Research Update

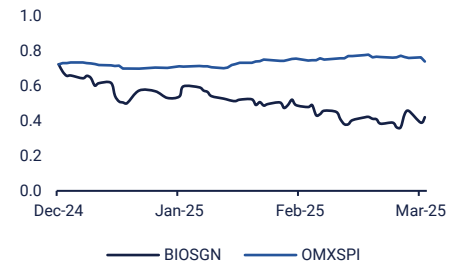
BIOSERGEN AB

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 0.4
Market Cap: SEK 96m

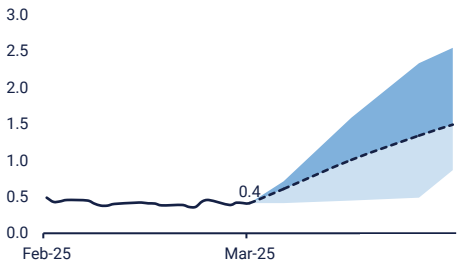
SHARE PRICE



	12M	YTD	6M	1M
Development (%)	-30.8	-22.3	-35.4	-4.4

Source: S&P Capital IQ

VALUATION INTERVAL (SEK)



	BEAR	BASE	BULL
Target Price (SEK)	0.9	1.5	2.5
Potential (%)	109%	260%	514%

Source: S&P Capital IQ and Carlsquare estimates

CARLSQUARE EQUITY RESEARCH

Herman Kuntscher
Associate Equity Analyst

Niklas Elmhammer
Senior Equity Analyst

Continued success in India and cash injection

Biosergen published its quarterly report for the fourth quarter of 2024 and reported on the continued success in India. In terms of the burn rate, Biosergen came in lower than our estimates, with other external expenses landing on SEK -4.036 million, compared to the -6.8 million we had expected. Furthermore, Biosergen completed treatment of the second cohort in the ongoing Indian study with promising results. Taken together, we raise our base case valuation to SEK 1.5 (1.3), reflecting a marginal increase in the LOA.

Lower burn during Q4 than expected

The report showcased lower operational expenses than what we had anticipated. Other external expenses landed on SEK -4.036 million, personnel costs on -0.671 million, and other operating expenses on +0.149 million. In total, the burn was on SEK -4.558 million compared to our estimate of -8.147 million. The costs were significantly lower than expected despite a ramp-up in clinical activity. Again, the co-development with Alkem appears to pay dividends, as Biosergen can run the study much cheaper than it would be able to alone. However, we expect costs to ramp up slightly in the coming quarters owing to the production of new BSG005.

Success in both the first and second cohorts with dose acceleration

On October 31, Biosergen announced the completed treatment of the first cohort of patients in the ongoing proof-of-concept trial. On February 4, the announcement came that the second cohort was finished. The second cohort included patients with more symptoms and at later stages in their respective disease progressions. Of five patients included, one completely recovered, three showed significant improvements, and one voluntarily withdrew from the trial due to discomfort with the treatment. Worth noting is that the investigators requested that the dosing period be extended and the dosing level increased. This points to a better-than-expected effect of BSG005, with doses reaching 2mg/kg/qd.

Money raised for the manufacturing of more BSG005 as well as IND

After raising SEK 26 million from a rights issue in March of 2024, the full subscription of TO3 warrants in November netted Biosergen SEK 45 million. The warrants were exercised to 93.1%, with a top underwriting commitment covering the remainder. Underwriting commitments were compensated for with shares corresponding to 12% of the underwritten amount, in turn corresponding to SEK 15.1 million or 33.5 % of the issue proceeds. The warrants will fund the production of BSG005 for the upcoming phase II in India, intended to start in Q4. Furthermore, the company plans to start working towards the submission of an IND in the USA, a prerequisite for conducting clinical studies in the USA.

Valuation marginally increased owing to clinical performance

With 10 patients and two cohorts completed, the results so far are solid. It was especially encouraging to see BSG005 used in higher doses, as higher doses entail better sales potential. Given the above, we marginally increase our possibility of success (POS) for the trial, which, in turn, leads to a higher likelihood of approval (LOA). Despite significantly higher doses, so far, no reports of adverse infusion related events have been reported. The delay in starting with the third cohort, due to more BSG005 needing to be manufactured, was already accounted for in our model, meaning that our clinical timeline remains intact. Taking it all together, we raise our base case valuation to SEK 1.5 (1.3) per share, rising to SEK 2.5 (2.2) in the bull case and up to SEK 0.9 (0.7) in the bear case.

