry and is attended by professionals from all over the world.

PMEC China is an international exhibition focused on the pharmaceutical industry, showcasing the latest technology and innovation.

Both CPHI and PMEC China are considered some of the most important pharmaceutical industry events in Asia, attracting many exhibitors and visitors from around the world.

Company in India

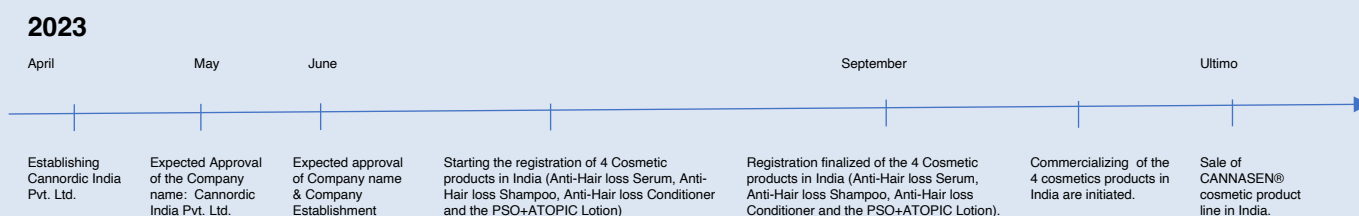
CS MEDICA is in the process of establishing a subsidiary in India, CANNORDIC India Pvt. Ltd., with the aim of obtaining approval from Indian regulatory authorities for marketing and sales of the CANNASEN® product line. This strategic move is in line with our commitment to expanding our global presence and offering innovative solutions to customers worldwide. India is a key market for CS MEDICA, and the establishment of CANNORDIC India Pvt. Ltd. will enable us to introduce the CANNASEN® product line to the Indian market.

CANNORDIC India Pvt. Ltd. is dedicated to working in close partnership with local collaborators to ensure compliance with all regulatory requirements, facilitating the timely availability of the CANNASEN® products to



customers. We also aim to explore potential avenues for expanding our products in India, thereby making a positive contribution to the growth and advancement of the Indian pharmaceutical industry.

Below we have listed the timeline expected for the Indian market. For more detailed information about the India venture, we refer to [PM](#) published on the 14th of April 2023.



New Sales team

To grow our global base of customers, we have increased the sales team with strong resources to deliver on the interest in our products and estimated Net Sales.

Malene Kersting, Sales Director CANNORDIC A/S.

Has a technical background and diploma in management from the Institute of Panum in Copenhagen. Malene has an extensive international experience in the pharma industry on different continents. With strong and varied business insight across the pharmaceutical industry including OTC, Own-Label solutions, and Medical devices with Big Pharma Malene focuses on building the European and North American markets within her expertise.

Kamlesh Vora, Sales Director-Asia Pacific/Managing Director of CANNORDIC India Pvt Ltd.

Holds a master degree in Organic Chemistry from the University of Mumbai. Kamlesh is positioned in Mumbai, speaking English and 6 local Indian languages and is an experienced Regional Market Manager with a demonstrated history of working in the chemicals industry. With skills in Pharma, International Business, and Animal Nutrition, he will be responsible for building India and assisting the JV in the Asia-Pacific markets.

Guo Longlong (Harry), Asia JV Director, CS MEDICA A/S

Harry has a background with a master's degree in Technological and Socio-Economic Planning from Roskilde University of Denmark. He is fluent in Mandarin and English and has familiarity with Chinese culture and business practices. With his combination of business acumen, cultural sensitivity, and sales experience he will assist the JV director with driving business growth and success in Asian countries, excluding India.

Attending key Fair events

After the success of building a pipeline last year on Vitafoods and CPHI events, we have a busy spring with fair events to build the pipeline of new partners. This year, we can cover more events and markets with higher readiness and learning, enhancing our success record.

CPHI Japan, Tokyo

19 – 21st of April

Kamlesh, Harry and Mikkel participated in the largest pharma related fair globally, with its Japanese branch. A lot of focus on API, CDMO and regulatory support on registration. Mainly Asian companies participating, from Japan, China, Thailand, India and various other countries from the region.

Kamlesh and Mikkel got 35 meetings in total with companies and representatives from Asian companies interested in our medical devices with cannabinoids and dermatological products with CBD as well.

Europharm SMC Business Meeting 2023

20 – 21st of April

CANNORDIC is part of the member organization of +2200 members from small and mid-size pharma companies, that were meeting up in Lisbon for sector discussions and debates as well as speed dating meetings.

Malene participated and gained four new potential customers + a meeting with a pharmaceutical company we have approached for a while due to a great match.



LSX World Congress, London

3 – 4th of May

The 9th LSX World Congress is the leading partnering, strategy and investment Life Science event in Europe, with qualified 1:1 partnering at its core. All major pharma companies was present at this fair.

Lone was speaking at the event, while also participating in meetings for commercial partnerships and investment-related topics.



Cosmofarma, Bologna

5 – 7th of May

The biggest pharmacy fair in Italy.

Malene participated in this event supported by an Italian hostess, with a 12sqm stand designed with the CANNASEN® marketing elements and products. Prior to the event Malene reached out to 40+ potential customers from Italy and gained 98 contacts and 50 sales leads during the fair.

Vitafoods, Geneva

9 – 11th of May

Vitafoods focuses on ingredients for food and nutrition as well as finished products. Market leaders are sharing the latest technology and studies during the event from several stages, on site, online, and both in combination. Repeating the success from last year, CANNORDIC participated with a booth and with the Wound Gel in the new product area. The Fair was once again a huge success with 212 contacts and 180 sales leads obtained.



