Research Update

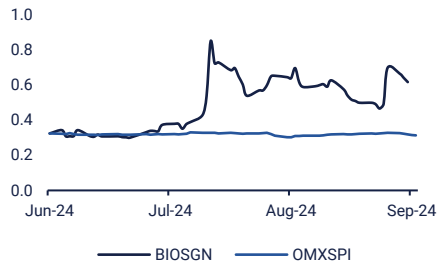
BIOSERGEN AB

Biosergen AB, a biopharmaceutical company, engages in the development of antifungal products. It is developing an antifungal drug candidate for the treatment of invasive fungal infections. The company was founded in 2004 and is based in Solna, Sweden.

CEO: Tine Olesen
CoB: Anna Ljung
www.biosergen.net

Bloomberg: BIOSGN:SS
Reuters Eikon: BIOSGN.ST
List: Nasdaq First North
Last: SEK 0.6
Market Cap: SEK 88m

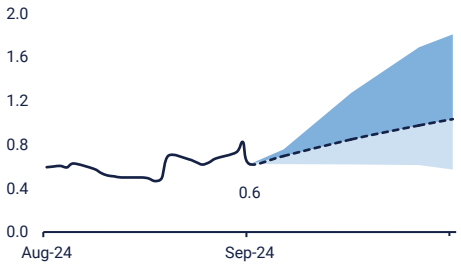
SHARE PRICE



	12M	YTD	6M	1M
Development (%)	-8	-10	77	21

Source: S&P Capital IQ

VALUATION INTERVAL (SEK)



	BEAR	BASE	BULL
Target Price (SEK)	0.6	1.0	1.8
Potential (%)	-8%	66%	187%

Source: S&P Capital IQ and Carlsquare estimates

CARLSQUARE EQUITY RESEARCH

Herman Kuntscher
Associate Equity Analyst

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First patient treated in phase Ib study a success

Biosergen announced its results for the second quarter of 2024 on August 30 and published an update regarding the ongoing clinical trial in India. The first patient treated was a success, with the patient recovering well and currently under observation. Longer treatment cycles will allow for higher peak sales, but, on the flip side, the company has communicated that approvals for BSG005 will come later than we had anticipated. Taken together our estimated fair share price of SEK 1.0 (1.0) is unchanged.

Burn rate lower than our estimates

Biosergen published the update for Q2 on Friday, August 30. Highlights during the quarter included two new board members, Anna Ljung and Robert Molander, final permission to test BSG005 in patients, conversion of paid subscribed units and first day of trading with warrants of series TO3, and, finally, a directed issue to underwriters in connection with the completed rights issue. In Q2, total operational expenses amounted to SEK -6.2 million, as compared to our estimate of -7.8 million. This leaves Biosergen with SEK 12.2 million in the bank by the end of Q2, pointing to a touchdown on the financial runway in two quarters time. However, warrants of series TO3 are due to be exercised in Q4, bringing in, at maximum, another SEK 43.9 million. The Biosergen share is currently trading strong at around SEK 0.6 per share, increasing the attractiveness of the warrants that can, at maximum, cost SEK 0.5 per share.

Clinical trial ongoing in India with first patient treated

Biosergen, together with partner Alkem, is currently running a phase Ib clinical trial in India. The study will include up to 15 patients suffering from severe fungal infections, including mucormycosis (black fungus), aspergillosis, and candidiasis. It was announced shortly after the quarterly report that the first patient had been treated successfully. The patient, a 47-year-old male with diabetes, mucormycosis, and moderate renal impairment was given escalating doses of BSG005, starting with 0.1 mg/kg up to 1 mg/kg. After 28 days of treatment, the patient had recovered as well as returned to normal renal parameters. Due to the location of the infection, normal treatment would have meant surgical removal of a lung, showcasing a drastic difference thanks to BSG005. A second patient had just been dosed at the time of writing on August 30, with 5 sites involved in the trial and ready to enroll patients. The last patient visit is expected at the end of January 2025.

Increased peak sales offset by slower expected clinical progress

Since our update in July, several key parameters have been changed. As per the updated website, the company now expects BSG005 to be approved for Aspergillosis in 2029, with other indications added in the following year. Furthermore, it is unlikely that NPU sales will be possible as early as we had previously estimated. On a positive note, on the back of the ongoing phase Ib study, expected treatment cycles are longer, entailing higher revenues per patient. Taken together, we have shifted our sales curves on the timeline, with NPU sales starting in H2 2026 and approvals for the different regions coming in significantly later than our previous estimates. This pushes more of the upside further out on the timeline. However, higher revenues per patient increase our peak sales estimate, going from USD 386 million in 2032 to 645 million in 2035. The updated parameters leave our fair share value in the base case unchanged at SEK 1.0 (1.0) per share, rising to SEK 1.8 (1.6) in the bull case and down to SEK 0.6 (0.7) in the bear case.