Financial Key Ratios (SEKm)

	2022A	2023A	2024A	2025E	2026E	2027E
Net Sales	0.0	0.0	0.0	0.0	1.4	259.1
Total revenues	5.2	9.4	2.5	0.0	1.4	259.1
EBIT	-40.0	-27.3	-20.5	-21.4	-21.4	236.5
EBT	-39.9	-27.2	-20.6	-21.4	-21.4	236.5
Earnings per share	-0.98	-0.60	-0.16	-0.09	-0.09	0.98
EV/Sales	NaN	NaN	NaN	NaN	NaN	0.4x
EV/EBITDA	NM	NM	NM	NM	NM	0.4x
EV/EBIT	NM	NM	NM	NM	NM	0.4x

Source: Company information and Carlsquare estimates

Continued good results in second patient cohort

The second cohort has finished treatment, with one patient fully recovering, three seeing significant improvements, and the last withdrawing from the trial due to discomfort. The company is now preparing for the third cohort, with testing set to begin in Q4 2025.

Clinical trial ongoing in India

Study underway in India

On October 31, the first cohort of patients had been treated. The cohort consisted of five patients in total. Of the five patients, three were treated for Aspergillosis and two for Mucormycosis. Three had displayed resistance toward standard-of-care antifungal treatments, one was ineligible due to kidney impairment, and the last patient had both resistance and kidney impairment. Of the five patients, two recovered completely; two saw significant improvements, while one, alas, perished due to reasons unrelated to BSG005. In the second cohort, five additional patients were included. Doses reached up to 2 mg/kg/qd, and of the five patients, one recovered completely, three saw significant improvements, and one withdrew from the trial, citing discomfort. One mucormycosis patient had a severe infection in both lungs. While surgical resection is often employed, it would have been fatal for this patient. With BSG005 a full recovery was possible without the need for surgery. Furthermore, it is worth noting that, out of the 10 patients included so far, four were estimated to be infected with drug-resistant fungal variants. In total, the study is designed to include up to 15 patients across three cohorts. The endpoint of the proof-of-concept trial is to assess the safety, tolerability, and efficacy of BSG005.

Funding from TO3 before the end of the cash runway

Biosergen announced the full subscription of TO3 warrants in November, generating proceeds amounting to SEK 44.9 million for the company. The exercise rate of the warrants amounted to 93.1%, with top underwriting commitments covering the remaining part. The proceeds will be used for the production and quality assurance of BSG005 for coming phase II and III trials. The exercise price of the TO3 warrants could have been SEK 0.3 and, at most, SEK 0.5 per share. In the end the price landed on SEK 0.49, coming close to the maximum. 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. Naturally, given that BSG005 might be used in higher doses than what was initially considered, this could have repercussions on the cost side. On the other hand, higher doses allow for higher prices, meaning that when the drug hits markets, it will be positive.

Q4 report showcases lower burn rate than anticipated

In terms of financials, the report showed lower operational expenses than what we had anticipated. Other external expenses landed on SEK -4.036 million, personnel costs on -0.671 million, and other operating expenses on +0.149 million. In total, the burn was SEK -4.558 million, which compares with our estimate of -8.147 million. This leaves Biosergen with a cash balance of SEK 50.6 million per the end of December. We are pleasantly surprised by the lowered burn rate, made possible by the lean and efficient setup. The clinical trial is being run at a lower price than we had anticipated, possibly due to the good partnership with Alkem. The company currently employs two people, meaning that it is about as lightweight as possible. Naturally, as Biosergen gets closer to running clinical trials in e.g., the USA or Europe, this might change. Nonetheless, we expect that the funding achieved through the most recent rights issue and warrants should be sufficient for reaching important milestones that, in turn, can improve conditions if/when the company needs more.

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 1.5.