Pharmavenue, Madrid

22 – 23th of May

Speed-dating meetings take place for two full days. Participants are a mix of distributors, manufacturers, and Big Pharma. Repeating the success from Marbella in November, Mikkel will be joining all meetings (20 ish).

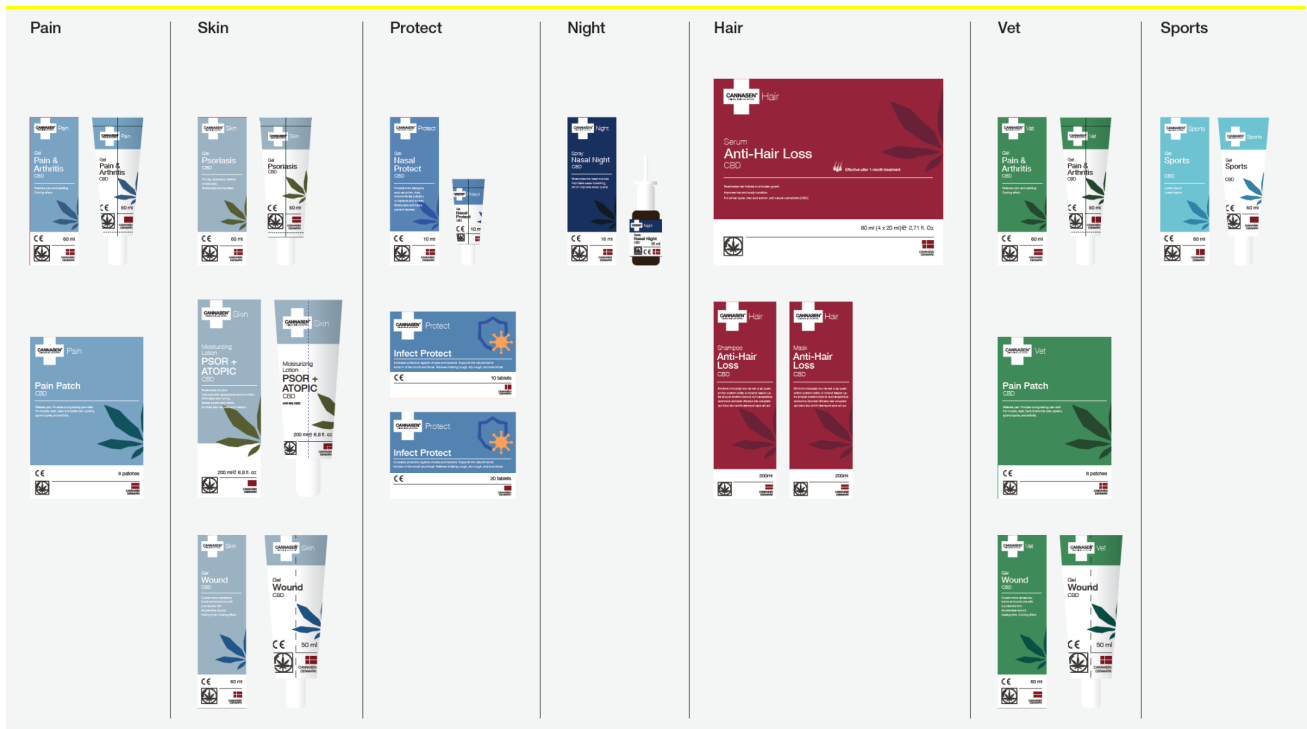
2. New Segments

We will be presenting the new pipeline of VET (3 products), SPORT (1 product now), and HAIR (2 products) at Vitafoods in May. The new product launches will reach new segments with faster lead time to market due to shorter product registration times. The new VET and SPORTS products are line extensions of existing products with clinical trials and evidence of efficacy, only utilizing the investment in the original products.

The new launches is already gaining a pipeline, and we will only go into production, when orders are placed.

Product Registration	Disease indications	Development Stage			
		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
	Immune Booster				Q2 2023
Medical device Veterinary	Pain Patch Hot				Q3 2024
	Hotspot Gel – Dogs*				Q3 2023
	Mud Fever Gel – Horses*				Q3 2023
	Pain Patch – Horses*				Q3 2023
Cosmeceuticals	Pain Gel – Dogs & Horses*				Q3 2023
	Hair regrowth*				LAUNCHED
	PSOR + ATOPIC Lotion				LAUNCHED
	Sport Gel 1000*				Q3 2023
	Sport Patch*				Q3 2024
	Skincare line				Q4 2023
	Anti-Hair loss Shampoo				Q2 2023
	Anti-Hair loss Mask				Q2 2023
Medicine	Psoriasis Shampoo				Q4 2023
	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



3. MDR

A core strategic focus for sustainable growth and competitive advantage with our MDR transitioning.

As a medical device manufacturer with leading CBD technology, we have been approved by regulatory authorities to extend the transition period to the Medical Device Regulation (MDR) until end of 2028. The extension comes as a relief to CS MEDICA, and many other researchers and healthcare professionals concerned about the impact of the strict regulatory requirements on the availability of medical devices.



CS MEDICA has invested considerable resources and liquidity into ensuring that its products comply with the new regulations. The company is committed to providing high-quality medical devices with cannabinoids that meet the needs of healthcare professionals and patients. CS MEDICA's application is now accepted by a Notified Body in the Netherlands and is in the progress of contract signing.

The extension of the transition period will allow the company to continue selling its products without interruption until the end of 2028, giving it a strong competitive advantage.

4. Operational Excellence

By consolidating the company, and rethinking strategies, processes, and technologies CS MEDICA is ready to scale efficiently. A digital transformation is in progress, a harmonization of production, and an agile team is set to deliver the goals.

