

## Positioned for Growth in Promising Healthcare Segments

Navamedic ASA ("Navamedic" or "the Company") is a Nordic pharmaceutical company offering a diversified portfolio of prescription drugs, consumer health products, and hospital solutions in the Nordic region, the Baltics, and the Benelux region. Following a strategic shift in 2019, transitioning from a distribution-based model to owning brands, Navamedic has enhanced profitability and scalability. The Company's licensing platform, enabling control over product portfolios and facilitating market expansion, positions Navamedic for sustained growth going forward. Navamedic is estimated to reach an EBIT of NOK 71.1m in 2026 and based on an applied EV/EBIT target multiple of 10.4x, a potential price per share of NOK 37.5 is implied in a Base scenario.

### Expanding Portfolio Through Strategic Acquisitions

Acquisitions have been a cornerstone of Navamedic's growth strategy, as evidenced by the acquisition of Impolin in 2022 which accounted for 7.3% of total sales the same year. With a current leverage ratio of 1.7x and a history of integrations, highlighted by the Impolin acquisition, the Company is well-positioned to pursue further acquisitions. Additionally, Navamedic's growing out-licensing agreements, such as the Flexilev partnership with Orion Pharma across 27 European countries, which represented more than 50% of EBITDA in Q2 2024, are projected to continue generating royalty income. Analyst Group projects an organic revenue growth of 9.9% through 2026, driven by scalable market access and diversified revenue streams, reaching NOK 654m in 2026.

### Positioned to Capitalize on Booming Healthcare Trends

Navamedic operates in two rapidly expanding markets: obesity and erectile dysfunction ("ED"). The global obesity drug market is forecasted to grow at a CAGR of 25.5% until 2032, where the Nordic obesity market is expected to double by 2026, benefiting Navamedic's product portfolio. Similarly, the ED market in Europe is set to grow at a 9.5% CAGR until 2030. Navamedic's consumer health product, Eroxon, is the only non-prescription ED treatment in Sweden, addressing an untapped demand. Analyst Group forecast the consumer health segment, which include Modifast and Eroxon, to grow at a CAGR of 15%, increasing its revenue share from 21.3% in 2023 to 25.6% in 2026, reaching NOK 159.9m.

### Scalable Platform Driving Margin Expansion

Navamedic's pivot to brand ownership has reduced reliance on third-party agreements while also enabling cost efficiencies through streamlined supply chain management. The Company's gross margin, 38.9% in 2023, is projected to stabilize at 41.5% by 2026, while EBITDA margins are expected to expand from 6.9% in 2023 to 14% in 2026. This margin expansion is underpinned by reduced OPEX, with other operating expenses projected to decrease from 20% of sales to 15% by 2026, supported by streamlined logistics and lower personnel costs. This, with increased product ownership, is expected to drive EBITDA margins to 13% by 2026.

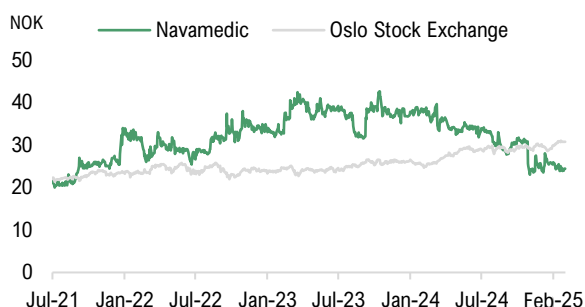
### VALUATION RANGE

**Bear** NOK 21.9      **Base** NOK 37.5      **Bull** NOK 44.5


### KEY INFORMATION

|                            |                     |
|----------------------------|---------------------|
| Share Price (2025-02-03)   | NOK 24.4            |
| Shares Outstanding         | 17.7m               |
| Market Cap (NOKm)          | 431.4               |
| Net cash(-)/debt(+) (NOKm) | 75.0                |
| Enterprise Value (NOKm)    | 538.1               |
| List                       | Oslo Stock Exchange |
| Quarterly report 1 2025    | 2025-02-12          |

### SHARE PRICE DEVELOPMENT



### OWNERS (SOURCE: THE COMPANY)

 = INSIDER

|                    |       |
|--------------------|-------|
| Christen Sveaas    | 12.5% |
| Nordea Funds       | 11.1% |
| InfoRLife SA       | 6.5%  |
| Topridge Pharma    | 5.3%  |
| Hausta Investor AS | 5.2%  |

| Estimates (NOKm)    | 2023A        | 2024E        | 2025E        | 2026E        |
|---------------------|--------------|--------------|--------------|--------------|
| Revenue             | 512.0        | 542.1        | 594.7        | 653.6        |
| COGS                | -312.9       | -319.1       | -347.9       | -382.3       |
| <b>Gross Profit</b> | <b>199.1</b> | <b>222.2</b> | <b>246.8</b> | <b>271.2</b> |
| Gross Margin        | 38.9%        | 41.0%        | 41.5%        | 41.5%        |
| Operating Costs     | -163.6       | -151.8       | -169.3       | -186.1       |
| <b>EBITDA</b>       | <b>35.6</b>  | <b>70.5</b>  | <b>77.5</b>  | <b>85.1</b>  |
| EBITDA Margin       | 6.9%         | 13.0%        | 13.0%        | 13.0%        |
| P/S                 | 1.2x         | 0.9x         | 0.5x         | 0.5x         |
| EV/S                | 1.5x         | 1.0x         | 0.9x         | 0.8x         |
| EV/EBITDA           | 21.1x        | 9.6x         | 6.9x         | 6.3x         |
| EV/EBIT             | 21.8x        | 13.3x        | 8.3x         | 7.6x         |

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## ABOUT THE COMPANY

Navamedic ASA is a Norwegian pharmaceutical company specialized in delivering high-quality healthcare products across Europe. Established in 2002, the Company focuses on prescription drugs, consumer health products, and hospital-specific treatments such as antibiotics and medical nutrition. Serving customers in the Nordic region and beyond, Navamedic leverages a scalable market access platform and strong partnerships with healthcare providers. The Company has been listed on the Oslo Stock Exchange since 2006.

## CEO AND CHAIRMAN

|     |                             |
|-----|-----------------------------|
| CEO | Kathrine Gamborg Andreassen |
|-----|-----------------------------|

|          |                  |
|----------|------------------|
| Chairman | Jostein Davidsen |
|----------|------------------|

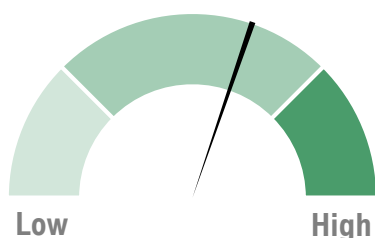
## JUNIOR ANALYST

|      |                |
|------|----------------|
| Namn | Elias Hylander |
|------|----------------|

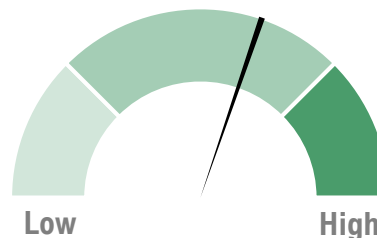
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## Value Drivers



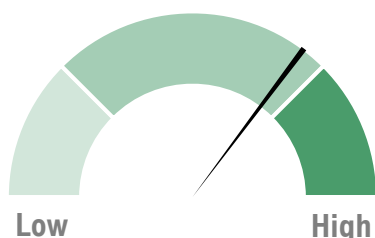
## Historical Profitability



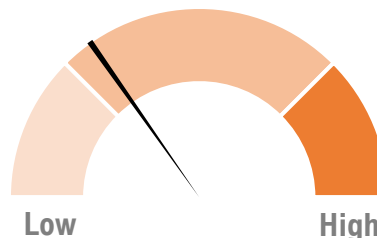
Navamedic is strategically positioned to benefit from strong market tailwinds, including the growing prevalence of obesity, increased focus on preventative healthcare, and rising demand of accessible over-the-counter solutions. Additionally, the estimated growth of the Consumer Health segment, driven by products like Eroxon and Modifast, provides a compelling near-term catalyst for revenue growth and margin improvement.