Macro and research combine

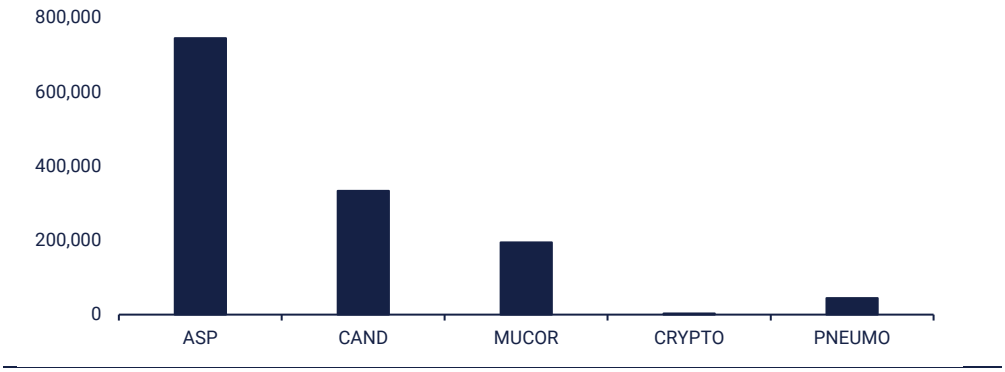
Improved version of a well-documented molecule

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 molds. 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. As mentioned previously, F2G conducted a financing round of USD 100 million. The financing round is led by new investor AMR Action Fund, with participation from firms including ICG, Novo Holdings, Advent Life Sciences, Soffinova Partners, Forbion, Blue Owl Healthcare Opportunities, and more. The money will be used to complete development, seek approval from the FDA, and prepare for commercialization in the USA for invasive aspergillosis.

- **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. There was a plan for the drug to be evaluated

in a single phase III registration trial as an oral step-down monotherapy following treatment with AmBisome. Some months ago, 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. Matinas was in talks regarding a potential licensing deal, however, this deal did not go through. As a result, the company has reduced the workforce by 80% and ceased all product development. In essence, the lead compound MAT2203 is now up for sale. Since the announcement 4 months ago, nothing new has been announced. This means that Matinas could be broken up if an investor or licensor can be found.

- **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. Nonetheless, Scynexis is currently dosing patients in a Phase I trial of SCY-247, the second generation Fungerp-candidate for invasive fungal infections.

- **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 entered phase III studies in Q4 2024. 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. Although results thus far have been good, as discussed in the interview with CEO Tine Olesen, there is still a lot of work to be done. Currently in one of the most difficult phases of development, it is vital that the company continue to perform well in the coming third cohort. 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.

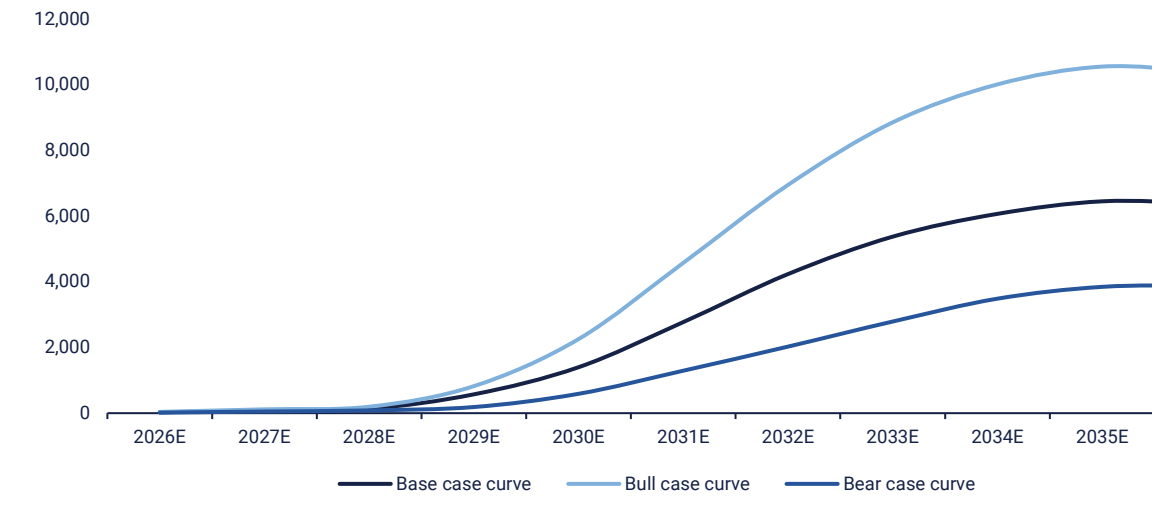
Forecasts and assumptions

We estimate peak sales of 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. If it is found that BSG005 works best at 2mg however, this could have a massive impact on the sales curves in the future. Furthermore, 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.

