

CS MEDICA A/S

Health Care / Pharma - Denmark



Buy (Initiation)

04.11.2024

EUR 2.30 (Initiation)

Revolutionizing alternative medicine; Initiate with BUY

CS MEDICA, a Danish Med-Tech company founded in 2011, is **at the forefront of developing CBD-infused medical devices** that offer safe, effective alternatives for autoimmune and stress-related conditions like arthritis, psoriasis, pain and hair loss. The company utilizes CBD's proven anti-inflammatory and antioxidative properties in >10 products, classified as medical devices or cosmetics and backed by clinical trials. With regulatory approval in major markets such as the EU, U.K. and the U.S., CS MEDICA has **established itself as a key player in the rapidly growing alternative medicine space**.

CS MEDICA's capital-light business model focuses on R&D and distribution while outsourcing manufacturing to partners in Europe. This allows the company to scale efficiently while minimizing operational risks. As **one of only few CBD-infused medical device company registered for sale in pharmacies**, CS MEDICA occupies a unique position at the intersection of the pharmaceutical and cosmetics markets, offering clinically proven products with fewer side effects at competitive price points.

CS MEDICA's hybrid product formulations, which combine R&D, clinical evidence, compliance, and the benefits of CBD, a natural ingredient, set the company apart from competition. Its flagship line, CAN-NASEN®, includes highly effective treatments for pain, skin disorders, and hair loss, with superior bioavailability when applied topically.

Strong growth prospects: Global demand for alternative treatments is booming, with the **alternative medicine market projected to grow at a 15.7% CAGR until 2031**. CS MEDICA is well-positioned to benefit from this trend. Especially non-European markets such as MENA and APAC offer high growth potentials once the regulatory hurdles have been overcome and social acceptance increased. The company's private/white-label segment (~ 2/3 of order intake), offers a steady revenue stream, while its CANNASEN® brand continues to expand, contributing to rapid top-line growth.

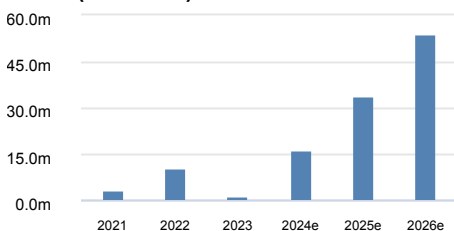
The market's strong growth prospects coupled with CS MEDICA's unique positioning should allow the company to **strongly grow its top-line to DKK 108m by FY 2027/28e**, implying a 61% CAGR (vs FY 2023/24e). At the same time, thanks to the resulting operating leverage, the EBITDA margin should turn positive, reaching 25%.

We initiate the coverage with a BUY rating and a EUR 2.30 PT based on a SOTP valuation.

Y/E 30.09 (DKK m)	2020/21	2021/22	2022/23	2023/24e	2024/25e	2025/26e
Sales	3.2	10.6	1.1	16.1	33.8	54.2
Sales growth	50.6%	232.8%	-89.9%	1412.8%	109.5%	60.1%
EBITDA	1.2	-11.3	-15.8	-11.9	-3.4	4.1
Net debt (if net cash=0)	-8.3	-1.9	9.2	28.9	38.5	41.2
FCF	-10.2	-16.9	-10.5	-19.7	-9.6	-2.6
Net Debt/EBITDA	0.0	0.0	-0.6	-2.4	-11.4	10.1
EPS pro forma	-0.56	-1.01	-1.18	-1.08	-0.78	-0.17
EBITDA margin	37.5%	-106.4%	-1482.5%	-74.0%	-10.0%	7.5%
ROCE	n.a.	n.a.	n.a.	n.a.	n.a.	4.2%
EV/sales	n.a.	n.a.	5.6	0.8	0.4	0.3
EV/EBITDA	n.a.	n.a.	-0.4	-1.1	-4.4	3.7
PER	n.a.	n.a.	-0.5	-0.5	-0.7	-3.5
Adjusted FCF yield	n.a.	n.a.	n.a.	n.a.	n.a.	2.9%

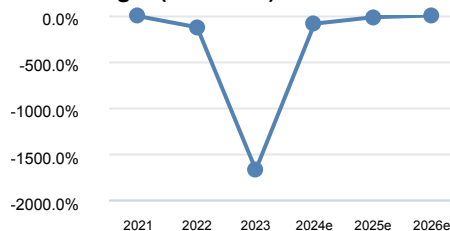
Source: Company data, NuWays, Close price as of 31.10.2024

Sales (2021-26e)



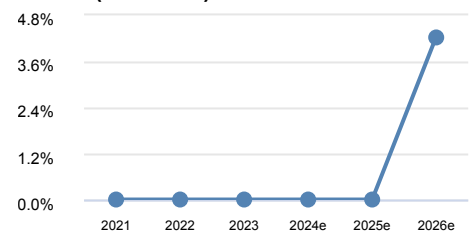
Source: NuWays Research

EBIT margin (2021-26e)



Source: NuWays Research

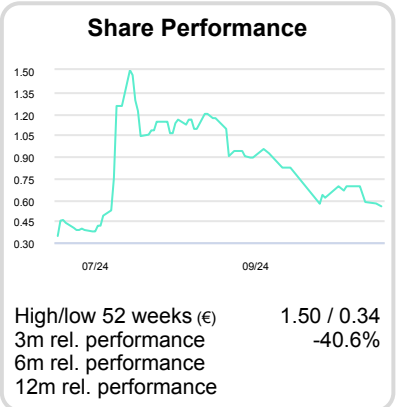
ROCE (2021-26e)



Source: NuWays Research

Company description

CS MEDICA is a Danish Med-Tech company specializing in CBD-infused medical devices for autoimmune and stress-related disorders. With innovative, clinically proven products, it targets global health-care markets.



Market data

Share price (in €)	0.55
Market cap (in € m)	9.8
Number of shares (in m pcs)	17.1
Enterprise value (in € m)	13.6
Ø trading volume (6 months)	2,147

Identifier

Bloomberg	8G8 GR
Reuters	8G8.DE
WKN	A3CYEQ
ISIN	DK0061668225

Key shareholders

Lone Henriksen	33.9%
Gitte Henriksen	32.9%
Finn-Ove Henriksen and Nina Henriksen	3.3%
Diaz Capital Invest AB	3.2%
Free Float	26.7%

Estimates changes

	2023/24e	2024/25e	2025/26e
Sales	0.0	0.0	0.0
EBIT	0.0	0.0	0.0
EPS	0.0	0.0	0.0

Comment on changes

Guidance

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Introducing CS MEDICA

- CS MEDICA develops and distributes **CBD-infused treatments for autoimmune and stress-related conditions** like arthritis and psoriasis but also pain.
- **Capital light business model**, focusing on R&D and distribution, outsourcing production to partners in Europe.
- Unlike others, CS MEDICA's **products are approved as medical devices under strict EU Medical Device Regulation**, ensuring safety and efficacy for consumers.

CS MEDICA is a Danish Med-Tech company founded in 2011. It **researches and utilizes different compounds found in the cannabis plant** and thereby has created 10+ products that **effectively and safely treat autoimmune and stress-related disorders** from arthritis and psoriasis to hair loss as well as wound and pain care. Its vision is to innovate the current landscape of alternative pharmacological and medical treatments by making use of the ingredient CBD in its products in the form of gels, creams, and sprays, and showcasing equal to superior efficacy and fewer side effects when compared to conventional products.

Cannabidiol (CBD) demonstrates antioxidative, anti-inflammatory properties that have proven themselves effective in treating a variety of symptoms such as chronic pain, sleep disorders and acne. Regarded as one of the first and one of only a few companies selling CBD-containing products as a registered medical device company, CS MEDICA ensures safety and efficacy to treat illnesses like arthritis, among others.

CS MEDICA focused on expanding its business due to a consumer trend towards **non-pharmacological (alternative) treatments**, particularly outside of Europe. As a result of this demand pull (as opposed to a supply push) for its products, the company **applied for and received local approvals** by health authorities (e.g. FDA or its equivalent) in the EU, UK, Switzerland, Israel, India, Australia, Malaysia, Azerbaijan, and Georgia and the USA **to sell its products as registered medical devices**, enabling it to use pharmacies as sales channels for e.g. its gels and patches. The company is in the process of registering or starting registration in 22 other countries.

Supporting its growth plans and enhancing visibility, CS MEDICA IPOed on the Swedish Spotlight exchange in 2021 and share became tradable on XETRA in July 2024.

A business model driving innovation within the medical landscape

As Med-Tech company, CS MEDICA specializes in R&D of CBD-infused medical devices. Its product offering includes natural treatment options for various diseases and disorders such as arthritis, pain, wounds, sleep disorders, and hair loss with less side effects and clinically proven efficacy. The business can be split into four areas: R&D, Marketing as a Service, CANNASEN®, and Private/White label.

Main business activities



- 1. R&D**
- Researching and developing products where there is a need for a substitute to pharmaceutical products
 - Ensuring safety and efficacy



- 2. CANNASEN®**
- Inhouse premium product line
 - Retail via own website and selected partners
 - 31.3% of order intake (2024)



- 3. Private/ white label**
- Private label: very few product modifications (e.g. tube size, CBD amount) different branding
 - White label: same formula, different branding
 - Combined 68.7% of order intake (2024)



- 4. Marketing as a Service (Maas)**
- Provide support to all distributors/ partners to navigate the OTC MD landscape
 - Supply market and marketing
 - Registration and Quality assistance for local approval

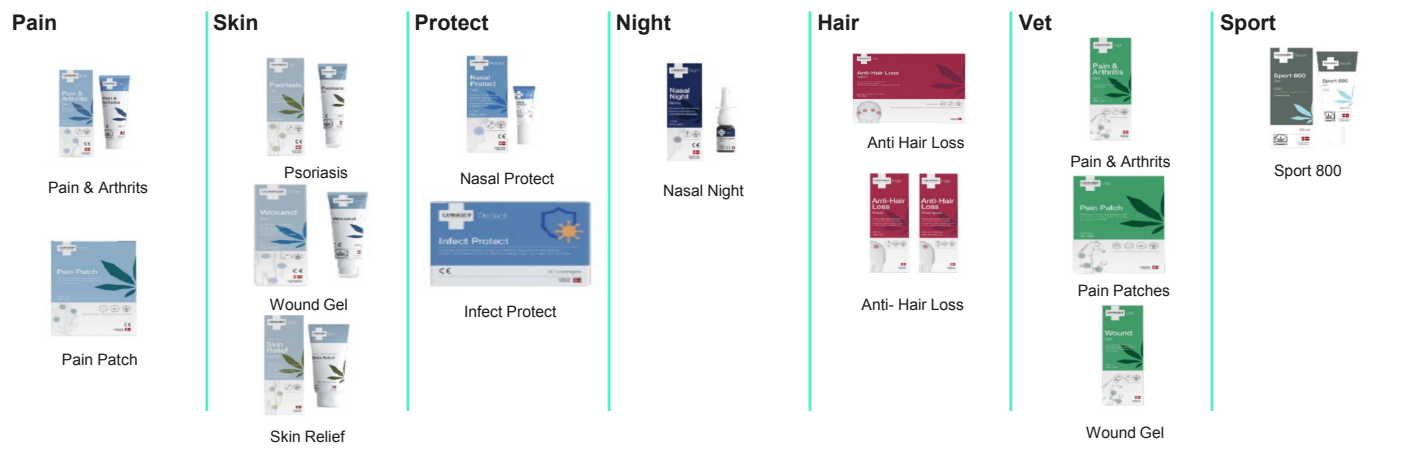
1. R&D

At the heart of it, CS MEDICA considers itself primarily as an R&D Med-Tech Company, which aims to tackle problems with present-day pharmacological and non-pharmacological treatments. With all R&D activities kept inhouse, the company follows a “bottom-up” strategic approach, looking at trending diseases and developing its products based on needs contrary to competitors who utilize more of a “top-down” approach by developing non-targeted products like, for example, CBD oils which at best have a “general effect” but with mostly no proven efficacy or safety. Its extensive R&D activities encompass CS MEDICA’s whole products including white/private label offerings and ensure safety and proven efficacy of its solutions.