Navamedic's profitability has fluctuated, with negative EBIT margins in 2018-2019 before consistent improvements from 2021 onward. In 2023, the Company achieved a 6.9% EBITDA margin, down from 13.5% in 2022 due to one-time acquisition costs. The gross margin remained stable at 38.9%, reflecting a resilient business model, the YTD EBITDA margin is 12.4%. The grade is solely based on the historical profitability of the Company.

## Management &amp; Board



## Risk Profile



Navamedic's executive team combines extensive healthcare expertise with strong shareholder alignment. CEO Kathrine Gamborg Andreassen and CFO Lars Hjarrand, who together own 6.4% of the Company, have spearheaded the strategic transformation since 2019. Chairman Jostein Davidsen, with over 30 years of global pharmaceutical experience, adds valuable strategic direction.

Navamedic depends on partnerships with pharmaceutical companies, which could result in pricing pressure if partners develop in-house market access capabilities. However, the scalable platform, ownership of key brands, and long-term agreements, extending beyond two years, provide strong mitigation. Combined with a proven track record regarding acquisitions and a solid presence in all the Nordic countries, this risk is assessed as low.



### Scalable Growth Through Relevant Acquisitions and Global Licensing

#### Strategic M&A and Out-Licensing Creates Growth Opportunities

Navamedic's out-licensing model enables product expansion while minimizing costs and risks. Instead of handling distribution and market penetration internally, Navamedic licenses products to established pharmaceutical partners, who manage local commercialization. In return, Navamedic earns milestone payments, royalties, and sales-based revenues without requiring a dedicated sales force. In 2023, Navamedic acquired Sensidose for SEK 75 million valuating the company to P/S 13x, reinforcing the strategy in neurology and Parkinson's disease treatments. Sensidose's Flexilev, a micro-dosage levodopa treatment with regulatory approvals in 10 European countries, provides a strong foundation for commercialization within the Company's established platform.

At the time of the acquisition, Sensidose was EBIT-negative, contributing with negative NOK 4.8m in EBITDA in FY 2023. The deal was financed through cash and debt, increasing Navamedic's leverage ratio to 48.3% in Q4 2023, up from 39.5% in 2022. The acquisition enhances Navamedic's out-licensing platform, allowing the Company to expand Flexilev internationally without the high costs of direct commercialization. Looking ahead, Navamedic plans to expand geographically with Flexilev into the U.S., Japan, and China, targeting 295,000 additional Parkinson's patients. The U.S., representing 44% of this market, is expected to reach commercialization in 2027, followed by Japan in 2028 and China shortly thereafter. These deals are expected to solidify out-licensing as Navamedic's primary revenue driver, transitioning the Company toward a licensing platform model rather than operating as a traditional pharmaceutical distributor. Thereafter, this model has proven highly profitable with Orion Pharma, who is Navamedic's distribution partner in 27 European markets. In Q2 2024 alone, Orion contributed NOK 22.7m in milestone payments and accounted for over 50% of Navamedic's total EBITDA. Navamedic's Prescription Drugs segment, represents 59% of total revenue and is projected to grow at a CAGR of 8%, driven largely by out-licensing.

#### Consumer Health Segment Positioned for Double-Digit Growth

Navamedic's Consumer Health segment, which accounted for 21.3% of total revenue in 2023, is a key growth driver for the Company. This segment is projected to grow at a CAGR of 15% between 2025 and 2028, supported by products such as Eroxon and Modifast. Eroxon, the first non-prescription erectile dysfunction treatment in Sweden, is at the forefront of Navamedic's Consumer Health portfolio. The ED market in Europe is expected to grow at a CAGR of 9.5% through 2030, driven by increasing consumer demand for over-the-counter solutions and the rising prevalence of ED, which is projected to affect over 40 million men in Europe by 2030. With Eroxon securing a 7% market share in Norway shortly after launch, the upcoming rollouts in Finland and Denmark by 2025 are expected to further strengthen the Company's regional presence and revenue potential.

Meanwhile, Navamedic's Modifast, a proven and popular weight-management brand, continues to benefit from rising global awareness of obesity. The global anti-obesity drug market, valued at USD 4.5bn in 2023, is forecasted to reach USD 13.8 billion by 2028, growing at a CAGR of 25.5%. Within the Nordics, where the obesity market is projected to grow from NOK 1.4 billion in 2023 to NOK 2.2 billion by 2026, Modifast has achieved double-digit YoY growth in Q3-24, driven by expanded distribution in pharmacy chains such as Apotek Hjärtat and increased adoption in weight-loss programs recommended by healthcare providers.

#### Position in Obesity and Antibiotics Markets Secures Long-Term Revenue Stability

Navamedic's presence in the obesity and antibiotics markets provides a stable foundation for revenue growth. The Prescription Drug segment is led by Mysimba, a doctor-prescribed treatment for weight loss. Mysimba's reimbursement structure in Norway and Finland has created a competitive advantage, allowing Navamedic to capture 8-10% penetration in Norway, compared to 2-3% in Sweden and Denmark. Expanding into underpenetrated regions represents a clear opportunity to grow revenues in a segment that already accounts for over 50% of Navamedic's total sales and is estimated to reach NOK 327.5m in 2026.

Furthermore, Navamedic's antibiotics portfolio, which represents 47% of the Hospital portfolio, experienced a 111.1% revenue increase from 2021 to Q3 2024, while the medical nutrition segment has shown steady growth. In Q2 2024, the Hospital segment generated NOK 28.9 million in revenue, reflecting a 12.7% increase compared to the same period in 2023. Analyst Group estimates the Hospital segment will grow at a CAGR of 9.1% reaching NOK 166.1m in 2026, driven by increasing demand for antibiotics and medical nutrition. A significant contributor to this growth is the 2025-2027 antibiotic tender, which ensures long-term contracts for Navamedic to supply antibiotics to hospitals in Denmark, Norway, and Iceland.

### Consumer Health Projected to Grow 15% Annually Through 2027

### Market Presence in Obesity and Antibiotics Ensures Resilience

## Navamedic - A Specialty Pharmaceutical and Consumer Health Company

Navamedic is a Nordic specialty pharmaceutical company focused on providing high-quality prescription and consumer healthcare products across multiple therapeutic areas. With a strong presence in the Nordics and expanding operations across Europe, the Company operates through three key segments: *Prescription Drugs*, *Hospital*, and *Consumer Health*. Navamedic's business model is based on in-licensing and distribution, securing exclusive rights to pharmaceutical products from global manufacturers without direct investment in research and development. This allows the Company to efficiently bring both prescription medications and consumer health products to market while maintaining a lean cost structure. The Company manages regulatory approvals, market access, and pricing negotiations, ensuring that products are integrated into national healthcare reimbursement systems and made available through pharmacies, hospitals, and healthcare providers. The Company also benefits from long-term agreements and tender-based contracts, particularly in the hospital segment, where competitive bidding processes aim stable revenue streams.

