

Q3 REPORT

April – June 2025




WORLD-CHANGING PRODUCTS FOR A BETTER EVERY DAY

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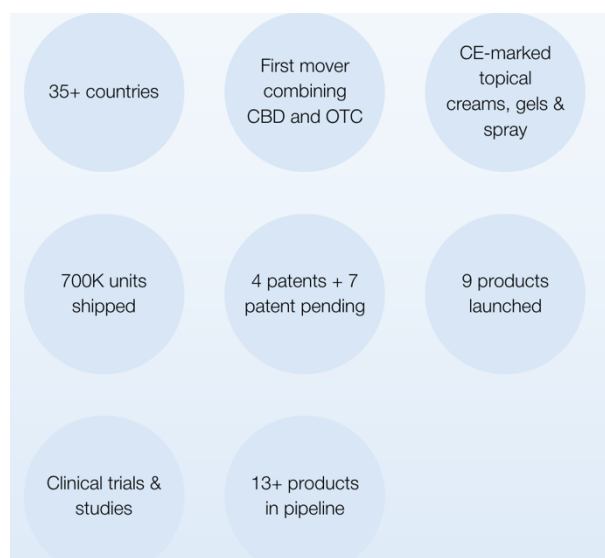
BRIEFLY ABOUT CS MEDICA A/S

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

The third quarter of the financial year (April–June 2025) was characterised by continued operational consolidation, strict cost control, and solid regulatory progress. Although revenue was lower due to postponed deliveries and extended lead times, the Group recorded a reduced operating loss compared with the same period last year, reflecting the full effect of organisational streamlining and financial prioritisation.

Strengthened Commercial Focus and Revenue Discipline

Commercial efforts were directed toward customers and markets offering the shortest path to revenue recognition and the lowest execution risk. Order intake totalled **DKK 2.2 million**, driven by two new EU customers, a major own-label order, and renewed demand from an existing partner. The commercial pipeline remained stable at approximately **DKK 20 million**, of which **DKK 6 million** was already in translations, artwork, production, or release. Supply constraints—primarily extended European tube lead times—affected production planning, and alternative sourcing options are being evaluated. Participation in external events was scaled back in line with cost-discipline measures.

Regulatory Progress and MDR Transition

The ongoing transition from MDD to MDR continues to narrow the competitive landscape, strengthening the Group's relative market position. During the quarter, the Group achieved significant progress with BSI, including completion of the surveillance audit, initiation of technical file assessments, medicinal substance review, and subsequent rounds of technical and biological evaluations. These activities further reinforce the Group's regulatory foundation and support its European and international market-access strategy.

International Approvals and Market Access

Outside Europe, the Group recorded continued regulatory progress. Two products—**Nasal Protect Gel** and **Psoriasis Gel**—received approval in Thailand; dossier evaluation in Jordan continued; and two products advanced through the initial review stages in the **Hainan Pilot Zone** in China. These activities are expected to enable diversified revenue streams from 2026 onward.

Quality Management and Compliance

The Group maintained a stable **ISO 13485- and MDR-aligned QMS**, including updates to controlled documentation, CAPA follow-up, supplier monitoring, internal audits, and harmonisation of technical and clinical files. MDR-driven change control ensured full compliance and traceability for all product-related updates.

Organisation and Intellectual Property

Following organisational adjustments, including the departure of PRRC and QA Manager **Suzan Al-Shuweli**, PRRC and QA/RA responsibilities were consolidated under **Lone Henriksen** to secure continuity across MDR activities, QMS operations, and regulatory submissions. Patent prosecution continued in key jurisdictions, and the **Psoriasis Gel patent** was granted in Australia, further strengthening the Group's competitive protection and supporting regulatory efforts and potential partnerships.

Product Development & Resource Allocation

New R&D activities remained paused during the period to safeguard liquidity and prioritise the Group's regulatory and commercial objectives. Resources were primarily allocated to MDR certification, international registrations, and revenue-generating activities. The Group's patented technology pipeline remains intact and ready for reactivation when financial conditions allow.

Funding and Liquidity

No new funding was secured during the quarter. The Group operated under a strict cash-budgeting regime, prioritising liquidity, controlled spending, and upfront customer payments. Despite limited financial resources, the Group maintained progress across regulatory and operational activities.

Outlook

Entering Q4, management observes continued operational stabilisation, strengthened regulatory progress, higher commercial activity, and increasing revenue levels. The effects of organisational consolidation are now reflected in financial performance. Management remains focused on improving profitability, safeguarding stability, and reinforcing the foundation for long-term value creation.