Financial Key Ratios (SEKm)

	2021A	2022A	2023A	2024E	2025E	2026E
Net Sales	0.0	0.0	0.0	0.0	0.0	1.4
Total revenues	8.6	5.2	9.4	1.2	0.0	1.4
EBIT	-34.1	-40.0	-27.3	-29.3	-21.4	-21.2
EBT	-34.4	-39.9	-27.2	-29.4	-21.4	-21.2
Earnings per share	-1.0	-1.1	-0.6	-0.2	-0.1	-0.1
EV/Sales	NaN	NaN	NaN	NaN	NaN	184.6X
EV/EBITDA	NM	NM	NM	NM	NM	NM
EV/EBIT	NM	NM	NM	NM	NM	NM

Source: Company information and Carlsquare estimates

BSG005 off to a great start in India

The first patient has been successfully treated in India and is currently under observation. No renal impairment was observed. Dose escalation from 0.1 mg/kg to 1 mg/kg was conducted without any observed negative health impact.

Clinical trial ongoing in India

Study underway in India

Biosergen and Alkem have faced red tape associated with an import license required to ship BSG005 into India. On 11 June, this was finally granted by the Central Drugs Standard Control Organization (CDSCO). India is known to be on the bureaucratic side when it comes to regulatory and compliance. Thus, the delay, compared to the end of March, is not wholly unexpected, and it can be the case that it would have been more severe had Biosergen not had the partnership. The first patient treated was a 47-year-old male with diabetes, mucormycosis, and moderate renal impairment. The patient was given escalating doses of BSG005, starting with 0.1 mg/kg and up to 1 mg/kg. After 28 days of treatment, the patient had not only recovered but also returned to normal renal parameters. Due to the location of the infection, normal treatment would have meant surgical removal of a lung, showcasing a drastic difference thanks to BSG005. A second patient had just been dosed at the time of the announcement on August 30, with 5 sites involved in the trial and ready to enroll patients. The last patient visit is expected at the end of January 2025. Being an open trial, we expect to get updates on the progress as the study progresses.

TO3 to come in before the end of the cash runway

Biosergen currently has a cash position of SEK 12.2 million. This means, with the current burn rate, that the current balance should be sufficient for the remainder of 2024. If all issued warrants of series TO3 are exercised, the company will be due an additional SEK 43.9 million. The proceeds will be used for the production and quality assurance of BSG005 for coming phase II and III trials. The TO3 warrants are price-defined during the period 4 till 15 November 2024. This can at least be SEK 0.3 and, at most, SEK 0.5 per share. Warrant subscription will take place during the period 18 to 29 November 2024. We find it positive that the money, assuming no extraordinary event or delay, will be sufficient not only to reach phase II but also to gear up the company for NPU sales. Depending on the amount raised, it will be possible for Biosergen to speed up clinical progression, further calming worries about delays.

Q2 report showcases lower burn rate than anticipated

In terms of financials, the Q2 report came with little surprises, as to be expected of a research company. Costs were related to the ongoing clinical trial in India while the only income generated was related to government grants. Other income amounted to SEK 0.479 million, as compared to our estimate of 0. Total operating expenses came in at SEK -6.207 million, as compared to our estimate of -7.8 million. The lower burn rate was a welcome surprise although we do not see a significant enough deviation in order for us to update our estimates for the remainder of 2024. Costs were mainly related to CRO and consulting costs. Personnel costs came in at SEK -2.608 million, compared to our estimate of SEK -1.4 million. The company currently employs two people, meaning that the company is about as lightweight as can be. We see this as the most prudent way forward for the company, effectively coasting until biobucks start coming in to fund new developments, such as the oral or nano formulations of BSG005.

Investment Case

Biosergen is developing an innovative drug candidate against invasive fungal diseases such as mucormycosis ("black fungus"), aspergillosis, and candidiasis, all associated with high mortality. With a limited competitive landscape and a clear niche in its molecular class, we believe BSG005 can strategically position itself in the rapidly growing fungal infections market. We expect peak sales to reach USD 645 million, with the possibility for broad usage without the need for a definite diagnosis. We estimate that BSG005 will be able to "launch" early, with NPU sales starting in 2026. We estimate a risk-adjusted fair share value of SEK 1.0.