### Prescription Drugs Segment

The Prescription Drugs segment includes a diverse portfolio of in-licensed and proprietary medications, spanning multiple therapeutic areas. A key focus is obesity management, where Navamedic markets Mysimba, a prescription-based weight-loss drug that provides an alternative to injectable treatments. Mysimba works by targeting the brain's reward system to help control appetite and cravings, offering an effective pharmacological approach for obesity treatment. In neurology, Navamedic has strengthened the Company's presence with Flexilev, a treatment for Parkinson's disease. Flexilev features a unique dose-adjustable granule-based drug-delivery system, allowing for more precise treatment of motor fluctuations in patients. This product aligns with Navamedic's strategy to provide solutions that improve patient adherence and long-term treatment effectiveness. Beyond these areas, the Company's portfolio includes specialty pharmaceuticals in endocrinology and women's health. This portfolio includes hormone therapies and essential treatments for conditions such as osteoporosis and menopause-related symptoms. By prioritizing in-licensed drugs with strong market potential, Navamedic ensures continuous access to high-quality prescription medication across the Company's core markets.

### Hospital Segment

The Hospital segment comprises of pharmaceuticals and medical solutions critical for hospital care, with a strong emphasis on antibiotics and medical nutrition. Navamedic supplies a range of broad-spectrum antibiotics used in hospitals to treat severe bacterial infections, supporting the availability of essential antimicrobials in critical care settings. Medical nutrition is another important component of this segment, where Navamedic provides specialized nutritional products for patients with conditions requiring dietary support. This includes enteral nutrition solutions tailored for individuals with malnutrition, chronic illnesses, or post-surgical recovery needs. By offering high-quality hospital products, Navamedic supports healthcare providers in delivering effective patient care while maintaining competitive pricing through its expertise in procurement and distribution.

### Consumer Health Segment

The Consumer Health segment focuses on over-the-counter (OTC) and self-care products designed to address everyday health and wellness needs. One of the flagship products in this segment is Navamedic's Eroxon, a non-prescription treatment for erectile dysfunction ("ED") that offers an alternative to traditional prescription medications. Eroxon has gained attention for its fast-acting gel formulation, making it a convenient solution for consumers seeking effective ED management without a doctor's prescription. Weight management is another key area within this segment, led by Modifast, a well-established meal replacement brand. Modifast provides scientifically formulated shakes, soups, and bars to support individuals in need of controlled calorie intake, making it a popular option for those seeking structured weight-loss solutions. Navamedic also distributes a variety of consumer health products, including dermatology treatments, digestive health solutions, and vitamins. By leveraging strong retail partnerships and an expanding OTC portfolio, Navamedic continues to strengthen the Company's position in the self-care market, delivering accessible and innovative solutions to consumer across the Nordic region and beyond.



"Enhancing people's quality of life by being reliable"





## Market Dynamics in Obesity Treatments and Antibiotics Across the Nordics

The Nordic healthcare market is characterized by inclusive healthcare systems, aging populations, and increasing pharmaceutical demand, driving a steady 3-5% annual growth rate in healthcare spending. Pharmaceutical expenditures across the region had expanded at a CAGR of 4.2% since 2018, reaching NOK 79 billion in Sweden alone by 2023. With a focus on cost-efficiency, Nordic healthcare systems rely heavily on tender-based procurement and reimbursement structures, benefiting Navamedic, who specializes in market access, regulatory approvals, and licensing agreements.

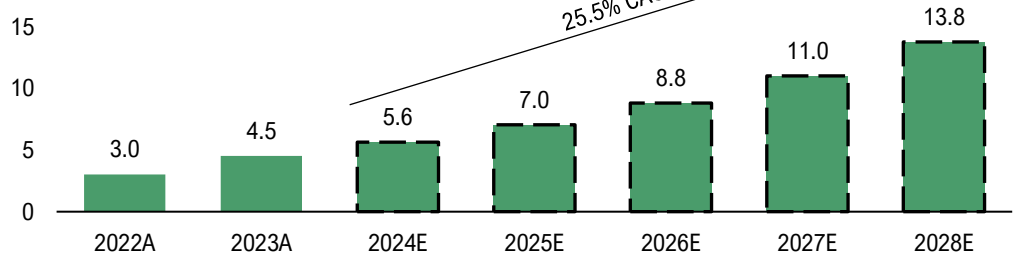
As healthcare systems prioritize cost-effective treatments, orally administered medications have gained traction due to their 30-50% lower administration costs and higher patient adherence rates. Studies show that 64.7% of patients consistently take their oral medications as prescribed, compared to only 50.8% for injectable treatments in certain therapeutic areas. This trend is particularly evident in the obesity market, where GLP-1 receptor agonists such as Novo Nordisk's Wegovy dominate but require frequent injections and high healthcare expenditures. In contrast, Navamedic's Mysimba, an oral prescription-based weight-loss treatment, provides a more affordable alternative. Mysimba's reimbursement status in Norway and Finland has contributed to a market penetration of 8-10%, significantly outpacing Sweden and Denmark's 2-3%, where reimbursement policies are less favourable. With obesity medication adoption still in its early stages across the Nordics, further reimbursement expansions and physician engagement is estimated to drive higher uptake. Additionally, the Swedish anti-obesity medication market is expected to grow at a CAGR of 42.2% until 2030, reflecting the increasing focus on addressing obesity-related health issues.<sup>1</sup>

The Nordic antibiotics market is small but growing, with Sweden's antibiotic sales increasing 7.3% in 2023 to 10.9 DDD per 1,000 inhabitants per day. The region faces recurring shortages, especially for pediatric formulations. Navamedic addresses these needs through long-term supply contracts, such as the 2025-2027 Nordic antibiotic tender, ensuring stable access to essential antibiotics. Globally, the antibiotics market is projected to grow from USD 39.2bn in 2021 to USD 49.6bn by 2027, with a 4.2% CAGR.

Transformative Growth in the Obesity Drug Market

### Anti-Obesity Drugs Market Is Expected to Grow at 25.5% CAGR until 2028

Global Anti-obesity Drug Market  
BnUSD



Source: Fortune Business Insights, Anti-obesity Drugs Market, December 2024

### Accelerating Growth in the Global Erectile Dysfunction Market

The ED market is undergoing rapid growth, driven by an aging population, rising lifestyle-related conditions such as diabetes and hypertension, and increasing demand for accessible treatments. The global ED market was valued at approximately USD 2.9 billion in 2024 and is projected to grow at a CAGR of 9.5% through 2030. This growth is underpinned by advancements in pharmaceutical solutions, the expansion of OTC treatment options, and greater awareness of ED as a common and treatable condition. ED affects approximately 322 million men worldwide, with Europe accounting for an estimated 25-30% of this population. Aging demographics are a major driver, as ED prevalence increases with age, affecting up to 70% of men over 70 years old. However, younger populations are also experiencing rising rates of ED due to stress, sedentary lifestyles, and other environmental factors, broadening the market beyond its traditional patient base. In Europe, the ED market is characterized by a growing preference for OTC solutions, which offer privacy and ease of access. In Sweden, approximately 67% of men with ED go untreated, highlighting a significant opportunity to address this unmet need with accessible OTC solutions.

