Q1 REPORT

October – December 2024

CSMEDICA

WORLD-CHANGING PRODUCTS FOR A BETTER EVERY DAY

BRIEFLY ABOUT CS MEDICA A/S

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

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

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

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

COMMENTS FROM THE CEO

Dear Shareholders, Partners, and Colleagues,

While closing the first quarter of our fiscal year (October–December), I want to offer a transparent reflection on a period marked by both operational challenges and deeply personal developments.

This quarter proved to be one of the most demanding in our company's history. We experienced significant delays in production and supply chain disruptions, which pushed critical deliveries into January and February 2025. These delays resulted in revenue of DKK 279,896 based on invoiced orders delivered compared to DKK 1,684 thousand in the same period last year. Upfront payment from customers to start productions in the period amounted to DKK 760.446.

At the same time, December brought two pivotal and difficult moments for the company: first, my personal diagnosis with breast cancer, and second, the news that we were facing a delisting from Spotlight Stock Market.

These events shifted our immediate priorities. My focus necessarily turned to my health and recovery, and we directed our strategic efforts toward ensuring the company's resilience. The core mission became clear: protect and safeguard as much shareholder value as possible during a turbulent time.

Despite the challenges, we have made progress on the following areas:

- **Improved Margins:** Our gross margin increased from 38% (Q1 LY) to 47%, reflecting a stronger and more efficient product mix.
- **Stronger Liquidity:** Cash and cash equivalents improved significantly from mDKK -2.18 million (Q1 LY) to DKK -0.364 million, thanks to tight cost management and strategic planning.
- **R&D Commitment:** We continued investing in our future, increasing R&D spend from DKK 454 thousand (Q1 LY) to DKK 750 thousand, primarily protecting IP Rights.
- **Asset Growth:** Total assets rose to DKK 36.3 million from DKK 30.1 million (Q1 LY) in the same quarter last year, underlining our ongoing investments in innovation and capacity-building.
- **Market Recognition:** Despite the volatility, our share was among the top 3 most traded on the Spotlight Stock Market in 2024.

This quarter tested us on multiple fronts. But it also revealed our people's strength, vision, and ability to adapt. We remain committed to building a company that not only endures—but thrives—through adversity.

I'm therefore also proud to share that in the early part of this calendar year, Gitte Henriksen and Heidi Ahlefeldt-Laurvig stepped in as co-CEOs during my absence.

They initiated a company-wide restructuring with a clear focus: accelerating short-term revenue streams, derisking the supply chain, and strengthening cash flow. Their leadership has been fruitful—they have reframed our strategy, reshaped our operational setup, and already driven tangible improvements in our cash position.

Thank you for your ongoing support, trust, and belief in what we are building together.

With determination and gratitude,
Lone Henriksen
CEO of CS MEDICA

	Quarter 1		Year-To-Date	
	2024/2025	**2023/2024**	**2024/2025**	**2023/2024**
	DKK	DKK	DKK	DKK
Net sales	279.896	1.684.630	279.896	1.684.630
Gross profit	130.883	634.359	130.883	634.359
Operating profit	- 3.013.699	- 3.797.938	- 3.013.699	- 3.797.938
Depreciation and amoritsation	- 694.406	- 519.045	- 694.406	- 519.045
Net financials	- 756.927	- 340.984	- 756.927	- 340.984
Profit before taxes	- 3.770.626	- 4.598.063	- 3.770.626	- 4.598.063
Net profit	- 2.937.572	- 3.719.763	- 2.937.572	- 3.719.763
Credit bank /Cash and cash equivalents	- 364.404	- 2.177.916	- 364.404	- 2.177.916
Addition R&D costs	750.172	454.340	750.172	454.340
Cash flow	430.966	- 1.762.902	430.966	- 1.762.902
Total Assets	36.285.502	30.138.914	36.285.502	30.138.914
Equity	3.078.382	6.694.016	3.078.382	6.694.016
Financial Ratios				
Gross margin	47%	38%	47%	38%
Operating margin	-1077%	-225%	-1077%	-225%
Addition R&D cost in % of sale	268%	27%	268%	27%
Net profit margin	-1050%	-221%	-1050%	-221%
Equity ratio	8%	22%	8%	22%
Share performance				
Basic earnings per share	-17%	-30%	-17%	-30%
Total number of shares	17.125.827	12.322.635	17.125.827	12.322.635
Share Price		7,6	-	7,6

