

## 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

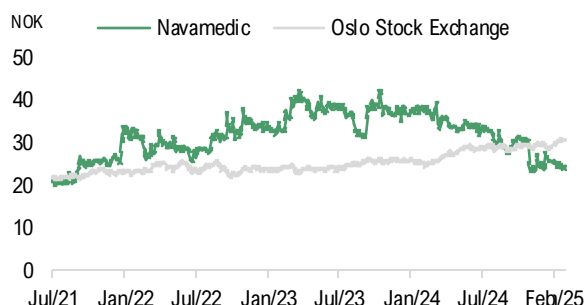
**Base**  
NOK 37.5

**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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## **Other**

The Principal, Navamedic, (furthermore" the Company") has had no opportunity to influence the parts where Analyst Group has had opinions about the Company's future valuation or anything that could constitute an objective assessment.

The analyst does not own shares in the Company.

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