Macro and research combine

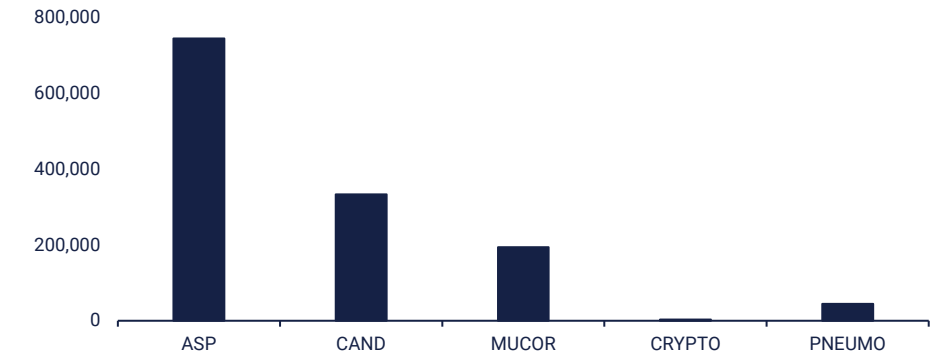
Improved version of a well-documented molecule

Biosergen's drug candidate, BSG005, belongs to the same molecular class as one of the most effective antifungal drugs on the market, amphotericin B. The fungicidal effects of the drug have been confirmed in numerous clinical programs over the last 50 years. The extensive research for this molecular class has generated data that Biosergen has been able to use to modify an improved version of current treatment options. Furthermore, BSG005 has undergone over two decades of internal development and modifications to produce the current version of the candidate. The version established in 2008 is defined as a polyene macrolide antifungal molecule and belongs to the Polyene class of molecules. In total, efficacy for over 200 fungal strains has been confirmed in *in vitro* studies. BSG005 is expected to have a significantly better safety profile than current treatments in the same molecular class. At the same time, preclinical studies have also indicated that better efficacy can be achieved in certain fungal pathogens compared to the candidate's closest competitors. Safety and tolerability were shown in a classically designed phase I study, with healthy volunteers showing no negative values on kidney and liver parameters.

Prevalence of fungal infections under rapid growth

The prevalence of pathogens relevant to Biosergen is shown in the table below. The market for the treatment of invasive fungal infections is expected to grow, among other factors, due to increasing prevalences of comorbidities that negatively affect the immune system, such as diabetes. There are only three classes of molecules with many drug derivatives based on them, which constitute today's standard treatment. Due to the few new options, drug resistance has become a major concern. In fact, the WHO has declared it a global health threat.

Addressable patients per fungal strain



Source: Carlsquare estimates

Licensing deals in the coming years

The Company intends to work with CROs and outsource development, ultimately partnering with bigger pharmaceutical companies that can commercialize and sell the drug in major markets, like Alkem in India. This means that the company can receive "biobucks" in the form of upfront payments as well as milestones. Timing tends to be of great importance when it comes to dealmaking, and deal structure can vary significantly. It is as of yet unclear if Biosergen will aim for front or back-loaded deals in the future. Back in April of 2023, Scynexis inked a licensing deal with GSK over the Brexafemme (ibrexafungerp) antifungal. The deal gave GSK the rights to develop ibrexafungerp and commercialize Brexafemme in all countries except the Greater China region as well as other regions where it is already licensed. The deal involved an upfront payment of USD 90 million with milestone-based payments of up to USD 503 million. The royalties will be between mid-single digit to mid-teen digit tiered royalties based on total sales across all indications. If the deal is indicative of the current dealmaking environment in pharma there is upside potential in our estimates. By comparison, we have accounted for slightly more modest deals predicated on the timings of when we expect them to come in. At the same time, Scynexis has launched Brexafemme already and is now doing further research into vulvovaginal candidiasis. Treatment-resistant candida auris is increasing in incidence rate, e.g., in the USA. Given this, BSG005, which already has shown potential in this indication, should be of interest to bigger pharmaceutical companies looking for broad-use and high-efficacy drugs. Furthermore, given the concern of the US government regarding candida auris, there is the chance that BSG005 could become a "stockpile drug", ordered en masse to ensure an adequate supply should an outbreak occur.

Overview of fungicides on the market and in the pipeline

Antimycotics continues to be, relative to other research areas such as obesity and metabolic drugs, a quiet area of research without attention from big pharma. As far as Biosergen is concerned, a few companies in particular are of interest; **F2G, Matinas, ScyNexis,** and **Basilea**.

- **F2G:** The private company, co-founded as previously mentioned by mycology heavy-weight David W Denning, develops Olorofim for invasive fungal infections. The main target is IA with further indications being coccidioidomycosis, colloquially Valley Fever, and other rare moulds. Olorofim is an oral drug candidate licensed to Shinogi in select markets. Representing a new class of antimycotic called orotomides, Olorofim has a fungicidal effect, like BSG005. We note that despite this, the fungicidal effect can be put into question. In a phase II study in the fall of last year, while only considering complete response as a success, the success rate was 28.7% at day 42 and 27.2% at day 84. Considering "stable disease" as a success increased these rates to 75.2% and 63.4% respectively. These success rates are more akin to fungostatics as opposed to fungicides, but more data are needed to draw any definitive conclusions. The company has gained ODD and QIDP designation from the FDA. Furthermore, the FDA has granted the candidate two breakthrough therapy designations. Following a CRL in the summer of last year, approval has eluded F2G and Shinogi, who remain close to reaching full approval.