COMPANY INFORMATION

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

Contacts for further information

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Financial Calendar

Q1: Interim report, October– December 2024	31. Marts 2025
Q2: Interim report, January – March 2025	17. April 2025
Q3: Interim report, April– June 2025	17. July 2025
Q4: Year-end report, July– September 2025	30. November 2025
Annual report 2024/2025	10. January 2026
Annual General Meeting 2024/2025	27. January 2026

Financial Statements

Income Statement

1. October – 31. December 2025

	Quarter 1		Yeart-To-Date	
	2024/2025 DKK	**2023/2024** DKK	**2024/2025** DKK	**2023/2024** DKK
Income Statement				
Net Sales	279.896	1.684.630	279.896	1.684.630
Costs of goods sold	-149.013	-1.050.271	-149.013	-1.050.271
Gross Profit	**130.883**	**634.359**	**130.883**	**634.359**
Other operating income	77.500	0	77.500	0
Sales and distribution cost	-200.038	-889.502	-200.038	-889.502
Administrative costs	-561.659	-684.528	-561.662	-684.531
Staff costs	-1.765.980	-2.339.223	-1.765.980	-2.339.223
Depreciation and amoritsation	-694.406	-519.045	-694.406	-519.045
Operating profit	**-3.013.699**	**-3.797.938**	**-3.013.702**	**-3.797.941**
Income from equity investments in group enterprises	0	-459.141	0	-459.141
Financial costs net	-756.927	-340.984	-756.924	-340.981
Profit or loss before tax	**-3.770.626**	**-4.598.063**	**-3.770.626**	**-4.598.063**
Tax on net profit or loss for the year	833.055	878.300	833.055	878.300
Net profit or loss for the year	**-2.937.572**	**-3.719.763**	**-2.937.572**	**-3.719.763**
Comprehensive income				
Net profit or loss for the year	-2.937.572	-3.719.763	-2.937.572	-3.719.763
Other comprehensive income:				
Cost Diret Issue & IPO	0	0	0	0
Total comprehensive income for the year	**-2.937.572**	**-3.719.763**	**-2.937.572**	**-3.719.763**

Balance
31. December 2025

	31. December 2024	31. December 2023
	DKK	DKK
Balance Sheet		
Assets		
Development projects & IPR rights	12.524.284	10.207.807
Rights	2.397.206	3.354.603
Equity investments in Joint Venture enterprises	4.113.010	4.113.010
Deferred tax assets	13.111.786	8.337.948
Deposits	57.000	62.569
Total non-current assets	**32.203.286**	**26.075.937**
Manufactered goods and goods for resale	1.128.548	2.789.580
Trade receivables	2.870.212	876.355
Other receivables	59.844	361.320
Cash and equivalents	23.612	35.722
Total current assets	**4.082.216**	**4.062.977**
Total assets	**36.285.502**	**30.138.914**

Balance
31. December 2024

	31. December 2024 DKK	31. December 2023 DKK
Equity and liabilities		
Share Capital	1.113.179	800.971
Reserve for net revaluation according to the equity method	0	0
Reserve for development costs	9.974.039	7.962.088
Retained earnings	-8.008.836	-2.069.045
Other Capital reserves	0	0
Total equity	**3.078.382**	**6.694.015**
Other privisions	4.802.000	4.802.000
Subordinate loan capital	8.215.442	8.431.318
Interest bearing liabilities	541.369	580.276
Total non-current liabilities	**13.558.811**	**13.813.594**
Prepayments received from customers	2.421.893	1.305.288
Credit bank	388.016	2.213.638
Interest bearing liabilities	5.408.914	82.019
Trade payables	8.733.353	4.520.653
Other payables	2.696.134	1.509.708
Total current liabilities	**19.648.310**	**9.631.305**
Total liabilities	**36.285.502**	**30.138.914**

Equity Statement

1. October – 31. December 2024

	Quarter 1		Yeart-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Balance, beginning of period	1.113.179	800.971	1.113.179	800.971
Change	0	0	0	0
Contributed capital, end of period	**1.113.179**	**800.971**	**1.113.179**	**800.971**
Balance, beginning of period	0	0	0	0
Change	0	0	0	0
Reserve for net revaluation, end of period	**0**	**0**	**0**	**0**
Balance, beginning of period	9.445.405	6.931.784	9.445.405	6.931.784
Change	528.633	1.030.305	528.633	1.030.305
Reserve for development costs,end of period	**9.974.039**	**7.962.089**	**9.974.039**	**7.962.089**
Balance, beginning of period	-4.542.631	2.681.024	-4.542.631	2.681.024
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	-528.633	-1.030.306	-528.633	-1.030.306
Retained earnings for the period	-2.937.572	-3.719.763	-2.937.572	-3.719.763
Retained earnings,end of period	**-8.008.836**	**-2.069.046**	**-8.008.836**	**-2.069.046**
Total Equity, end of period	**3.078.382**	**6.694.015**	**3.078.382**	**6.694.015**