5. Funding

After securing the Direct Issue of 60 MDKK with RongShi, we are currently waiting for the approval of our Medical Products with the Chinese FDA. Upon approval, the first 50% of the Direct Issue, equivalent to 30 MDKK, will be released. As a result, we have adjusted our funding strategy to support our growth plans up to the Direct Issue. Please see more about the funding situation under the section, "Financial comments".

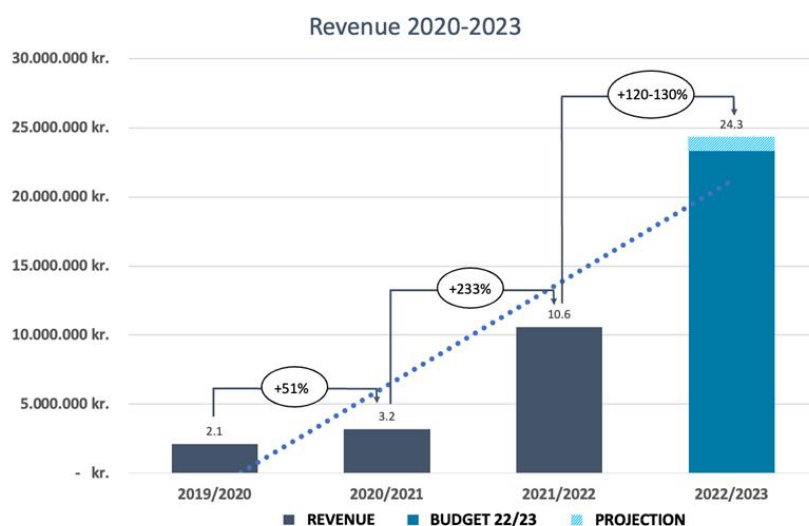


OUTLOOK

2022/2023 (October 2022 – September 2023)

The current expectations for 2022/2023 are summarised in the table below, and are unchanged from the previous quarter.

The current expectations for 2022/2023 are summarized below:



Expectations are as reported, if not otherwise stated	Expectations 2022/ 2023 (by 15. February)	Expectations 2022/ 2023 (by 16. may)
Sales growth	120-130%	120-130%
Operating profit growth	200%	200%
Financial items (net)	Approx. 1,2 MDKK	Approx. 1,2 MDKK
Investment in development projects	Approx. 6 MDKK	Approx. 6 MDKK
Depreciation and amortization	Approx. 2,1 MDKK	Approx. 2,1 MDKK

For 2022/2023, **net sales growth** is expected to grow by 120-130%. The guidance reflects expectations for continued sales growth (for delivered products) in both International and Nordic operations. The guidance reflects expectations for sales growth across categories, mainly driven by Skin (Psoriasis and Wound) and Pain (Arthritis) treatment while expanding into new markets and segments (Vet and Sport). Intensifying the order intake pipeline, focusing on shorter legislation-window products and Net Sales streams, and optimizing the supply chain lead time are some of the core presumptions delivering sustainable sales growth for 2022/23.

Operating profit growth is expected to be 200%. The expectation for operating profit growth primarily reflects the sales growth outlook and continued investments in growth drivers across the value chain, including the focus on operational excellence, MDR track as well as continued roll-out of the Cannasen® brand while building the pain and skin markets and launch of sport and vet product lines. Furthermore, resources are allocated to both early and late-stage pipeline activities, including expected initiations of several phase IIa clinical trial programs in 2022/2023. While focusing on the global rollout we continue controlling costs in all processes and operations of CS MEDICA. Furthermore, we have intensified our effort and endeavors within reducing the cost of goods and production time. Hence, the growth in operating profit surpasses the estimated sales growth. The outlook is based on several assumptions related to the severity and duration of impacts from the macro-economic challenges from 2022. Consequently, volatility in quarterly results should still be expected.

For 2022/2023, CS MEDICA expects **financial items (net)** to amount to a loss of around MDKK 1.2, mainly reflecting interests associated with a loan to Vækstfonden and new loans.

The **effective tax rate** for 2022/2023 is expected to be in the range of 19-22%.

Investment in R&D development projects is expected to be around MDKK 6 in 2022/2023.

Depreciation and amortization are now expected to be around MDKK 2.1 reflecting phasing of depreciation of development projects, Rights, and IPR rights, including costs related to the adoption of the new MDR.

Cash Positive operation

Given our status as a Medtech company with projects in various stages of growth, including discovery, new developments, manufacturing, and commercialization, it's currently challenging to forecast when we will achieve cash positivity. As a result, we're exploring various options to finance our continuous growth, R&D, and compliance with MDR requirements. This includes considering potential strategic partnerships. We anticipate being able to provide a more accurate estimation of our cash positivity timeline once we activate the Asian market.



INNOVATION AND THERAPEUTIC FOCUS

Innovation and Therapeutic focuses 2022/2023

Our business includes the following categories and key products available or in the late clinical trial phase in each category. All registered products have been launched before the 26th of May 2021 before the change of legislation from MDD to MDR.

Patents, Trademarks and MDR transitioning.

SKIN DISORDERS

1. Psoriasis Gel ☺ - immediately stops the itch and reduces the redness and scaling.
2. PSOR+ATOPIC lotion - moisturizes and softens the skin.
3. Wound Gel ☺ - gives the optimal wound healing environment and reduces the healing time.

MUSCULOSKELETAL DISORDERS

4. Pain Patch ☺ - long-lasting pain relief - local treatment.
5. Arthritis Gel ☺ - immediate cooling effect and pain relief.