2. CANNASEN®

CANNASEN® is the company’s flagship brand or product line, targeting areas such as pain, skin and night, all of which are classified as medical devices and possess a CE-certificate. It is CS MEDICA’s “premium” and in-house product line, distributed to business partners as well as directly to consumers via its own website or selected partners like amazon. In 2024, the CANNASEN® brand made up roughly one-third of order intake. Brand support for CANNASEN® is commonly higher than for the company’s private/white label solutions (see below) along with a higher price tag, ranging from 47 DKK to 799 DKK, depending on the specific product offered.

Product overview



Source: NuWays Research, company data

PAIN

- **Pain & Arthritis gel:**
 - Product promise: Pain & Arthritis Gel is a topical gel formula, which helps to reduce pain and swelling in joints. The gel offers a cooling effect, which alleviates the ‘hot’ or warm feeling and pain in the joints.
 - Key claims: Relieves pain and joint swelling. Cooling effect.
- **Pain Patch**
 - Product promise: Pain Patch is applied externally to the painful joint or muscle, providing two main effects. Firstly, it creates a cooling sensation on the treated area of the skin. Secondly, the pain patch offers longerlasting pain relief by stimulating the nerves and muscles beneath it, thus improving blood flow to the muscles.

- Key claims: Relieves pain. Provides a longlasting pain relief. For muscle, neck, back & shoulder pain, sprains, sports injuries, and arthritis.

SKIN

- **Wound gel:**
 - Product promise: Wound Gel is a moisturizing and cooling gel designed to promote optimal wound healing. The gel forms a protective layer that keeps the skin moisturized and promotes the healing process of wounds, abrasions, cuts, scrapes, sunburns, and minor burns.
 - Key claims: Covers minor abrasions, burns and sunburns with a protective film. Accelerates wound healing time. Cooling effect.
- **Psoriasis gel:**
 - Product promise: Psoriasis Gel is a topical supportive treatment for dry, reddened, and scaly skin affected by psoriasis. It contains Dead Sea salt, which reduces redness and dryness. The gel has a cooling effect and helps hydrate the skin, preventing the formation of new scales.
 - Key claims: To treat and relieve symptoms of psoriasis. For dry, reddened, or irritated skin. Moisturizes and Hydrates
- **PSO & Atopic Skin Relief Lotion:**
 - Product promise: Skin Relief Lotion is to help in the daily care of atopic and psoriatic skin. The lotion offers an effect of nourishment/ regenerated skin and soothes skin irritations, dryness, and redness. In addition, it helps eliminate skin itching and makes scales less visible.
 - Key claims: Moisturizes dry skin. Improves skin appearance and condition. Eliminates skin itching. Makes scales less visible. Soothes skin redness and irritation.

NIGHT

- **Nasal Night Spray:**
 - Product promise: Nasal Night Spray is an intranasal spray for bedtime usage. It facilitates nighttime breathing, which makes falling asleep easier and improves sleep quality.
 - Key claims: Moisturizes the nasal mucosa. Facilitates easier breathing, which improves sleep quality.

Protect

- **Nasal Protect gel:**
 - Product promise: Nasal Protect Gel is an isotonic, salty, water-based, moisturizing gel for the nose, providing longlasting protection against allergens and allergic reactions. In addition, it moisturizes the nasal mucosa and protects against nasal irritation.
 - Key claims: Protects from viruses and allergens, such as pollen, dust, and pollution. Moisturizes and helps prevent dryness.
- **Infect Protect Lozenges:**
 - Product promise: Infect Protect Lozenges is a throat lozenge with a unique active ingredient complex of gum arabic, sea buckthorn leaf extract, and hyaluronic acid that supports the natural barrier function of the mouth and throat against infectious viruses and bacteria in a physical way. This is done by covering the mucosa of the mouth and throat with a shield-like protective film.
 - Key claims: Increases protection against viruses and bacteria. Supports the natural barrier function of the mouth and throat. Relieves irritating cough, dry cough, and sore throat.

HAIR

- **Anti-Hair Loss Serum:**
 - Product promise: Anti-Hair Loss Serum is a cosmetic treatment for reducing hair loss, helping hair density by up to 36% and thickness by up to 14% after

one month.

- Key claims: Reactivates hair follicles to stimulate growth. Improves hair and scalp condition. For all hair types, men and women, with natural cannabidiol (CBD).

3. Private/white label

Besides offering its branded CANNASEN® products to businesses and consumers, CS MEDICA partners with other companies interested in offering their respective customers CBD-infused products and solutions. The company does so through its private/white label segment, giving access to its unique CANNASEN® formula for various products under different (private or white label) brands with (potentially) few modifications in areas like tube size or CBD amount, for example. For example, the company has offered its pain patch under several partnered brands, also available in the German online pharmacy “Shop Apotheke” and has produced its flagship arthritis gel for the food, cosmetic, and medical product company “Alsitan”, available for purchase in German health food stores or reform houses.

In 2024, its private/white label segment made up more than two-thirds of total order intake, demonstrating the demand for and sensibility of this business approach.

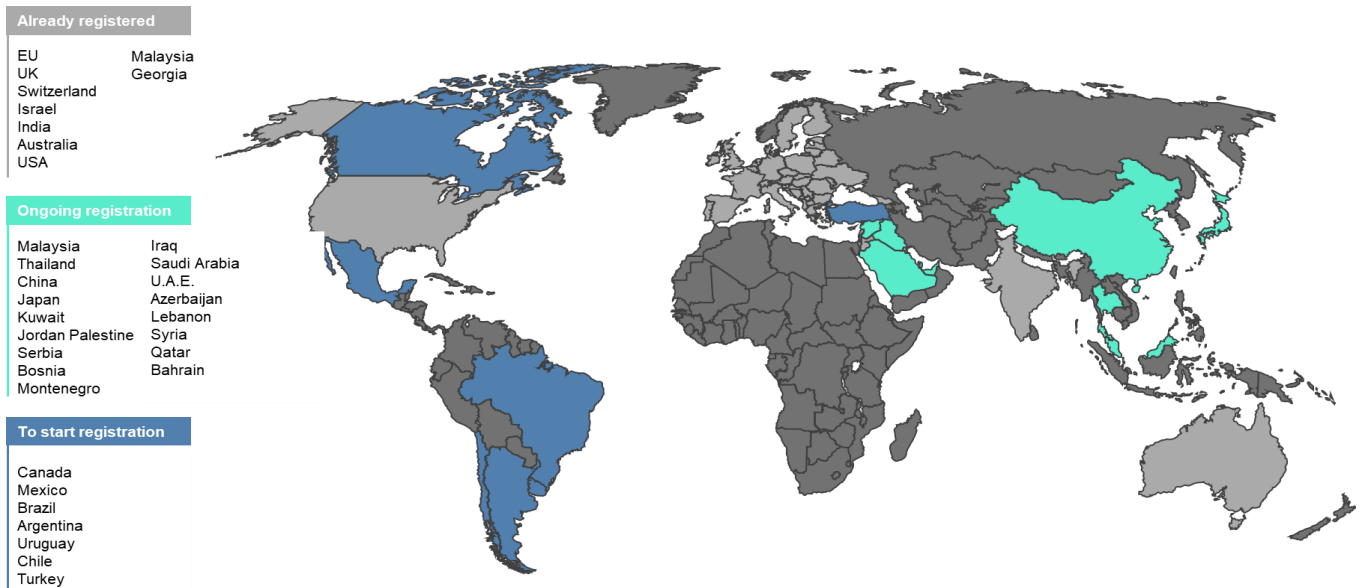
4. Marketing-as-a-Service (MaaS)

CS MEDICA also provides support to all their distribution partners and new partners to navigate the difficult OTC (over the counter) MD (medical device) landscape. Its marketing as a service (MaaS) provides market and marketing support and resources, helping to educate both its distributors and their respective customers about CBD-infused medical devices.

Manufacturing and distribution strategy

Due to financial constraints and delays in achieving a funding agreement with a Chinese partner (RongShi) because of pending Chinese FDA approval, CS MEDICA has recently reshaped its strategy and now focuses more on its private/ white label business approach. This decision is based on the payment structure of private/white label, rendering extensive funding requirements prior to production obsolete: CS MEDICA receives a 100% prepayment for all MOQ compared to approx. 60% when producing its CANNASEN® brand products. Furthermore, all products/treatments can only be produced after registration and local approval, which usually takes six to twelve months, depending on the jurisdiction concerned. While the company has achieved local approval to sell its products as medical devices in all of Europe, it still awaits local approval in numerous international countries (see below).

International markets as of 2024



Source: NuWays Research, company data

The company follows a made-to-order (MTO) production, rendering unnecessary the piling up of inventory. It usually takes four months to produce (target: two months), partnering with manufacturing companies in Germany, Poland, and Italy.

The order-delivery-invoice lead times range from five to 13 months, depending on whether the customer is based inside or outside of Europe and on whether CS MEDICA produces for its own CANNASEN® brand or its partners (private/white label). This is because the company is required to gain local approval to sell its products as medical devices in any given jurisdiction, which can take up to 6 months. Additional time is needed for packaging and shipping.

Distribution channels

CS MEDICA utilizes various channels to market its products. It employs a direct channel (B2C) mostly via its own web shop (CANNASEN®), retailers primarily in Denmark (e.g., pharmacies), a wholesale channel (through partners, e.g. large pharmacy wholesalers) and an agent channel where agents serve as intermediaries between CS MEDICA and other wholesalers.

More recently, the company has shifted to a B2B2C approach due to financial constraints: CANNASEN® will only be distributed via partners, while the company's focus will stay more with the less cash intensive private/white label approach.

