

Nosa Plugs (NOSA)

The Expansion Continues



Nosa Plugs AB ("Nosa Plugs" or the "Company") is a medical technology company that has developed intranasal breathing products for applications such as odor protection and olfactory training, achieving strong historical growth with a 36% CAGR between 2019-2024. With an estimated continued high growth rate, a positive EBITDA result from late 2025, and a high-potential development project in Drug Delivery aimed at administering pharmaceuticals via the nose, Analyst Group sees revaluation potential in Nosa Plugs. Through a sum-of-the-parts valuation of the Company's existing product portfolio and Nosa Drug Delivery, a potential price per share of SEK 1.45 (1.52) is derived in a Base scenario.

Strong Drivers for Continued Revenue Growth

In Q4-24, Nosa Plugs reported revenue of SEK 4.8m, representing a growth of 31%, slightly below our estimate of SEK 5.3m. Several key growth drivers are expected in 2025, including geographic expansion, particularly in the UK market, where previous issues with the distributor have now been resolved. Additionally, after the Q4 report, Nosa Plugs announced an agreement with one of Germany's largest distributors for ambulance and emergency medical personnel, along with an initial procurement contract, with more orders expected according to Analyst Group. For 2025, revenue growth is estimated at 64%, corresponding to SEK 26.4m.

Updated Financial Targets

At the capital markets day held on the reporting date, Nosa Plugs announced updated financial targets, including a continued organic annual revenue growth of 50%, achieving EBITDA profitability from Q4-25, in line with our estimates, as well as initiating acquisitions as part of its growth strategy.

Stable Results but Investments Impacted Cash Flow

In Q4-24, the EBITDA result was SEK -1.9m, in line with our expectations, with a cash position of SEK 4.3m at the end of the quarter, with investments slightly higher than anticipated. While the investment pace is expected to decline in 2025, continued growth initiatives are planned, why external financing cannot be ruled out. However, Analyst Group considers growth investments as the right priority given Nosa Plugs' strong sales momentum.

Minor Estimate Adjustments

Following the Q4 report, we have made minor updates to our estimates, with the revenue deviation offset by a positive news flow for the growth ahead. In addition to continued expansion in key existing markets and estimated accelerated sales in high-potential markets such as the UK and France, Nosa Plugs has added a new product to its portfolio, the Nozoil nasal spray. Given a slightly increased financial risk, we have raised our discount rate, leading to a slightly lower valuation range.

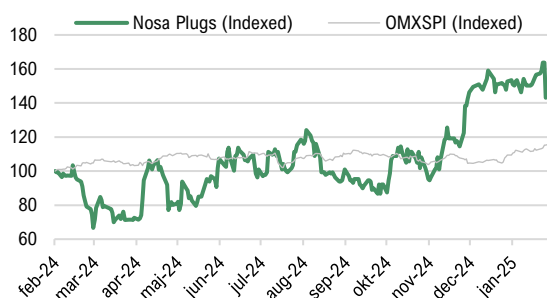
VALUATION RANGE

Bear
SEK 0.44
Base
SEK 1.45
Bull
SEK 2.24

KEY INFORMATION

| | |
|----------------------------|----------------------------------|
| Share Price (2025-02-19) | 0.90 |
| Shares Outstanding | 210,181,054 |
| Market Cap (SEKm) | 189.2 |
| Net cash(-)/debt(+) (SEKm) | -4.0 |
| Enterprise Value (SEKm) | 185.2 |
| List | Nasdaq First North Growth Market |
| Quarterly report 1 2025 | 2025-05-15 |

SHARE PRICE DEVELOPMENT



OWNERS (SOURCE: THE COMPANY 2025-02-19)

= INSIDER

| | |
|--------------------------|------|
| The OneLife Company S.A. | 5.2% |
| Gunneflo Life Science AB | 3.5% |
| Susanna Bergstrand | 3.3% |
| Dalecarlia Growth Fund | 3.1% |
| Per Arvid Stefan Sjöberg | 3.0% |

| Estimates (SEKm) | 2024 | 2025E | 2026E | 2027E |
|---------------------|--------------|-------------|-------------|-------------|
| Revenue | 16.1 | 26.4 | 39.7 | 56.6 |
| COGS | -4.9 | -7.8 | -11.6 | -16.1 |
| Gross Profit | 11.2 | 18.6 | 28.2 | 40.5 |
| Gross Margin | 70% | 70% | 71% | 72% |
| Operating Costs | -21.5 | -22.4 | -26.6 | -34.8 |
| EBIT | -10.3 | -3.8 | 1.6 | 5.6 |
| EBIT Margin | -64% | -15% | 4% | 10% |
| P/S | 11.8 | 7.2 | 4.8 | 3.3 |
| EV/S | 11.5 | 7.0 | 4.7 | 3.3 |
| EV/EBITDA | -21.9 | -107.5 | 49.2 | 20.5 |
| EV/EBIT | -17.9 | -48.7 | 118.4 | 32.8 |

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ABOUT THE COMPANY

Nosa Plugs is a medical technology company specializing in intranasal breathing products, including odor protection, a nasal filter for allergens, a shield against viruses and bacteria, an olfactory training kit, and a nasal spray. The products are sold globally via B2B and B2C channels, mainly through distributors, pharmacies, and the Company's e-commerce platform. The Company is also developing Nosa Drug Delivery, a technology for intranasal drug administration via the olfactory bulb. Nosa Plugs completed a reverse acquisition in March 2023 and has been listed on First North since then.

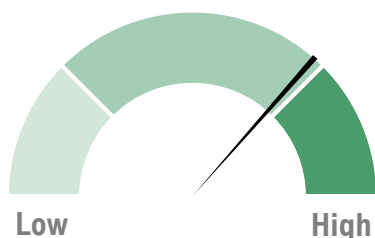
CEO AND CHAIRMAN

| | |
|----------|------------------|
| CEO | Adrian Liljefors |
| Chairman | Dan Josefsberg |

ANALYST

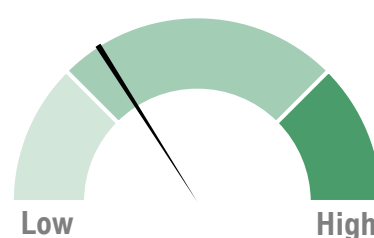
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Value Drivers



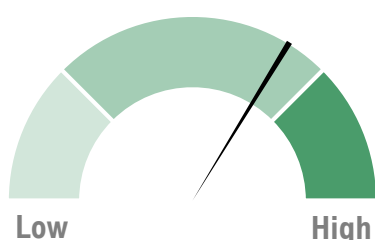
Nosa Plugs operates in two segments: Core Business, consisting of existing products, and Drug Delivery, which is under development, both serving as strong value drivers. Core Business sales have grown significantly and are expected to continue expanding through increased market penetration in key markets such as France and the UK, alongside stable recurring revenue and growth in its primary markets, the Nordics and Germany.

Historical Profitability



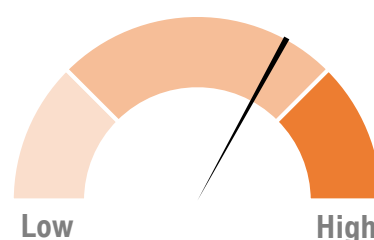
Nosa Plugs has a history of negative cash flows, driven by investments in growth, geographic expansion, production capacity, and product development, which have been costly in the initial stages. Going forward, the focus is expected to shift toward expanding within existing markets rather than entering new ones, which is anticipated to improve profitability. The rating is based on historical profitability and is not forward-looking.

Management & Board



CEO Adrian Liljefors has been with Nosa Plugs since 2015 and previously founded Studiepoolen, which was acquired by My Academy the same year. Furthermore, the board is considered to have relevant experience to support Nosa Plugs in its expected growth journey. However, a higher insider ownership would be preferred for an even stronger rating. Insider ownership currently amounts to approximately 7.6%.

Risk Profile



The cash position at the end of Q4-24 was SEK 4.3m, down from SEK 10m at the end of Q3-24. The Company's investment pace is expected to decrease in 2025 as production capacity has been expanded to meet anticipated demand. However, given ongoing growth initiatives and the cash position as of December, external financing to support these initiatives cannot be ruled out going forward.

Financial Targets

Average organic revenue growth of 50% during 2024-2026.

Profitability at EBITDA level from Q4-25.

Initiate growth through acquisitions with an initial focus on nasal health.

OVER 50
MEDICINES HAVE
BEEN IDENTIFIED
AS INTERESTING

SEK 1.45
PER SHARE IN A
BASE SCENARIO

High Proportion of Returning Customers in Odor Control Expected to Contribute to Stable Cash Flows

Nosa Plugs' first product, Odor Control, a discreet odor protection solution, is the Company's flagship product, which was fully commercialized in 2017. Since then, it has experienced strong growth due to its uniqueness, clear competitive advantages, and geographic expansion. Competing products include odor sprays and creams applied to the skin under the nose, against which Odor Control is considered to have advantages in terms of user-friendliness, convenience, simplicity, and effectiveness. This is validated by the Company's strong growth over recent years, with a compound annual growth rate (CAGR) of 36% between 2019 and 2024, despite the pandemic hampering growth in 2021. Existing customers, such as hospital nurses, police officers, and elderly care personnel, are expected to continue using the product, contributing to recurring revenue, which, along with new sales in existing markets, has driven strong growth. According to Analyst Group, the recurring revenue base should be a key consideration in the valuation of Nosa Plugs, which is not reflected in the Company's current valuation.

Strong Launch of the New Product Smell Training

Approximately 20% of the global population lives with some form of olfactory impairment. In Q4-23, Nosa Plugs launched Smell Training, a product designed to aid in olfactory rehabilitation. In June 2024, a study demonstrated that the product was a more effective treatment method compared to standard care. The study showed that the proportion of patients who completed the treatment was significantly higher at 93.3% compared to 76.8%. The product has so far been launched on a larger scale in Sweden and Germany, receiving a strong market reception. Going forward, Nosa Plugs is expected to further expand the product into new geographical markets, thereby driving growth. During H1-25, continued expansion efforts are expected in Germany and Switzerland, which was launched in Q4-24.

High Potential in Drug Delivery Development Project

In addition to the existing product portfolio, Nosa Plugs is developing a Drug Delivery project aimed at leveraging the Company's technology for nasal drug administration. Nosa Plugs has filed an international patent application for Drug Delivery and has identified over 50 generic drugs that could potentially be administered more effectively via this technology across several major therapeutic areas. These include treatments for epilepsy, Alzheimer's disease, drug withdrawal, and antidotes, based on laboratory testing. The estimated potential is substantial; for instance, the market for epilepsy treatments alone is valued at approximately SEK 100bn. However, several steps remain before a finished product can be commercialized, which entails a long and challenging process with multiple uncertainties. The next step for Nosa Plugs is expected to be conducting a clinical study to confirm the product's safety and functionality in humans. The Company is expected to collaborate with pharmaceutical companies, which may finance the study in exchange for exclusive distribution rights via Nosa Plugs' technology platform for their drugs.