- **Matinas BioPharma:** Fellow polyene developer Matinas BioPharma develops MAT2203, an oral and non-toxic encochleated form of Amphotericin B. Like BSG005, the drug is a broad-spectrum fungicide that works for immunocompromised patients. Currently, in expanded use, the drug will be evaluated in a coming single phase III registration trial as an oral step-down monotherapy following treatment with AmBisome. The non-inferiority trial will focus on treating IA infections in adults and enroll approximately 216 patients, with the primary endpoint being all-cause mortality on day 42. Recently, Matinas provided an update on the compassionate use

program, where 19 patients with severe fungal infections were enrolled. All five patients who completed the desired course of treatment had complete clinical resolution of their infection. No renal toxicity was observed. Clouds are hanging above Matinas however, as financing is a persistent problem, especially so when heading into phase III.

- **ScyNexis:** As has been mentioned in our previous updates as well as earlier in this one, ScyNexis develops BREXAFEMME (ibrexafungerp), an approved drug for VulvoVaginal Candidiasis (VVC) and in phase III for invasive candidiasis and other refractory fungal infections. The drug, coming from a novel class of glucan synthesis inhibitors called triterpenoids, acts as a fungostatic. Partnered with GSK, the company has received significant amounts of bio bucks; USD 105.2 million in C&CE in November. This entails that the company should reach the end of its cash runway sometime in H2 2025. The company has been in dire straits recently, recalling BREXAFEMME and placing a hold on the MARIO clinical trial. This negative development is the result of a non-antibacterial beta-lactam substance being manufactured with equipment common to ibrexafungerp. FDA draft guidance recommends keeping these separate, with a risk of contamination being the reason for the recall.

- **Basilea:** The spin-out from Roche develops antibiotics, antifungals as well as oncology drugs, meaning that the focus is wider. It markets the drug Cresemba (isavuconazole) for IA, chronic pulmonary aspergillosis (CPA), mucormycosis, and cryptococcosis. Since FDA approval in 2015, the azole has been accelerating in sales. This is further boosted by two recent developments. Cresemba launched in Japan in March 2023, receiving a milestone payment of CHF 5 million from partner Asahi Kasei Pharma. Furthermore, with their licensing partner Astellas, Cresemba is now available for children as well as adults. The company also markets Zevtera (Ceftobiprole) for pneumonia. More research is being concentrated on antimycotics, more precisely fungicides rather than fungostatics. A new antimycotic was acquired in November 2023 for invasive candidiasis and candidemia, including the multi-drug resistant *Candida auris*. The drug is intended to enter phase III studies in the coming months. A second acquisition was that of BAL2062 in October 2023 from Gravitas Therapeutics. The rights for the compound mean a potential future antimycotic that will target IA, including azole-resistant strains. With safety and tolerability demonstrated in a phase I study, QIDP designation, ODD, and fast track designation from the FDA, the product appears to be very similar in phase and attributes as BSG005.

Comparatively Short Way to Market

Mucormycosis, a rare disease that is both particularly severe and fatal, progresses rapidly once it has infected a patient. Given these characteristics, clinical studies for drugs against diseases such as mucormycosis tend to have shorter timelines with fewer patients. As a reference, Isavuconazole (Cresemba) was approved for the treatment of mucormycosis in 2015 based on results in a subgroup (n=37) of invasive fungal disease patients. Mortality (38 percent through day 42) and response success rates (31 percent at the end of treatment) were compared to the natural history of the disease. Should the study produce solid enough data, that is to say, the statistical validity is high enough regarding efficacy and safety profile, the drug can enter the market early through compassionate-use schemes. Non-prescribed-usage (NPU) sales, although usually associated with lower prices, allow the company to collect valuable data much more efficiently than through the regular clinical gauntlet. Alkem being a strong partner in India, a hotspot for fungal infections, means further acceleration in the clinical timeline. Further possibilities lie in the fact that BSG005 has shown the potential to be a broad-spectrum antimycotic that can be used with or without a diagnosis.