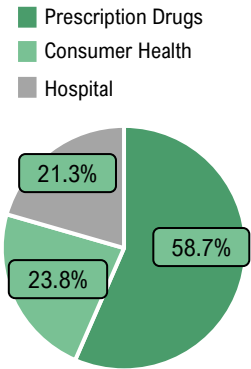
Navamedic is the only provider in Sweden offering an ED treatment that does not require a prescription. This eliminates a key barrier to access, making treatment more convenient and appealing to patients. The expansion of non-prescription treatments has also helped to normalize ED treatment, reducing stigma and increasing treatment-seeking behavior among men who might otherwise avoid seeking help.

ED Market Growing at 9.5% CAGR Through 2030

<sup>1</sup> Sweden Anti-Obesity Medication Market Outlook, Grand View Research, January 2025



# Financial Forecast



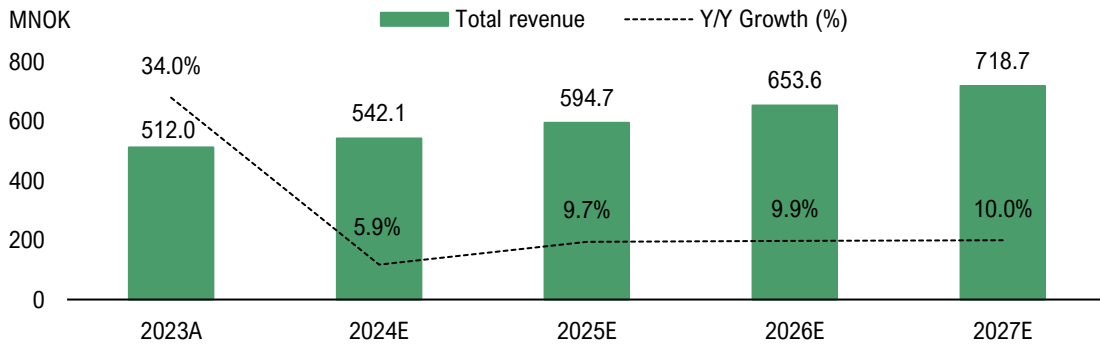
## Revenue Forecast 2024-2026

Navamedic's revenue is divided into three key segments: Prescription Drugs, Hospital, and Consumer Health. In 2023, Prescription Drugs accounted for 58.7% of revenue, Hospital contributed 20.1%, and Consumer Health represented 21.3%. The Prescription Drugs segment is expected to grow at an annual CAGR of 8.1% through 2026, driven by continued demand in therapeutic areas such as obesity and neurology. The Hospital segment is projected to grow at a 9.0% annual rate, supported by tender agreements in antibiotics and rising demand for medical nutrition products, exemplified by Navamedic's recent multi-year antibiotic supply contract in Norway. Consumer Health, the fastest-growing segment, is estimated to grow at a 15.0% annual rate, propelled by adoption of over-the-counter solutions like Eroxon and Modifast. By 2026, Consumer Health's contribution to revenue is projected to grow from 21.3% in 2023 to 25.6%. Meanwhile, the Prescription Drugs segment's share of revenue is expected to decrease to 49.2%, as Consumer Health continues to outpace other areas. Navamedic's total revenue is forecasted to grow at a CAGR of 9.9% until 2026, reaching NOK 653.6 million.

### Revenue estimated to reach NOK 718.7m by 2027

Estimated Net Revenue Year 2023-2027

9.9% Revenue CAGR from 2025-2027



Source: Navamedic, Analyst Group Estimates

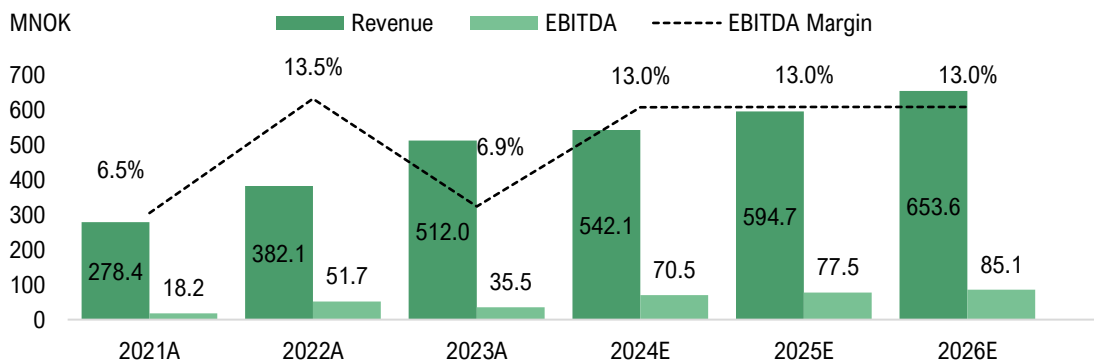
## Cost Structure Forecast 2024-2026

Navamedic's margin development is on a path toward stabilization, driven by cost control and revenue expansion. Gross margin, which declined from 42.8% in 2022 to 38.9% in 2023 due to higher material costs, is expected to recover to 41.5% by 2024, similar to historical levels. This is estimated to be achieved through strategies such as direct supplier agreements (aiming to reduce supplier costs by 5-7%), reduced distributor reliance (projected to save approximately NOK 10 million annually), and increased sourcing from lower-cost markets, alongside bulk purchasing contracts that could help mitigate price fluctuations by approximately 8-10%. The EBITDA margin, impacted by one-time NOK 16.1m acquisition costs in 2023, fell to 6.9%, however Analyst Group estimates the EBITDA margin to stabilize at 13% by 2026. Navamedic is also targeting OPEX reductions, lowering other operating expenses from 20% to 15% of sales by 2026, which is estimated to lead to savings of NOK 25-30m through centralized operations, shared distribution networks, and renegotiated third-party logistics contracts. Personnel expenses, currently 12% of sales, will remain semi-fixed, enabling greater scalability as revenue grows without proportional cost increases.