Cash flow and capital allocation

1. October – 31. December 2024

	Quarter 1		Yeart-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Cash Flow statement				
Profit/loss before tax	-2.937.572	-3.719.763	-2.937.569	-3.719.760
Financial expenses, reversed	756.927	340.984	756.924	340.981
Depreciation, reversed	694.406	519.045	694.406	519.045
Changes in working capital	1.636.360	1.578.051	1.636.360	1.578.051
Cash flows from operating activities	**150.121**	**-1.281.684**	**150.121**	**-1.281.684**
Investing in Developnment projects	-750.172	-454.340	-750.172	-454.340
Cash flow from investment activities	**-750.172**	**-454.340**	**-750.172**	**-454.340**
Share capital	0	0	0	0
Share premium	0	0	0	0
Financial expenses paid	-756.927	-340.984	-756.927	-340.984
IPO cost and capital raising	0	0	0	0
Loan internal partners	122.110	332.889	122.110	332.889
Credit institutions	3.920	91.217	3.920	91.217
Loan - short	1.661.914	-110.000	1.661.914	-110.000
Cash flow from financing activities	**1.031.017**	**-26.878**	**1.031.017**	**-26.878**
Total cashflows end of period	**430.966**	**-1.762.902**	**430.966**	**-1.762.902**
Cash/Credit, beginning of period	-795.371	-415.014	-795.371	-415.014
Cash/ Credit , end of period	**-364.404**	**-2.177.916**	**-364.404**	**-2.177.916**

	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	-165.303	-79.549	-165.303	-79.549
Trade + other receivables	1.154.605	1.128.914	1.154.605	1.128.914
Trade + other payables	1.480.113	673.877	1.480.113	673.877
Other provisions	0	0	0	0
Deferred tax	-833.055	-878.300	-833.055	-878.300
Joint Venture, not consolidated	0	688.990	0	688.990
Deposits	0	44.119	0	44.119
	1.636.360	**1.578.051**	**1.636.360**	**1.578.051**

Financial Statements Parent

Income Statement

1. October – 31. December 2024

	Quarter 1		Year-To-Date	
	2024/2025	**2023/2024**	**2024/2025**	**2023/2024**
	DKK	DKK	DKK	DKK
Net Sales	287.059	372.129	287.059	372.129
Gross Profit	**287.059**	**372.129**	**287.059**	**372.129**
Sales and distribution cost	-2.118	-75.080	-2.118	-75.080
Administrative costs	-393.528	-419.645	-393.528	-419.645
Staff costs	-1.036.108	-1.222.423	-1.036.108	-1.222.423
Depreciation and amoritsation	-410.399	-171.050	67.899	307.248
Operating profit	**-1.555.094**	**-1.516.068**	**-1.076.796**	**-1.037.770**
Income from equity investments in group enterprises	-1.201.584	-2.500.862	-1.679.882	-2.979.160
Financial costs net	-675.040	-18.624	-675.040	-18.624
Profit or loss before tax	**-3.431.718**	**-4.035.553**	**-3.431.718**	**-4.035.553**
Tax on net profit or loss for the year	494.146	315.790	494.146	315.790
Net profit or loss for the year	**-2.937.572**	**-3.719.763**	**-2.937.572**	**-3.719.763**
Comprehensive income				
Profit or loss before tax	-2.937.572	-3.719.763	-2.937.572	-3.719.763
Other comprehensive income:				
Cost Diret Issue & IPO	0	0	0	0
Total comprehensive income for the year	**-2.937.572**	**-3.719.763**	**-2.937.572**	**-3.719.763**

Balance

31. December 2024

	31. December 2024	31. December 2023
	DKK	DKK
Balance Sheet		
Assets		
Development projects & IPR rights	3.360.230	1.286.326
Equity investments in associated & group enterprises	16.079.027	8.478.557
Deferred tax assets	5.902.249	2.766.212
Deposits	57.000	57.000
Total non-current assets	**25.398.506**	**12.588.095**
Receivables from group enterprises	1.460.008	11.370.614
Other receivables	51.597	-157.760
Cash and equivalents	79	-64
Total current assets	**1.511.684**	**11.212.790**
Total assets	**26.910.191**	**23.800.885**