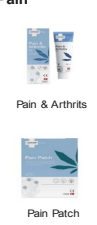



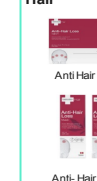






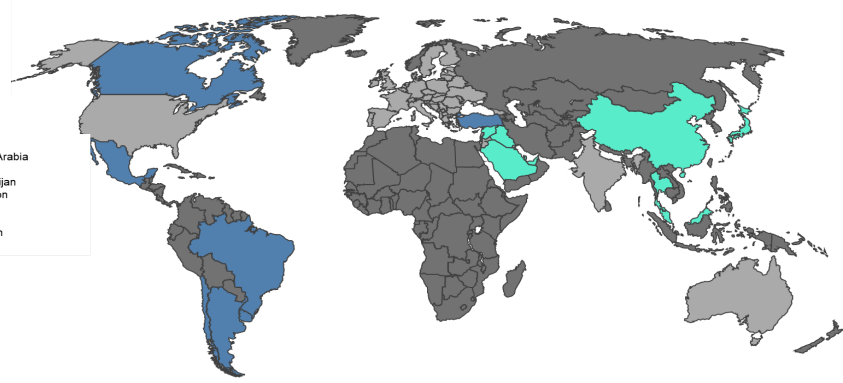
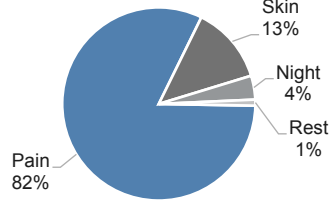
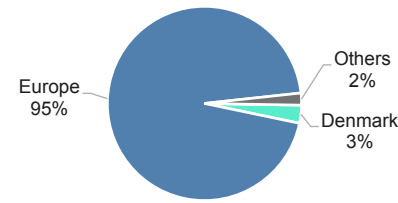
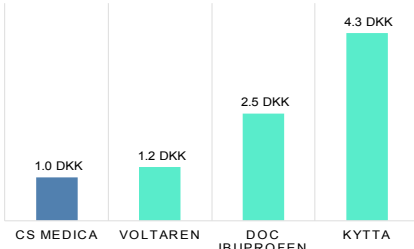
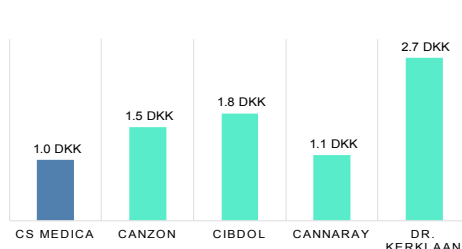
CS MEDICA has chosen to outsource all sales activities in Denmark to OneMed due to the significant cost advantages associated with economies of scale. OneMed's well-established logistics, purchasing power, and distribution network allow for more efficient cost structuring across sales channels. This enables CS MEDICA to focus on product development and core operations while benefiting from reduced overheads and operational expenses, particularly in a market where penetrating sales channels can be costly without such support.

Segment strategy

CS MEDICA's "bottom-up" business approach can also be seen in its customer segmentation, which it basically categorizes into four groups: demographic, behavioral, psychographic, and cluster. Going above and beyond conventional customer segmentation which usually only focuses on demographic characteristics like age or gender, it highlights behavioral factors and, more importantly, real needs and symptoms, which helps it make its products and communication more effective and relevant to specific health challenges.

For example, pain and arthritis are two ailments that tailor more towards elderly people but also occur among those aged 40 or older. Addressing pain from work, slight or sports injuries, however, primarily targets those aged 30 or older. Furthermore, more and more younger people suffer from various forms of sleep disorder as a result of a faster-paced and more demanding work environment.

Having said that, while CS MEDICA does not address one specific demographic group, autoimmune and stress-related disorders occur more frequently in people that are more senior. As the population ages, the company benefits from this demographic shift / development going forward and is supremely positioned to address age-related ailments like arthritis with its products and solutions.

CS MEDICA	
Description	CS MEDICA is a Danish medical company founded in 2011 that develops and currently sells 10+ OTC and CBD-infused medical device products and cosmetics, treating autoimmune and stress-related disorders.
Product overview	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Pain</p>  <p>Pain & Arthritis Pain Patch</p> </div> <div style="text-align: center;"> <p>Skin</p>  <p>Psoriasis Wound Gel Skin Relief</p> </div> <div style="text-align: center;"> <p>Protect</p>  <p>Nasal Protect Infect Protect</p> </div> <div style="text-align: center;"> <p>Night</p>  <p>Nasal Night</p> </div> <div style="text-align: center;"> <p>Hair</p>  <p>Anti Hair Loss Anti-Hair Loss</p> </div> <div style="text-align: center;"> <p>Vet</p>  <p>Pain & Arthritis Pain Patches Wound Gel</p> </div> <div style="text-align: center;"> <p>Sport</p>  <p>Sport 800</p> </div> </div>
Subsidiaries and brands	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>GALAXA PHARMA</p> </div> <div style="text-align: center;">  <p>CANNORDIC</p> </div> <div style="text-align: center;">  <p>CSMEDICA Establishment of CANNORDIC India Pvt. Ltd.</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">  <p>CANNASEN*</p> </div> <div style="text-align: center;"> <p>White label</p> </div> </div>
Geographical presence	 <div style="display: flex; margin-top: 10px;"> <div style="border: 1px solid black; padding: 5px; width: 20%;"> <p>Already registered</p> <ul style="list-style-type: none"> EU UK Switzerland Israel India Australia USA </div> <div style="border: 1px solid black; padding: 5px; width: 20%; margin-left: 5px;"> <p>Ongoing registration</p> <ul style="list-style-type: none"> Malaysia Thailand China Japan Kuwait Jordan Serbia Bosnia Montenegro </div> <div style="border: 1px solid black; padding: 5px; width: 20%; margin-left: 5px;"> <p>To start registration</p> <ul style="list-style-type: none"> Canada Mexico Brazil Argentina Uruguay Chile Turkey </div> <div style="margin-left: 5px;"> <ul style="list-style-type: none"> Malaysia Georgia Iraq Saudi Arabia U.A.E. Azerbaijan Lebanon Syria Qatar Bahrain </div> </div>
Revenue Split	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>By category</p>  <p>Pain 82% Skin 13% Night 4% Rest 1%</p> </div> <div style="text-align: center;"> <p>By region</p>  <p>Europe 95% Denmark 3% Others 2%</p> </div> </div>
Competitors and pricing	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Pharma</p>  <p>CS MEDICA: 1.0 DKK VOLTAREN: 1.2 DKK DOC IBUPROFEN: 2.5 DKK KYTTA: 4.3 DKK</p> </div> <div style="text-align: center;"> <p>Cosmetics</p>  <p>CS MEDICA: 1.0 DKK CANZON: 1.5 DKK CIBDOL: 1.8 DKK CANNARAY: 1.1 DKK DR. KERKLAAN: 2.7 DKK</p> </div> </div>
Sales FY23/24e	16,1
EBITDA FY23/24e	-11,9
Sales FY27/28e	108,2
EBITDA FY27/28e	27,0

Source: NuWays Research, company data

Competitive Quality

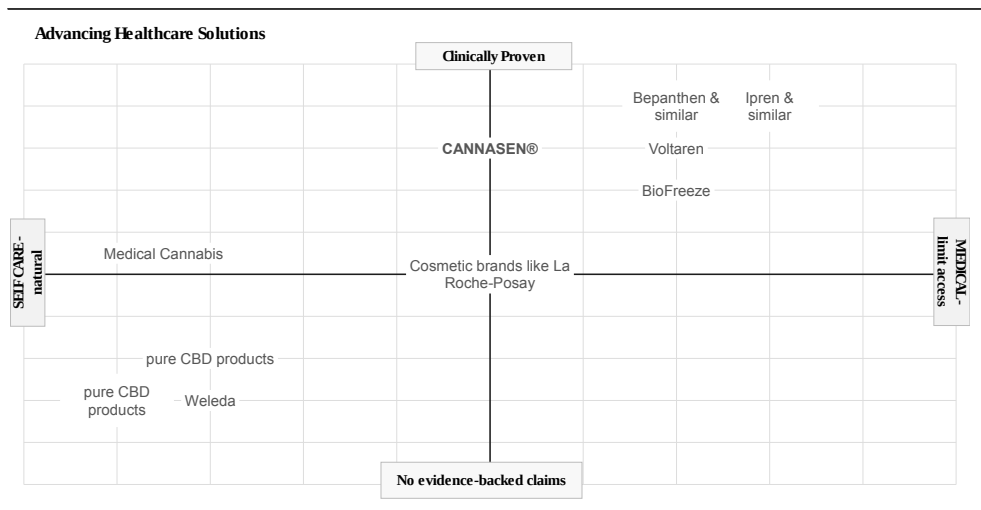
- **Unique Market Position:** CS MEDICA operates at the intersection of the pharma and cosmetics markets, offering CBD-infused products with proven efficacy and fewer side effects.
- **Competitive Pricing:** Its products are more affordable compared to similar offerings from both pharmaceutical and cosmetic competitors.
- **Clinical Trials & MDR:** Registered as medical devices, CS MEDICA's products meet strict MDR standards, benefiting from pharmacy distribution and creating high barriers to market entry.

Advantageous market positioning

CS MEDICA is positioned at the intersection of the pharmaceutical and the cosmetic/CBD market. While the pharmaceutical market offers products that have clinically proven efficacy, its solutions often come with side effects that customers wish to minimize and / or avoid altogether. On the other hand, cosmetic products may have fewer or virtually no side effects, but only possess beautifying functions.

This is not a minor point. According to McKinsey, roughly 50% of US and UK consumers mentioned clinical effectiveness as a top purchasing factor when it comes to OTC wellness products such as topical treatments and medications, balanced by 20% who demand that products have natural and clean ingredients.

CS MEDICA's positioning

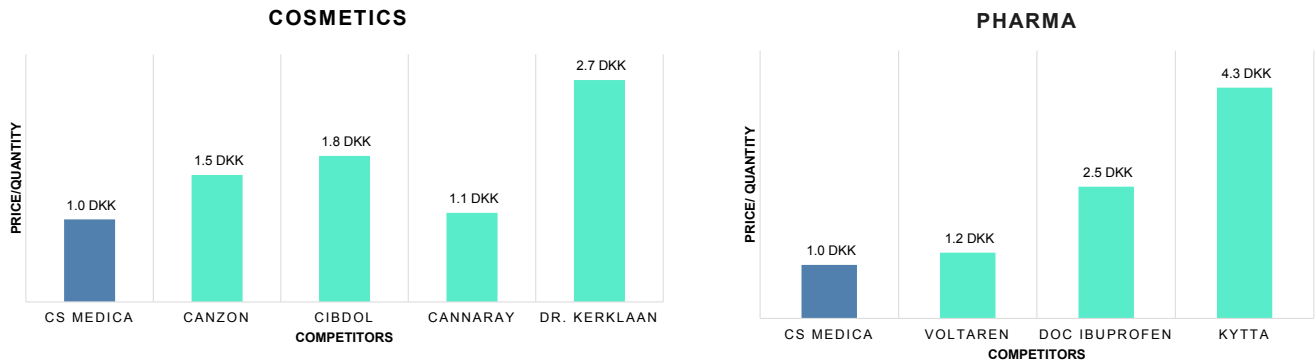


Therefore, the advantage of CS MEDICA's positioning lies in its innovative, compliant gels, sprays, and patches, combining the growing self-care trends with the advantages of natural ingredients known from cosmetics, offering fewer side effects with pharma-driven proven efficacy based on its clinical trials.

Competitive price-performance ratio compared to market

Moreover, CS MEDICA's products come at a lower price point per quantity than its competition in both the pharma and cosmetic market: Its flagship pain gel costs about 1 DKK per quantity compared to equivalent competitor products ranging from 1.1 DKK to 2.7 DKK in the cosmetic market and 1.2 DKK to 4.3 DKK in the pharma market (see graph below).

Benchmark price-performance ratios



Source: NuWays Research











Clinical trials and medical device status as barriers to entry

Under medical device regulation (MDR) it is an obligation to provide clinical data employing certain distribution channels like pharmacies.