	Quarter 3		YTD	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Net sales	- 38.898	453.543	1.569.726	4.592.830
Gross profit	559.590	45.797	1.015.318	1.764.163
Operating profit	- 1.611.214	- 3.613.461	- 7.714.954	- 9.644.450
Depreciation and amoritsation	- 416.517	- 519.045	- 1.601.634	- 1.557.135
Net financials	- 762.920	- 350.343	- 2.343.250	- 1.103.623
Profit before taxes	- 2.374.133	- 3.963.804	- 10.058.204	- 11.207.214
Net profit	- 1.977.740	- 3.103.125	- 7.923.346	- 8.595.250
Credit bank /Cash and cash equivalents	- 155.074	- 1.041.535	- 155.074	- 1.041.535
Addition R&D costs	245.241	173.348	2.311.451	2.918.784
Cash flow	78.726	1.002.867	640.297	- 626.522
Total Assets	36.904.678	34.444.854	36.904.678	34.444.854
Equity	561.749	1.818.529	561.749	1.818.529
Financial Ratios				
Gross margin	-1439%	10%	65%	38%
Operating margin	4142%	-797%	-491%	-210%
Addition R&D cost in % of sale	-630%	38%	147%	64%
Net profit margin	5084%	-684%	-505%	-187%
Equity ratio	2%	5%	2%	5%
Share performance				
Basic earnings per share	-10%	-25%	-42%	-70%
Total number of shares	19.026.344	12.322.635	19.026.344	12.322.635
Share Price		6,0	-	6,0

COMPANY INFORMATION

CS MEDICA A/S

CVR: 33871643

Founding date: 17.08.2011

Research startup: 2015

First products launched: 2021

Headquarters: Copenhagen

Financial period:

1. October 2024 – 30. September 2025

Executive Management

- Lone Henriksen
- Gitte Henriksen
- Mikkel Raahauge Nielsen

Financial Calendar.

Follow update on cs-medica.com website.

Financial Statements

Income Statement

1. April – 30. June 2025

	Quarter 3		Yeart-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Income Statement				
Net Sales	-38.898	453.543	1.569.726	4.592.830
Costs of goods sold	598.488	-407.746	-554.408	-2.828.667
Gross Profit	559.590	45.797	1.015.318	1.764.163
Other operating income	0	0	77.500	0
Sales and distribution cost	142.487	-494.292	-251.997	-1.637.203
Administrative costs	-237.765	-725.605	-1.868.068	-1.905.332
Staff costs	-1.659.009	-1.920.316	-5.086.076	-6.308.946
Depreciation and amoritsation	-416.517	-519.045	-1.601.634	-1.557.135
Operating profit	-1.611.214	-3.613.461	-7.714.957	-9.644.453
Income from equity investments in group enterprises	0	0	0	-459.141
Financial costs net	-762.920	-350.343	-2.343.247	-1.103.620
Profit or loss before tax	-2.374.133	-3.963.804	-10.058.204	-11.207.214
Tax on net profit or loss for the year	396.394	860.679	2.134.858	2.611.964
Net profit or loss for the year	-1.977.740	-3.103.125	-7.923.346	-8.595.250
Comprehensive income				
Net profit or loss for the year	-1.977.740	-3.103.125	-7.923.346	-8.595.250
Other comprehensive income:				
Cost Direct Issue & IPO	0	0	-37.350	0
Total comprehensive income for the year	-1.977.740	-3.103.125	-7.960.696	-8.595.250

Balance

30. June 2025

	30. June 2025 DKK	30. June 2024 DKK
Balance Sheet		
Assets		
Development projects & IPR rights	13.298.009	11.873.510
Rights	2.277.532	3.115.254
Equity investments in Joint Venture enterprises	4.113.010	4.115.820
Deferred tax assets	14.413.590	10.071.612
Deposits	0	62.569
Total non-current assets	34.102.141	29.238.764
Manufactured goods and goods for resale	1.737.242	1.457.569
Trade receivables	816.738	2.339.107
Other receivables	395.945	540.302
Cash and equivalents	-155.074	51.949
Total current assets	2.802.537	5.206.089
Total assets	36.904.678	34.444.854

Balance

30. June 2025

	30. June 2025	30. June 2024
	DKK	DKK
Equity and liabilities		
Share Capital	1.236.732	800.971
Reserve for net revaluation according to the equity method	0	0
Reserve for development costs	10.372.447	9.261.337
Retained earnings	-11.047.431	-8.243.780
Other Capital reserves	0	0
Total equity	561.749	1.818.528
Other provisions	4.802.000	4.802.000
Subordinate loan capital	10.176.699	8.993.539
Interest bearing liabilities	562.937	411.224
Total non-current liabilities	15.541.636	14.206.763
Prepayments received from customers	4.699.094	3.008.904
Credit bank	0	1.093.484
Interest bearing liabilities	4.636.828	2.082.019
Trade payables	8.278.612	9.218.392
Other payables	3.186.758	3.016.762
Total current liabilities	20.801.293	18.419.562
Total liabilities	36.904.678	34.444.853