EBITDA Margin of 13.0% in 2026

### Lower operating costs as percentage of sales

Operating costs and EBITDA forecast from 2022 to 2026



Source: Navamedic, Analyst Group Estimates

## Peer Valuation: Base Scenario

The companies selected for comparison in the peer valuation were chosen based on their similar business models and market focus. These companies operate within the healthcare and pharmaceutical sectors and exhibit comparable financial profiles, making them relevant benchmarks for evaluating Navamedic's performance and valuation.

| Peer Valuation      | Market Data  |              | Financials         |                 |               | Valuation    |              |
|---------------------|--------------|--------------|--------------------|-----------------|---------------|--------------|--------------|
|                     | MNOK         | MNOK         | Revenue CAGR       | Net Debt/EBITDA | EBITDA Margin | EV/EBIT      | EV/EBIT      |
| <b>Company name</b> | <b>LTM</b>   | <b>LTM</b>   | <b>2020A-2023A</b> | <b>2023A</b>    | <b>2026E</b>  | <b>LTM</b>   | <b>2026E</b> |
| EQL Pharma          | 2,319        | 2,456        | 53.2%              | 2.9x            | 16.2%         | 51.5x        | 21.0x        |
| Orexo               | 635          | 1,000        | (1.2%)             | 11.2x           | 3.3%          | (19.6x)      | 10.2x        |
| Photocure           | 1,736        | 1,445        | 20.3%              | (4.1x)          | 7.1%          | 34.6x        | 11.6x        |
| Vistin Pharma       | 1,082        | 1,085        | 19.9%              | 0.1x            | 16.0%         | 13.1x        | 8.9x         |
| Magle Chemoswed     | 667          | 868          | 7.2%               | 4.2x            | 11.2%         | 22.6x        | 13.2x        |
| <b>Average</b>      | <b>1,288</b> | <b>1,371</b> | <b>19.9%</b>       | <b>2.9x</b>     | <b>10.8%</b>  | <b>20.4x</b> | <b>13.0x</b> |
| <b>Median</b>       | <b>1,082</b> | <b>1,085</b> | <b>19.9%</b>       | <b>2.9x</b>     | <b>11.2%</b>  | <b>22.6x</b> | <b>11.6x</b> |
| Navamedic           | 457          | 538          | 34.6%              | 1.7x            | 13.0%         | 13.3x        | 6.0x         |

Source: Bloomberg, Capital IQ, Analyst Group Estimates

## Peer Valuation

Trading at a  
Significant  
Discount to Peers

Navamedic outpaces peers in revenue growth, driven by both organic expansion and acquisitions, yet trades at a lower EV/EBITDA multiple of 13.3x LTM, significantly below the peer median. In a base scenario, the Company's estimated EBITDA margin for 2026 is 13.0%, exceeding the peer median of 11.2%, while a lower Net Debt/EBITDA of 1.7x indicates a more stable capital structure. Analyst Group projects continued margin stability as Navamedic scales through in-licensed brands. With its lower valuation, the Company is positioned for multiple expansion as profitability improves, particularly as the impact of its long-term antibiotic contracts and growing out-licensing agreements becomes evident.

## DCF Valuation

DCF Implies an  
Equity Value Per  
Share of NOK 33.0

A discounted cash flow analysis (DCF) has been conducted, based on a growth period between 2024-2026E, a normalized period from 2027-2031, and a terminal period. Navamedic is estimated to grow at a CAGR of 9.9% during the growth period, with EBIT margins expected to expand from 4.6% in 2023 to 11.9% in 2026. A terminal growth rate of 2.0% has been applied reflecting long-term GDP growth, and the WACC is calculated at 10.8%, reflecting the Company's balanced capital structure with a leverage ratio of 1.7x and stable market positioning. Additionally, D&A is projected to remain stable at approximately 2.3% of sales and 24% of EBIT, while CAPEX investments are estimated to stabilize at 7-8% of EBIT by 2026. Based on these assumptions, the analysis results in an implied intrinsic EV/EBIT multiple of 9.1x in 2026 and an implied price per share of NOK 33.0.

| DCF Breakdown                          |              | Perpetual Growth Rate |      |      |             |      |      |
|--|--------------|-----------------------|------|------|-------------|------|------|
|  |              | NOK                   | 1.0% | 1.5% | 2.0%        | 2.5% | 3.0% |
| <b>Implied Enterprise Value (NOKm)</b> | <b>659.1</b> |                       |      |      |             |      |      |
| Net Debt (NOKm)                        | 75.0         |                       |      |      |             |      |      |
| <b>Equity Value (NOKm)</b>             | <b>584.1</b> |                       |      |      |             |      |      |
| No. Shares (m)                         | 17.7         |                       |      |      |             |      |      |
| <b>Equity Value per Share (NOK)</b>    | <b>33.0</b>  |                       |      |      |             |      |      |
|  |              | WACC                  |      |      |             |      |      |
|  |              | 9.8%                  | 33.6 | 35.7 | 37.9        | 40.6 | 43.5 |
|  |              | 10.3%                 | 31.5 | 33.3 | 35.3        | 37.6 | 40.2 |
|  |              | <b>10.8%</b>          | 29.6 | 31.2 | <b>33.0</b> | 35.0 | 37.2 |
|  |              | 11.3%                 | 27.9 | 29.3 | 30.9        | 32.7 | 34.7 |
|  |              | 11.8%                 | 26.4 | 27.7 | 29.1        | 30.6 | 32.4 |

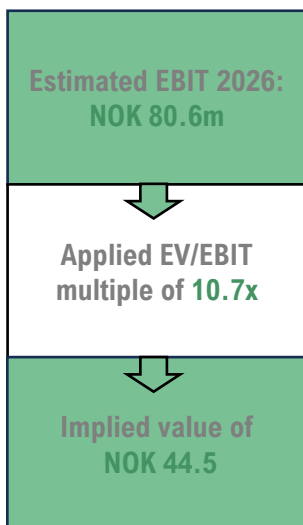
## Base Scenario

**NOK 37.5**  
Base Scenario

An EV/EBIT multiple has been used to account for the capital structure of the peer companies. Navamedic operates at a comparable EBIT margin and at a lower capital intensity than the peer median. Using the peer median EV/EBIT multiple of 11.6x and weighting it toward the intrinsic DCF-derived multiple of 9.1x results in a weighted target multiple of 10.4x. Applying this multiple to the estimated 2026 EBIT of NOK 71.1m implies an enterprise value of NOK 739.4m. Adjusting for Navamedic's net debt position, this equates to an equity value of NOK 664.4m or a share price of NOK 37.5 in a Base scenario.

# Bull & Bear Scenario

## BULL Scenario



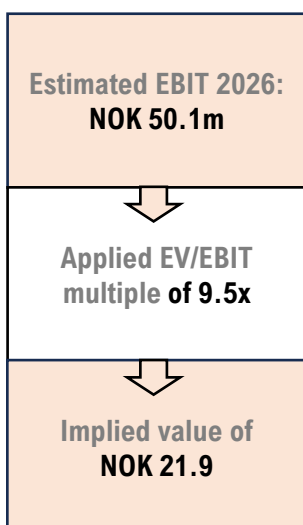
### Bull Scenario

The following scenarios are potential value drivers in a Bull scenario:

- In a Bull scenario, Navamedic's expansion into Consumer Health accelerates, driven by stronger-than-anticipated adoption of OTC products such as Eroxon and Modifast, due to increasing consumer demand for self-care solutions. This leads to a CAGR of 18% in the Consumer Health segment until 2026 compared to 15% in the Base scenario, reaching NOK 169.1m.
- The Prescription Drugs segment experiences heightened demand in high-growth areas such as obesity, supported by increased obesity treatment adoption pushing Navamedic's total revenue CAGR to 12.6% until 2026, above the Base scenario's 9.9%. Faster integration of acquisitions result in an EBITDA margin of 14% in 2026, representing NOK 95.9m, driven by improved scalability and cost optimization.
- The global obesity and erectile dysfunction markets, both central to Navamedic's portfolio, present significant tailwinds. These markets are characterized by rising consumer demand for innovative solutions, increasing healthcare access, and growing awareness of chronic diseases requiring medical management. Navamedic is well-positioned to capitalize on these trends through the Company's established portfolio and regional presence.