Contrary to competitor products, CS MEDICA's products are registered and approved medical devices (MD), a status allowing them to be sold in pharmacies, an important channel to reach consumers. This status poses a significant entry barrier considering the lengthy, costly, and strenuous process of conducting clinical trials and registering for a medical device status.

This allows the company to reliably alleviate illnesses like arthritis, pain, sleep disorders, and hair loss, giving customers not only a "good feeling" about the natural ingredient that CBD offers, but also solving the root causes of their ailments. Among its competitors, the company so far is (1) so far one of only a few registered medical device company that (2) is for sale in pharmacies and (3) addresses both cosmetic as well as pharmaceutical aspects with the products offered.

Product landscape

	CS MEDICA	Canzon	Cibdol	Cannaray	Dr. Kerklaan
Country					
Products (flagship)					
Price per quantity	1.0 DKK	1.5 DKK	1.8 DKK	1.1 DKK	2.7 DKK
Registered MD	Yes	No	No	No	No
For sale in pharmacies	Yes	No	No	No	No

Source: NuWays Research

R&D and high product effectiveness

CS MEDICA follows a unique R&D approach by analyzing specific illnesses and - based on the gathered knowledge - developing a treatment that tackles these ailments in the safest and most effective way with the right amount and dosage of CBD. Thus, it differs from other companies that simply sell products containing CBD without any proof of efficacy or safety.

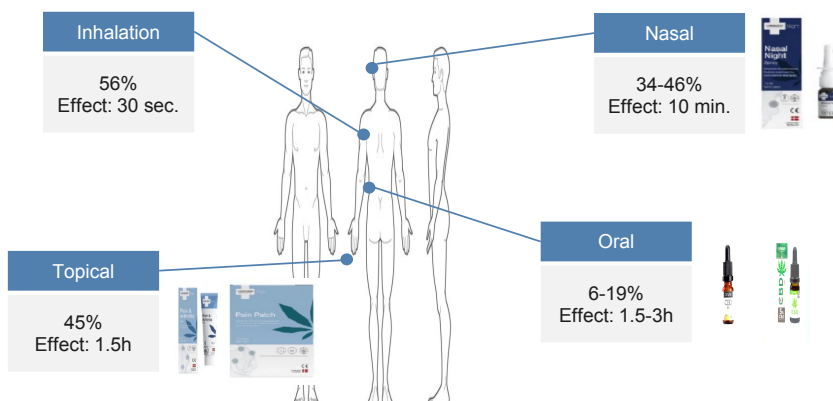
High degree of product effectiveness

In its research, bioavailability plays a crucial role in terms of how CBD-infused products can alleviate and heal illnesses. Simply put, when CBD is bioactive, the body can recognize, absorb and use it, producing effects by interacting with the endocannabinoid system, which helps regulate mood, pain, and inflammation. Without bioactivity, CBD would pass through the body without any noticeable effect.

Studies have shown that the highest bioactivity is given when the product is applied topically as a gel or cream. For example, some of CS MEDICA's competitor products (e.g. Canzon's CBD oil for pain relief) are oil-based pain and sleep appliances that must be taken orally and are not as effective in absorption as compared to topical (6-19% vs. 45%) or even nasal (6-19% vs. 34-46%) application due to the potential danger of increased risk of side effects.

During the past two years, CS MEDIA researched different CBD isolate/crystal manufacturers in Europe, the USA, and China, focusing on their bioactivity. This has been done through various pilot and lab tests. As a result, the company can now offer treatments with clinically proven effectiveness, often recognized as the best in their category, particularly true for CS MEDICA's pain & arthritis gel and pain patch.

Bioavailability of phyto cannabinoids in the human body



Source: NuWays Research, company data

Patents for revenue drivers strengthen business moat

All of CS MEDICA's main products are patented or in the patent registration process. It goes without saying that patenting its unique formulas will help ensure its competitive advantage. For example, for CS MEDICA's main products and revenue drivers i.e. arthritis gel, psoriasis gel, wound gel, pain patch, and protective nasal gel, the company has already applied for patents in 2019 and ending in 2022, which, if granted, will empower the company to ensure exclusivity to its formula un-

til 2039 to 2041.

Worth highlighting, this year, the company was already granted patents on its Anti-Hair Loss serum in Denmark and its Psoriasis Gel in EU. Also, the company is prepared to launch final tests for bioactive CBD. Once completed, the patent application is expected to be initiated.

Current patent overview

	DK patent application year	PCT ¹ application year	National patent application ² year	If patent granted - expiry year
Arthritis Gel	2019	2020	2022	2039
Sports Gel 650	Same formulation as Arthritis Gel and therefore covered by this patent application			
Psoriasis Gel**	2019	2020	2022	2039
Anti-Hair Loss Serum*	2021	2022	2023	2041
Nasal Spray Night*	2021	2022	2023	2041
Wound Gel*	2021	2022		2041
VET HOT Sport Gel	Same formulation as Wound Gel and therefore covered by this patent application			
Pain Patch	2021	2022	2023	2041
VET Pain Patch	Same formulation as Pain Patch and therefore covered by this patent application			
Protective Nasal Gel*	2021	2022		2041
Supplement Arthritis		2022	2023	2042
Supplement Psoriasis		2022	2023	2042
Supplement Anti-Hair Loss	2021	2022	2023	2041

* Granted and to be issued in Denmark

** Granted and to be issued in Europe

¹PCT = Patent Cooperation Treaty

²National patent application in following countries: USA, Canada, China, Europe, Israel, Australia, New Zealand, Japan, India, Malaysia, Thailand, Brazil, UAE, Saudi Arabia, South Korea

Source: NuWays Research, company data

Regulatory Approvals and Market Position

CS MEDICA's strong regulatory presence across key markets such as the EU, UK, US, and Israel provides a significant competitive advantage in the medical device industry. By complying with international standards like ISO 13485 and ISO 14971, the company emphasizes its commitment to safety and quality. Its adherence to stringent frameworks like the US FDA and EU MDR bolsters its credibility and distinguishes it from competitors.

Key regulatory milestones include:

- **EU - MDR compliant:** Two MDR-compliant products in Europe, which are the first of their kind under the new EU Medical Devices Regulation (MDR) according to Rule 21.
- **EU - Class IIa Classification:** Three substance-based medical products with CBD have been classified under MDR, Rule 21.
- **EU - Certification through BSI:** Certification of the products via BSI, the notified body under MDR, confirms that CS MEDICA meets stringent regulatory requirements.
- **FDA:** Eight FDA-compliant products in the USA, which are the first of their kind in this category.
- **TGA:** The first TGA-compliant products in Australia - the first of their kind in this category.
- **CDSCO:** The first FDA-compliant products in India - the first of their kind in this category.
- **IMOH:** The first IMOH-compliant products in Israel - the first of their kind in this category.

Additionally, CS MEDICA's over-the-counter medical devices, available without a prescription in the EU, underscore its unique market position and broaden its accessibility across regions.

Growth

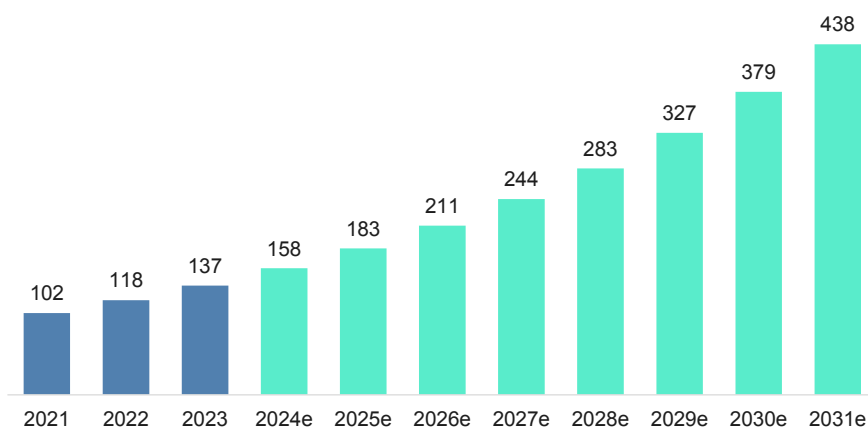
- The **alternative medicine market is projected to grow at a 15.7% CAGR** (2021-31e), driven by increasing consumer demand for non-pharmacological treatments like CBD-infused solutions.
- As key player in this market, CS MEDICA should show a 61% sales CAGR through 2027/28e, fueled by expanding international market penetration and rising demand for its medical devices.
- With EBITDA projected to reach break-even by 2025/26e, margin should exceed 20% in the long-term thanks to the positive operating leverage.

CS MEDICA is supremely positioned to benefit from a growing market for alternative medicine thanks to recent consumer trends, a growing number of people suffering from autoimmune-related and stress-related disorders which are addressed by the company's product offerings, and cultural differences across the markets it operates in or expands into.

Growing demand for alternative medicine positively affects CS MEDICA's business

In the last years, more and more health-focused consumers tend to shift from pharmaceutical medicines towards alternative medicine and treatments with the same efficacy, fewer side effects, and lower cost than traditional medicines. For example, while the market for complementary and alternative medicine amounted to \$ 102bn globally in 2021, Allied Market Research estimates that it will grow by 15.7% annually to reach € 438bn by 2031, showcasing not only the increased acceptance or tolerance of alternative medicines, but also the strong demand for it. This looks set to benefit CS MEDICA's current product portfolio which is built on alternative medicine through its CBD-infused gels, sprays, creams, and patches which are mostly applied topically or nasally, all the while offering the same efficacy that customers are used to from traditional pharmaceuticals.

Growing global demand for alternative medicine (\$ bn)



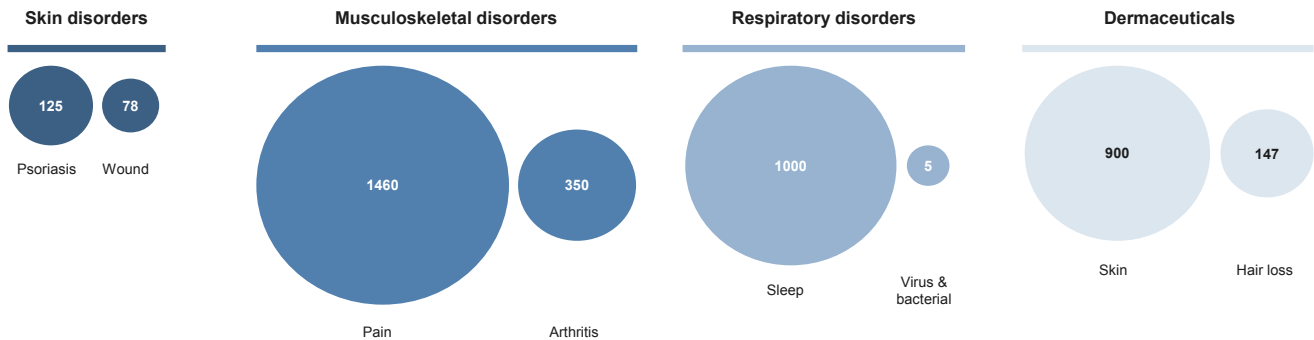
Source: NuWays Research

Diseases and ageing population

Moving beyond traditional demographic segmentation based on age or gender, CS MEDICA focuses on behaviors, symptoms, and needs and prioritizes real needs in