Expected timeline for clinical development with BSG005 (study completions)

	Discovery	Preclinical	GMP/Tox	Phase I	Phase Ib/IIa	Phase IIb	Phase III	NDA
BSG005 (India)	→	→	→	→	Q1 2025	Q1 2027	H2 2028	H1 2029
BSG005 *Nano*	→							
BSG005 *Oral*	→							

Source: Carlsquare Equity Research

Risks and Challenges

Entering into the hardest phase of development

BSG005 is still in the early stages of development. Having presented positive results in a phase Ia study, Biosergen is currently in phase Ib, meaning that the company has reached the statistically hardest phase before approval. With strong preclinical safety and tolerability data, it will be vital that BSG005 can display strong efficacy. As diagnosis can be tricky, with severity and mortality often on the higher side, BSG005 will also have to display the broad effect seen in preclinical studies.

Dealmaking uncertainty

We account for Biosergen striking new licensing deals to cover more geographical regions. Dealmaking, in general, brings a substantial amount of uncertainty, seeing as the timing and structure of the deal can vary significantly. This is especially true when considering the monetary needs of pre-revenue companies that do research. In our view, however, this particular facet of the risks associated with dealmaking is less impactful for Biosergen than your average research company, as we view the deal with Alkem and possible NPU sales as solid drivers of longer-term liquidity.

Forecasts and assumptions

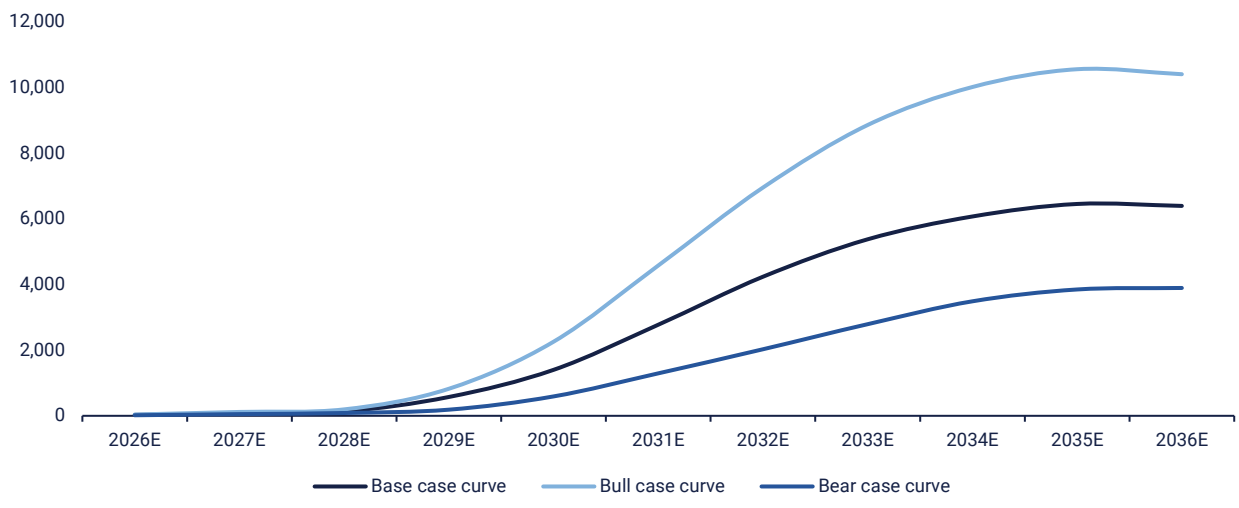
Peak sales increased to USD 645 million

We see BSG005 as a potential replacement for Ambisome, should it prove effective without the nephrotoxicity. We note that Ambisome is used in higher dosages than what has been tested so far in healthy volunteers with BSG005. More precisely, often 3 mg per kg of bodyweight qd, or, in Mucormycosis, 5-10 mg. This compares to BSG005, so far intended to be dosed at 1 mg per kg of bodyweight qd. This has a negative impact on the sales potential. However, given the difficulties associated with the diagnostics, there is a decent chance to include other fungal pathogens, given the broad spectrum of action BSG005 has on most pathogens of relevant fungal infections. We expect pricing to be a touch above current premium-priced candidates on the market. With orphan drug designation for invasive Aspergillosis by the FDA, there may be a more significant upside in terms of pricing power. Overall, we believe the three big indications will be IA (including patients suffering from COPD), invasive candidiasis, and mucormycosis, with smaller sales figures for cryptococcosis and pneumocystis.

We estimate peak sales potential at approximately USD 645 million in major markets globally. Should the broad action be confirmed in clinical studies, we see more significant potential for earlier lines of treatment, entailing faster uptake and better penetration. We estimate NPU sales can start in the summer of 2026. We account for Biosergen reaching different licensing deals with different partners for both the EU and the USA. We estimate the licensing deal for the USA to be worth slightly more than the EU owing to better pricing and stronger underlying growth in fungal-related growth factors such as diabetes mellitus. We expect two separate deals for both regions to be made in 2027. We view it as likely that the deals will include royalty rates on the lower side of double-digits at 12.5%, upfront payments between USD 10-15 million, and milestones based on clinical success that total USD 24-34 million and, later on, commercial milestones based on accumulated sales from USD 31-44 million.