Given the enhanced growth and profitability, an EV/EBIT multiple of 9.8x is applied, weighted with the peer median of 11.6x, yielding a weighted multiple of 10.7x. Applying this multiple to the 2026 estimated EBIT of NOK 80.6m and adjusting for net debt results in an implied equity value of NOK 787.4m, equating to a potential price per share of NOK 44.5 in a Bull scenario.

## BEAR Scenario



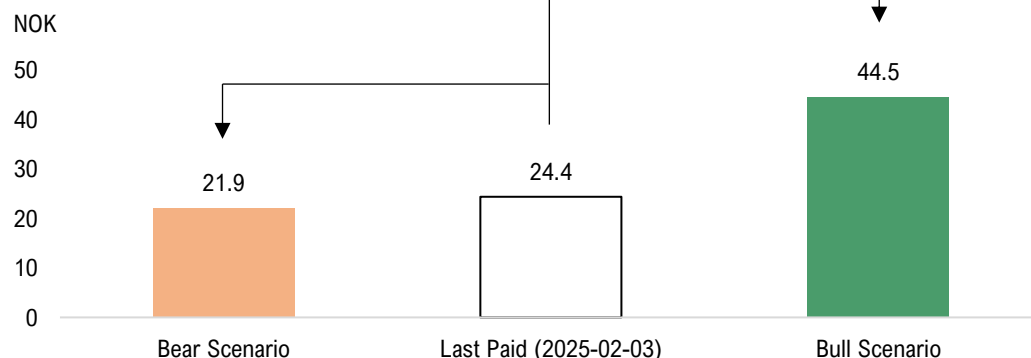
### Bear Scenario

The following factors are potential events in a Bear scenario:

- Slower growth in Consumer Health and Prescription Drugs due to intensified competition, with Consumer Health expanding at a reduced annual rate of 10% until 2026, compared to higher expectations in a Base scenario.
- Slower-than-expected integration of recent acquisitions keep margins subdued, due to higher-than-planned transition costs. The EBITDA margin is estimated to stabilize at 10.5% by 2026, reaching NOK 62.9m, as the external cost pressures and higher operating expenses limit Navamedic's ability to achieve economies of scale in a challenging market environment.
- Weaker market adoption for key products in the Consumer Health segment, driven by heightened competition and softer demand in Nordic markets, could limit the segment's growth, with total revenue projected to reach a modest CAGR of 5.6%.
- Given the weaker profitability in a Bear scenario, an EV/EBIT multiple of 7.4x is applied, weighted with the peer median of 11.6x, yielding a weighted multiple of 9.5x. Applying this multiple to the 2026 estimated EBIT of NOK 50.1m and adjusting for net debt results in an implied equity value of NOK 378.3m, equating to a potential price per share of NOK 21.9.