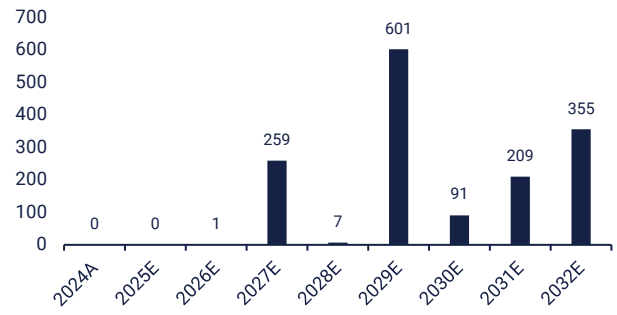
We estimate peak sales potential at approximately USD 645 million in major markets globally. Should the broad action be confirmed in clinical studies, we see more significant potential for earlier lines of treatment, entailing faster uptake and better penetration. We estimate NPU sales can start in the 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 incidence rates (sequentially increasing the number of people on immunosuppressants).

Sales curves (SEKm) (nominal values)



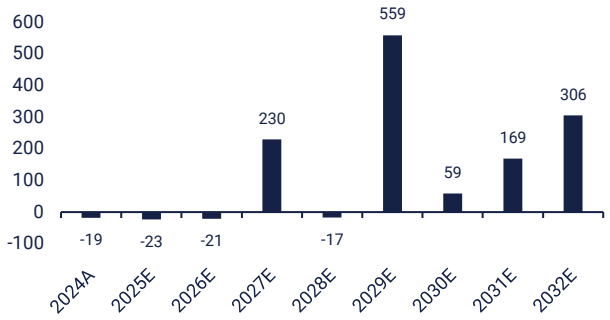
Source: Carlsquare estimates

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 increased again

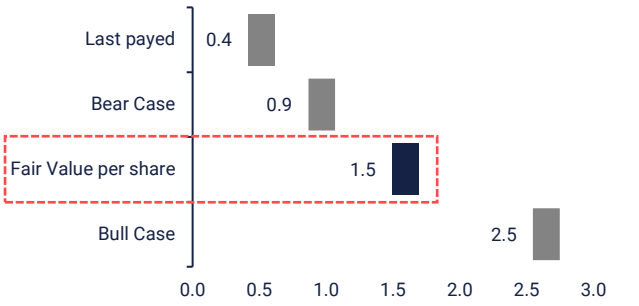
The second cohort was another clinical success, with good patient outcomes in tough conditions. Thus, we slightly bump or POS once again. Specifically, we raise the possibility of a successful outcome of the trial from 45% to 50%. In turn, this increases the LOA to 29.7%, as compared to 26.8% previously. As was discussed in the interview, adverse events were in line with expectations. However, infusion related events could still be a problem in the future if dose levels increase further.

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

Project	Indication	LOA, %	Peak Sales, USDm	NPU-sales	rNPV, SEKm
BSG005	5 pathogens fungal infections	29.7%	645	2026	307
Cash (25'Q1E)					44
Fair Value					**350**
Number of shares					234.8
Per share					1.5
Discount attributable to financing					0%
Fair value per share					**1.5**

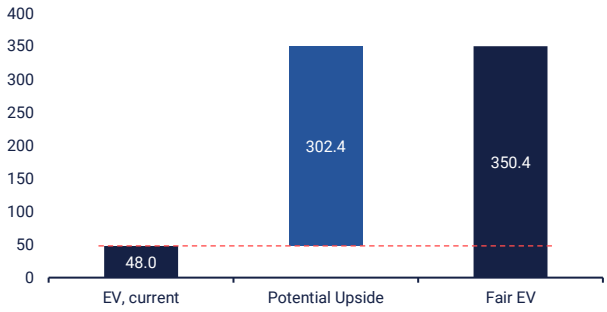
Source: Carlsquare Equity Research

Fair value within a range (SEK)



Source: Carlsquare estimates

Visualization of enterprise value (SEKm)



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 598 million or around SEK 2.5 per share.