Forecast and Valuation

Within the Core Business (the existing product portfolio), strong growth is expected, primarily driven by increased sales of Odor Control and Smell Training in European markets that have yet to be fully penetrated. Combined with stable sales growth for Microbial Control and Allergy Filter, a 48% CAGR in revenue is estimated for Core Business during 2024-2028. Applying an EV/S multiple of 3.5x on 2026 revenue of SEK 40m and a discount rate of 12.6%, a present value per share of SEK 0.54 is derived. The Drug Delivery segment is valued using an rNPV model based on one of the disclosed treatment areas, epilepsy, leading to a present value per share of SEK 0.91. Using a sum-of-the-parts valuation, the total potential price per share of SEK 1.45 is derived in a Base scenario.

Future Sales Development is Partially Dependent on External Partners

In 2024, 79% of revenue stemmed from B2B sales, which is primarily through distributors. The advantage of this model is that a small organization like Nosa Plugs can efficiently expand the reach of its product portfolio cost-effectively. However, distributor-based sales also present certain challenges, particularly related to distributor engagement, as distributors typically handle multiple products, making the Company's sales somewhat dependent on external partners, which may hinder sales growth. Additionally, cash holdings amounted to SEK 4.3m at the end of Q4-24. While investment levels are expected to decline in 2025, continued growth initiatives are projected given Nosa Plugs' strong sales momentum. As a result, the need for additional external financing cannot be ruled out.

31%
SALES GROWTH

Another Sales Record

During Q4-24, Nosa Plugs' revenue amounted to SEK 4.8m (3.6), representing a strong growth rate of 31%, although slightly below Analyst Group's estimate of SEK 5.3m. Growth was driven by both new and existing healthcare customers as well as the rollout of Smell Training. The quarter thus marked yet another record period for Nosa Plugs in terms of revenue. On a full-year basis, revenue for 2024 reached SEK 16.1m (10.4), growing by 55% and exceeding Nosa Plugs' target of 50%.

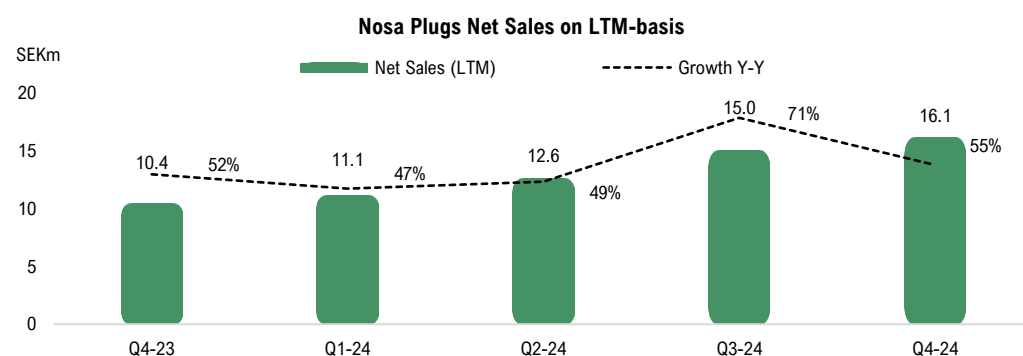
The deviation from our estimate is primarily attributed to a delayed follow-up order to Australia, as Australian regulatory authorities have prolonged the approval process. Additionally, growth in the UK largely stalled during the quarter due to distributor Mediq consolidating multiple companies into a single entity, which negatively impacted Nosa Plugs' sales. We have previously emphasized the importance of securing product listings and procurement agreements with hospitals to drive growth, as seen in Denmark, where sales accelerated significantly following procurement during the summer of 2024. In the UK, Odor Control was procured by the National Health Service (NHS) in June 2024 and given that distributor-related challenges are now expected to be resolved, the UK market is estimated to become a strong growth driver in 2025.

Furthermore, the accelerated rollout of Odor Control is expected to continue across large parts of Europe, with the product launched in Italy during the quarter. Given the advantages Odor Control is perceived to have over competing products, continued strong revenue growth is anticipated, supported by recurring sales both in key markets such as Sweden and Germany and in markets currently representing a smaller share of revenue, including the UK and France, where the product was listed in 2024.

**FURTHER
PENETRATION OF
LARGE MARKETS
IS EXPECTED TO
DRIVE GROWTH**

Odor Control accounted for 88% of sales in 2024 and remains Nosa Plugs' most important product, while Smell Training represented 9%, despite sales primarily commencing in the second half of 2024. This indicates a strong market launch. The product is currently available in Sweden, Germany, and Switzerland, and PR initiatives are expected in Germany during 2025, similar to those that drove successful sales in Sweden in the latter half of 2024.

Nosa Plugs has demonstrated a strong growth rate in recent quarters.



Source: Nosa Plugs

Strong Gross Margin and Reduced Costs Contributed to Results in Line with Estimates

72.9%
GROSS MARGIN

The gross margin, adjusted for other operating income, was 72.9%, marking a record high since Nosa Plugs' public listing in 2023 and exceeding our estimate of 70%, significantly surpassing the Company's target of over 65%. The strong development in gross margin over the past year is primarily attributed to increased production efficiency, with a new production line in operation from the end of Q4-24.

Operating expenses remained stable during the quarter, decreasing by 23% compared to Q4-23, underscoring the Company's current cost awareness in relation to the target of achieving positive cash flow by the end of Q1-25. However, it is worth noting that costs in the comparison quarter were abnormally high due to investments in product development. Overall, the higher-than-expected gross margin and lower-than-estimated costs resulted in earnings aligned with our expectations, with an improved operating result of SEK -2.3m (-5.0). A summary of our estimates compared to actual results is presented below.

| Estimates vs Actuals (SEKm) | Q4-24E | Q4-24A | Diff |
|-----------------------------|-------------|-------------|-------------|
| Net sales | 5.3 | 4.8 | -0.5 |
| Other operating income | 0.0 | -0.1 | -0.1 |
| Total income | 5.3 | 4.6 | -0.7 |
| COGS | -1.6 | -1.3 | 0.3 |
| Gross profit | 3.7 | 3.3 | -0.4 |
| Gross margin (adj.) | 70.0% | 72.9% | |
| External expenses | -3.6 | -3.4 | 0.2 |
| Personal expenses | -2.0 | -1.9 | 0.1 |
| Other operating expenses | 0.0 | 0.0 | 0.0 |
| EBITDA | -1.9 | -1.9 | 0.0 |
| EBITDA margin (adj.) | -36% | -36% | |
| Depreciation | -0.6 | -0.5 | 0.1 |
| EBIT | -2.4 | -2.3 | 0.1 |
| EBIT margin (adj.) | -46% | -46% | |
| Interest expenses | 0.0 | 0.3 | 0.3 |
| EBT | -2.5 | -2.1 | 0.4 |
| Taxes | 0.0 | 0.0 | 0.0 |
| Net result | -2.5 | -2.1 | 0.4 |
| Net margin (adj.) | -46% | -41% | |

Lower Investment Rate Expected in the Coming Year

Nosa Plugs made several investments in 2024 to ensure future growth, including initiatives related to Drug Delivery, where a patent application was submitted at the end of Q4-24, and production capacity, with a new production line operational since the end of Q4-24. Analyst Group estimates that the Company's current production capacity will be sufficient to meet potentially increasing demand in the coming years. Furthermore, the next step in Drug Delivery is expected to involve securing a partnership with a pharmaceutical company, with the ambition of having the partner finance the subsequent steps in the process.

Given this, Analyst Group estimates a reduced investment rate in 2025. Investments in product development for Drug Delivery amounted to SEK -1.6m in 2025, while cash flow from investing activities in Q4-24 was SEK -2.1m, primarily related to the new production capacity. Following these investments, cash holdings stood at SEK 4.3m at the end of Q4-24, down from SEK 10m at the end of Q3-24. The Company has set a goal of achieving positive cash flow by the end of Q1-25 but has also emphasized that investments in future growth may be prioritized if deemed advantageous, which means profitability could fluctuate between quarters. In such a scenario, and given the current cash position, Analyst Group does not rule out the possibility of additional external financing being required in the future. However, we believe that prioritizing growth investments is the right strategy for a company like Nosa Plugs, which is experiencing strong sales momentum.

To summarize, Analyst Group considers Nosa Plugs to have delivered a strong report that was largely in line with our expectations, although delays in Australia and weaker-than-expected development in the UK slightly impacted sales. However, the gross margin was robust, and in combination with strong cost control, earnings met our expectations. We see strong prospects for continued growth in 2025, with investments in Odor Control and Smell Training expected to yield results, alongside the launch of a new product, NOSA Nozoil. Additionally, we look forward to updates regarding Drug Delivery throughout the year.

SEK 4.3M
IN CASH AT THE
END OF Q4-24.

Company Description

**FIRST PRODUCT
WAS COMMERCIALIZED
IN 2017**

Nosa Plugs is a medtech company that is a leader in intranasal breathing products. The Company has developed a proprietary technology and production technique that facilitates breathing in various challenging situations while enhancing quality of life. Nosa Plugs has developed a technology platform that enables slow release of various substances. This platform is based on a medical-grade plastic that, through its design and the addition of selected substances, is given specific properties. The idea behind the platform originated in 2006 from a Swedish nurse who frequently worked in environments with unpleasant odors. Nosa Plugs was founded in 2011, and after several years of product development, the Company commercialized Nosa Odor Control in 2017. This discreet odor protection solution primarily targets individuals exposed to unpleasant odors in their workplace, such as healthcare professionals, elderly care workers, and police officers. The product portfolio has since expanded to include Microbial Control, offering protection against viruses, Allergy Filter, designed to protect against allergens, Smell Training, an olfactory training kit, and Nosa Nozoil, a nasal spray. Additionally, the Company has another product line under development, Drug Delivery, which aims to utilize the Company's technology for nasal drug administration.

The current product portfolio

Illustration of Nosa Plugs products

Odor Control – Nasal Protection Against Unpleasant Odors

Odor Control, a discreet nasal plug designed for use in environments with unpleasant odors, is Nosa Plugs' first and most sold product and was fully commercialized in 2017. The product's lamellar structure contains menthol oil, which releases a scent and stimulates the sense of smell without impairing breathing ability. Odor Control can be used for up to 8 hours. It is not classified as medical equipment or protective gear and therefore does not require CE marking. Odor Control is currently Nosa Plugs' most important product, accounting for approximately 88% of sales in 2024.

Smell Training – Smell Training Kit for Individuals With Impaired Sense of Smell

Smell Training is a medical treatment for individuals with impaired sense of smell, a condition estimated to affect approximately 20% of the global population. A clinical study from 2024 shows that it is more effective than traditional treatment methods. The study indicates that a higher proportion of patients complete the treatment (93.3% compared to 76.8%) and that completing the olfactory training leads to a significantly improved sense of smell. Since more individuals complete the treatment, likely due to its simple and convenient use enabling passive olfactory training, more people benefit from it, making Nosa Plugs' product a more effective treatment method according to the study. The product consists of a kit with 10 scented plugs that the user inserts into the nose and breathes through four times per day according to a specific schedule. The treatment lasts for two months, making it shorter than previous methods.