RESPIRATORY DISORDERS

6. Protective Nasal Gel ☺ - protects against environmental antigens.
7. Nasal Spray Night ☺ - improves breathing and sleep quality.
8. Infect Protect Lozenges (COVID-19 protection) in production

DERMACEUTICALS

9. Anti-Hair Loss Serum - increases hair density, thickness and reduces hair loss.
10. Anti-Hair Loss shampoo & mask (2 products) in production
11. Anti-Bacterial hand cream.

Innovation and Therapeutic focuses 2025

We operate in different growth stages from discovery, development, manufacturing & certification, and commercialization.

The below plan is on track:

2023 - CALENDER YEAR					2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
R&D (START UP)	INHALATOR PSOR HAIRCARE VET SPORT	PAIN PATCH LX SPORT LX	SKIN CARE						SUPPLEMENTS			
TRIALS (RUNNING)	PSOR VS PLACEBO	VET CBD ACTIVE		PAIN PATCH LX + SPORT LX			SKIN CARE	EST INHALATOR				SUPPLEMENTS
MDR	MDR TRANSITION	MDR TRANSITION	MDR TRANSITION	MDR TRANSITION	MDR COMPLETED ON SELECTED SKUS	MDR COMPLETED ON SELECTED SKUS	MDR COMPLETED ON SELECTED SKUS	MDR COMPLETED ON SELECTED SKUS				
GMP CERTIFICATION				ISO13485	GMP PROCESS MDR CERTIFIED	MDR CERTIFIED	MDR CERTIFIED	MDR CERTIFIED	GMP CERTIFIED (AGAIN)			
PATENTS	DK PATENT TO PCT LANDING	PCT LANDING	PCT LANDING	PCT LANDING								
NEW PRODUCT LAUNCHES (NPDs)			HAIRCARE LX SPORT COVID LOZENGES	VET	SKIN CARE						EST INHALATOR	
MARKET AIMS <small>- changes can occur based on local registration development</small>	EUROPE THE UK	EUROPE AUSTRALIA CANADA MENA	US MARKET CHINA SOUTH KOREA JAPAN	AFRICA INDIA NZ			BRAZIL MEXICO					
DIGITAL CHANNELS	AMAZON FR, IT, UK, ES ON TOP OF DE AND SE		CANNASEN ECOMMERCE									
PRODUCT MRK		NEW PACKAGING NEW IFUS	NEW PACKAGING NEW IFUS									
BRAND & COMMUNICATION	BRAND AWARENESS & TRAFFIC REFRAMED EQUITY STORY & COMMUNICATION STRATEGY	BRAND PLAYBOOKS ECOMMERCE MVP	AWARENESS SOCIAL COMMERCE INCL LIVE SHOPPING TESTING	AWARENESS COMMUNITY								
FUNDING	NEW FUNDING NEW ADVISORS & 3-TIER FUNDING STRATEGY PREP TO MAIN MARKET (FRS)	NEW FUNDING LAUNCH STAKEHOLDER COMMUNICATION ALWAYS ON' CONCEPT	POTENTIAL MOVE TO DK/NEW STOCK MARKET & REPOSITION									



SHARE INFORMATION

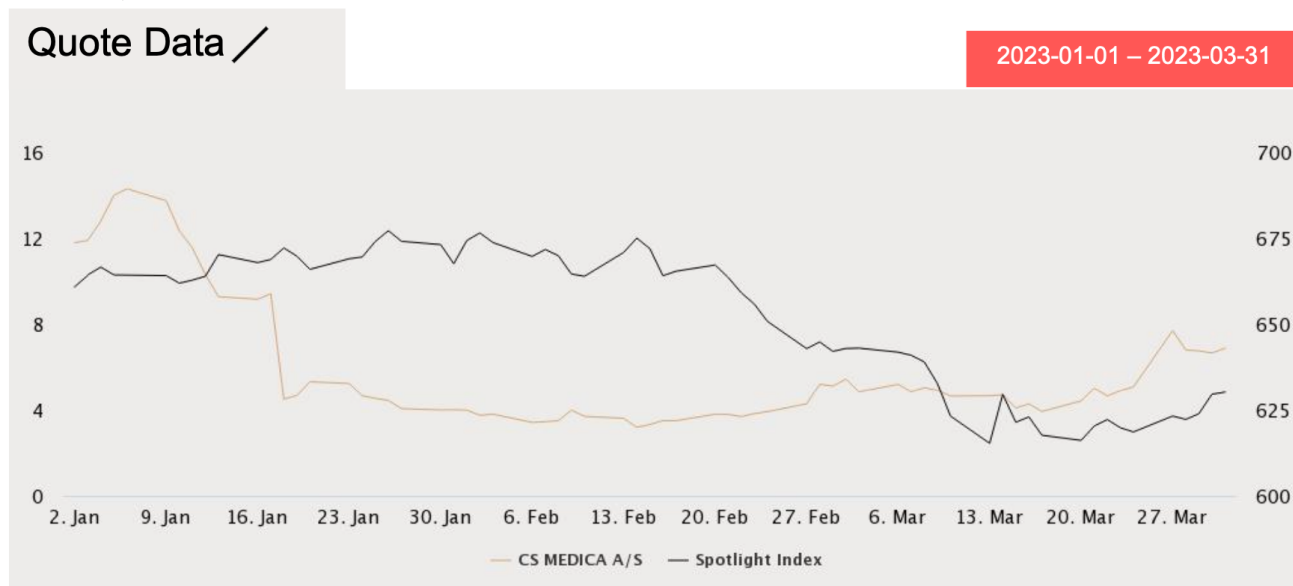
CS MEDICA's share

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 December 31, 2021: 12.322.635 shares.