	31. December 2024	31. December 2023
	DKK	DKK
Equity and liabilities		
Share Capital	1.113.179	800.971
Reserve for net revaluation according to the equity method	0	0
Reserve for development costs	2.726.418	1.003.334
Retained earnings	-761.216	4.889.709
Total equity	**3.078.381**	**6.694.015**
Other privisions	4.802.000	4.802.000
Subordinate loan capital	8.215.442	8.431.318
Total non-current liabilities	**13.017.442**	**13.268.307**
Credit bank	386.832	1.954.520
Trade payables	3.249.116	909.042
Other payables	1.769.506	975.002
Total current liabilities	**10.814.367**	**3.838.564**
Total liabilities	**26.910.191**	**23.800.885**

Equity Statement
1. October – 31. December 2024

	Quarter 1		Year-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Balance, beginning of period	1.113.179	800.971	1.113.179	800.971
Change	0	0	0	0
Contributed capital, end of period	**1.113.179**	**800.971**	**1.113.179**	**800.971**
Balance, beginning of period	0	0	0	0
Change	0	0	0	0
Reserve for net revaluation, end of period	**0**	**0**	**0**	**0**
Balance, beginning of period	2.328.472	987.429	2.328.472	987.429
Change	397.946	15.905	397.946	15.905
Reserve for development costs,end of period	**2.726.418**	**1.003.334**	**2.726.418**	**1.003.334**
Balance, beginning of period	2.574.302	8.625.378	2.574.302	8.625.378
IPO cost and capital raising	0	0	0	0
Reserve for development costs	-397.946	-15.905	-397.946	-15.903
Retained earnings for the period	-2.937.572	-3.719.763	-2.937.572	-3.719.763
Retained earnings,end of period	**-761.216**	**4.889.709**	**-761.216**	**4.889.711**
Total Equity, end of period	**3.078.381**	**6.694.015**	**3.078.381**	**6.694.017**

Cash flow and capital allocation

1. July – 30. September 2024

	Quarter 1		Year-To-Date	
	2024/2025	**2023/2024**	**2024/2025**	**2023/2024**
	DKK	**DKK**	**DKK**	**DKK**
Cash Flow statement				
Profit/loss before tax	-2.937.572	-3.719.763	-2.937.572	-3.719.763
Financial expenses, reversed	675.040	18.624	675.040	18.624
Depreciation, reversed	410.399	171.050	410.399	171.050
Changes in working capital	1.596.304	1.563.430	1.596.304	1.563.430
Cash flows from operating activities	**-255.829**	**-1.966.660**	**-255.829**	**-1.966.660**
Investing in Developnment projects	-426.384	-71.766	-426.384	-71.766
Cash flow from investment activities	**-426.384**	**-71.766**	**-426.384**	**-71.766**
Share capital	0	0	0	0
Share premium	0	0	0	0
Financial expenses paid	-675.040	-18.624	-675.040	-18.624
IPO cost and capital raising	0	0	0	0
Loan internal partners	122.110	332.889	122.110	332.889
Credit institutions	-6.121	34.989	-6.121	34.989
Loan - short	1.661.914	0	1.661.914	0
Cash flow from financing activities	**1.102.864**	**349.254**	**1.102.864**	**349.254**
Total cashflows end of period	**420.650**	**-1.689.172**	**420.650**	**-1.689.172**
Cash/Credit, beginning of period	-807.403	-265.411	-807.403	-265.411
Cash/ Credit , end of period	**-386.752**	**-1.954.583**	**-386.752**	**-1.954.583**

	Quarter 1		Year-To-Date	
	2024/2025	**2023/2024**	**2024/2025**	**2023/2024**
	DKK	DKK	DKK	DKK
Change in working capital				
Trade + other receivables	156.262	23.642	156.262	23.642
Trade + other payables	488.136	-193.341	488.136	-193.341
Other provisions	0	0	0	0
Deferred tax	-494.146	-315.790	-494.146	-315.790
Loan Group Enterprises	1.446.053	2.048.919	1.446.053	2.048.919
Deposits	0	0	0	0
	1.596.304	**1.563.430**	**1.596.304**	**1.563.430**