Microbial Control – Reduces Exposure to Viruses and Bacteria

Microbial Control, like the other products in the portfolio, is a nasal plug that attaches inside the nose and inactivates viruses while eliminating bacteria upon contact with the product. The patented design allows air to pass through the device, where viruses and bacteria come into contact with the lamellar structure that inactivates microbes, rather than filtering them like a face mask. Common pathways for viruses to enter cells are through the mucous membranes of the mouth and nose, highlighting the importance of nasal protection. The product has been tested in external laboratories against most commonly occurring cold viruses.

Allergy Filter – Filter Against Harmful Airborne Particles

Allergy Filter is a discreet nasal product that prevents airborne particles and allergens, such as pollen, dust mites, mold, and dust, from reaching the nasal mucosa through inhaled air, thereby reducing the risk of allergic reactions. The product seals tightly around the nasal opening, forcing air to pass through the filter, which optimizes the filtration effect and is enabled by the unique and patented technology.

Nosa Nozoil – Moisturizing Nasal Spray

Nozoil is a moisturizing nasal spray for individuals with dry or irritated nasal mucosa. It contains sesame oil, which lubricates and protects the nose from drying out due to colds, dry air, or the use of other decongestant nasal sprays. Nosa Plugs has signed an exclusive partnership agreement with Pharmacure Healthcare International regarding the rights to sell and market the product in strategically selected European markets. Pharmacure has previously sold Nozoil in certain markets but is assumed to have little or no sales in the countries where Nosa Plugs now holds an exclusive agreement.

Illustration of products



Source: Nosa Plugs

Company Description

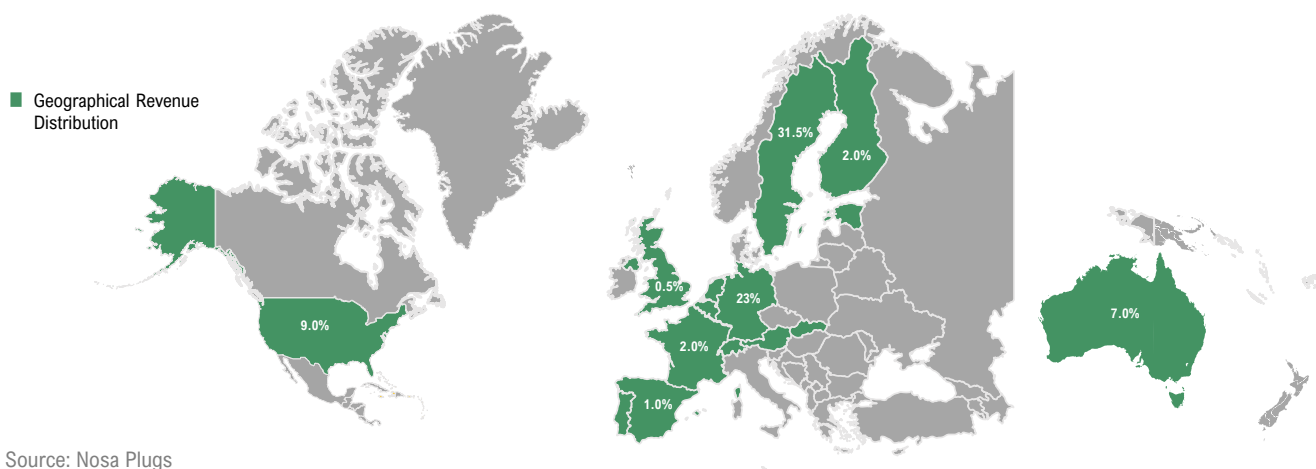
HOSPITALS ARE THE MOST IMPORTANT CUSTOMER SEGMENT

Revenue Model

Nosa Plugs' current revenue model is divided into two segments: B2B sales to healthcare, elderly care, police, and other institutions, as well as B2C sales through pharmacies and the Company's own e-commerce platform. In 2024, B2B sales accounted for 79% of total revenue and were conducted exclusively through selected distributors, allowing the Company to reach a broad global target audience at a lower cost. The distributors handle most of sales and marketing efforts for the products, although the Company also has its own sales representatives who visit key customers and engage with distributors. Hospitals represent the most important customer segment within B2B sales, where the sales team, together with the distributor, works to have the product listed or procured by hospitals, facilitating purchasing processes. In 2024, 21% of revenue came from direct-to-consumer (B2C) sales, which includes all four of the Company's products, sold both through the Company's own e-commerce platform and via resellers.

Nosa Plugs' products are available globally, with the strongest presence in Sweden and Germany.

Share of revenue from selected countries over the past twelve months, Q1-24 – Q4-24



Source: Nosa Plugs

Cost Drivers

Nosa Plugs manufactures the Company's products through in-house production, where gross costs are assumed to include expenses for materials, electricity, packaging, and shipping. Regarding other external costs, several expenses are assumed to be included in this category, such as costs related to patents, including legal expenses, sales and marketing costs, as well as overhead costs such as IT expenses. At the end of 2024, Nosa Plugs had a workforce of seven employees, reflecting a small organization. This is made possible by the fact that sales are primarily conducted through distributors and resellers.

Strategic Outlook

Going forward, Nosa Plugs is expected to continue focusing on growth through the current product portfolio, with a primary emphasis on Odor Control and Smell Training. Within Odor Control, Nosa Plugs has established a strong market presence in the Nordics and the DACH region, where further growth potential remains. Additionally, further expansion is expected in other markets, primarily France and the UK, which are considered attractive due to their size and the number of addressable users. Furthermore, geographic expansion efforts for Smell Training are anticipated, as the product has so far received a strong market response in existing markets such as Sweden and Germany. Additionally, the recently updated financial targets include a clear acquisition agenda, with the Company aiming to acquire attractive brands within the Ear, Nose and Throat segment. The purpose of acquisitions is to establish a leading position in this fragmented market while leveraging the Company's global distribution network.

Drug Delivery is in an early phase, with the international patent application submitted in Q4-24. The strategy for the project is expected to be providing the technical platform to pharmaceutical companies, which can then distribute their medications via Nosa Plugs' nasal plugs as an alternative to injections and tablets. Looking forward, the Company is expected to be initiating discussions for a partnership with a pharmaceutical company, which is anticipated to assist in financing the remaining steps toward commercialization, potentially in exchange for exclusivity in the distribution format within the partner's field.



**SLOW-RELEASE
TECHNOLOGY IS
IN HIGH DEMAND**

Nosa Drug Delivery – Intranasal Distribution of Pharmaceuticals

In addition to the current product portfolio, Nosa Plugs' technology platform is assumed to be compatible with additional application areas, where the Company is currently developing a product for intranasal drug administration, known as Drug Delivery. Through the Company's technology platform, pharmaceuticals are intended to be distributed via the olfactory bulb, providing a direct effect on the brain and central nervous system while bypassing the bloodstream. Additionally, distribution via the nasal mucosa directly into the bloodstream is proven to be effective, allowing the drug to avoid contact with metabolic enzymes in the gastrointestinal tract and liver, which could otherwise reduce the efficacy of orally administered pharmaceuticals. This is not possible with traditional delivery methods. Furthermore, the technology enables stable and consistent drug distribution through its slow-release mechanism, aligning with increasing interest from the healthcare sector for such delivery technologies.

According to Data Bridge Market Research, the market for sustained release drugs, similar to Nosa Plugs' Drug Delivery, which enables a controlled and continuous release over an extended period, is experiencing growth. The market research firm estimates that this segment will grow by approximately 8% annually between 2024 and 2032 reaching SEK 24.7bn, driven by the need for predictable and stable therapeutic effects from drug delivery methods. Other administration methods, such as injections and tablets, often provide an immediate effect that then diminishes, whereas sustained release ensures a steady intake of the drug, resulting in a more consistent therapeutic effect. Given that Nosa Plugs successfully develops its intranasal drug delivery product, the Company is expected to capitalize on this trend.

Positive Results From Laboratory Tests

Over the past few years, Nosa Plugs has conducted independent laboratory tests to evaluate whether the Company's technology platform enables both rapid and long-lasting drug administration via the nose. In Q1-24, the Company announced positive test results demonstrating that the technology effectively delivers both small doses over extended periods and immediate effects when needed. This suggests that the technology could be applicable to various pharmaceuticals with different administration requirements.

In Q4-24, Nosa Plugs finalized the patent submission for Drug Delivery and subsequently announced that more than 50 generic pharmaceuticals have been identified as potentially more effective when administered via the Company's technology platform compared to conventional delivery methods such as injections, tablets, sprays, or patches. A selection of these substances has been successfully integrated into laboratory tests, demonstrating both immediate release and slow-release capabilities. The positive test results include applications within some of the world's largest therapeutic areas, such as epilepsy treatment, Alzheimer's disease, drug withdrawal therapy, and antidotes.

The next step for Nosa Plugs is to conduct a clinical study to verify that the product is safe and functions as intended in humans. The Company's goal for the clinical study is to establish a partnership with one or more pharmaceutical companies that could contribute funding for further studies in exchange for exclusivity in distributing their pharmaceuticals through Nosa Plugs' technology platform. In the long term, various commercialization strategies for Drug Delivery are expected. A potential business model includes royalty revenues, where the Company would receive a share of pharmaceutical companies' sales of products utilizing Nosa Plugs' technology. Another approach could involve the Company handling production while pharmaceutical companies take responsibility for marketing and sales efforts.

Nosa Plugs does not intend to develop its own pharmaceuticals but rather to enable the distribution of existing drugs through its technology. This is expected to result in a significantly shorter time to market compared to developing a new pharmaceutical.

Multiple Major Applications Indicate High Potential

Given the broad potential applications across various pharmaceuticals in some of the largest treatment areas, Analyst Group sees significant long-term potential for Drug Delivery. The technology platform is assumed to offer several advantages that create strong market potential for Nosa Plugs, including slow-release capabilities, reduced impact on the liver and other organs, and suitability for individuals who are needle-phobic or unable to swallow tablets. However, several steps remain before a final product can be commercialized, making this a long and challenging process with multiple uncertainties.

**ENABLES BOTH
RAPID AND
SUSTAINED DRUG
ADMINISTRATION**

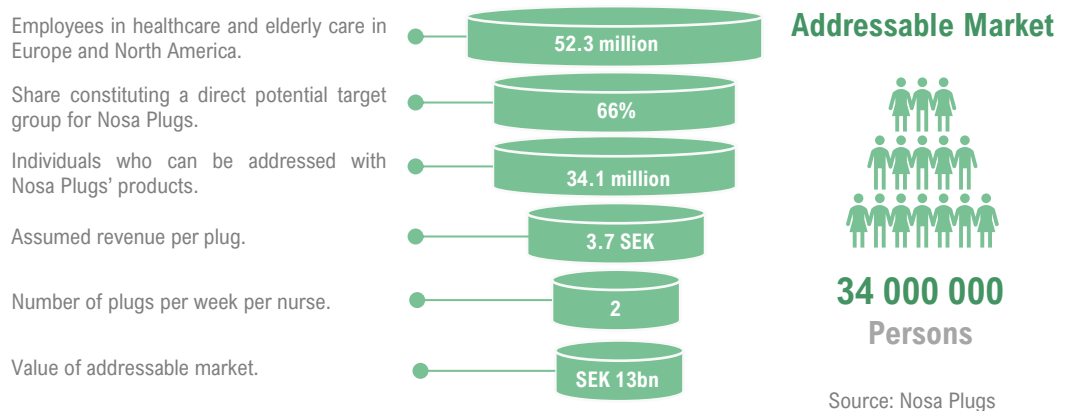


Odor Control Addresses a Large Global Target Audience

Nosa Plugs operates as a relatively unique player within its niche of discreet odor protection with the product Odor Control, where alternative solutions include odor sprays and creams applied to the skin under the nose. Odor Control's competitive advantages over these alternatives are primarily its user-friendliness in terms of convenience, simplicity, and effectiveness. Nosa Plugs' odor protection is considered part of "The Odor Control System Market," which refers to the market for technologies, products, and solutions used to control, reduce, or eliminate unpleasant odors in various environments. The market is expected to grow at a CAGR of 6.3% between 2023 and 2031, reaching an estimated value of approximately USD 11.3bn by the end of the forecast period. However, Nosa Plugs' products are assumed to address only a small portion of this total market, making an alternative calculation based on the number of employees in relevant industries and countries more applicable.