### Potential share price in a Bull & Bear scenario

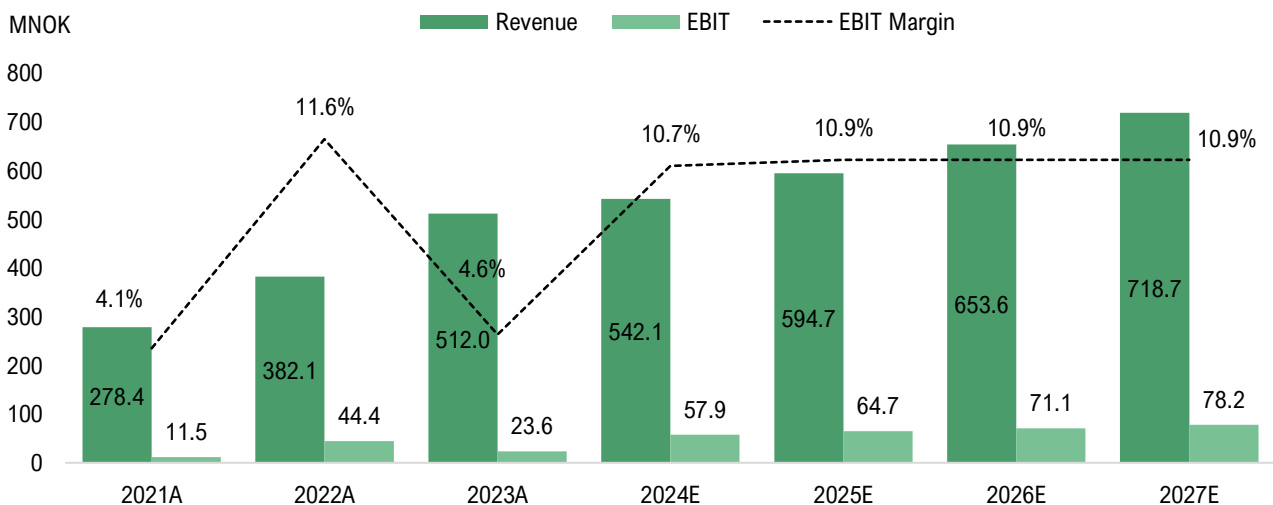
Share Price Illustration





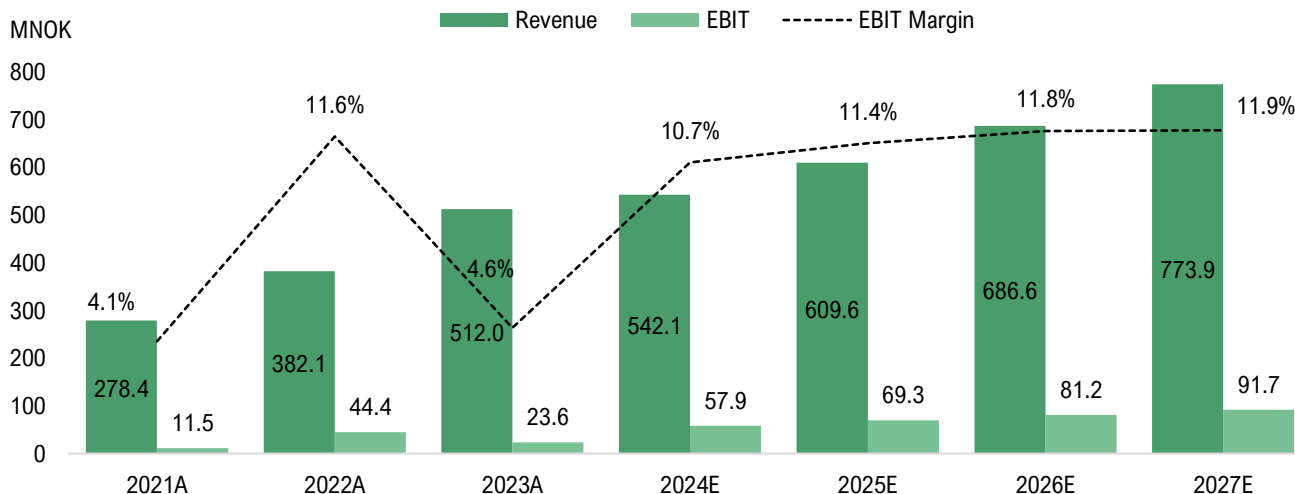
| Income statement (Base scenario), NOKt | 2021A          | 2022A          | 2023A          | 2024E          | 2025E          | 2026E          | 2027E          |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Revenue</b>                         | <b>278,439</b> | <b>382,135</b> | <b>511,997</b> | <b>542,089</b> | <b>594,731</b> | <b>653,566</b> | <b>718,703</b> |
| Cost of materials                      | -166,695       | -218,615       | -312,944       | -319,832       | -347,918       | -382,336       | -420,441       |
| <b>Gross profit</b>                    | <b>111,744</b> | <b>163,520</b> | <b>199,053</b> | <b>222,256</b> | <b>246,813</b> | <b>271,230</b> | <b>298,262</b> |
| <i>Gross margin</i>                    | <i>40.1%</i>   | <i>42.8%</i>   | <i>38.9%</i>   | <i>41.0%</i>   | <i>41.5%</i>   | <i>41.5%</i>   | <i>41.5%</i>   |
| Payroll expenses                       | -44,455        | -48,088        | -63,673        | -65,574        | -73,582        | -80,861        | -88,920        |
| Other operating expenses               | -49,118        | -63,745        | -99,876        | -86,204        | -95,752        | -105,224       | -115,711       |
| <b>EBITDA</b>                          | <b>18,171</b>  | <b>51,687</b>  | <b>35,504</b>  | <b>70,478</b>  | <b>77,480</b>  | <b>85,145</b>  | <b>93,631</b>  |
| <i>EBITDA margin</i>                   | <i>6.5%</i>    | <i>13.5%</i>   | <i>6.9%</i>    | <i>13.0%</i>   | <i>13.0%</i>   | <i>13.0%</i>   | <i>13.0%</i>   |
| Depreciation                           | -2,169         | -2,392         | -3,315         | -3,510         | -3,568         | -3,921         | -4,312         |
| Amortization                           | -4,547         | -4,850         | -8,610         | -9,116         | -9,184         | -10,092        | -11,098        |
| <b>EBIT</b>                            | <b>11,455</b>  | <b>44,445</b>  | <b>23,579</b>  | <b>57,853</b>  | <b>64,728</b>  | <b>71,131</b>  | <b>78,221</b>  |
| <i>EBIT margin</i>                     | <i>4.1%</i>    | <i>11.6%</i>   | <i>4.6%</i>    | <i>10.7%</i>   | <i>10.9%</i>   | <i>10.9%</i>   | <i>10.9%</i>   |
| Net financial income and expenses      | -5,912         | -10,352        | -12,746        | -14,823        | -16,262        | -17,871        | -19,652        |
| <b>Profit before tax</b>               | <b>2,358</b>   | <b>42,506</b>  | <b>10,833</b>  | <b>43,030</b>  | <b>48,466</b>  | <b>53,260</b>  | <b>58,568</b>  |
| Income taxes                           | -1,740         | -13,074        | -7,529         | -9,467         | -10,662        | -11,717        | -12,885        |
| <b>Net profit / (loss)</b>             | <b>618</b>     | <b>29,431</b>  | <b>3,304</b>   | <b>33,563</b>  | <b>59,128</b>  | <b>64,977</b>  | <b>71,453</b>  |
| <i>Net margin</i>                      | <i>0.2%</i>    | <i>7.7%</i>    | <i>0.6%</i>    | <i>6.2%</i>    | <i>9.9%</i>    | <i>9.9%</i>    | <i>9.9%</i>    |

| Base scenario | 2021A  | 2022A | 2023A  | 2024E | 2025E | 2026E | 2027E |
|---------------|--------|-------|--------|-------|-------|-------|-------|
| EV/S          | 1.8x   | 1.6x  | 1.5x   | 1.0x  | 0.9x  | 0.8x  | 0.7x  |
| P/S           | 1.8x   | 1.6x  | 1.2x   | 0.9x  | 0.5x  | 0.5x  | 0.4x  |
| EV/EBITDA     | 27.7x  | 11.7x | 21.1x  | 9.6x  | 6.9x  | 6.3x  | 5.7x  |
| EV/EBIT       | 43.9x  | 13.6x | 21.8x  | 13.3x | 8.3x  | 7.6x  | 6.9x  |
| P/E           | 820.0x | 20.8x | 167.0x | 21.1x | 13.2x | 12.0x | 10.9x |



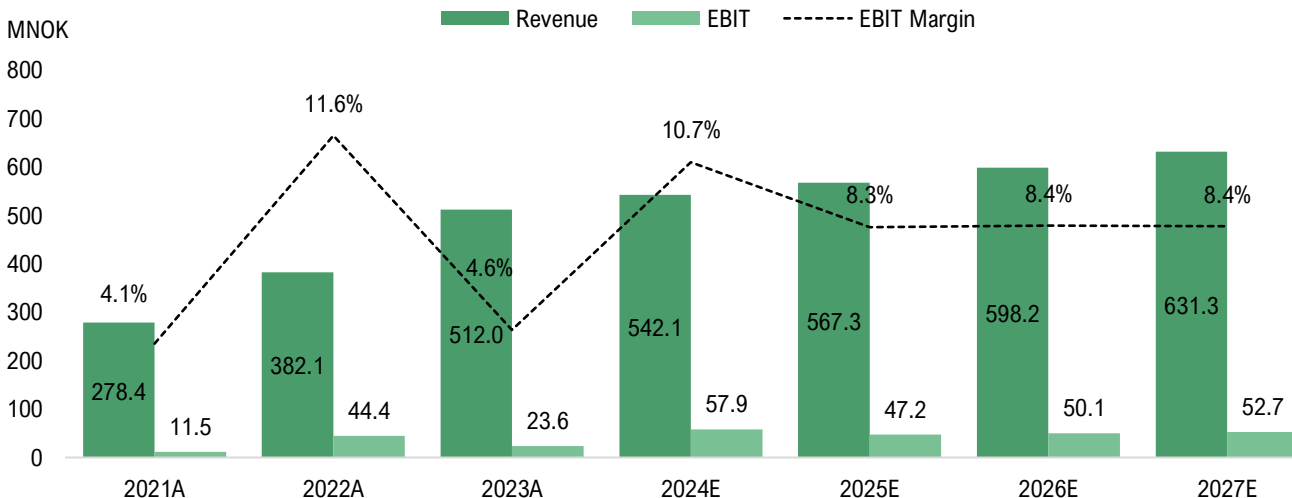
| Income statement (Bull scenario), NOKt | 2021A          | 2022A          | 2023A          | 2024E          | 2025E          | 2026E          | 2027E          |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Revenue</b>                         | <b>278,439</b> | <b>382,135</b> | <b>511,997</b> | <b>542,089</b> | <b>609,579</b> | <b>686,618</b> | <b>773,928</b> |
| Cost of materials                      | -166,695       | -218,615       | -312,944       | -319,832       | -356,604       | -401,671       | -452,748       |
| <b>Gross profit</b>                    | <b>111,744</b> | <b>163,520</b> | <b>199,053</b> | <b>222,256</b> | <b>252,975</b> | <b>284,946</b> | <b>321,180</b> |
| <i>Gross margin</i>                    | <i>40.1%</i>   | <i>42.8%</i>   | <i>38.9%</i>   | <i>41.0%</i>   | <i>41.5%</i>   | <i>41.5%</i>   | <i>41.5%</i>   |
| Payroll expenses                       | -44,455        | -48,088        | -63,673        | -65,574        | -75,419        | -84,950        | -95,752        |
| Other operating expenses               | -49,118        | -63,745        | -99,876        | -86,204        | -95,142        | -104,045       | -117,102       |
| <b>EBITDA</b>                          | <b>18,171</b>  | <b>51,687</b>  | <b>35,504</b>  | <b>70,478</b>  | <b>82,414</b>  | <b>95,951</b>  | <b>108,325</b> |
| <i>EBITDA margin</i>                   | <i>6.5%</i>    | <i>13.5%</i>   | <i>6.9%</i>    | <i>13.0%</i>   | <i>13.5%</i>   | <i>14.0%</i>   | <i>14.0%</i>   |
| Depreciation                           | -2,169         | -2,392         | -3,315         | -3,510         | -3,657         | -4,120         | -4,644         |
| Amortization                           | -4,547         | -4,850         | -8,610         | -9,116         | -9,413         | -10,602        | -11,951        |
| <b>EBIT</b>                            | <b>11,455</b>  | <b>44,445</b>  | <b>23,579</b>  | <b>57,853</b>  | <b>69,344</b>  | <b>81,229</b>  | <b>91,731</b>  |
| <i>EBIT margin</i>                     | <i>4.1%</i>    | <i>11.6%</i>   | <i>4.6%</i>    | <i>10.7%</i>   | <i>11.4%</i>   | <i>11.8%</i>   | <i>11.9%</i>   |
| Net financial income and expenses      | -5,912         | -10,352        | -12,746        | -14,823        | -16,668        | -18,775        | -21,162        |
| <b>Profit before tax</b>               | <b>2,358</b>   | <b>42,506</b>  | <b>10,833</b>  | <b>43,030</b>  | <b>52,676</b>  | <b>62,454</b>  | <b>70,569</b>  |
| Income taxes                           | -1,740         | -13,074        | -7,529         | -9,467         | -11,589        | -13,740        | -15,525        |
| <b>Net profit / (loss)</b>             | <b>618</b>     | <b>29,431</b>  | <b>3,304</b>   | <b>33,563</b>  | <b>64,264</b>  | <b>76,193</b>  | <b>86,094</b>  |
| <i>Net margin</i>                      | <i>0.2%</i>    | <i>7.7%</i>    | <i>0.6%</i>    | <i>6.2%</i>    | <i>10.5%</i>   | <i>11.1%</i>   | <i>11.1%</i>   |