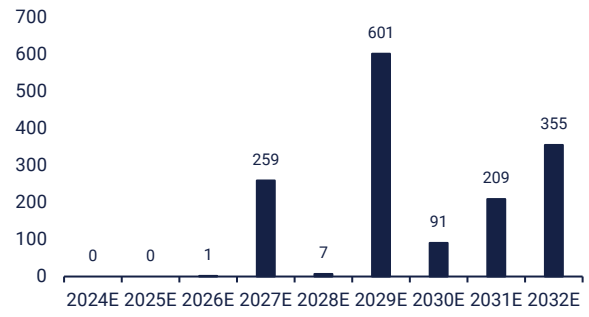
We account for growth in target indications mainly coming from increasing incidence rates of diabetes, more organ transplantations, and, for some regions, larger HIV prevalences (sequentially increasing the number of people on immunosuppressants).

Sales curves (SEKm) (nominal values)



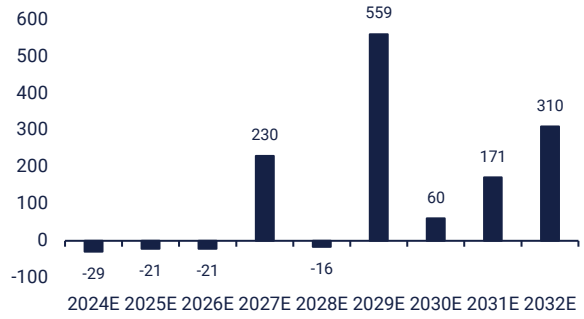
Source: Carlsquare estimates

Net revenues (SEKm) (Nominal values)



Sources: Company Information and Carlsquare estimates.

Cash flow from operations (SEKm) (Nominal values)



Sources: Company Information and Carlsquare estimates.

Valuation

Target price reiterated

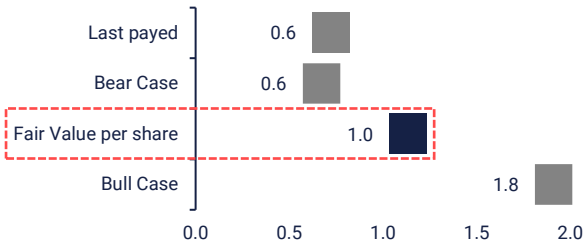
Our model has changed significantly since the previous update in July. However, the changes cancel out each other when it comes to our target price. Moving revenues further away chronologically is compensated for by an increase in treatment length, effectively increasing the total revenues per patient. However, one thing that is consistent with our previous update is that our incidence and prevalence rates remain unchanged. In order to reflect the company taking longer to reach its steady state, we have extended the forecasting period until 2047, as compared to 2042 previously. Furthermore, as per the company information in the report, patent expirations have been accounted for in 2043 for all geographies. Lastly, we have slightly updated our discount rate, reflecting a harsher premium placed on smaller companies lacking in profitability.

Overview, Sum-of-the-parts-valuation, Base case

Project	Indication	LOA, %	Peak Sales, USDm	NPU-sales	rNPV, SEKm
BSG005	5 pathogens fungal infections	22.8%	645	2026	164
Cash (24'Q3E)					7
Fair Value					**171**
Number of shares					142.4
Per share					1.2
Discount attributable to financing					14%
Fair value per share					**1.0**

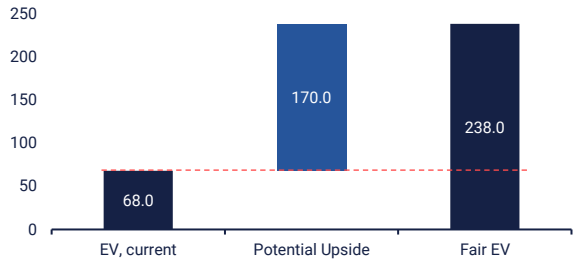
Source: Carlsquare Equity Research

Fair value within a range, SEK



Source: Carlsquare estimates

Visualization of enterprise value



Source: Carlsquare estimates

Valuation range

In an optimistic bull scenario, we expect:

- BSG005 is used to a larger extent as rescue treatment for secondary indications of cryptococcosis and pneumocystis
- Faster uptake for certain indications in certain geographies

We estimate a fair value of SEK 344 million or around SEK 1.8 per share.