Nosa Plugs estimates that employees in healthcare and elderly care who can be addressed with the Company's products, Odor Control and Microbial Control, account for approximately 66% of the total workforce within the sector, corresponding to around 34 million potential users in the markets currently targeted by Nosa Plugs, namely the EU, the UK, and North America. According to a 2018 study, a nurse uses Odor Control an average of two times per week. Given this and an assumed average price per plug of approximately SEK 3.7, this implies a theoretical addressable market of approximately SEK 13bn. Additionally, the average weekly usage per nurse is expected to increase as they develop a habit of using the product in odor-intensive environments. However, this calculation includes markets that Nosa Plugs has not yet expanded into but still indicates that the Company's market penetration remains low despite strong growth in recent years. This suggests significant potential for continued expansion in the coming years by further penetrating existing markets.

**ESTIMATED
ADDRESSABLE
MARKET OF
SEK 13BN**



Impaired Sense of Smell Is a Widespread Global Issue

Loss, impairment, or distortion of the sense of smell is a widespread problem estimated to affect approximately 20% of the global population. The COVID-19 pandemic led to a high proportion of people experiencing a diminished sense of smell. For example, an estimated half a million Swedes suffered from impaired or lost smell during 2020, increasing public interest in olfactory function. A weakened sense of smell negatively impacts quality of life and can pose serious safety risks, such as failing to detect smoke from a fire or gas leaks. Additionally, depression and low mood are more common among individuals with anosmia, further highlighting the severity of the condition.

Nosa Plugs addresses this market with the Company's product Smell Training. Competing solutions require significantly more time, with treatments lasting 4–6 months and requiring patients to actively engage in olfactory training, while Smell Training's treatment duration is 8 weeks while also enabling passive training. This simplifies the treatment process and increases the completion rate of olfactory rehabilitation. In a clinical study conducted by Karolinska Institutet in collaboration with Lund University Hospital, Skåne University Hospital, and the Monell Chemical Senses Center in the United States, published in June 2024, it was demonstrated that the completion rate of Smell Training was higher compared to conventional treatment methods (93.3% versus 76.8%). By offering a simpler and shorter treatment, Nosa Plugs' Smell Training is expected to capture market share and reach new patients suffering from olfactory loss, paving the way for strong growth as the product expands into additional markets.

**20% OF THE
POPULATION IS
ESTIMATED TO BE
AFFECTED OF
IMPAIRED SENSE
OF SMELL**

Financial Forecast: Core Business

Revenue Forecast 2025-2028: Core Business

Nosa Plugs has demonstrated strong growth in recent years, with a CAGR of 36% from 2019 to 2024, despite being impacted by the pandemic, which caused a temporary slowdown in 2021. Growth has been driven organically through increased market penetration and geographic expansion of Nosa Plugs' first and historically most important product, Odor Control. Additionally, the Company has developed several new products that have contributed to its growth, including Microbial Control, Allergy Filter, and, in 2023, Smell Training. Going forward, the recently updated financial targets stipulate an average organic revenue growth of 50% between 2024 and 2026.

Geographic Expansion Expected to Drive Growth in Odor Control

Odor Control's primary target group consists of people who frequently work in odor-intensive environments, for instance nurses and elderly care workers. Historical growth has been driven not only by new sales to customers but also by returning users, a key factor in securing recurring customers is getting the product procured by for example hospitals. Once procured, the product becomes part of the hospital's official purchasing system, contributing to more predictable and stable sales volumes. For example, Odor Control was procured in Denmark in March 2024, Denmark subsequently accounted for 6% of Nosa Plugs' sales in Q4-24 (LTM), compared to 1% the previous year. According to Analyst Group, this demonstrates the potential of procurement agreements, which are expected to be a key driver for future growth.

In June 2024, Odor Control was also procured by the UK's National Health Service (NHS). This agreement is estimated to cover approximately 66% of all healthcare workers in the country, equivalent to 2.8 million workers. However, growth in the UK has so far been limited, likely due to challenges faced by Nosa Plugs' distributor, Mediq, which has undergone a consolidation process in the market. This issue is now resolved, and the UK is expected to contribute significantly to growth in 2025. Furthermore, in Q1-25, Nosa Plugs announced an agreement with Hestomed+Helbig Medizintechnik GmbH & Co. KG, one of Germany's largest distributors for ambulance and emergency medical personnel, offering a portfolio of over 6,000 products. Additionally, Odor Control won a procurement contract in Düsseldorf for emergency responders, initially covering 2,000 units of 50-pack Odor Control. This agreement is expected to generate additional procurement opportunities in other regions of Germany.

Nosa Plugs' sales strategy includes providing hospitals with product samples to allow employees to try them, creating demand that leads to hospital purchases. While this strategy may result in longer sales cycles initially, once products become established among users, they drive recurring purchases and revenue. This approach has proven effective in Sweden, and Analyst Group expects an increased growth rate in the UK in 2025. Another promising market is France, where Odor Control was listed with UGAP in 2024, a national public procurement organization serving healthcare facilities, educational institutions, and government agencies. The next step is securing a procurement agreement, which is important to drive sales growth in the coming years.

High Expected Growth Rate for Smell Training

Beyond Odor Control, revenue growth in the coming years is primarily expected to be driven by Smell Training. The product was launched in late 2023, and in June 2024, a study confirmed that it is a more effective treatment method compared to competing alternatives. This is mainly attributed to the simplicity of Smell Training, which enables passive olfactory training and increases treatment adherence. Following the study's publication, the product was rolled out on a larger scale, primarily through pharmacies in Sweden and Germany. Moving forward, Smell Training is expected to be introduced in additional geographic markets, and given its advantages, it is expected to contribute to continued strong growth.

In summary, the factors outlined above, combined with stable, albeit lower, growth within Microbial Control and Allergy Filter, as well as the introduction of Nozoil sales in 2025, are expected to drive strong revenue growth in the coming years. Additionally, the recently updated financial targets include a clear acquisition agenda, with the Company aiming to acquire attractive brands within the Ear, Nose and Throat segment. The purpose of acquisitions is to establish a leading position in this fragmented market while leveraging the Company's global distribution network, primarily built through Odor Control. Acquisitions are also a means to diversify the portfolio and reduce dependence on a single product, as Odor Control accounted for 88% of sales in 2024. However, due to the challenges associated with forecasting future acquisitions, such as size, timing, and financing structure, Analyst Group has chosen to exclude potential acquisitions from its current projections.

PROCUREMENTS
ARE KEY TO
DRIVING
GROWTH

MORE EFFECTIVE
TREATMENT
THAN
COMPETING
METHODS

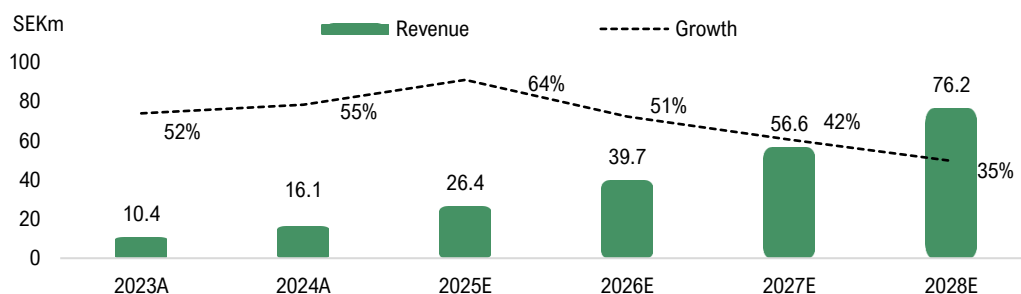
Financial Forecast: Core Business

During 2025, continued strong organic growth is estimated regarding Odor Control in Sweden, while an increased focus on larger markets such as the UK and France is expected to further strengthen revenue. At the same time, geographic expansion of Smell Training is anticipated, with current sales primarily attributed to the Swedish and German markets. An expanded effort in Germany, along with rollout to new markets, is expected. Overall, revenue is estimated to reach approximately SEK 26.4m in 2025, corresponding to a growth rate of 64%. For the remainder of the forecast period, high growth is expected to continue, albeit at a decreasing rate, driven by further market penetration.

Analyst Group assesses that Nosa Plugs' product Odor Control is sticky, meaning that once the product is established in settings such as hospitals, users are expected to continue using it regularly, providing a stable revenue base for the Company. As more customers are addressed and begin using the product, this base of stable and recurring cash flows expands, contributing to growth. Combined with other previously mentioned growth drivers, revenue growth is estimated at a CAGR of 48% between 2024 and 2028, resulting in an estimated revenue of approximately SEK 76m by 2028.

Geographic expansion and recurring revenue streams are expected to contribute to strong sales growth.

Estimated Revenue and Revenue Growth, 2023-2028E



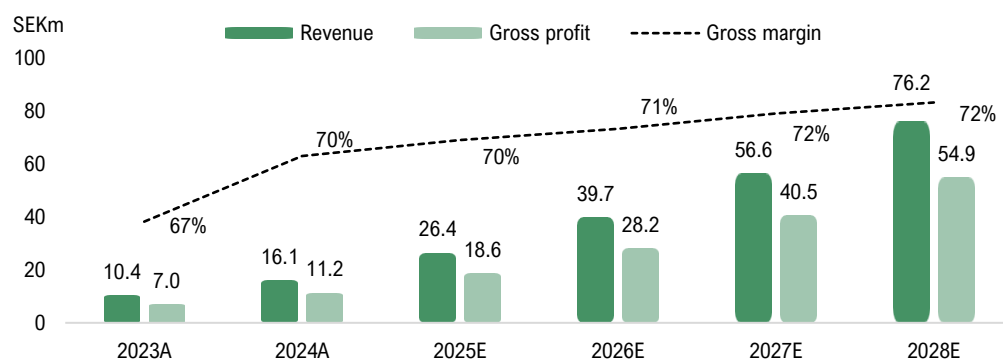
Source: Analyst Group estimates

COGS 2025-2028: Core Business

Nosa Plugs has a financial target of a gross margin of at least 65%, which the Company has exceeded in nearly all quarters since its listing. The gross margin has been positively impacted by currency effects due to a weak Swedish krona, as a relatively high share of sales (approximately 70%) is conducted in foreign currencies. On the other hand, production capacity has been a key factor, with Nosa Plugs investing in a new production line that was completed in Q4-24. Prior to this, production was carried out in three shifts, operating around the clock, which negatively affected the gross margin. With the new production line in place, a positive effect on the gross margin is expected going forward. Analyst Group estimates a stable gross margin of approximately 70% throughout the forecast period, with a slight increase over time due to economies of scale. For example, the Company employs staff in the production process, and these costs are reported under gross costs, which is expected to decrease as a share of revenue in the coming years.