Equity Statement

1. April – 30. June 2025

	Quarter 3		Yeart-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Balance, beginning of period	1.113.179	800.971	1.113.179	800.971
Change	123.554	0	123.554	0
Contributed capital, end of period	1.236.732	800.971	1.236.732	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	10.546.116	9.477.708	9.445.405	6.931.784
Change	-173.668	-216.370	927.042	2.329.554
Reserve for development costs,end of period	10.372.447	9.261.338	10.372.447	9.261.338
Balance, beginning of period	-11.626.297	-5.357.025	-4.542.631	2.681.024
Share premium	2.382.938	0	2.382.938	0
Deferred tax	0	0	0	0
IPO cost and capital raising	0	0	-37.350	0
Reserve for development costs	173.668	216.369	-927.042	-2.329.555
Retained earnings for the period	-1.977.740	-3.103.125	-7.923.346	-8.595.250
Retained earnings,end of period	-11.047.430	-8.243.781	-11.047.430	-8.243.781
Total Equity, end of period	561.749	1.818.528	561.749	1.818.528

Cash flow and capital allocation

1. April– 30. June 2025

	Quarter 3		Yeart-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Cash Flow statement				
Profit/loss before tax	-1.977.740	-3.103.125	-7.923.343	-8.595.247
Financial expenses, reversed	762.920	350.343	2.343.247	1.103.620
Depreciation, reversed	416.517	519.045	1.601.634	1.557.135
Changes in working capital	898.803	1.642.417	3.835.976	6.768.570
Cash flows from operating activities	100.500	-591.321	-142.486	834.078
Investing in Development projects	-245.241	-173.348	-2.311.451	-2.918.784
Cash flow from investment activities	-245.241	-173.348	-2.311.451	-2.918.784
Share capital	123.554	0	123.554	0
Share premium	2.382.938	0	2.382.938	0
Financial expenses paid	-762.920	-350.343	-2.343.250	-1.103.623
IPO cost and capital raising	0	0	-37.350	0
Loan internal partners	497.983	208.083	2.053.027	749.643
Credit institutions	0	-90.205	25.487	-77.835
Loan - short	-2.018.089	2.000.000	889.828	1.890.000
Cash flow from financing activities	223.466	1.767.535	3.094.234	1.458.185
Total cashflows end of period	78.726	1.002.867	640.297	-626.522
Cash/Credit, beginning of period	-233.799	-2.044.402	-795.371	-415.014
Cash/ Credit , end of period	-155.074	-1.041.535	-155.074	-1.041.535

	Quarter 3		Yeart-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Change in working capital				
Change in Finished goods	-763.649	1.078.449	-773.997	1.252.462
Trade + other receivables	1.086.736	-1.078.383	2.902.320	-1.184.514
Trade + other payables	922.796	2.505.839	3.793.198	8.582.287
Other provisions	0	0	0	0
Deferred tax	-396.394	-860.679	-2.134.858	-2.611.964
Joint Venture, not consolidated	-7.687	-2.810	-7.687	686.180
Deposits	57.000	0	57.000	44.119
	898.803	1.642.417	3.835.976	6.768.570

Financial Statements Parent

Income Statement

1. April – 30. June 2025

	Quarter 3		Year-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Net Sales	5.861	364.524	820.884	1.111.190
Gross Profit	5.861	364.524	820.884	1.111.190
Sales and distribution cost	0	-5.845	-16.423	-127.620
Administrative costs	-114.658	-359.013	-859.093	-1.082.110
Staff costs	-492.071	-1.073.451	-2.729.693	-3.366.655
Depreciation and amortisation	-127.289	-171.050	-230.440	-34.851
Operating profit	-728.157	-1.244.834	-3.014.765	-3.500.047
Income from equity investments in group enterprises	-845.695	-2.067.745	-4.136.942	-6.021.918
Financial costs net	-562.712	-69.343	-1.891.479	-279.537
Profit or loss before tax	-2.136.565	-3.381.923	-9.043.185	-9.801.502
Tax on net profit or loss for the year	158.825	278.798	1.119.840	1.206.253
Net profit or loss for the year	-1.977.740	-3.103.125	-7.923.346	-8.595.250
Comprehensive income				
Profit or loss before tax	-1.977.740	-3.103.125	-7.923.346	-8.595.250
Other comprehensive income:				
Cost Direct Issue & IPO	0	0	-37.350	0
Total comprehensive income for the year	-1.977.740	-3.103.125	-7.960.696	-8.595.250