Overview, Sum-of-the-parts-valuation, Bull case

Project	Indication	LOA, %	Peak Sales, USDm	Launch	rNPV, SEKm
BSG005	5 pathogens fungal infections	24.0%	1,055	2026	343
Cash (24'Q3E)					7
Fair Value					**350**
Number of shares					142.4
Per share					6.8
Discount attributable to financing					74%
Fair value per share					**1.6**

Source: Carlsquare Equity Research

In a cautious Bear scenario, we expect:

- Near zero penetration as rescue treatment for secondary indications of cryptococcosis and pneumocystis
- Slower uptake and softer launch curves in select geographies

We estimate a fair value of SEK 59 million or around SEK 0.6 per share.

Overview, Sum-of-the-parts-valuation, Bear case

Project	Indication	LOA, %	Peak Sales, USDm	Launch	rNPV, SEKm
BSG005	5 pathogens fungal infections	22.8%	389	2026	58
Cash (24'Q3E)					7
Fair Value					**65**
Number of shares					142.4
Per share					0.5
Discount attributable to financing					(26%)
Fair value per share					**0.6**

Source: Carlsquare Equity Research

Key Figures and Accounts

Income Statement, Quarterly basis (SEKm)

	2023, Q2A	2023, Q3A	2023, Q4A	2024, Q1A	2024, Q2A	2024, Q3E	2024, Q4E
Net revenues	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Total revenues	2.5	0.3	1.3	0.7	0.5	0.0	0.0
Gross profit	**2.4**	**0.3**	**1.1**	**0.7**	**0.5**	**0.0**	**0.0**
Total operating costs	-10.5	-7.8	-8.0	-7.5	-6.2	-8.6	-8.1
EBIT	**-8.0**	**-7.5**	**-6.7**	**-6.8**	**-5.7**	**-8.6**	**-8.1**
EBITDA	**-8.0**	**-7.5**	**-6.7**	**-6.8**	**-5.7**	**-8.6**	**-8.1**
EBT	**-8.0**	**-7.5**	**-6.5**	**-6.9**	**-5.7**	**-8.6**	**-8.1**
Earnings per share (SEK)	**-0.2**	**-0.2**	**-0.1**	**-0.1**	**0.0**	**-0.1**	**0.0**

Source: Company information and Carlsquare estimates.

Income Statement, Yearly basis (SEKm)

	2021A	2022A	2023A	2024E	2025E	2026E	2027E
Net revenues	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1.4**	**259.1**
Other operating income	8.6	5.2	9.4	1.2	0.0	0.0	0.0
Total revenues	**8.6**	**5.2**	**9.4**	**1.2**	**0.0**	**1.4**	**259.1**
Raw materials and Consumables	-0.2	-0.3	-0.5	0.0	0.0	0.0	0.0
Gross profit	**8.4**	**4.9**	**8.9**	**1.2**	**0.0**	**1.4**	**259.1**
Adjusted gross profit	8.4	4.9	8.9	1.2	0.0	1.4	259.1
Other external costs	-40.6	-36.3	-25.7	-24.0	-14.7	-15.7	-15.6
Personnel costs	-1.5	-7.8	-7.3	-6.4	-5.5	-5.5	-5.6
Depreciation and amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating expenses	-0.4	-0.7	-3.1	0.0	-1.2	-1.3	-1.4
Total Operating costs	-42.5	-44.9	-36.2	-30.4	-21.4	-22.5	-22.5
EBIT	**-34.1**	**-40.0**	**-27.3**	**-29.3**	**-21.4**	**-21.2**	**236.6**
EBITDA	**-34.1**	**-40.0**	**-27.3**	**-29.3**	**-21.4**	**-21.2**	**236.6**
Net finance	-0.3	0.1	0.1	-0.1	0.0	0.0	0.0
Pretax profit	**-34.4**	**-39.9**	**-27.2**	**-29.4**	**-21.4**	**-21.2**	**236.6**
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	**-34.4**	**-39.9**	**-27.2**	**-29.4**	**-21.4**	**-21.2**	**236.6**
Earnings per share	**-1.0**	**-1.1**	**-0.6**	**-0.2**	**-0.1**	**-0.1**	**1.0**

Growth	2021A	2022A	2023A	2024E	2025E	2026E	2027E
Net revenues	NaN	NaN	NaN	NaN	NaN	NaN	18872.5%
Total revenues	NaN	Neg.	80.9%	Neg.	Neg.	NaN	18872.5%
Gross profit	NaN	Neg.	82.0%	Neg.	Neg.	NaN	18872.5%
Adjusted gross profit	NaN	Neg.	82.0%	Neg.	Neg.	NaN	18872.5%
EBIT	NaN	Neg.	31.8%	Neg.	27.1%	0.9%	1218.7%
EBITDA	NaN	Neg.	31.8%	Neg.	27.1%	0.9%	1218.7%
EBT	Neg.	Neg.	31.8%	Neg.	27.3%	0.9%	1218.7%
Net profit	Neg.	Neg.	31.9%	Neg.	27.3%	0.9%	1188.0%
Earnings per share	31.1%	1.4%	Neg.	Neg.	Neg.	(0.9%)	(1188.0%)