The gross margin is expected to remain stable during the forecast period, albeit with a slight increase.

Estimated Revenue, COGS, and Gross Margin, 2023-2028E



Source: Analyst Group estimates



ESTIMATED
INCREASING
PROFITABILITY

Operating Costs 2025-2028: Core Business

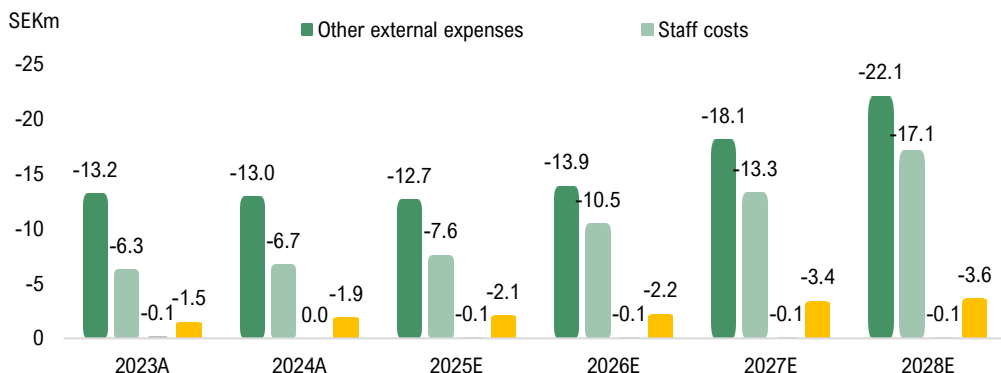
Nosa Plugs has a relatively small organization, with seven employees at the end of 2024, supplemented by a few consultants. Since the Company's products are sold through distributors, it does not maintain a large in-house sales force, although some sales personnel are present to support the distributors' efforts. During the forecast period, the workforce is expected to expand as the Company's grows. In total, the number of employees is estimated to increase from seven at the end of 2024 to 18 by the end of 2028, leading to an increase in personnel costs from approximately SEK 6.7m in 2024 to around SEK 17m in 2028.

External costs are primarily expected to be related to sales and marketing activities, legal expenses, and overhead costs such as IT and office space. As sales growth accelerates, Nosa Plugs is expected to increase its investments in marketing, which has historically included collaborations with influencers and participation in industry exhibitions. These efforts are anticipated to continue at an accelerating pace going forward to increase awareness of the Company's products. As a percentage of revenue, external costs are estimated to decrease from approximately 81% in 2024 to around 29% in 2028, paving the way for increasing profitability throughout the forecast period.

Regarding capex and depreciation, these have primarily been related to product development and production capacity in recent years. In Q4-24, a new production line was completed, providing expanded capacity that is expected to meet demand over the coming years. However, given the high projected demand and revenue growth, Analyst Group estimates that additional investments in production capacity will be required in 2027 to accommodate future demand. Historically, Nosa Plugs' capital expenditure requirements have been relatively low in absolute terms, and as such, we estimate that investment costs will remain moderate as a percentage of revenue, averaging approximately 6% during the forecast period.

Operating costs are expected to grow in line with expansion, albeit at a slower pace than revenue.

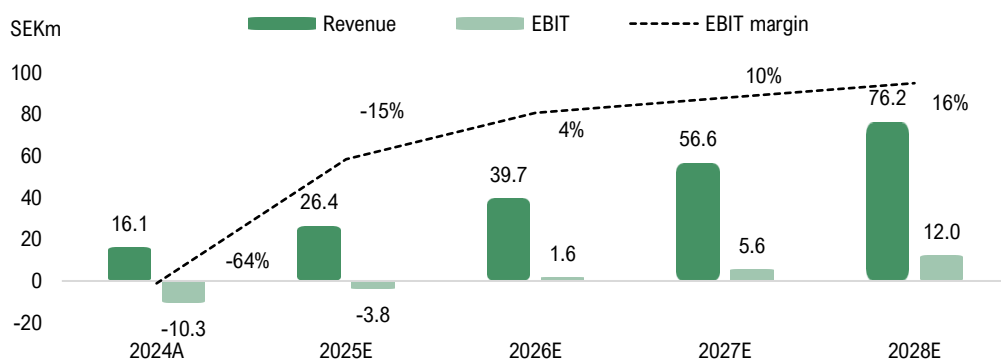
Estimated operating costs, 2023-2028E



Source: Analyst Group estimates

Nosa Plugs is expected to continue investing in growth, which means higher profitability is estimated to be achieved toward the end of the forecast period.

Estimated revenue, EBIT, and EBIT margin, 2024-2028E



Source: Analyst Group estimates

Financial Forecasts: Drug Delivery

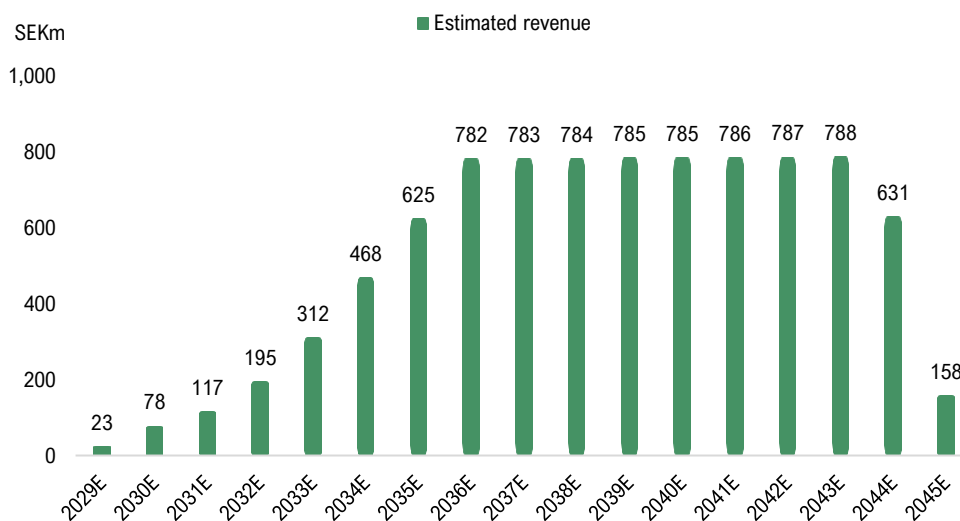
Financial Forecast: Drug Delivery

In our financial forecast and valuation of Drug Delivery, we have chosen to base our analysis on one of the disclosed treatment areas, epilepsy. Approximately 50 million people worldwide suffer from epilepsy, with 80% residing in low- and middle-income countries, according to WHO. Among these, 50-75% do not receive the treatment they need, which can be attributed to limited access to medication, a shortage of trained healthcare professionals, and stigma associated with the condition. Nosa Plugs is assumed to be able to address approximately 50% of the total number of epilepsy patients, representing those estimated to receive appropriate treatment, equivalent to 25 million individuals. Of these, Nosa Plugs is estimated to capture a market share of 1.5% over time, with sales expected to commence in 2029, based on development timelines for similar processes. This assumption is considered reasonable given the potential advantages of the technology, including the ability to release medication both rapidly and over an extended period, reduced impact on the liver and other organs, and suitability for individuals who are needle-phobic or unable to swallow tablets.

Furthermore, a conservative revenue per plug estimate of SEK 6 is applied for Nosa Plugs when sold to a pharmaceutical partner, compared to the revenue per plug for Odor Control, which Analyst Group estimates at approximately SEK 4. Patients are expected to use an average of one plug per day, similar to preventive oral tablets, which are often taken daily. Some individuals are assumed to require multiple plugs per day, while those using the product for acute relief are expected to need fewer plugs annually, making an average usage of one plug per day a reasonable assumption. Based on these estimates, potential peak annual revenue is projected at approximately SEK 800m. The submitted patent is valid for 20 years, meaning that sales are expected to decline from 2044 onwards. However, several steps remain before a finalized product can be commercialized, a process that is typically long and challenging with multiple uncertainties. Consequently, in our valuation, we have risk-adjusted the estimated cash flows from Drug Delivery (see page 15).

We see two potential business models for Drug Delivery: a license-based model with royalty revenue or a model similar to the one used for Core Business today, where the Company handles manufacturing while a pharmaceutical company manages sales and marketing, similar to how the Company's distributors operate within Core Business. In our forecasts for Drug Delivery, we assume the latter model. As a result, Analyst Group estimates a gross margin similar to Core Business, at approximately 70%. Below is a summary of the estimated revenues based on the assumptions outlined above.

Sales are estimated to begin in 2029, followed by strong growth until peak market share is reached.



Source: Analyst Group estimates

Valuation: Core Business

The valuation of Nosa Plugs' Core Business, referring to the products currently available for sale, is based on a relative valuation, comparing the Company with other Swedish medical technology companies of similar size. Given the Company's unique product portfolio, it is challenging to find direct comparables with similar products or addressable markets, making a broader selection of medical technology companies necessary to illustrate how the market values the sector. The table below provides a comparison between Nosa Plugs and selected peer companies in terms of size, financial position, growth, and profitability. It is important to note that Nosa Plugs' estimates refer solely to Core Business.

| KPI's | Market Cap | Enterprise Value | Solidity | Revenue growth | Gross margin | EBIT margin | EBIT margin | EV/S | EV/S | EV/S |
|-------------------|------------|------------------|------------|-----------------|--------------|-------------|-------------|-------------|------------|------------|
| | SEKm | SEKm | | CAGR 2023-2026E | 2026E | 2024E | 2026E | 2024E | 2025E | 2026E |
| Bactiguard | 1,069 | 1,180 | 50% | 9% | 91% | -11% | 11% | 4.5 | 4.5 | 4.0 |
| Iconovo | 113 | 105 | 87% | 160% | 66% | -60% | 2% | 3.1 | 1.2 | 0.8 |
| Devyser | 2,169 | 2,058 | 75% | 35% | 85% | -31% | 17% | 9.5 | 6.5 | 4.9 |
| Senzime | 804 | 777 | 80% | 98% | 67% | -193% | -1% | 12.1 | 5.2 | 2.8 |
| Mentice | 591 | 549 | 48% | 16% | 86% | -4% | 10% | 1.9 | 1.5 | 1.3 |
| BrainCool | 385 | 354 | 90% | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Ortoma | 300 | 267 | 94% | 50% | 71% | -9% | 0% | 5.1 | 2.3 | 2.1 |
| Synthetic MR | 268 | 252 | 81% | 12% | n.a. | -20% | 22% | 4.1 | 2.6 | 2.0 |
| Redsence Medical | 115 | 99 | 88% | n.a. | n.a. | -20% | n.a. | 4.0 | 2.8 | n.a. |
| SciBase Holding | 127 | 116 | 68% | 47% | 70% | -197% | 8% | 4.0 | 2.6 | 1.6 |
| Average | 594 | 576 | 76% | 53% | 76% | -60% | 8% | 5.4 | 3.2 | 2.4 |
| Median | 343 | 310 | 81% | 41% | 71% | -20% | 9% | 4.1 | 2.6 | 2.0 |
| <i>Nosa Plugs</i> | <i>189</i> | <i>185</i> | <i>80%</i> | <i>56%</i> | <i>71%</i> | <i>-64%</i> | <i>4%</i> | <i>11.5</i> | <i>7.0</i> | <i>4.7</i> |

Nosa Plugs vs Peers

Nosa Plugs has a slightly **lower** Market Cap than comparable companies.