Share price performance Q2 2022/2023

At the second quarter of 2022/2023, the closing price of CS MEDICA's shares, 31th of March 2023, on Spotlight Denmark was DKK 6,9, down 36,7% since year-end 2021/2022, with a closing price of DKK 10,9.

The trading volume of CS MEDICA's shares on Spotlight Denmark was 4 027 189 shares in Q2 2022/2023 equivalent to 32,7% of shares issued. As per March 31, 2023, the market capitalization of CS MEDICA was MDKK 84,8.



Dev. %	Dev.	Last	High	Low	Average	No. of Trades	Volume	Turnover
-41,7%	-4,92	6,88	14,90	2,78	5,88	7 552	4 027 189	26 630 367

*Hist.Dev. /	%	High	Low	T/O / day	Data /	
1 week	35,4%	11,00	4,90	539 776	Average MCAP	72 402 116
1 month	32,3%	11,00	3,86	217 807	VWAP	6,58
3 months	-41,7%	14,90	2,78	409 698	Average Spread	3,68%
This year	-41,7%	14,90	2,78	409 698	Volatility	204.27%
1 year	-9,5%	20,90	2,78	410 276	Turnover Rate (yearly)	141.47%
3 years	-18,1%	20,90	2,78	348 024	Number of Days Traded	65
5 years	-18,1%	20,90	2,78	348 024	Number of Days Traded	101.56%
					Index Development	-4,67%

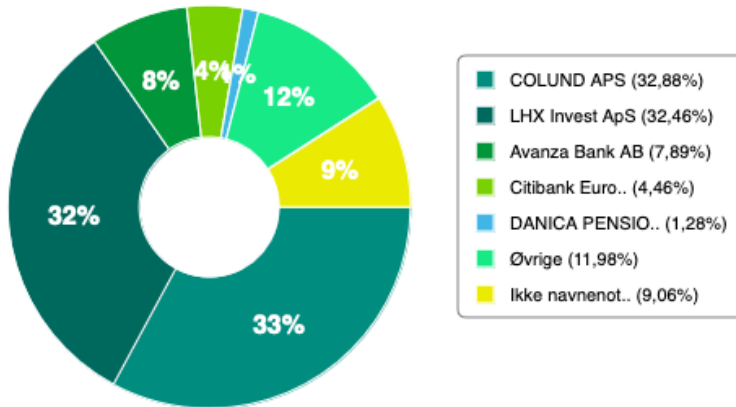
*development up until and including 2023-03-31

Ownership

The three largest shareholders own approximately 71% of the share capital. Shareholders owning more than 5% of the share capital in CS MEDICA according to 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

Shareholder composition



New communication strategy

Through open and proactive communication, we aim to provide the basis for fair and efficient pricing of the CS MEDICA share. To keep investors updated, we host conference calls with management following the release of financial results and FAQs prior to a call. We are in progress with a digital transformation and optimizing the events and investor news on our website is a priority.

Group Management and Investor Relations will preserve constructive contact with existing and potential investors within the MAR rules and ensure engagement with investors and analysts. The company will prioritize stakeholder management and initiate corporate branding to clearly understand the CS MEDICA DNA, market, presumptions, and growth expectations as optimal shareholder profile.

For more information about analyst coverage, please visit : <https://www.cs-medica.com>.

MANAGEMENT STATEMENT

The Board of Directors and Executive Management have reviewed and approved the financial report of CS MEDICA A/S for the first six months of 2022/2023. The financial report has not been audited or reviewed by the company's independent auditors.

The financial report for the first six months of 2022/2023 has 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 2021/2022 of CS MEDICA A/S. In our opinion, the financial report for the first six months of 2022/2023 gives a true and fair view of the Group's assets, liabilities and financial position at 31. March 2023, and of the results of the Group's operations and cash flow for the period 1 October to 31. March 2023. 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 2021/2022.

Copenhagen, 16. May 2023

Executive Management

Lone Henriksen
CEO and CSO

Heidi Ahlefeldt-Laurvig
COO and CMO

Mikkel Raahauge Nielsen
CCO

Board of Directors

Jørgen Flemming Ladefoged
Chairman of the Board

Anders Permin
Member of the Board

Alexandre Fevre
Member of the Board

Gitte Henriksen
Member of the Board
CIO and CFO

About CS MEDICA

CS MEDICA A/S is a Danish-based MedTech company operating within research, development, manufacturing, commercializing, and a part of the pharmaceutical industry. The company combines science and nature with the purpose of creating products for a better every day by using modern technology to research and utilize different compounds found in the cannabis plant. CS MEDICA offers efficient, safe OTC alternative treatments for autoimmune and stress-related disorders under the trademark CANNASEN® or own label options.

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

Financial calendar

Q3: Interim report April 2023 – June 2023

18 July 2023

Q4: Year-end report October 2022 – September 2023

17 November 2023

Annual report 2022/2023

1 December 2023

Annual General Meeting

14 December 2023

Contacts for further information

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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

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.



FINANCIALS

Financial comments

Income Statement

In this second quarter of 2022/2023 (January – March 2023), CS MEDICA received orders corresponding to mDKK 1.9, which together with the orders from mDKK 1.1, total mDKK 3.0, are currently in production, with delivery planned for Q3 and Q4 of 2022/2023. Due to macroeconomic challenges in 2022, CS MEDICA has been facing a production period of 3-6 months, followed by a legislation window of 1 to 8 months, depending on the region. On top of that CS MEDICA has experienced challenges with finalizing the packaging design, resulting in new orders for expected delivery and invoicing in the second quarter of 2023 has been postponed to the third quarter of 2022/2023. Consequently, the **Net sales** for this quarter amounted to only tDKK 251, compared to tDKK 94 in the same quarter last year.