Margins	2021A	2022A	2023A	2024E	2025E	2026E	2027E
Gross margin	97.9%	94.6%	95.1%	100.0%	NaN	100.0%	100.0%
Adjusted gross margin	97.9%	94.6%	95.1%	100.0%	NaN	100.0%	100.0%
EBIT-margin	Neg.	Neg.	Neg.	Neg.	NaN	Neg.	91.3%
EBITDA-margin	Neg.	Neg.	Neg.	Neg.	NaN	Neg.	91.3%
Net Profit margin	Neg.	Neg.	Neg.	Neg.	NaN	Neg.	88.8%

Source: Company information and Carlsquare estimates

Balance Sheet (SEKm)

	2021A	2022A	2023A	2024E	2025E	2026E
ASSETS						
Intangible Assets	0.0	0.0	0.0	0.0	0.0	0.0
Tangible Fixed Assets	0.0	0.0	0.0	0.0	0.0	0.0
Financial Fixed Assets	0.0	0.0	0.0	0.0	0.0	0.0
Sum Tangible Assets	0.0	0.0	0.0	0.0	0.0	0.0
Inventory	0.0	0.0	0.0	0.0	0.0	0.0
Trade receivables	3.2	4.6	5.3	0.0	0.0	0.0
Other current receivables	3.2	0.0	0.0	0.0	0.0	0.0
Prepaid expenses and accrued income	4.6	0.0	0.0	0.0	0.0	0.0
Cash and bank	21.7	22.6	1.0	39.6	18.3	5.1
Total current assets	32.6	27.2	6.4	39.6	18.3	5.1
Sum assets	**32.6**	**27.2**	**6.4**	**39.6**	**18.3**	**5.1**
EQUITY						
Sum Equity	20.2	16.0	-4.7	39.6	18.3	-2.9
LIABILITIES						
Liabilities to credit institutions	0	0	6	0	0	8
Total long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities to credit institutions	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	9.9	11.2	5.1	0.0	0.0	0.0
Other liabilities	0.1	0.0	0.0	0.0	0.0	0.0
Accrued expenses and deferred income	2.4	0.0	0.0	0.0	0.0	0.0
Total current liabilities	12.4	11.2	5.1	0.0	0.0	0.0
Sum Equity and Liabilities	**32.6**	**27.2**	**6.4**	**39.6**	**18.3**	**5.1**

Liquidity	2021A	2022A	2023A	2024E	2025E	2026E
Current ratio	2.6X	2.4X	1.3X	NaN	NaN	750.0X
Cash ratio	-1.3X	-3.2X	-6.7X	NaN	NaN	-3098.5X

Indebtedness and Solvency	2021A	2022A	2023A	2024E	2025E	2026E
Net debt (-)/ Net Cash (+)	-21.7	-22.6	5.0	-39.6	-18.3	2.9
Net debt/EBITDA	0.6X	0.6X	NaN	1.4X	0.9X	NaN
Net debt/Equity	1.1X	1.4X	1.1X	1.0X	1.0X	1.0X
Debt/Equity	61.4%	69.8%	-235.5%	0.0%	0.0%	-277.9%
Solvency ratio	61.4%	69.8%	-235.5%	0.0%	0.0%	-277.9%

Return on capital	2021A	2022A	2023A	2024E	2025E	2026E
ROA	NM	NM	NM	NM	NM	-143.6%
ROE	NM	NM	NM	NM	NM	-218.3%
ROIC	NM	NM	NM	NM	NM	-155089.0%

Source: Company information and Carlsquare estimates.

Cash Flow (SEKm)

	2021A	2022A	2023A	2024E	2025E	2026E
CF ongoing operations	-16.6	-35.5	-34.0	-29.3	-21.4	-21.2
CF investment activities	-5.8	0.0	0.0	0.0	0.0	0.0
CF financing activities	10.1	36.4	12.4	67.1	0.0	8.0
Cash flow for the period	-12.3	0.9	-21.5	37.7	-21.4	-13.2
Cash, beginning of period	17.5	21.7	22.6	1.0	39.6	18.3
Cash, end of period	21.7	22.6	1.0	39.6	18.3	5.1

Key ratios	2021A	2022A	2023A	2024E	2025E	2026E
CF ongoing operations/Net Revenues	-1.9	-6.8	-3.6	-25.0	NaN	-15.5
CF ongoing operations/Total Assets	-0.5	-1.3	-5.3	-0.7	-1.2	-4.1

Source: Company information and Carlsquare estimates.

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