Nosa Plugs has a **similar** debt level to comparable companies.

Nosa Plugs is expected to achieve **higher** revenue growth than comparable companies.

Nosa Plugs is expected to achieve **lower** profitability than comparable companies.

As Nosa Plugs is expected to continue capitalizing on existing growth opportunities in the coming years rather than prioritizing maximum profitability, and since some comparable companies are not yet profitable, the relative valuation is based on revenue, applying an EV/S multiple to the estimated 2026 revenue. Among the peer group, the median EV/S multiple for 2026 revenue is 2.0x, but differences between Nosa Plugs and its peers should be considered.

In terms of size, Nosa Plugs is similar to the peer group, albeit slightly smaller, while maintaining a solidity of approximately 80%, indicating relatively low debt levels, similar to its peers. Growth-wise, Nosa Plugs is expected to achieve a strong revenue CAGR of 56% between 2023 and 2026, exceeding the peer median of 41%, which Analyst Group believes justifies a valuation premium. Regarding profitability, Nosa Plugs is expected to achieve a comparable gross margin but a slightly lower EBIT margin in 2026. Given the Company's focus on growth initiatives to meet anticipated high demand, higher profitability is expected in a later phase.

Another valuation aspect highlighted by Analyst Group is Nosa Plugs' business model, which contains a significant share of recurring revenue. Within Odor Control, which accounted for approximately 88% of the Company's sales in 2024, Nosa Plugs is assumed to have a high proportion of returning customers who continue purchasing nasal plugs, ensuring stable recurring revenue with a low churn rate. To illustrate the valuation potential given these recurring revenues, an appendix on page 21 presents a peer table of Nordic SaaS companies with a high degree of recurring revenue, for which the median EV/S multiple (LTM) is 4.8x. Recurring revenue with low churn is considered a foundation for sustainable growth, which Analyst Group believes supports a higher multiple.

Based on this reasoning, Analyst Group considers that Nosa Plugs should be valued at an EV/S multiple slightly above its peer group due to its higher growth and recurring revenue streams, leading to the application of an EV/S multiple of 3.5x. This results in an Enterprise Value of approximately SEK 139m, based on the estimated 2026 net revenue of SEK 40m. With a discount rate of 12.6%, and after adding net cash, this implies a potential price per share of SEK 0.54 for Core Business in a Base scenario.

SEK 0.54
PER SHARE FOR
CORE BUSINESS

**50 MEDICINES
HAVE BEEN
IDENTIFIED AS
SUITABLE**

Valuation: Drug Delivery

To value Nosa Plugs' ongoing development project, Drug Delivery, an rNPV model has been applied, where the future estimated cash flows have been discounted to present value and adjusted for the risk associated with the ongoing regulatory process. Nosa Plugs has identified over 50 generic pharmaceuticals that could potentially be more effectively administered through the Company's technology platform compared to other delivery methods across some of the world's largest therapeutic areas, including epilepsy, Alzheimer's disease, drug withdrawal, and antidotes. Analyst Group has taken a conservative approach in valuing Drug Delivery, conducting an evaluation based on only one of these treatment areas, epilepsy. Analyst Group estimates the Likelihood of Approval (LoA), the probability that the product will successfully reach the market, at approximately 25%, accounting for the remaining risks before commercialization, primarily related to the clinical trials likely required. This LoA can be compared with that of pharmaceutical companies undergoing clinical trials, where a study by Paul et al. (2010) presents the accumulated probability at different stages, as shown in the table below.

| | Preclinical | Phase I | Phase II | Phase III | Approval |
|-----|-------------|---------|----------|-----------|----------|
| LoA | 8% | 12% | 22% | 64% | 91% |

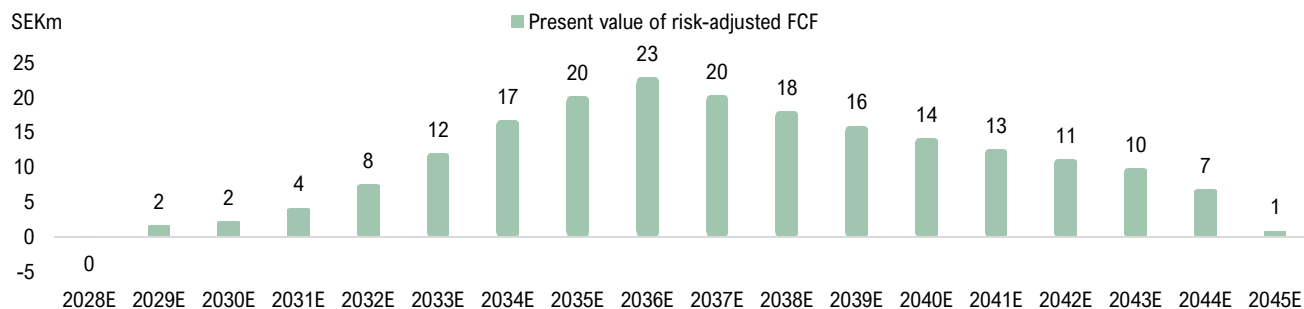
An LoA of 25% reflects a slightly higher probability of success than a pharmaceutical company conducting a Phase II trial. Typically, pharmaceutical companies initiate clinical testing in Phase I, where clinical testing is the next step for Nosa Plugs. However, the Company's clinical study does not involve a new drug compound but rather a distribution method using the Company's nasal plugs. Analyst Group considers this factor to increase the LoA, making 25% a conservative assumption.

Based on the assumptions detailed in the forecast section, future free cash flows have been estimated and risk-adjusted with an LoA of 25%. Additionally, a 12% discount rate has been applied, reflecting the required return and risks in the Company that are unrelated to regulatory approval. These risks primarily stem from the Company's size and its partner-dependent business model, where successful sales rely on external third parties. According to Analyst Group's assumptions, the total sum of present value-adjusted free cash flows amounts to approximately SEK 192m. Given this and the number of outstanding shares, a potential price per share of SEK 0.91 is derived for Drug Delivery. Below is a summary of the present value-adjusted, risk-adjusted estimated cash flows.

**SEK 0.91
PER SHARE FOR
DRUG DELIVERY**

The risk-adjusted estimated cash flows have a present value of approx. SEK 192m, corresponding to a value per share of approx. SEK 0.91.

Discounted Risk-Adjusted Free Cash Flows, Base Scenario 2028E-2045E



Source: Analyst Group

Overall, the conservative approach in our valuation of Drug Delivery, by including only one treatment area, applying a long launch curve, and assuming a conservatively estimated LoA, reflects the high potential while acknowledging the remaining steps and uncertainties before a product can be commercialized. This contributes to uncertainty in the cash flows, which are also expected to materialize far into the future.

Valuation: Summary

**SEK 1.45
PER SHARE IN A
BASE SCENARIO**

Through a sum-of-the-parts valuation, where the derived valuation of Core Business at SEK 0.54 per share and Drug Delivery at SEK 0.91 per share are combined, a total potential price per share of SEK 1.45 is derived in a Base scenario.

Bull Scenario

In a Bull scenario, the geographic expansion of primarily Odor Control and Smell Training accelerates in the coming years, leading to higher revenue growth than in a Base scenario. Increased market penetration in major European markets such as France and the UK contributes to growth, while markets where Nosa Plugs already has a strong presence, such as Sweden and Germany, continue to expand and reach higher penetration through both recurring and new customers. Additionally, increased focus on growth in the US market is seen as a potential value driver in a Bull scenario. While Nosa Plugs currently has sales in the US, Analyst Group assesses that it is not a high priority at this stage, despite its high market potential.

Bull scenario**Core Business****SEK 0.79****Drug Delivery****SEK 1.45**

**SOTP, present value
per share
SEK 2.24**

Overall, these factors are expected to drive continued strong revenue growth in the coming years, leading to an estimated CAGR of 55% for Core Business between 2024 and 2028, with revenue reaching SEK 93m in 2028. Strong revenue growth, combined with a slightly increasing gross margin of 73% in 2028 and a cost base growing at a slower rate than sales, is expected to strengthen profitability, resulting in an EBIT margin of 20% in 2028.

In a Bull scenario, Nosa Plugs is expected to be revalued by the market due to the recurring nature of its revenue, primarily from Odor Control, and the higher estimated growth. Applying an EV/S multiple of 4.3x to the estimated 2026 net revenue of approximately SEK 48m results in an Enterprise Value of approximately SEK 206m. With a discount rate of 12.6%, and after adding net cash, this implies a potential price per share of SEK 0.79 for Core Business in a Bull scenario.

For Drug Delivery, even in a Bull scenario, only one potential treatment area, epilepsy, is valued. Compared to the Base scenario, a higher market share, a slightly higher price per plug, and a higher Likelihood of Approval (LoA) are estimated, leading to a potential price per share of SEK 1.45 based on an rNPV model.

Through a sum-of-the-parts valuation, where the derived valuation of Core Business at SEK 0.79 per share and Drug Delivery at SEK 1.45 per share are combined, a total potential price per share of SEK 2.24 is derived in a Bull scenario.

Bear Scenario

In a Bear scenario, sales growth is hindered by difficulties in attracting new customers in Europe, particularly hospitals, which are expected to be difficult to reach, leading to delays in new listings and procurement contracts. Existing customers are expected to contribute with recurring revenue, but the number of new users is projected to grow at a slower pace than in a Base scenario. In a Bear scenario, revenue growth is estimated at a CAGR of 18% between 2024 and 2028, resulting in revenue of approximately SEK 32m in 2028.

Lower revenue growth, combined with an estimated declining gross margin due to reduced currency tailwinds and increased competition, could make it difficult for Nosa Plugs to maintain positive cash flow while continuing to grow, meaning external capital raising cannot be ruled out.

In a Bear scenario, an EV/S multiple of 2x is applied to the estimated 2026 net revenue of approximately SEK 24m, resulting in an Enterprise Value of approximately SEK 48m. With a discount rate of 12.6%, and after adding net cash, this implies a potential price per share of SEK 0.20 for Core Business in a Bear scenario. For Drug Delivery, a lower market share, lower revenue per plug, and a lower Likelihood of Approval (LoA) are applied, leading to a potential price per share of SEK 0.24 based on an rNPV model.

Through a sum-of-the-parts valuation, where the derived valuation of Core Business at SEK 0.20 per share and Drug Delivery at SEK 0.24 per share are combined, a total potential price per share of SEK 0.44 is derived in a Bear scenario.

Bear scenario**Core Business****SEK 0.20****Drug Delivery****SEK 0.24**

**SOTP, present value
per share
SEK 0.44**



Adrian Liljefors, CEO

Adrian has been with Nosa Plugs since 2015, and his previous experience includes being the founder and former CEO of Studiepoolen, which was acquired by My Academy in 2015. Adrian holds a Bachelor of Science in Business Administration, Strategic Management, from Lund University.