The increase in **gross profit** is mainly caused by the sale of inventories that were previously written down, but are now sold at full price, resulting in the recognition of the previous inventory write-down as income in this quarter. As a result, the costs of goods sold have become positive. Additionally, the increase in gross profit has been balanced by a favorable product mix, which was achieved through productivity enhancements aligned with the goal of achieving operational efficiencies.

Other operating income (net) was tDKK 41 compared with tDKK 536 in the second quarter of 2021/2022. In 2022/2023 Other Operating income solely relates to periodic Net Sales recognition of previously received grants from Innoboster, recognized as development projects. In 2022/2023 we have not received any new grants, hence the decrease compared to the second quarter of last year.

Sales and distribution costs decreased from tDKK 1.151 in the second quarter of 2021/2022 to tDKK 614 in 2022/2023. The decrease in costs is due to reduced marketing costs in the Nordic countries and exhibition costs.

Administration costs decreased by 8% to tDKK 1.675 (tDKK 1.819), reflecting lower spending in the second quarter of 2022/2023 compared to last year.

Staff costs increased by 8% to tDKK 1.875 (tDKK 1.729), reflecting salary costs to new employees.

Depreciation and amortization are unchanged, tDKK 519, in the second three months of 2022/2023 and 2021/2022.

Operating profit decreased to tDKK -4.231 (-4.857). The cost mainly consisted of costs for new design and production startup, administrative- and staff costs.

Financial items (net) showed a net cost of tDKK 101 (tDKK 47) in the second quarter of 2021/2022. The increased cost relates to interest on loans to family and relatives, with a monthly interest of 0.35%.

The effective tax rate is 22% in the second quarter of 2022/2023, as well as in 2021/2022.

Net loss decreased by 10% to tDKK -3.417 compared to tDKK -3.841 in 2021/2022.

Cash flow and capital allocation

Capital expenditure in Research and development projects was tDKK 329 (1.394) in the second quarter of 2022/2023. The investment relates to the adoption of MDR, while also reflecting the progression of the product pipeline added with additional product tests and documentation to secure added Net Sales streams.

Free cash flow in the second quarter of 2022/2023 was reflected with an outflow of tDKK 39 compared to an outflow of tDKK 4.342 in 2021/2022. The decreased outflow was mainly caused by a loan from the two founders' mother of tDKK 3.500 (subordinate loan capital) together with a credit of tDKK 700 (included in other payables) from one of the two founders.

Equity Statement

Total equity was tDKK 18.038 (18.126) at the end of the second quarter of 2022/2023, equivalent to 70% of total assets, compared with 84% at the end of the second quarter of 2021/2022. Please refer to the Equity statement for further elaboration on changes in equity.

Financing and financial position

Cash and Cash equivalents, total tDKK 30 (1.848) at the end of the second Quarter of 2022/2023 are subsequently reinforced with a loan and credit from the two founders and family, total tDKK 3.000. With this in place and in combination with the factoring agreement with Svea, the liquidity in the day-to-day operation is secured.

The **long term funding** is secure by the company's agreement with Inner Mongolia RongShi Hi-Tech Co., Ltd.(RongShi), which now is finalized after a year-long negotiation about a cash capital increase (direct issue) at a price of DKK 28.13. The capital increase is subscribed by RongShi, following the establishment of an Joint venture in Ordos, Inner Mongolia, and the signing of an Investment Agreement, both in March 2023.

The direct issue amounts to 60,000,024 DKK corresponding to 14.76% of CS MEDICA 's outstanding shares on a non-diluted basis. The shares are subscribed with a nominal value of DKK 0.065 and a nominal amount of DKK 138,642. The capital is divided into two tranches each of DKK 30M.

1. The first tranche, 50% of the Investment Amount, will be paid by the RongShi by subscribing 1,066,477 new shares in the Company by cash contribution of DKK 30,000,012 corresponding to a 7.38% ownership.

This tranche is subject to the registration and approval of 3-5 of the CANNASEN CBD products by the China National Medical Products Administration.

2. The second tranche, 50% of capital increase, will be paid by the RongShi by subscribing 1,066,477 (making a total of 2,132,954 shares) in the Company by cash contribution of DKK 30,000,012 whereby the RongShi's ownership percentage is increased by 7.38% to 14.76%.

The second tranche is subject to CS MEDICA reaching a Net Sales of an minimum DKK 62.4M in the 12-month period following the payment of the first tranche. If CS MEDICA doesn't reach this Net sale, 1,066,477 of new shares will be issued to RongShi at a share price of DKK 0,00 (zero), resulting in a net average share price for the total investment of DKK 14,065.

RongShi has initiated the approval of the transfer of tranche one by the 3 official instances in China. And submitted the application for the "Certificate of Enterprise's Overseas Investment" (money transfer fulfilling the Investment Agreement) to the relevant government agencies.

For more information about the direct issue and related Joint venture, please refer to the Notice of Extraordinary General Meetin, approving the direct issue, at [cision](#) and the section STRATEGIC ASPIRATIONS in this report.

To secure the growth plans up to the direct issue, CS MEDICA is currently adjusting its funding strategy to adapt to the funding needs in the intermediate period.