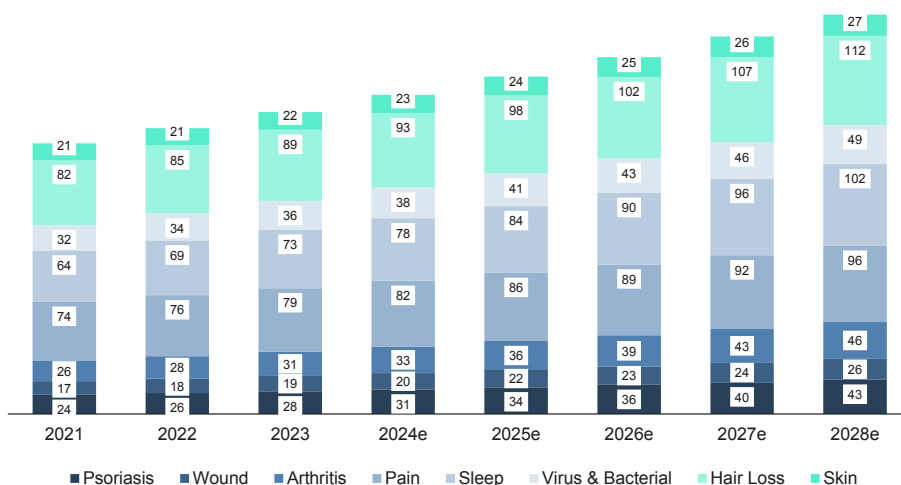
categories such as skin disorders, musculoskeletal disorders, respiratory disorders, and dermaticals and can thus reach a broader audience globally. While the ailments addressed by CS MEDICA's products differ in size and prevalence (see below), the company currently can reach anything between 78m people suffering from wounds to up to 1.46bn people suffering from pain globally.

Prevalence of people (in m) suffering from various chronic ailments addressed by CS Medica's products



Source: NuWays Research

People are becoming older and with that chronic diseases are an increasing trend as well with people suffering from pain and seeking treatment. CS MEDICA is addressing a multi-billion-dollar market which is projected to grow by 4-9% CAGR within the upcoming years to a respectable size (> \$ 500bn by 2028e), implying a long runway of growth ahead for the company. Addressing ailments such as psoriasis, wounds, arthritis, pain, sleep disorders, virus & bacterial infections, hair loss, and skin disorders, CS MEDICA is well-positioned to capitalize on these recent and upcoming developments.



Source: NuWays Research

Market expansion and cultural differences

Another important market driver are countries outside of Europe (especially APEC and MENA). Here, regulation is comparably higher, but CS MEDICA's product portfolio is able to meet those expectations. For instance, CS MEDICA's product portfolio is completely free of THC (less than two parts per billion), a key requirement for product approval in both the APEC and MENA regions.

By expanding to MENA and APEC in the last couple of years, CS MEDICA's record order backlog this year is 84% made up by MENA customers. Moreover, a record order intake from DKK 35m in 2020-2023 to DKK 42m in 2024 alone showcases that foreign expansion is positively impacting the company's growth. Noteworthy is also that only four of 14 distribution partners are from the European continent with the remainder stemming from the MENA and APEC regions, underpinning that future growth does not depend alone on the European market and its cultural limitations, but is created by a pull effect and significant interest from countries outside of Europe.

Business quality seen to translate into strong top-line growth

CS MEDICA is seen to achieve strong sales growth supported by its unique business approach as well as a favorable market environment. In sum, we expect the company to show an 61% sales CAGR, growing from DKK 16m in 2023/24e to DKK 108m in 2027/28e, assuming local approval of CBD-infused products in all relevant markets and successful market registration of CS MEDICA's products in APEC and MENA, in particular.

	(in DKK m)	2022/23	2023/24e	2024/25e	2025/26e	2026/27e	2027/28e	CAGR '23/24-27/28e
CANNASEN®		0,2	2,4	11,1	16,2	26,1	33,4	94,2%
	yoy		1271%	372%	46%	62%	28%	
Order backlog		2,2	13,6	15,3	25,0	30,1	40,2	31,0%
Order intake		2,3	16,0	26,4	41,1	56,1	73,7	46,5%
Average selling price (in DKK)		47,0	47,9	49,4	51,4	53,9	56,6	4,2%
	yoy		2%	3%	4%	5%	5%	
Unit volume (in m)		0,0	0,3	0,5	0,8	1,0	1,3	40,5%
	yoy		568%	60%	50%	30%	25%	
Sales-to-order intake conversion rate			8%	8%	17%	17%	17%	
Probability of local approval			67%	70%	73%	76%	79%	
Private Label		0,9	13,8	22,7	38,0	49,2	74,7	52,6%
	yoy		1440%	65%	67%	29%	52%	
Order backlog		11,4	15,3	22,0	26,1	42,9	52,6	36,2%
Order intake		12,3	29,1	44,7	64,2	92,1	127,4	44,7%
Average selling price (in DKK)		37,0	37,0	37,9	38,9	39,8	40,8	2,5%
	yoy		0%	2%	2%	2%	2%	
Unit volume (in m)		0,3	0,8	1,2	1,7	2,3	3,1	41,1%
	yoy		137%	50%	40%	40%	35%	
Sales-to-order intake conversion rate			8%	17%	25%	25%	25%	
Total sales		1,1	16,1	33,8	54,2	75,3	108,2	60,9%
	yoy		1413%	109%	60%	39%	44%	

Source: NuWays Research

Let's take a detailed look at how sales from CS MEDICA's core segments are expected to perform:

CANNASEN®

- CS MEDICA's flagship brand CANNASEN® is seen to grow 94% p.a. from DKK 2.4m in 2023/24e to DKK 33m in 2027/28e, mainly driven by a growing order intake, a higher order intake conversion rate and increasing probability of local approval for CS MEDICA's medical devices in local markets.
- Order intake looks set to benefit from a favorable development in the average selling price, growing slightly above inflation by 4% p.a. from DKK 48 in 2023/24e to DKK 57 in 2027/28e as higher-margin products like CANNASEN's® anti-hair-loss serum should gain more traction in the MENA region where demand for such solutions runs rampant. Here, the company is already in ongoing registration processes in countries such as Saudi Arabia, the U.A.E., Qatar, Bahrain, Kuwait, etc. Once registered, the CS MEDICA is likely to enter into local distribution partnerships to quickly scale volumes. Unit volume is seen to grow by 41% p.a. from 0.3m in 2023/24e to 1.3m in 2027/28e thanks to mainly driven by the expected growth of both the European and International demand for medical applications for arthritis, psoriasis, pain, and anti-hair loss products coupled with the company's favorable positioning as a provider of CBD-infused alternative treatments for such illness with fewer side effects and comparable efficacy.
- The sales to order intake conversion rate is seen to increase from 8% in 2024e to c. 17% by 2027/28e as the company ability to decrease lead times in production, local approval, and shipping should improve thanks to increasing scale.
- The probability for local approval is seen to increase over time from 67% in 2023/24e to about 80% by 2027/28e as more markets come to embrace CBD-infused alternative medicine and the company capitalizes on already granted approvals in its increasing international presence.

Private/ White label

- Due to its beneficial payment structure, we expect CS MEDICA's private/ white label business to carry most of the business's freight at least until 2025/26e when the company is seen to reach EBITDA break-even as well as generate enough cash flow which can be plowed back into the development of the CANNASEN® brand. Hence, CS MEDICA's private/ white label business looks set to grow 53% p.a. from DKK 144m in 2023/24e to DKK 75m in 2027/28e, mainly driven by a growing order intake and an increasing order intake conversion rate. It is important to notice that the company just recently started to shift its business focus away from CANNASEN® and towards its private/ white label business, hence we expect growth to pick up fairly quickly.
- While we do not expect the private/ white label order intake to enjoy many tailwinds from an increase in unit price (growing with inflation at around 2.5% p.a. from DKK 37 in 2023/24e to DKK 41 in 2027/28e), we see strong momentum in unit volume growth. Similarly to CANNASEN®, CS MEDICA is seen to mainly benefit from the planned strong regional expansion globally, but especially in the MENA region (see overview of international markets on page 6).
- Unit volume should grow by 41% p.a. from 0.8m in 2023/24e to 3.1m in 2027/28e as more partners like pharmacies and other retailers discover the potential and benefits of CBD-infused solutions and want to offer their respective customers access to these products. For example, CS MEDICA had private/ white label order intake of c. DKK 12m in 2022/23, some of which came from the Spanish Aldo Union that signed a contract with CS MEDICA bringing the unique formulas and products under their own brand to customers in Spain.
- The sales to order intake conversion rate is seen to increase from 8% in 2023/24e to c. 25% by 2027/28e as the company ability to decrease lead times in production and shipping should improve thanks to increasing scale.

Operating leverage impacting bottom-line

CS MEDICA looks set to disproportionately improve its EBITDA from DKK -12m in 2023/24e to DKK 27m by 2027/28e (eNuW), implying a margin of 25%. The key driver behind this is (1) the positive operating leverage on the back of very strong sales growth driven equally by CS MEDICA's CANNASEN® and private/ white label branches and (2) an increasing gross margin from 45% in 2023/24e to 71% in 2027/28e as the company achieves critical scale and increasing bargaining power with suppliers and manufacturers resulting in a lower level of cost of sales.

Hence, we expect CS MEDICA to already reach EBITDA break-even by 2025/26e.

	(in DKK m)	2022/23	2023/24e	2024/25e	2025/26e	2026/27e	2027/28e	CAGR '23/24-27/28e
Total sales		1.1	16.1	33.8	54.2	75.3	108.2	60.9%
	yoy		1413%	109%	60%	39%	44%	
COGS		0.2	8.9	13.5	19.5	22.6	31.4	
	% of sales	14%	55%	40%	36%	30%	29%	
Gross profit		0.9	7.3	20.3	34.7	52.7	76.8	80.3%
	yoy		695%	179%	71%	52%	46%	
	margin	86%	45%	60%	64%	70%	71%	
Sales and distribution costs		4.6	4.0	5.8	7.0	9.0	13.0	
	% of sales	432%	25%	17%	13%	12%	12%	
Staff costs		8.0	11.3	11.8	15.2	18.8	23.8	
	% of sales	751%	70%	35%	28%	25%	22%	
Administrative costs		4.3	4.7	6.8	9.2	10.5	14.1	
	% of sales	400%	29%	20%	17%	14%	13%	
Other operating income		0.2	0.8	0.7	0.8	0.8	1.1	
	% of sales	15%	5%	2%	2%	1%	1%	
EBITDA		-15.8	-11.9	-3.4	4.1	15.1	27.0	n.a.
	yoy		-24%	-72%	-220%	270%	80%	
	margin	-1483%	-74%	-10%	8%	20%	25%	
D&A		2.1	2.1	2.4	2.7	2.3	3.2	
	% of sales	195%	13%	7%	5%	3%	3%	
EBIT		-17.9	-14.0	-5.8	1.4	12.8	23.8	n.a.
	yoy		-22%	-59%	-124%	845%	86%	
	margin	-1677%	-87%	-17%	3%	17%	22%	

Source: NuWays Research

Valuation

- **Price target of € 2.30 per share** is the average of the DCF-based fair value and the asset-based approach
- The DCF-based fair value per share, which is largely taking into consideration the expected cash flows of CAN-NASEN®, stands at € 1.80
- Valuing the company based on their assets such as trademarks and patents, mainly held within the CS MEDICA entity, implies a fair value of € 2.8 per share.