Shareholding: Adrian owns 5,628,972 shares (2.7%) in Nosa Plugs.



Karin Nilsson, CFO

Karin has been the CFO of Nosa Plugs since 2023 and holds a Master of Science in Business and Economics from Lund University. She has extensive experience as an interim CFO for both listed and private companies across various industries. Before this, Karin worked as an auditor at E&Y but has been an authorized accounting consultant since 2008, specializing in group accounting, IFRS, and complex financial reporting.

Shareholding: Karin owns 0 shares in Nosa Plugs.



Dan Josefsberg, Chairman of the Board

Dan has been Chairman of the Board since 2023. His other ongoing assignments include being the owner and board member of Endaent Invest AB and a Partner at Mimir AB. Dan holds a Master of Science in Business and Economics from Lund University.

Shareholding: Dan owns 291,209 shares (0.1%) in Nosa Plugs.



Anders Håkansson, Board Member

Anders has been a board member since 2023 and holds several other board positions, including Chairman of Loer AB, Loer Nybro AB, and Evolan Pharma AB, as well as board member of Stockbo AB, Evolan Medic AB, and EnCap Development AB. Anders is a licensed nurse with a degree from Mid Sweden University.

Shareholding: Anders owns 2,405,710 shares (1.1%) in Nosa Plugs through Loer AB.



Dan Magnell, Board Member

Dan has been a board member since 2023 and holds several other board positions, including Chairman of Pond Design AB, Pond Labs AB, LBA Maskin & Handel Aktiebolag, and Sthlm HC AB, as well as board member of Upptec AB, 360Player AB, and Tilla Care Ltd. Dan has a background in Marketing Economics from Linnaeus University.

Shareholding: Dan owns 4,474,648 shares (2.1%) in Nosa Plugs through Pond Labs AB and LBA Maskin & Handel AB.



Johan Prom, Board Member

Johan has been a board member since 2023 and holds several other ongoing positions, including roles at Johan Prom Konsult- och Investeringsaktiebolag, Publit Sweden AB, Cactus AB, and Johan Prom AB, as well as being an External Signatory at SBAB Bank AB (publ). Johan holds an MSc in Business Administration from the Stockholm School of Economics.

Shareholding: Johan owns 2,253,473 shares (1.1%) in Nosa Plugs.



Susanna Francke Rodau, Board Member

Susanna has been a board member since 2023. Her ongoing roles include Senior Vice President, Head of Business Line Neuro Solutions at Elekta, as well as Adjunct Board Member at Groschinskys Minnesfond. Susanna holds an MSc in Financial Management from the Stockholm School of Economics.

Shareholding: Susanna owns 320,000 shares (0.2%) in Nosa Plugs.

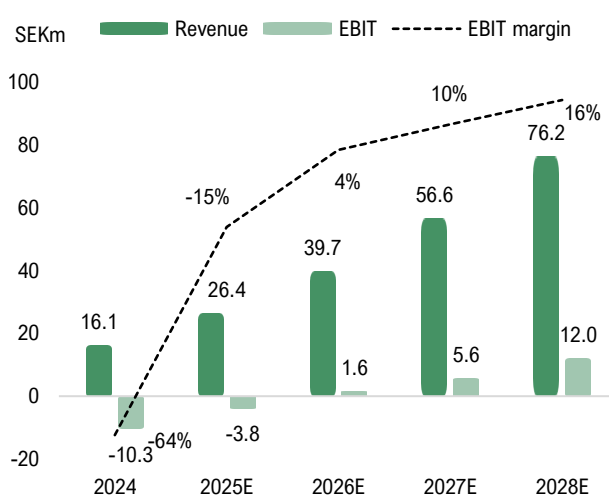
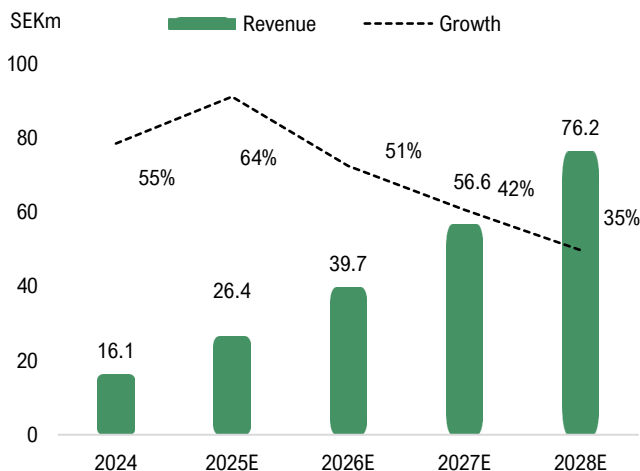


Tomas Ludvigsson, Board Member

Tomas has been a board member since 2023. His other ongoing assignments include being co-owner and Chairman of the Board at Medhouse AB, owner and board member of Ludvigsson & Partner AB, as well as board member of Rippler Communication AB and Jeppe i Stolen AB. Tomas holds a Bachelor's degree in Marketing and Economics from Lund University.

Shareholding: Tomas owns 636,215 shares (0.3%) in Nosa Plugs.

| Base scenario (SEKm) | 2023 | 2024 | 2025E | 2026E | 2027E | 2028E |
|-------------------------|--------------|--------------|-------------|-------------|-------------|-------------|
| Revenue | 10.4 | 16.1 | 26.4 | 39.7 | 56.6 | 76.2 |
| Other operating income | 0.1 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 |
| Total income | 10.5 | 16.1 | 26.4 | 39.8 | 56.6 | 76.3 |
| COGS | -3.5 | -4.9 | -7.8 | -11.6 | -16.1 | -21.3 |
| Gros profit | 7.0 | 11.2 | 18.6 | 28.2 | 40.5 | 54.9 |
| Gross margin (adj.) | 67% | 70% | 70% | 71% | 72% | 72% |
| Other external expenses | -13.2 | -13.0 | -12.7 | -13.9 | -18.1 | -22.1 |
| Staff costs | -6.3 | -6.7 | -7.6 | -10.5 | -13.3 | -17.1 |
| Other operating costs | -0.1 | 0.0 | -0.1 | -0.1 | -0.1 | -0.1 |
| One-off costs | -32.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| EBITDA | -45.1 | -8.4 | -1.7 | 3.8 | 9.0 | 15.7 |
| EBITDA margin (adj.) | -434% | -53% | -7% | 9% | 16% | 21% |
| Depreciation | -1.5 | -1.9 | -2.1 | -2.2 | -3.4 | -3.6 |
| EBIT | -46.5 | -10.3 | -3.8 | 1.6 | 5.6 | 12.0 |
| EBIT margin (adj.) | -449% | -64% | -15% | 4% | 10% | 16% |
| Interest income | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 |
| Interest expenses | 0.0 | 0.2 | -0.2 | -0.6 | -0.6 | -0.4 |
| EBT | -46.6 | -10.1 | -4.0 | 1.0 | 5.1 | 11.7 |
| Taxes | 0.0 | 0.0 | 0.0 | -0.2 | -1.0 | -2.4 |
| Net result | -46.6 | -10.2 | -4.0 | 0.8 | 4.0 | 9.3 |
| Net margin (adj.) | -449% | -63% | -15% | 2% | 7% | 12% |



| Balance Sheet (Base scenario SEKm) | 2023 | 2024 | 2025E | 2026E | 2027E | 2028E |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Assets | | | | | | |
| Capitalized development costs | 0.9 | 0.7 | 0.9 | 1.2 | 1.5 | 2.1 |
| Patents & Licens | 0.8 | 0.7 | 0.6 | 0.6 | 0.6 | 0.6 |
| PP&E | 2.2 | 5.8 | 4.9 | 4.6 | 7.5 | 6.3 |
| Right of use assets | 1.0 | 0.6 | 0.8 | 0.7 | 0.6 | 0.7 |
| Other non-current receivables | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Total non-current assets | 5.2 | 8.0 | 7.5 | 7.4 | 10.5 | 9.8 |
| Inventories | 2.6 | 4.1 | 4.3 | 5.4 | 6.2 | 7.0 |
| Account receivables | 2.3 | 2.3 | 3.6 | 5.4 | 7.0 | 8.8 |
| Other receivables | 1.7 | 1.9 | 1.6 | 2.0 | 2.3 | 2.3 |
| Prepaid expenses and accrued income | 20.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Cash and cash equivalents | 1.2 | 4.3 | 6.0 | 5.3 | 5.3 | 12.0 |
| Total current assets | 27.9 | 12.7 | 15.5 | 18.1 | 20.7 | 30.1 |
| Total Assets | 33.1 | 20.7 | 22.9 | 25.5 | 31.2 | 39.9 |
| Equity and Liabilities | | | | | | |
| Share capital | 10.4 | 10.5 | 10.5 | 10.5 | 10.5 | 10.5 |
| Ongoing Share Issue | 17.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other contributed capital | 92.2 | 109.6 | 109.6 | 109.6 | 109.6 | 109.6 |
| Reserves | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Retained earnings including profit for the period | -93.3 | -103.5 | -107.5 | -106.7 | -102.7 | -93.5 |
| Total equity | 26.8 | 16.6 | 12.5 | 13.3 | 17.3 | 26.6 |
| Non-current liabilities | 0.4 | 0.0 | 2.7 | 2.9 | 2.9 | 1.9 |
| Non-current lease liability | 0.6 | 0.2 | 0.3 | 0.3 | 0.3 | 0.3 |
| Total non-current liabilities | 1.0 | 0.2 | 3.0 | 3.3 | 3.2 | 2.2 |
| Current liabilities | 0.5 | 0.3 | 2.7 | 2.9 | 2.9 | 1.9 |
| Current lease liabilities | 0.4 | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 |
| Accounts payable | 3.1 | 2.0 | 2.8 | 3.7 | 4.9 | 5.8 |
| Accrued expenses and deferred income | 1.3 | 1.1 | 1.6 | 2.0 | 2.5 | 3.0 |
| Total current liabilities | 5.3 | 3.9 | 7.4 | 8.9 | 10.6 | 11.1 |
| Total equity and liabilities | 33.1 | 20.7 | 22.9 | 25.5 | 31.2 | 39.9 |

| Cash Flow Statement (Base scenario SEKm) | 2023 | 2024 | 2025E | 2026E | 2027E | 2028E |
|--|--------------|--------------|-------------|-------------|-------------|-------------|
| EBT | -46.6 | -10.1 | -4.0 | 1.0 | 5.1 | 11.7 |
| Adjustment for non-cash items | 33.9 | 1.8 | 2.1 | 2.2 | 3.4 | 3.6 |
| Income tax | 0.0 | 0.0 | 0.0 | -0.2 | -1.0 | -2.4 |
| Cash flow from operating activities before changes in working capital | -12.7 | -8.3 | -1.9 | 3.0 | 7.4 | 12.9 |
| Cash flow from changes in working capital | -4.8 | -1.7 | 0.1 | -2.1 | -0.8 | -1.2 |
| Cash flow from operating activities | -17.5 | -10.0 | -1.8 | 0.9 | 6.6 | 11.7 |
| Cash flow from investing activities | 14.6 | -4.7 | -1.5 | -2.1 | -6.5 | -3.0 |
| Cash flow from financing activities | 1.6 | 17.8 | 5.0 | 0.5 | -0.1 | -2.0 |
| Cash flow for the period | -1.3 | 3.1 | 1.7 | -0.7 | 0.0 | 6.7 |