Balance

30. June 2025

	30. June 2025 DKK	30. June 2024 DKK
Balance Sheet		
Assets		
Development projects & IPR rights	3.701.757	2.850.043
Equity investments in associated & group enterprises	13.502.293	5.196.449
Deferred tax assets	6.527.942	3.656.675
Deposits	0	57.000
Total non-current assets	23.731.992	11.760.167
Receivables from group enterprises	-147.853	11.830.824
Other receivables	410.380	140
Cash and equivalents	-148.290	5.675
Total current assets	114.237	11.836.639
Total assets	23.846.229	23.596.806

	30. June 2025 DKK	30. June 2024 DKK
Equity and liabilities		
Share Capital	1.236.732	800.971
Reserve for net revaluation according to the equity method	0	0
Reserve for development costs	2.887.371	2.223.034
Retained earnings	-3.562.354	-1.205.476
Total equity	561.749	1.818.529
Provisions for deferred tax	0	0
Other provisions	4.802.000	4.802.000
Subordinate loan capital	9.021.028	8.993.539
Interest bearing liabilities	0	0
Total non-current liabilities	13.823.028	13.795.539
Interest bearing liabilities	4.636.828	2.000.000
Credit bank	0	967.833
Trade payables	3.176.180	3.073.522
Other payables	1.648.445	1.941.384
Total current liabilities	9.461.452	7.982.738
Total liabilities	23.846.229	23.596.806

Equity Statement

1. April – 30. June 2025

	Quarter 3		Year-To-Date	
	2024/2025 DKK	2023/2024 DKK	2024/2025 DKK	2023/2024 DKK
Balance, beginning of period	1.113.179	800.971	1.113.179	800.971
Change	123.554	0	123.554	0
Contributed capital, end of period	1.236.732	800.971	1.236.732	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	2.909.299	2.206.355	2.328.472	987.429
Change	-21.928	16.679	558.899	1.235.605
Reserve for development costs,end of period	2.887.371	2.223.034	2.887.371	2.223.034
Balance, beginning of period	-3.989.481	1.914.328	2.574.302	8.625.378
Share premium	2.382.938	0	2.382.938	0
Reserve for net revaluation according to the equity method	0	0	0	0
subsidiaries	0	0	0	0
IPO cost and capital raising	0	0	-37.350	0
Reserve for development costs	21.928	-16.679	-558.899	-1.235.605
Retained earnings for the period	-1.977.740	-3.103.125	-7.923.346	-8.595.250
Retained earnings,end of period	-3.562.354	-1.205.476	-3.562.354	-1.205.476
Total Equity, end of period	561.749	1.818.529	561.749	1.818.529

Cash flow and capital allocation

1. April – 30. June 2025

	Quarter 3		Year-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Cash Flow statement				
Profit/loss before tax	-1.977.740	-3.103.125	-7.923.346	-8.595.250
Financial expenses, reversed	562.712	69.343	1.891.479	279.537
Depreciation, reversed	127.289	171.050	708.738	513.149
Changes in working capital	1.278.034	1.617.572	4.570.092	6.373.945
Cash flows from operating activities	-9.704	-1.245.160	-753.037	-1.428.618
Investing in Development projects	-150.552	-124.134	-946.576	-1.738.234
Cash flow from investment activities	-150.552	-124.134	-946.576	-1.738.234
Share capital	123.554	0	123.554	0
Share premium	2.382.938	0	2.382.938	0
Financial expenses paid	-562.712	-69.343	-1.891.479	-279.537
IPO cost and capital raising	0	0	-37.350	0
Loan internal partners	402.312	208.083	897.355	749.643
Credit institutions	0	-46.424	-6.121	0
Loan - short	-2.018.089	2.000.000	889.828	2.000.000
Cash flow from financing activities	328.002	2.092.315	2.358.726	2.470.105
Total cashflows end of period	167.746	723.021	659.113	-696.747
Cash/Credit, beginning of period	-316.036	-1.685.179	-807.403	-265.411
Cash/ Credit , end of period	-148.290	-962.158	-148.290	-962.158

	Quarter 3		Year-To-Date	
	2024/2025	2023/2024	2024/2025	2023/2024
	DKK	DKK	DKK	DKK
Change in working capital				
Trade + other receivables	86.770	-10.140	-172.180	11.210
Trade + other payables	-877.007	-292.631	294.138	2.937.521
Other provisions	0	1.137.046	0	0
Deferred tax	-158.825	-278.798	-1.119.840	-1.206.253
Loan Group Enterprises	2.170.095	1.062.095	5.510.973	4.631.468
Deposits	57.000	0	57.000	0
	1.278.034	1.617.572	4.570.092	6.373.945