The DCF model discounts the planned cashflows of the company. Importantly, this is currently mainly stemming from its private/white label subsidiary CANNASEN®.

Our DCF model's key assumptions are:

- Terminal year EBIT margin of 25%: CS MEDICA should reach EBIT break-even by 2025/26e. In fact, driven by the scalability of the private/ white label approach, EBIT margins should reach the double-digits by 2026/27e. Even though higher margins of 30%+ should be in reach in the long term, we conservatively estimate a terminal year EBIT margin of 25%.
- Long term growth rate of 3.0%.
- WACC of 11%, which is derived from a 2.5% risk-free rate, a Beta of 2.0 and a 6.5% equity risk premium.

DCF (DKK m) (except per share data and beta)	2023/24e	2024/25e	2025/26e	2026/27e	2027/28e	2028/29e	2029/30e	2030/31e	Terminal value
NOPAT	-13.3	-5.5	1.3	12.2	16.7	24.1	28.9	31.8	32.0
Depreciation	2.1	2.4	2.7	2.3	3.2	4.1	4.9	5.5	5.9
Increase/decrease in working capital	-4.1	0.3	0.4	2.3	3.2	-1.1	-1.2	-0.3	-0.3
Increase/decrease in long-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capex	3.0	3.0	2.9	2.9	2.8	2.8	2.7	2.7	2.7
Acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital increase	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow	-18.3	-5.8	1.5	13.9	20.3	24.3	29.9	34.4	35.0
Present value	-18.0	-5.1	1.2	10.0	13.5	11.5	12.3	12.2	191.8
WACC	11.0%	10.7%	10.7%	10.9%	10.4%	15.5%	15.5%	15.5%	11.0%

DCF per share derived from	
Total present value	229
thereof terminal value	84%
Net debt (net cash) at start of year	-2
Financial assets	0
Provisions and off balance sheet debt	0
Equity value	231
No. of shares outstanding	17.1
Equity value (EUR m)	31.0
Discounted cash flow per share	1.8
upside/(downside)	215%

Current share price **0.58**

DCF avg. growth and earnings assumptions	
Short term growth (2024-2026)	83.2%
Medium term growth (2026 - 2032)	23.0%
Long term growth (2030 - infinity)	3.0%
Terminal year EBIT margin	25.0%

WACC derived from	
Cost of borrowings before taxes	10.0%
Tax rate	21.4%
Cost of borrowings after taxes	7.9%
Required return on invested capital	15.5%
Risk premium	6.5%
Risk-free rate	2.5%
Beta	2.0

Sensitivity analysis DCF						
		Long term growth				
		1%	2.0%	3.0%	3.5%	4.0%
WACC	13.0%	1.1	1.2	1.3	1.4	1.5
	12.0%	1.3	1.4	1.6	1.6	1.7
	11.0%	1.4	1.6	1.8	1.9	2.1
	10.0%	1.7	1.9	2.2	2.3	2.5
	9.0%	2.0	2.2	2.6	2.9	3.2

Sensitivity analysis DCF						
		EBIT margin terminal year				
		23.0%	24.0%	25.0%	26.0%	27.0%
WACC	13.0%	1.2	1.3	1.3	1.4	1.5
	12.0%	1.4	1.5	1.6	1.6	1.7
	11.0%	1.6	1.7	1.8	1.9	2.0
	10.0%	1.9	2.1	2.2	2.3	2.4
	9.0%	2.4	2.5	2.6	2.8	2.9

Source: NuWays Research

Transactions in the private sector underpin attractiveness of the sector

Precedent transactions are a valuable tool for valuation analysis because they provide a real-world benchmark of what buyers are willing to pay for comparable companies. In the case of CS MEDICA, examining similar transactions, such as Pfizer's \$ 6.7bn acquisition of Arena Pharmaceuticals and Jazz Pharmaceuticals' \$ 7.2bn acquisition of GW Pharmaceuticals, highlights the strong market demand for companies operating in the cannabinoid-based pharmaceutical space. These deals reflect investor confidence in the growth potential of the industry, indicating that buyers are willing to pay a premium for strategic assets in this sector.

Additionally, precedent transactions help to underpin assumptions in our discounted cash flow analysis by providing context for growth potential and market appetite. DCF models rely heavily on future projections, which can be uncertain. However, observing the valuations from actual transactions provides a more grounded expectation of what buyers might pay, especially in the event of a merger or acquisition. This is particularly relevant in fast-growing industries strategic acquisitions often reflect both the company's current performance, its future growth trajectory and value of its trademarks, IPs, etc.

Year	Target	Acquirer	Purchase price
2024	Zenabis Global	Sundial Growers	\$ 282m
2023	NuLeaf	Jushi Holdings	\$ 51m
2023	Tryke Companies	Curaleaf	\$ 286m
2022	APIRx Pharmaceutica	Incannex Healthcare	\$ 93m
2022	Columbia Care	Cresco Labs	\$ 2000m
2022	Hexo Corp.	Tilray	\$ 283m
2022	Nimbus Health	Dr. Reddy's	undiscolsed
2022	Arena Pharmaceuticals	Pfizer	\$ 6700m
2021	Harvest Health & Recreation	Trulieve	\$ 2100m
2021	GW Pharmaceuticals	Jazz Pharmaceuticals	\$ 7200m
2020	Select Brands	Curaleaf	\$ 949m
2019	Origin House	Cresco Labs	\$ 823m
2019	Grassroots Cannabis	Curaleaf	\$ 875m

Source: NuWays Research

Strategic (asset) value

As explained in the previous section, a potential strategic buyer could value CS MEDICA rather based on its assets such as trademarks, patents, R&D projects/ technology platform, etc. than on the cash flows as large pharmaceutical companies would be able to leverage their sales channels and manufacturing depth to significantly leverage the asset base.

Hence, it makes sense to point towards potential values for the individual parts of the business based on development costs.

Trademark region	Status	Factor	Estimated Value (€ m)
EU	Registered	5.0	3.0
Norway	Registered	1.0	0.6
Switzerland	Registered	1.0	0.6
Canada	Registered	1.0	0.6
India	Registered	1.0	0.6
Indonesia	Registered	1.0	0.6
Japan	Registered	1.0	0.6
Malaysia	Registered	1.0	0.6
South Korea	Registered	1.0	0.6
Thailand	Registered	1.0	0.6
United States	Registered	5.0	3.0
Vietnam	Registered	1.0	0.6
United Kingdom	Registered	1.0	0.6
Hong Kong	Registered	1.0	0.6
Australia	Registered	1.0	0.6
New Zealand	Registered	1.0	0.6
Turkey	Registered	1.0	0.6

Total value (€ m)	15.0
Per share	0.9

Patent/ product	Status	Estimated Value (€ m)
Psoriasis	Granted to be issued Europe & international pending	3.0
Arthritis	International pending	4.0
Sleeping Disorders	DK Granted & international pending	2.0
Hair Loss	Granted to be issued DK & international pending	1.5
Wound Care	DK Granted & international pending	2.0
Pain	Pending & international pending	5.0
Allergy (Pollen, Virus, Bacteria)	DK Granted & international pending	1.0

Total value (€ m)	18.5
Per share	1.1

Technology platform	Estimated Value (€ m)
Clinical Information Management System (CIM)	3.0
Product Information Management System (PIM)	3.0
Open Access Repository System (OARS)	3.0

Total value (€ m)	9.0
Per share	0.5

Regulatory achievements

2 MDR-compliant products in Europe; Four CBD-based medicinal products classified under MDR, Rule 21; 10 products certified through BSI; 8 FDA-compliant products in the USA; The first IMO-compliant products in Israel.

5.0

Total value (€ m)	5.0
Per share	0.3

Total value (€ m)	47.5
Per share	2.8

Source: NuWays Research, company data

Theme

Regulatory environment

Although THC (tetrahydrocannabinol) is the psychoactive component of cannabis, in many countries, including China, CBD (cannabidiol) is still stigmatized and classified as an illegal substance. Despite CBD's lack of psychoactive effects, it faces legal challenges and regulatory scrutiny in China, complicating market entry. This stigma adds to the complexity for companies like CS MEDICA, which specialize in CBD-infused products, making it crucial to navigate the country's strict regulatory landscape carefully.

CS MEDICA is currently undergoing the process of registering its products under Chinese legislation, with clinical trials taking place in the pilot zone area of "Hinan." This region offers a unique regulatory environment, and the company's prospects for entering the market appear promising. China's massive market, combined with its role as a gateway to the broader APEC region, positions it as a strategic target. Favorable consumer behavior, such as a willingness to adopt new technologies and wellness products, presents an opportunity for CS MEDICA to achieve a first-mover advantage. Once local approval is granted, the company could establish a strong foothold in China and the wider Asia region, where competition remains limited.

However, China's regulatory complexities mean that the market is not yet factored into the company's short-term growth projections. Meanwhile, Japan has taken steps to allow CBD products with 0% THC, making it an attractive market for Cannordic. Along with India and Malaysia, where CS MEDICA has already secured product registrations, Japan offers a more favorable regulatory environment for immediate expansion, presenting new revenue opportunities while China's legal landscape evolves.

Spin-Off/IPO of CANNORDIC to emphasize its intrinsic value

On June 10, 2024, CS MEDICA announced its plan to spin off up to 20% of its subsidiary, CANNORDIC A/S, aiming to increase shareholder value and reveal hidden reserves as most of the intellectual property, R&D, development, clinical trials, and technical files linked to production and compliance are embedded within Cannordic.

The spin-off aims to leverage market opportunities, meet new EU MDR requirements, and secure growth and innovation capital, enhancing both CS MEDICA's and CANNORDIC's market positions. In the pre-IPO phase, CS MEDICA aims to raise up to EUR 6 million by placing up to 20% of CANNORDIC shares with institutional and semi-institutional investors based on interest from roadshows in Germany.

CS MEDICA will retain the majority ownership of CANNORDIC post-IPO and continuously evaluate further share placements. The transaction has already acquired shareholder approval at an extraordinary general meeting in June 2024, with the IPO and listing expected to be completed by the end of 2024 (eNuW: November).

The spin-off is seen to eventually lead to a re-rating of the stock of CS MEDICA (and CANNORDIC) as (1) the company's visibility with investors improves, (2) its business model and prospects are better understood by the European investing community, and (3) any potential discount is eliminated as the company simplifies and reduces complexity in its operating structure.

Potential capital increase with Chinese partner RongShi, alternatively with other Chinese investor

Due to financial constraints and delays in achieving a funding agreement with a Chinese partner (RongShi) because of pending Chinese FDA approval, CS MEDICA has recently reshaped its strategy and now focuses more on its private/ white label

CS MEDICA A/S

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business approach.

Having said that, long-term funding is still planned to be secured through the Rong-Shi Investment Agreement, involving a DKK 60m capital increase, organized into two tranches. The first tranche of DKK 30m is dependent on the local approval with the Chinese FDA and has faced delays, leading to extraordinary collaborative efforts between CS MEDICA and its investor RongShi to overcome this setback. Further, transferring CS MEDICA shares to China also involves additional regulatory hurdles.