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

Project	Indication	LOA, %	Peak Sales, USDm	Launch	rNPV, SEKm
BSG005	5 pathogens fungal infections	29.7%	1,055	2026	554
Cash (25'Q1E)					44
Fair Value					**598**
Number of shares					234.8
Per share					2.5
Discount attributable to financing					0%
Fair value per share					**2.5**

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 203 million or around SEK 0.9 per share.

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

Project	Indication	LOA, %	Peak Sales, USDm	Launch	rNPV, SEKm
BSG005	5 pathogens fungal infections	26.8%	389	2026	160
Cash (25'Q1E)					44
Fair Value					**203**
Number of shares					134.8
Per share					0.9
Discount attributable to financing					0%
Fair value per share					**0.9**

Source: Carlsquare Equity Research

Key Figures and Accounts

Income Statement, Quarterly basis (SEKm)

	2024, Q1A	2024, Q2A	2024, Q3A	2024, Q4A	2025, Q1E	2025, Q2E	2025, Q3E
Net revenues	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Total revenues	0.7	0.5	0.4	0.9	0.0	0.0	0.0
Gross profit	**0.7**	**0.5**	**0.4**	**0.9**	**0.0**	**0.0**	**0.0**
Total operating costs	-7.5	-6.2	-4.7	-4.6	-5.3	-5.3	-5.4
EBIT	**-6.8**	**-5.7**	**-4.4**	**-3.6**	**-5.3**	**-5.3**	**-5.4**
EBITDA	**-6.8**	**-5.7**	**-4.4**	**-3.6**	**-5.3**	**-5.3**	**-5.4**
EBT	**-6.9**	**-5.7**	**-4.3**	**-3.6**	**-5.3**	**-5.3**	**-5.4**
Earnings per share (SEK)	**-0.07**	**-0.04**	**-0.03**	**-0.02**	**-0.02**	**-0.02**	**-0.02**

Source: Company information and Carlsquare estimates.

Income Statement, Yearly basis (SEKm)

	2021A	2022A	2023A	2024A	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	2.5	0.0	0.0	0.0
Total revenues	**8.6**	**5.2**	**9.4**	**2.5**	**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**	**2.5**	**0.0**	**1.4**	**259.1**
Adjusted gross profit	8.4	4.9	8.9	2.5	0.0	1.4	259.1
Other external costs	-40.6	-36.3	-25.7	-17.1	-14.7	-15.9	-15.6
Personnel costs	-1.5	-7.8	-7.3	-5.3	-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	-0.6	-1.2	-1.3	-1.4
Total Operating costs	-42.5	-44.9	-36.2	-23.0	-21.4	-22.7	-22.6
EBIT	**-34.1**	**-40.0**	**-27.3**	**-20.5**	**-21.4**	**-21.3**	**236.5**
EBITDA	**-34.1**	**-40.0**	**-27.3**	**-20.5**	**-21.4**	**-21.3**	**236.5**
Net finance	-0.3	0.1	0.1	-0.1	0.1	0.1	0.1
Pretax profit	**-34.4**	**-39.9**	**-27.2**	**-20.6**	**-21.3**	**-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**	**-20.6**	**-21.3**	**-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	2024A	2025E	2026E	2027E
Net revenues	NaN	NaN	NaN	NaN	NaN	NaN	18872.5%
Total revenues	NaN	(39.5%)	80.9%	(73.4%)	(100.0%)	NaN	18872.5%
Gross profit	NaN	(41.6%)	82.0%	(72.0%)	(100.0%)	NaN	18872.5%
Adjusted gross profit	NaN	(41.6%)	82.0%	(72.0%)	(100.0%)	NaN	18872.5%
EBIT	NaN	(17.4%)	31.8%	24.8%	(4.4%)	0.3%	1210.0%
EBITDA	NaN	(17.4%)	31.8%	24.8%	(4.4%)	0.3%	1210.0%
EBT	(191066.7%)	(15.9%)	31.8%	24.3%	(4.0%)	0.3%	1213.8%
Net profit	(191066.7%)	(16.0%)	31.9%	24.3%	(4.0%)	0.3%	1183.2%
Earnings per share	31.1%	1.4%	(38.8%)	(73.2%)	(43.5%)	(0.3%)	(1183.2%)