| KPI's | Market Cap | Enterprise Value | Revenue growth | ARR share | Gross margin | EBITDA margin | Revenue growth | EV/S | EV/S |
|-----------------------|--------------|------------------|----------------|-------------|--------------|---------------|----------------|-------------|------------|
| Nordic SaaS companies | SEKm | SEKm | LTM | LTM | LTM | LTM | 2026E | LTM | 2026E |
| Carasent | 1,490 | 1,268 | 13% | 92% | 85% | 2% | 15% | 4.8 | 3.2 |
| Admicom | 2,871 | 2,814 | 4% | 95% | 96% | 34% | n.a. | 7.1 | n.a. |
| Lime | 4,935 | 5,172 | 19% | 64% | 43% | 31% | 13% | 7.5 | 5.8 |
| Upsales | 603 | 573 | 0% | 95% | 67% | 25% | 19% | 4.0 | 3.0 |
| Formpipe Software | 1,411 | 1,389 | 1% | 81% | 100% | 18% | 10% | 2.6 | 2.2 |
| Opter | 684 | 656 | 16% | 95% | 50% | 25% | n.a. | 7.5 | n.a. |
| Impero | 242 | 220 | 30% | 100% | 65% | -24% | n.a. | 4.4 | n.a. |
| Average | 1,748 | 1,727 | 12% | 89% | 72% | 16% | 14% | 5.4 | 3.5 |
| Median | 1,411 | 1,268 | 13% | 95% | 67% | 25% | 14% | 4.8 | 3.1 |
| <i>Nosa Plugs</i> | <i>189</i> | <i>185</i> | <i>84%</i> | <i>n.a.</i> | <i>70%</i> | <i>-53%</i> | <i>51%</i> | <i>11.5</i> | <i>4.7</i> |

| Bull scenario (SEKm) | 2023 | 2024 | 2025E | 2026E | 2027E | 2028E |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Revenue | 10.4 | 16.1 | 28.6 | 48.0 | 67.9 | 92.5 |
| Other operating income | 0.1 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 |
| Total income | 10.5 | 16.1 | 28.7 | 48.0 | 67.9 | 92.6 |

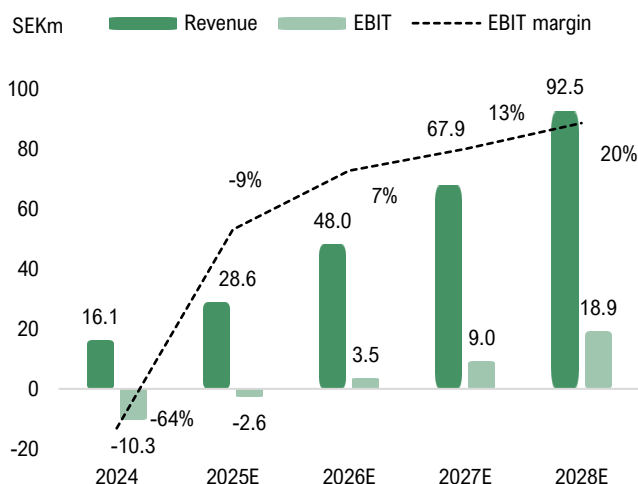
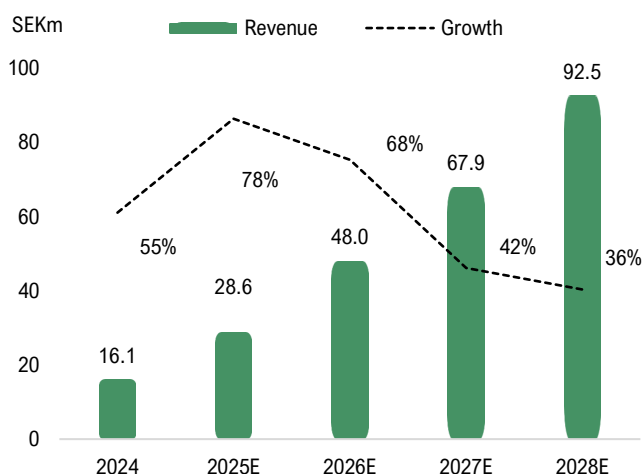
| | | | | | | |
|---------------------|------------|-------------|-------------|-------------|-------------|-------------|
| COGS | -3.5 | -4.9 | -8.0 | -13.7 | -18.7 | -25.0 |
| Gros profit | 7.0 | 11.2 | 20.6 | 34.4 | 49.3 | 67.6 |
| Gross margin (adj.) | 67% | 70% | 72% | 72% | 73% | 73% |

| | | | | | | |
|-------------------------|--------------|-------------|-------------|------------|-------------|-------------|
| Other external expenses | -13.2 | -13.0 | -12.9 | -17.3 | -22.4 | -25.9 |
| Staff costs | -6.3 | -6.7 | -8.2 | -11.3 | -14.4 | -19.0 |
| Other operating costs | -0.1 | 0.0 | -0.1 | -0.1 | -0.1 | -0.1 |
| One-off costs | -32.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| EBITDA | -45.1 | -8.4 | -0.5 | 5.7 | 12.4 | 22.6 |
| EBITDA margin (adj.) | -434% | -53% | -2% | 12% | 18% | 24% |

| | | | | | | |
|--------------------|--------------|--------------|-------------|------------|------------|-------------|
| Depreciation | -1.5 | -1.9 | -2.1 | -2.2 | -3.4 | -3.6 |
| EBIT | -46.5 | -10.3 | -2.6 | 3.5 | 9.0 | 18.9 |
| EBIT margin (adj.) | -449% | -64% | -9% | 7% | 13% | 20% |

| | | | | | | |
|-------------------|--------------|--------------|-------------|------------|------------|-------------|
| Interest income | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 |
| Interest expenses | 0.0 | 0.2 | -0.2 | -0.6 | -0.6 | -0.4 |
| EBT | -46.6 | -10.1 | -2.8 | 2.9 | 8.4 | 18.6 |

| | | | | | | |
|-------------------|--------------|--------------|-------------|------------|------------|-------------|
| Taxes | 0.0 | 0.0 | 0.0 | -0.6 | -1.7 | -3.8 |
| Net result | -46.6 | -10.2 | -2.8 | 2.3 | 6.7 | 14.7 |
| Net margin (adj.) | -449% | -63% | -10% | 5% | 10% | 16% |



| Bear scenario (SEKm) | 2023 | 2024 | 2025E | 2026E | 2027E | 2028E |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Revenue | 10.4 | 16.1 | 19.9 | 24.0 | 28.0 | 31.6 |
| Other operating income | 0.1 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 |
| Total income | 10.5 | 16.1 | 20.0 | 24.1 | 28.1 | 31.6 |

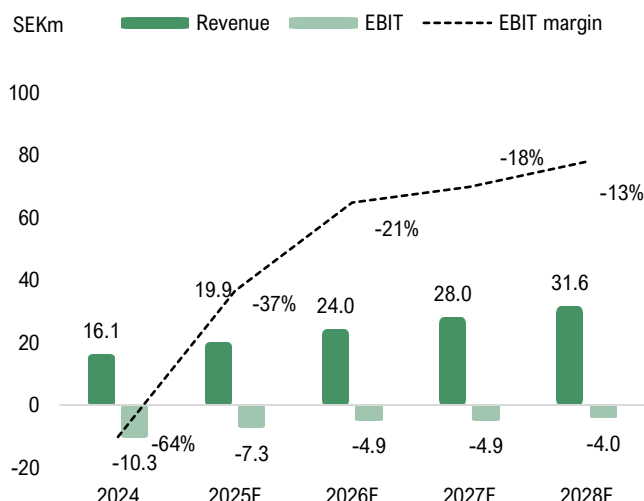
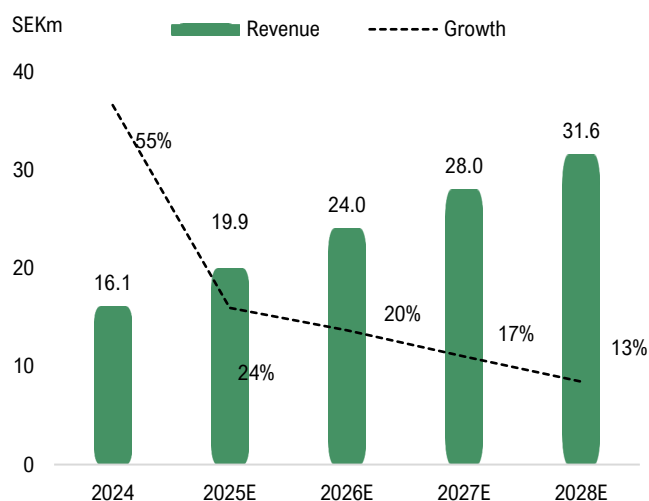
| | | | | | | |
|---------------------|------------|-------------|-------------|-------------|-------------|-------------|
| COGS | -3.5 | -4.9 | -6.0 | -7.5 | -9.0 | -10.4 |
| Gros profit | 7.0 | 11.2 | 14.0 | 16.6 | 19.1 | 21.2 |
| Gross margin (adj.) | 67% | 70% | 70% | 69% | 68% | 67% |

| | | | | | | |
|-------------------------|--------------|-------------|-------------|-------------|-------------|-------------|
| Other external expenses | -13.2 | -13.0 | -11.6 | -11.5 | -11.8 | -11.7 |
| Staff costs | -6.3 | -6.7 | -7.6 | -7.7 | -8.7 | -9.8 |
| Other operating costs | -0.1 | 0.0 | -0.1 | -0.1 | -0.1 | -0.1 |
| One-off costs | -32.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| EBITDA | -45.1 | -8.4 | -5.3 | -2.7 | -1.5 | -0.4 |
| EBITDA margin (adj.) | -434% | -53% | -27% | -11% | -6% | -1% |

| | | | | | | |
|--------------------|--------------|--------------|-------------|-------------|-------------|-------------|
| Depreciation | -1.5 | -1.9 | -2.1 | -2.2 | -3.4 | -3.6 |
| EBIT | -46.5 | -10.3 | -7.3 | -4.9 | -4.9 | -4.0 |
| EBIT margin (adj.) | -449% | -64% | -37% | -21% | -18% | -13% |

| | | | | | | |
|-------------------|--------------|--------------|-------------|-------------|-------------|-------------|
| Interest income | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 | 0.1 |
| Interest expenses | 0.0 | 0.2 | -0.2 | -0.6 | -0.6 | -0.4 |
| EBT | -46.6 | -10.1 | -7.6 | -5.5 | -5.5 | -4.4 |

| | | | | | | |
|-------------------|--------------|--------------|-------------|-------------|-------------|-------------|
| Taxes | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Net result | -46.6 | -10.2 | -7.6 | -5.5 | -5.5 | -4.4 |
| Net margin (adj.) | -449% | -63% | -38% | -23% | -20% | -14% |



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