Financial Statements

Income Statement 1. January – 31. March 2023

Q2 2022/2023

	Quarter		Year-to-Date	
	2022/2023 DKK	2021/2022 DKK	2022/2023 DKK	2021/2022 DKK
Income Statement				
Net Sales	251.401	93.891	321.673	221.148
Costs of goods sold	158.451	-268.841	131.743	-322.653
Gross Profit	409.853	-174.951	453.416	-101.504
Other operating income	41.238	535.844	82.476	573.347
Sales and distribution cost	-613.999	-1.151.385	-1.714.117	-1.815.646
Administrative costs	-1.674.986	-1.818.711	-2.800.529	-2.641.393
Staff costs	-1.874.356	-1.728.968	-3.585.893	-2.769.994
Depreciation and amortisation	-519.045	-518.945	-1.037.990	-1.037.890
Operating profit	-4.231.295	-4.857.115	-8.602.637	-7.793.079
Financial costs net	-100.923	46.848	-132.308	-92.012
Profit or loss before tax	-4.332.218	-4.810.267	-8.734.945	-7.885.091
Tax on net profit or loss for the year	915.124	969.138	1.846.448	1.666.262
Net profit or loss for the year	-3.417.094	-3.841.130	-6.888.497	-6.218.829
Comprehensive income				
Net profit or loss for the year	-3.417.094	-3.841.130	-6.888.497	-6.218.829
Other comprehensive income:				
Cost Direct Issue & IPO	0	0	0	-959.700
Total comprehensive income for the year	-3.417.094	-3.841.130	-6.888.497	-7.178.529

Balance

31. March 2023

	31. March 2023	31. March 2022	30. September 2022
	DKK	DKK	DKK
Balance Sheet			
Assets			
Development projects & IPR rights	9.452.122	9.744.021	9.561.982
Rights	3.713.626	4.547.835	3.952.876
Equity investments in group enterprises	0	-1	0
Deferred tax assets	5.352.068	1.892.805	3.505.700
Deposits	200.709	82.186	109.012
Total non-current assets	18.718.525	16.266.846	17.129.570
Current assets			
Inventories			
Work in progress	0	0	0
Manufactured goods and goods for resale	1.878.101	2.758.194	1.348.534
Trade receivables	5.146.784	3.384	6.493.623
Other receivables	23.713	775.364	10
Cash on hand and demand deposits	29.520	1.847.706	2.933.783
Total current assets	7.078.119	5.384.648	10.775.951
Total assets	25.796.644	21.651.493	27.905.520

Balance

31. March 2023

	31. March 2023 DKK	31. March 2022 DKK	30. September 2022 DKK
Equity and liabilities			
Share Capital	800.971	715.130	800.971
Reserve for net revaluation according to the equity method	0	1.387.251	0
Reserve for development costs	7.372.655	7.793.459	7.435.878
Retained earnings	9.864.420	8.230.800	16.689.694
Other Capital reserves	0	0	0
Total equity	18.038.047	18.126.639	24.926.543
Provisions for deferred tax	0	0	0
Other provisions	82.472	247.424	164.948
Subordinate loan capital	3.515.762	0	0
Interest bearing liabilities	529.153	944.732	594.924
Total non-current liabilities	4.127.387	1.192.156	759.872
Interest bearing liabilities	354.482	437.100	448.025
Trade payables	2.267.797	1.342.604	1.186.419
Other payables	1.008.931	552.993	584.660
Total current liabilities	3.631.210	2.332.698	2.219.105
Total liabilities	25.796.644	21.651.493	27.905.520

Equity Statement

Q2 2022/2023

	Quarter		Year-to-Date	
	2022/2023 DKK	2021/2022 DKK	2022/2023 DKK	2021/2022 DKK
Balance at 1. January 2023 /1. October 2022	800.971	708.630	800.971	708.630
Change	0	6.500	0	6.500
Contributed capital, at 31. March 2023	800.971	715.130	800.971	715.130
Balance at 1. January 2023 /1. October 2022	0	1.387.251	0	1.387.251
Change	0	0	0	0
Reserve for net revaluation, at 31. March 2023	0	1.387.251	0	1.387.251
Balance at 1. January 2023 /1. October 2022	7.427.318	6.886.402	7.435.878	5.763.949
Change	-54.663	907.057	-63.223	2.029.509
Reserve for development costs, at 31. March 2023	7.372.655	7.793.459	7.372.655	7.793.459
Balance at 1. January 2023 /1. October 2022	13.226.851	12.183.487	16.689.694	16.287.572
Share premium	0	843.500	0	843.500
Reserve for net revaluation according to the equity method	0	0	0	0
Deferred tax	0	0	0	355.766
IPO cost	0	-48.000	0	-1.007.699
Reserve for development costs	54.663	-907.057	63.223	-2.029.509
Retained earnings for the period	-3.417.094	-3.841.130	-6.888.497	-6.218.829
Retained earnings, at 31. March 2023	9.864.420	8.230.800	9.864.420	8.230.801
Total Equity, at 31. March 2023	18.038.047	18.126.639	18.038.047	18.126.639