Margins	2021A	2022A	2023A	2024A	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	2024A	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	2.2	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	1.9	50.6	27.8	14.3
Total current assets	32.6	27.2	7.2	52.9	27.8	14.3
Sum assets	**32.6**	**27.2**	**7.2**	**52.9**	**27.8**	**14.3**
EQUITY						
Sum Equity	20.2	16.0	2.1	49.1	27.8	6.4
LIABILITIES						
Liabilities to credit institutions	0	0	0	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	3.7	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	3.7	0.0	0.0
Sum Equity and Liabilities	**32.6**	**27.2**	**7.2**	**52.9**	**27.8**	**14.4**

Liquidity	2021A	2022A	2023A	2024A	2025E	2026E
Current ratio	2.6X	2.4X	1.4X	14.3X	NaN	2,100.0X
Cash ratio	-1.3X	-3.2X	-6.4X	-5.0X	NaN	-3139.6X

Indebtedness and Solvency	2021A	2022A	2023A	2024A	2025E	2026E
Net debt (-)/ Net Cash (+)	-22.6	-1.9	-50.6	-27.8	-6.3	-22.6
Net debt/EBITDA	0.6X	0.1X	2.5X	1.3X	0.3X	0.6X
Net debt/Equity	1.4X	0.9X	1.0X	1.0X	1.0X	1.4X
Debt/Equity	69.8%	240.3%	7.5%	0.0%	125.8%	69.8%
Solvency ratio	69.8%	240.3%	7.5%	0.0%	125.8%	69.8%

Return on capital	2021A	2022A	2023A	2024A	2025E	2026E
ROA	NM	NM	NM	NM	NM	NM
ROE	NM	NM	NM	NM	NM	NM
ROIC	NM	NM	NM	NM	NM	NM

Source: Company information and Carlsquare estimates.

Cash Flow (SEKm)

	2021A	2022A	2023A	2024A	2025E	2026E
CF ongoing operations	-16.6	-35.5	-32.8	-18.5	-22.8	-21.4
CF investment activities	-5.8	0.0	0.0	0.0	0.0	0.0
CF financing activities	10.1	36.4	5.3	67.3	0.0	8.0
Cash flow for the period	-12.3	0.9	-27.5	48.7	-22.8	-13.4
Cash, beginning of period	17.5	21.7	29.3	1.9	50.6	27.8
Cash, end of period	21.7	22.6	1.9	50.6	27.8	14.3

Key ratios	2021A	2022A	2023A	2024A	2025E	2026E
CF ongoing operations/Net Revenues	-1.9	-6.8	-3.5	-7.4	NaN	-15.7
CF ongoing operations/Total Assets	-0.5	-1.3	-4.5	-0.4	-0.8	-1.5

Source: Company information and Carlsquare estimates.

Disclaimer

Carlsquare AB, www.carlsquare.se, hereinafter referred to as Carlsquare, is engaged in corporate finance and equity research, publishing information on companies and including analyses. The information has been compiled from sources that Carlsquare deems reliable. However, Carlsquare cannot guarantee the accuracy of the information. Nothing written in the analysis should be considered a recommendation or solicitation to invest in any financial instrument, option, or the like. Opinions and conclusions expressed in the analysis are intended solely for the recipient.

The content may not be copied, reproduced, or distributed to any other person without the written consent of Carlsquare. Carlsquare shall not be liable for either direct or indirect damages caused by decisions made on the basis of information contained in this analysis. Investments in financial instruments offer the potential for appreciation and gains. All such investments are also subject to risks. The risks vary between different types of financial instruments and combinations thereof. Past performance should not be taken as an indication of future returns.

The analysis is not directed at U.S. Persons (as that term is defined in Regulation S under the United States Securities Act and interpreted in the United States Investment Companies Act of 1940), nor may it be disseminated to such persons. The analysis is not directed at natural or legal persons where the distribution of the analysis to such persons would involve or entail a risk of violation of Swedish or foreign laws or regulations.

The analysis is a so-called Assignment Analysis for which the Company analyzed has signed an agreement with Carlsquare for analysis coverage. The analyses are published on an ongoing basis during the contract period and for the usually fixed fee.

Carlsquare may or may not have a financial interest with respect to the subject matter of this analysis. Carlsquare values the assurance of objectivity and independence and has established procedures for managing conflicts of interest for this purpose.

The analysts Niklas Elmhammer and Herman Kuntscher do not own and may not own shares in the analyzed Company.