If the approval is granted, we expect the funding to go through and favorably affect the company's ability to focus on and invest in marketing its core brand CANNASEN® again.

A new investor to de-risk. In order to mitigate the risk of RongShi's investment coming through, CS MEDICA is in the process of onboarding an alternative potential investor (also from China). We expect a related agreement to be signed until the end of this year.

Company Background

History

2011-2012:

- CS MEDICA and Galaxa Pharma were founded.

2013-2014:

- Research on cannabis therapeutic properties initiated.
- GALAXA PHARMA signs distribution deal with Labo International for CRESCINA (Hair Loss Product) in Denmark.

2014-2015:

- Phase I R&D on cannabis biology and chemistry.
- CRESCINA sold through major Danish channels (Matas largest pharmacy chain DK, Nomeco and TMJ two of the largest DK wholesalers) and launched online.

2015-2016:

- Phase II R&D on ancient CBD-infused formulas.
- Collaborations with international CBD experts.
- CRESCINA expanded in Matas shops.
- Distribution agreement (GALAXA PHARMA as distributor) with OCEANIC S.A. for in Poland. for their cosmetic lines LIFT4SKIN and LONG4LASHES

2016-2017:

- Phase III R&D on cannabinoids combinations.
- Online launch of OCEANIC's products (LIFT4SKIN and LONG4LASHES) in on-line shop of Matas and other e-commerce platforms

2017-2018:

- Phase IV R&D on CANNASEN® Psoriasis and Arthritis gels.
- Preclinical tests conducted.

2018-2019:

- Launch of CS MEDICA's web-shop.
- Phase V R&D on CANNASEN® products, patent applications submitted.

2019/2020:

- CANNORDIC registered as a medical device manufacturer.
- Collaboration talks with China Polypeptide Industrial Group delayed due to COVID-19.
- COVID-19 protective products launched.
- Global trademark secured for CANNASEN®.
- Distributor agreements finalized in Europe.
- Loan capital converted to shares in Galaxa Pharma.

2020/2021:

- Market launch of various CANNASEN® products.

- Distribution and sales agreements finalized in Europe.
- Establishment of professional boards for all companies

2022 – 2023:

- CS MEDICA A/S entered into a significant joint venture with Inner Mongolia Rong Shi Hi-Tech Co., Ltd. to produce and distribute CANNASEN® CBD medical products in China
- The CANNASEN® Pain Patch became the first Over-the-Counter (OTC) product containing CBD to receive approval from Israel’s Ministry of Health
- CS MEDICA A/S received approval from regulatory authorities to extend the transition period for the Medical Device Regulation (MDR) until the end of 2028.

2024:

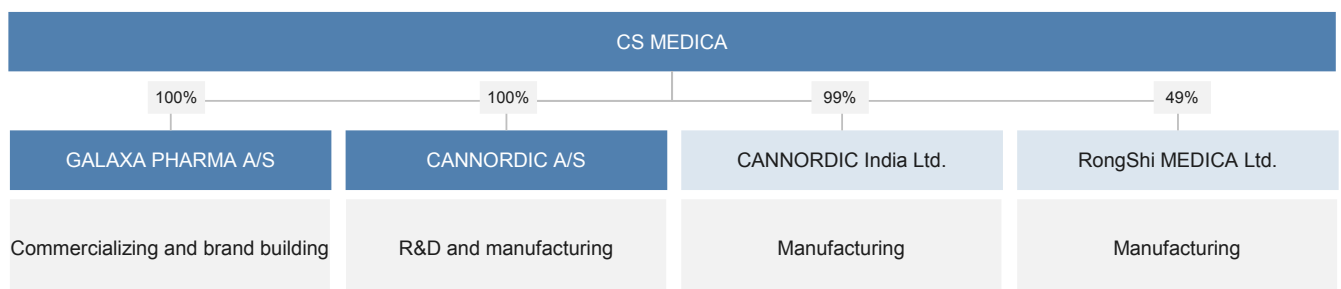
- Registration of CANNASEN® Pain Patch in Australia and launch of its cosmetic products
- Received patent on its wound gel on Denmark
- CS MEDICA partners with new distributor to launch CANNASEN® in Jordan
- Approval of protective nasal gel in Malaysia, set to launch for sale in the first Asian market.
- Distribution partnership with OneMed for enhanced distribution and marketing in Denmark

Company Structure

CS MEDICA has four subsidiaries: GALAXA PHARMA, CANNORDIC, CANNORDIC India, and Rong Shi MEDICA:

- **GALAXA PHARMA A/S** (100% stake) focuses on e-commerce, distributing pharmaceutical and prescription-based products, and enhancing distribution efficiency.
- **CANNORDIC A/S** (100% stake) mainly focuses on R&D, development, clinical trials, and technical files linked to production and compliance.
- **CANNORDIC India Ltd.** (99% stake) helps distribute in a cost-effective way CS MEDICA’s products in the APAC region.
- **Rong Shi MEDICA Ltd.** (49% stake) is envisioned/planned as a manufacturing and distribution hub for the Asian markets but is currently on hold due to funding delays.

Company structure



Source: NuWays Research

Management

Lone Henriksen – Chief Executive Officer, CSO & Founder

Lone Henriksen is the CEO, CSO, and Founder of CS MEDICA. She has a B.Sc. in Biochemistry and Business/ Marketing as well as 20 years' experience in the pharmaceutical industry. In her previous roles she worked, amongst others, behind the global cooperation between Brenntag and Astra Zeneca.

Gitte Henriksen- Chief Financial Officer, CIO & Founder

Gitte is the CFO, CIO, and Founder of CS MEDICA. She has a M.Sc. Business Administration & Finance and previously worked as an auditor at KPMG with 20+ year experience in business development within the Big 4. She is experienced in strategy development, implementation and execution, marketing, human resources, system and process design and optimization in international projects.

Heidi Ahlefeldt-Laurvig – Chief Operating Officer & CMO

Heidi is the COO and CMO of CS MEDICA. She has an MBA from Henley Business School and serves as a censor at CBS and other DK universities. She has 20+ work experience in large companies like L'Oreal, P&G, Cloetta, and Coop, and is experienced in reframing business models and strategies to grow brands.

Mikkel Raahauge Nielsen – Chief Commercial Officer

Mikkel is CCO of CS MEDICA. He has a M.Sc. in International Business and more than 10 years of experience in pharmaceutical industry in various positions. He is well-experienced in fulfilling various commercial responsibilities.

Board of Directors

Flemming Heegaard – Chairman

Flemming is Chairman of CS MEDICA and a seasoned attorney with particular focus on corporate law, M&A, and tax advisory services. He appeared in DK Court of Appeals and Supreme court and offers valuable comprehensive legal counsel. Other assignments include practicing in his own law firm and being a board member in other commercial companies.

Anders Permin – Board Member

Andreas is a board member of CS MEDICA. He holds a Ph.D. in Veterinary Microbiology and an MBA. He is CEO and Founder of Unibrains.dk offering life science documentation, market analysis, and IT solutions. Other assignments include being the CEO at Værløse Dyreklinik Ap, CEO at Unibrains ApS, Chairman of the Bioscience group of the Danish Veterinary Association and member of the executive board of DDD.

Ib Madsen – Board Member

Ib is a board member of CS MEDICA. He is a seasoned CEO with a strong focus on business development across diverse industries. His expertise includes business development, capital raising, and strategic sparring, underpinned by a commercial mindset and go-to-market strategy. Other assignments include being relationship manager at Bang & Jensen Group as well as investment management.

Jesper Herold Halle – Board Member

Jesper is a board member of CS MEDICA. He holds a BA in international business and has 25+ years expertise in Asia and the Middle East, fostering major digital platform collaborations. He is a former Commercial Consul for the Danish Ministry of Foreign Affairs in China. Other assignments includes being partner at Case Rose | Inter Search an executive and leadership consulting firm, Partner at Board Network – The Danish Professional Directors Association, and leading the advisory firm Herold Halle 1945 ApS.

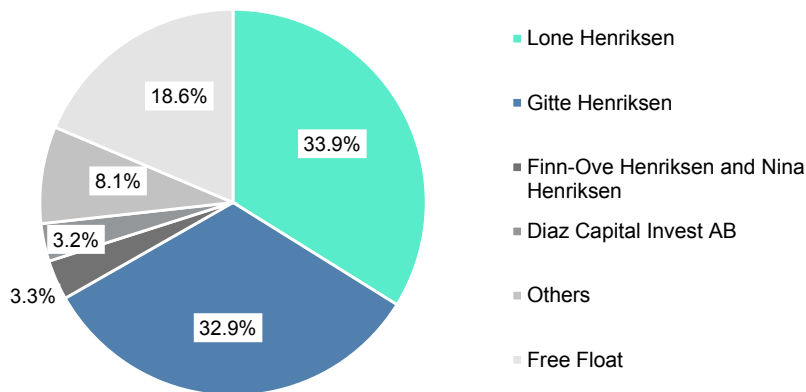
Gitte Henriksen – CFO, CIO & Founder of CS MEDICA

Lone Henriksen is the CEO, CSO, and Founder of CS MEDICA. She has a B.Sc. in Biochemistry and Business/ Marketing as well as 20 years' experience in the pharma industry. In her previous roles she worked, amongst others, behind the global cooperation between Brenntag and Astra Zeneca.

Shareholder Structure

The company has 13.81m shares outstanding. A combined majority (70.09%) is held by the Henriksen family (the two founders plus their parents). Key shareholders include Lone Henriksen (33.87%), Gitte Henriksen (32.88%), Finn Ove and Nina Henriksen (3.34%), and the investment firm Diaz Capital Invest (3.16%).

Shareholder structure



Source: NuWays Research

Investment Risks

As with any investment, there are certain risks associated with investing in CS MEDICA. The key investment risks, in our view, are:

Regulatory risks:

- Local approvals are needed to market and distribute their products in each country, the likelihood of getting the approval is c. 70% (eNuW).
- Big contracts in e.g. China with RongShi are on hold due to local regulatory challenges because (1) CBD is often considered a drug and (2) CS MEDICA sells medical devices which are subject to approval of FDA equivalent authorities.

Funding risk:

- In order to successfully grow its flagship CANNASEN® brand, the company must have sufficient access to liquidity to manufacture and bring to market its products.
- Should the company not be able to secure sufficient liquidity / funding, its CANNASEN®brand building may be severely limited and reduced.

Market risk:

- High competition could lead to price pressure and lower margins during the mid-term.
- A lack of supply chain resilience could impact go-to-market lead time and adaptability to market needs for MOQs, prices, and lead time flexibility.

Share price volatility:

- Disruptions on the capital markets could come with notable share price movements, which can be unrelated to the operational performance of the company.
- Limited liquidity can also cause additional volatility during eventful times.