Cash flow and capital allocation

Q2 2022/2023

	Quarter		Year-To-Date	
	2022/2023	2021/2022	2022/2023	2021/2022
	DKK	DKK	DKK	DKK
Cash Flow statement				
Profit/loss before tax	-3.417.094	-3.841.130	-6.888.494	-6.218.829
Financial expenses, reversed	100.923	-46.848	132.308	92.010
Depreciation, reversed	519.045	518.945	1.037.990	1.037.890
Changes in working capital	992.664	-179.646	278.677	-276.151
Cash flows from operating activities	-1.804.461	-3.548.678	-5.439.519	-5.365.080
Investing in Development projects	-329.289	-1.394.379	-688.880	-2.196.614
Cash flow from investment activities	-329.289	-1.394.379	-688.880	-2.196.614
Share capital	0	6.500	0	6.500
Share premium	0	843.500	0	843.500
Financial expenses paid	-100.923	46.848	-132.311	-92.012
Cost IPO	0	-48.000	0	-1.007.700
Loan converted to capital & share exchange	0	0	0	0
Loan internal partners	2.265.762	0	3.515.762	0
Credit institutions	40.093	-264.190	-65.771	-369.379
Credit institutions - short	-110.000	15.897	-93.543	32.406
Cash flow from financing activities	2.094.932	600.554	3.224.137	-586.686
Total cashflows end of period	-38.819	-4.342.504	-2.904.262	-8.148.380
Cash, beginning of period	68.339	6.190.211	2.933.783	9.996.085
Cash, end of period	29.520	1.847.706	29.520	1.847.706

	Quarter		Year-To-Date	
	2022/2023	2021/2022	2022/2023	2021/2022
	DKK	DKK	DKK	DKK
Change in working capital				
Change in Finished goods	-265.295	-1.647.321	-529.567	-1.593.510
Trade + other receivables	110.509	504.286	1.323.137	2.260.996
Trade + other payables	2.160.812	1.973.765	1.505.649	831.712
Other provisions	-41.238	-41.238	-82.476	-82.476
Deferred tax	-915.124	-969.138	-1.846.368	-1.692.872
Loan subsidiaries	0	0	0	0
Deposits	-57.000	0	-91.697	0
	992.664	-179.646	278.677	-276.151

Financial Statements Parent

Income Statement 1. January – 31. March 2023

Q2 2022/2023

	QUATER		Year-To-Date	
	2022/2023 DKK	2021/2022 DKK	2022/2023 DKK	2021/2022 DKK
Net Sales	202.545	204.042	484.462	408.105
Gross Profit	202.545	204.042	484.462	408.105
Sales and distribution cost	-214.909	-22.571	-284.464	0
Administrative costs	-877.745	-504.867	-1.373.367	-764.238
Staff costs	-1.023.354	-365.905	-1.901.808	-855.222
Depreciation and amoritsation	-171.050	-170.950	136.299	-341.899
Operating profit	-2.084.514	-860.250	-2.938.878	-1.553.254
Income from equity investments in group enterprises	-2.052.070	-675.116	-4.920.102	-2.254.150
Financial costs net	383.155	-11.650	376.851	-25.822
Profit or loss before tax	-3.753.429	-1.547.016	-7.482.129	-3.833.226
Tax on net profit or loss for the year	336.335	165.512	593.632	294.784
Net profit or loss for the year	-3.417.094	-1.381.504	-6.888.497	-3.538.441

Balance

31. March 2023

	31. March 2023 DKK	31. March 2022 DKK	30. September 2022 DKK
Balance Sheet			
Assets			
Development projects & IPR rights	1.134.224	1.029.710	1.106.225
Equity investments in group enterprises	726.974	3.952.876	5.408.027
Deferred tax assets	1.979.874	364.852	1.386.242
Deposits	57.000	0	0
Total non-current assets	3.898.073	5.347.438	7.900.494
Current assets			
Inventories			
Receivables from group enterprises	19.521.756	13.725.668	15.604.974
Other receivables	0	50.000	0
Cash on hand and demand deposits	2.020	1.454.935	2.061.343
Total current assets	19.523.776	15.230.602	17.666.317
Total assets	23.421.848	20.578.040	25.566.812

	31. March 2023 DKK	31. March 2022 DKK	30. September 2022 DKK
Equity and liabilities			
Share Capital	800.971	715.130	800.971
Reserve for net revaluation according to the equity method	0	1.387.251	0
Reserve for development costs	884.695	803.173	862.855
Retained earnings	16.352.380	17.545.664	23.262.717
Total equity	18.038.047	20.451.219	24.926.543
Subordinate loan capital	3.515.762	0	0
Payables to group enterprises	0	-327.500	0
Total non-current liabilities	3.515.762	-327.500	0
Trade payables	1.021.697	241.138	218.721
Other payables	846.342	213.183	421.548
Total current liabilities	1.868.040	454.321	640.268
Total liabilities	23.421.848	20.578.040	25.566.812

Equity Statement

Q2 2022/2023

	QUATER		Year-To-Date	
	2022/2023 DKK	2021/2022 DKK	2022/2023 DKK	2021/2022 DKK
Balance at 1. January 2023 /1. October 2022	800.971	708.630	800.971	708.630
Change	0	6.500	0	6.500
Contributed capital, at 31. March 2023	800.971	715.130	800.971	715.130
Balance at 1. January 2023 /1. October 2022	0	1.387.251	0	1.387.251
Change	0	0	0	0
Reserve for net revaluation, at 31. March 2023	0	1.387.251	0	1.387.251
Balance at 1. January 2023 /1. October 2022	867.200	689.260	862.855	480.881
Change	17.495	113.913	21.840	322.292
Reserve for development costs, at 31. March 2023	884.695	803.173	884.695	803.173
Balance at 1. January 2023 /1. October 2022	19.786.969	18.245.582	23.262.717	21.570.600
IPO cost	0	-48.000	0	-1.007.700
Reserve for development costs	-17.495	-113.913	-21.840	-322.292
Retained earnings for the period	-3.417.094	-1.381.504	-6.888.497	-3.538.443
Retained earnings, at 31. March 2023	16.352.380	17.545.664	16.352.380	17.545.664
Total Equity, at 31. March 2023	18.038.047	20.451.219	18.038.047	20.451.219



Verification

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Main document

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