| Bull scenario | 2021A  | 2022A | 2023A  | 2024E | 2025E | 2026E | 2027E |
|---------------|--------|-------|--------|-------|-------|-------|-------|
| EV/S          | 1.8x   | 1.6x  | 1.5x   | 1.0x  | 0.9x  | 0.8x  | 0.7x  |
| P/S           | 1.8x   | 1.6x  | 1.2x   | 0.9x  | 0.5x  | 0.4x  | 0.4x  |
| EV/EBITDA     | 27.7x  | 11.7x | 21.1x  | 9.6x  | 6.5x  | 5.6x  | 5.0x  |
| EV/EBIT       | 43.9x  | 13.6x | 21.8x  | 13.3x | 7.8x  | 6.6x  | 5.9x  |
| P/E           | 820.0x | 20.8x | 167.0x | 21.1x | 12.3x | 10.5x | 9.3x  |



| Income statement (Bear scenario), NOKt | 2021A          | 2022A          | 2023A          | 2024E          | 2025E          | 2026E          | 2027E          |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Revenue</b>                         | <b>278,439</b> | <b>382,135</b> | <b>511,997</b> | <b>542,089</b> | <b>567,259</b> | <b>598,213</b> | <b>631,292</b> |
| Cost of materials                      | -166,695       | -218,615       | -312,944       | -325,253       | -340,355       | -358,928       | -378,775       |
| <b>Gross profit</b>                    | <b>111,744</b> | <b>163,520</b> | <b>199,053</b> | <b>216,836</b> | <b>226,904</b> | <b>239,285</b> | <b>252,517</b> |
| <i>Gross margin</i>                    | <i>40.1%</i>   | <i>42.8%</i>   | <i>38.9%</i>   | <i>40.0%</i>   | <i>40.0%</i>   | <i>40.0%</i>   | <i>40.0%</i>   |
| Payroll expenses                       | -44,455        | -48,088        | -63,673        | -65,574        | -70,183        | -74,012        | -78,105        |
| Other operating expenses               | -49,118        | -63,745        | -99,876        | -90,204        | -97,329        | -102,312       | -108,138       |
| <b>EBITDA</b>                          | <b>18,171</b>  | <b>51,687</b>  | <b>35,504</b>  | <b>61,058</b>  | <b>59,392</b>  | <b>62,960</b>  | <b>66,274</b>  |
| <i>EBITDA margin</i>                   | <i>6.5%</i>    | <i>13.5%</i>   | <i>6.9%</i>    | <i>11.3%</i>   | <i>10.5%</i>   | <i>10.5%</i>   | <i>10.5%</i>   |
| Depreciation                           | -2,169         | -2,392         | -3,315         | -3,510         | -3,404         | -3,589         | -3,788         |
| Amortization                           | -4,547         | -4,850         | -8,610         | -9,116         | -8,759         | -9,237         | -9,748         |
| <b>EBIT</b>                            | <b>11,455</b>  | <b>44,445</b>  | <b>23,579</b>  | <b>57,853</b>  | <b>47,229</b>  | <b>50,134</b>  | <b>52,738</b>  |
| <i>EBIT margin</i>                     | <i>4.1%</i>    | <i>11.6%</i>   | <i>4.6%</i>    | <i>10.7%</i>   | <i>8.3%</i>    | <i>8.4%</i>    | <i>8.4%</i>    |
| Net financial income and expenses      | -5,912         | -10,352        | -12,746        | -14,823        | -15,511        | -16,358        | -17,262        |
| <b>Profit before tax</b>               | <b>2,358</b>   | <b>42,506</b>  | <b>10,833</b>  | <b>43,030</b>  | <b>31,718</b>  | <b>33,776</b>  | <b>35,476</b>  |
| Income taxes                           | -1,740         | -13,074        | -7,529         | -9,467         | -6,978         | -7,431         | -7,805         |
| <b>Net profit / (loss)</b>             | <b>618</b>     | <b>29,431</b>  | <b>3,304</b>   | <b>33,563</b>  | <b>38,696</b>  | <b>41,207</b>  | <b>43,280</b>  |
| <i>Net margin</i>                      | <i>0.2%</i>    | <i>7.7%</i>    | <i>0.6%</i>    | <i>6.2%</i>    | <i>6.8%</i>    | <i>6.9%</i>    | <i>6.9%</i>    |

| Bear scenario | 2021A  | 2022A | 2023A  | 2024E | 2025E | 2026E | 2027E |
|---------------|--------|-------|--------|-------|-------|-------|-------|
| EV/S          | 1.8x   | 1.6x  | 1.5x   | 1.0x  | 0.9x  | 0.9x  | 0.9x  |
| P/S           | 1.8x   | 1.6x  | 1.2x   | 0.9x  | 0.7x  | 0.7x  | 0.7x  |
| EV/EBITDA     | 27.7x  | 11.7x | 21.1x  | 9.6x  | 9.1x  | 8.5x  | 8.1x  |
| EV/EBIT       | 43.9x  | 13.6x | 21.8x  | 13.3x | 11.4x | 10.7x | 10.2x |
| P/E           | 820.0x | 20.8x | 167.0x | 21.1x | 18.1x | 17.0x | 16.2x |



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