Financials

Profit and loss (DKK m)	2020/21	2021/22	2022/23	2023/24e	2024/25e	2025/26e
Sales	3.2	10.6	1.1	16.1	33.8	54.2
Sales growth	50.6%	232.8%	-89.9%	1412.8%	109.5%	60.1%
Cost of sales	1.8	6.0	0.2	8.9	13.5	19.5
Gross profit	0.0	0.0	0.0	0.0	0.0	0.0
Sales and marketing	0.7	3.5	4.6	4.0	5.8	7.0
General and administration	1.5	13.1	12.3	16.0	18.6	24.4
Research and development	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0
Other operating expenses	0.0	0.0	0.0	0.0	0.0	0.0
Total operating expenses	0.0	0.0	0.0	0.0	0.0	0.0
Unusual or infrequent items	-3.7	-2.0	0.0	-3.7	-4.0	0.0
EBITDA	1.2	-11.3	-15.8	-11.9	-3.4	4.1
Depreciation	1.4	2.1	2.1	2.1	2.4	2.7
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	-0.2	-13.3	-17.9	-14.0	-5.8	1.4
Interest income	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.2	0.8	0.6	1.5	4.1	4.3
Investment income	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-0.2	-0.8	-0.6	-1.5	-4.1	-4.3
Recurring pretax income from continuing operations	-0.4	-14.2	-18.5	-15.5	-9.8	-3.0
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-0.4	-14.2	-18.5	-15.5	-9.8	-3.0
Income tax expense	-1.1	-3.4	-4.0	-0.8	-0.5	-0.1
Net income from continuing operations	0.6	-10.8	-14.5	-14.7	-9.3	-2.8
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	0.6	-10.8	-14.5	-14.7	-9.3	-2.8
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0
Net profit (reported)	0.6	-10.8	-14.5	-14.7	-9.3	-2.8
Average number of shares	5.5	11.6	12.3	17.1	17.1	17.1
EPS reported	0.12	-0.93	-1.18	-0.86	-0.55	-0.17

Profit and loss (common size)	2020/21	2021/22	2022/23	2023/24e	2024/25e	2025/26e
Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of sales	57.1%	56.3%	14.4%	55.0%	40.0%	36.0%
Gross profit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sales and marketing	20.6%	33.1%	432.4%	25.0%	17.0%	13.0%
General and administration	47.4%	123.9%	1151.1%	99.0%	55.0%	45.0%
Research and development	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other operating income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other operating expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total operating expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Unusual or infrequent items	-117.0%	-19.3%	0.0%	-23.0%	-11.7%	0.0%
EBITDA	37.5%	-106.4%	-1482.5%	-74.0%	-10.0%	7.5%
Depreciation	43.0%	19.6%	194.5%	13.0%	7.0%	5.0%
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Impairment charges	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	-5.5%	-126.0%	-1677.0%	-87.0%	-17.0%	2.5%
Interest income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest expenses	7.3%	7.8%	53.2%	9.0%	12.0%	8.0%
Investment income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	neg.	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	-12.8%	-133.8%	-1730.3%	-96.0%	-29.0%	-5.5%
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	-12.8%	-133.8%	-1730.3%	-96.0%	-29.0%	-5.5%
Tax rate	258.8%	23.7%	21.4%	5.0%	5.0%	5.0%
Net income from continuing operations	20.4%	-102.1%	-1359.8%	-91.2%	-27.5%	-5.2%
Net income	20.4%	-102.1%	-1359.8%	-91.2%	-27.5%	-5.2%
Minority interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit (reported)	20.4%	-102.1%	-1359.8%	-91.2%	-27.5%	-5.2%

Source: Company data, NuWays

Balance sheet (DKK m)	2020/21	2021/22	2022/23	2023/24e	2024/25e	2025/26e
Intangible assets	12.8	13.5	13.6	16.6	17.2	17.4
Property, plant and equipment	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0
FIXED ASSETS	12.8	13.5	13.6	16.6	17.2	17.4
Inventories	1.2	1.3	2.7	4.5	7.4	10.0
Accounts receivable	3.1	6.5	2.4	1.8	2.8	4.4
Other assets and short-term financial assets	0.1	0.1	0.1	0.1	0.1	0.1
Liquid assets	10.0	2.9	-0.4	2.9	20.2	25.3
Deferred taxes	0.2	3.5	7.5	7.5	7.5	7.5
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	14.6	14.4	12.2	16.8	37.9	47.2
TOTAL ASSETS	27.4	27.9	25.9	33.4	55.1	64.6

SHAREHOLDERS EQUITY	24.1	24.9	10.4	-0.2	-7.5	-8.4
MINORITY INTEREST	0.0	0.0	0.0	0.0	0.0	0.0
Long-term liabilities to banks	0.0	0.0	0.0	0.0	0.0	0.0
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
other interest-bearing liabilities	1.3	0.6	8.6	31.7	58.6	66.3
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions and accrued liabilities	0.3	0.2	0.0	0.0	0.0	0.0
NON-CURRENT LIABILITIES	1.6	0.8	8.6	31.7	58.6	66.3
Short-term liabilities to banks	0.4	0.4	0.2	0.2	0.2	0.2
Accounts payable	1.2	1.8	6.7	1.8	3.9	6.5
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Accrued taxes	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	0.0	0.0	0.0	0.0	0.0	0.0
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT LIABILITIES	1.6	2.2	6.9	2.0	4.1	6.7
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	27.4	27.9	25.9	33.4	55.1	64.6

Balance sheet (common size)	2020/21	2021/22	2022/23	2023/24e	2024/25e	2025/26e
Intangible assets	46.6%	48.4%	52.7%	49.8%	31.2%	26.9%
Property, plant and equipment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Financial assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FIXED ASSETS	46.6%	48.4%	52.7%	49.8%	31.2%	26.9%
Inventories	4.5%	4.8%	10.5%	13.5%	13.3%	15.4%
Accounts receivable	11.3%	23.3%	9.2%	5.3%	5.0%	6.8%
Other assets and short-term financial assets	0.3%	0.4%	0.4%	0.3%	0.2%	0.2%
Liquid assets	36.5%	10.5%	-1.6%	8.8%	36.7%	39.2%
Deferred taxes	0.8%	12.6%	28.9%	22.3%	13.5%	11.5%
Deferred charges and prepaid expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT ASSETS	53.4%	51.6%	47.3%	50.2%	68.8%	73.1%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SHAREHOLDERS EQUITY	88.1%	89.3%	40.3%	-0.6%	-13.7%	-12.9%
MINORITY INTEREST	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Long-term liabilities to banks	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	4.8%	2.1%	33.2%	94.8%	106.3%	102.5%
Provisions for pensions and similar obligations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other provisions and accrued liabilities	1.2%	0.6%	0.0%	0.0%	0.0%	0.0%
NON-CURRENT LIABILITIES	6.0%	2.7%	33.2%	94.8%	106.3%	102.5%
Short-term liabilities to banks	1.5%	1.6%	0.7%	0.6%	0.3%	0.3%
Accounts payable	4.4%	6.3%	25.8%	5.3%	7.1%	10.1%
Advance payments received on orders	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accrued taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other liabilities (incl. from lease and rental contracts)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	5.9%	8.0%	26.5%	5.9%	7.4%	10.4%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company data, NuWays

Cash flow statement (DKK m)	2020/21	2021/22	2022/23	2023/24e	2024/25e	2025/26e
Net profit/loss	0.6	-10.8	-14.5	-14.7	-9.3	-2.8
Depreciation of fixed assets (incl. leases)	1.4	2.1	2.1	2.1	2.4	2.7
Amortisation of goodwill & intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Other costs affecting income / expenses	0.2	0.8	0.6	0.0	0.0	0.0
Cash flow from operating activities	-6.0	-14.0	-8.3	-16.7	-6.7	0.3
Increase/decrease in inventory	0.0	0.0	0.0	-1.8	-2.8	-2.6
Increase/decrease in accounts receivable	0.0	0.0	0.0	0.6	-1.0	-1.6
Increase/decrease in accounts payable	0.0	0.0	0.0	-4.9	2.1	2.6
Increase/decrease in other working capital positions	0.0	0.0	0.0	2.0	2.0	2.0
Increase/decrease in working capital	-8.3	-6.1	3.5	-4.1	0.3	0.4
Cash flow from operating activities	-6.0	-14.0	-8.3	-16.7	-6.7	0.3
CAPEX	4.2	2.8	2.2	3.0	3.0	2.9
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-4.2	-2.8	-2.2	-3.0	-3.0	-2.9
Cash flow before financing	-10.2	-16.9	-10.5	-19.7	-9.6	-2.6
Increase/decrease in debt position	1.7	-0.7	-0.4	23.1	26.9	7.7
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	27.6	13.4	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Others	-9.4	-2.9	7.5	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	19.9	9.8	7.2	23.1	26.9	7.7
Increase/decrease in liquid assets	9.7	-7.1	-3.3	3.4	17.3	5.1
Liquid assets at end of period	10.0	2.9	-0.4	2.9	20.2	25.3

Key ratios (DKK m)	2020/21	2021/22	2022/23	2023/24e	2024/25e	2025/26e
P&L growth analysis						
Sales growth	50.6%	232.8%	-89.9%	1412.8%	109.5%	60.1%
EBITDA growth	164.5%	-1045.0%	40.5%	-24.5%	-71.7%	-220.1%
EBIT growth	-367.2%	7474.2%	34.2%	-21.5%	-59.1%	-123.5%
EPS growth	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Efficiency						
Sales per employee	227.1	755.9	76.2	922.6	8,456.4	2,355.1
EBITDA per employee	85.1	-804.2	-1,130.2	-682.7	-845.6	176.6
No. employees (average)	14	14	14	18	4	23
Balance sheet analysis						
Avg. working capital / sales	56.1%	30.4%	71.6%	32.7%	6.9%	11.4%
Inventory turnover (sales/inventory)	1.5	4.4	0.1	2.0	1.8	2.0
Accounts receivable turnover	355.9	224.0	809.4	40.0	30.0	29.5
Accounts payable turnover	139.5	61.1	2,278.3	40.0	42.0	44.0
Cash flow analysis						
Free cash flow	-10.2	-16.9	-10.5	-19.7	-9.6	-2.6
Free cash flow/sales	-320.2%	-159.3%	-985.4%	-122.1%	-28.5%	-4.8%
FCF / net profit	neg.	156.0%	72.5%	133.9%	103.4%	92.3%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solvency						
Net debt	-8.3	-1.9	9.2	28.9	38.5	41.2
Net Debt/EBITDA	0.0	0.0	-0.6	-2.4	-11.4	10.1
Dividend payout ratio	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Interest paid / avg. debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Returns						
ROCE	n.a.	n.a.	n.a.	n.a.	n.a.	4.2%
ROE	2.7%	-43.3%	-139.4%	6931.7%	123.7%	33.8%
Adjusted FCF yield	n.a.	n.a.	n.a.	n.a.	n.a.	2.9%
Dividend yield			0.0%	0.0%	0.0%	0.0%
DPS	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	0.12	-0.93	-1.18	-0.86	-0.55	-0.17
Average number of shares	5.5	11.6	12.3	17.1	17.1	17.1
Valuation ratios						
P/BV	n.a.	n.a.	0.7	-46.3	-1.3	-1.2
EV/sales	n.a.	n.a.	5.6	0.8	0.4	0.3
EV/EBITDA	n.a.	n.a.	-0.4	-1.1	-4.4	3.7
EV/EBIT	n.a.	n.a.	-0.3	-1.0	-2.6	11.2

Source: Company data, NuWays

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Company	Disclosures
CS MEDICA A/S	2,8

Historical target price and rating changes for CS MEDICA A/S

Company	Date	Analyst	Rating	Target Price	Close
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According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published under: www.nuways-ag.com

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