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Results Reaction	Healthcare	Sweden	06 February 2025
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Q4: Continued growth and positive cashflows

Bactiguard reported Q4 net sales of SEK 63m (SEB at SEK 57m) with organic net sales growth of 12% y/y (SEBe: -3% y/y). License revenues is the main explanation for the Q4 beat but also somewhat higher contribution from the BIP portfolio that is being phased out. Q4 EBITDA was SEK 8m (SEB at SEK 1m). Bactiguard says it will revert no later than the end of Q1/25 with new financial targets. Small positive revisions warranted.

Outcome: EBITDA positive once again

Bactiguard's Q4 net sales of SEK 63m were ahead of SEB (SEK 57m) with organic net sales growth of 12% y/y (SEBe: -3% y/y) in the quarter. Looking at segments, we note that recurring license revenues came in at SEK 41m (SEB at SEK 37m) whereof Zimmer contributed SEK 3.6m (SEBe: SEK 4m). This means that BD was the explanation for the higher license revenues. Contribution from the BIP portfolio which is currently being phased out was larger than expected (SEK 3m vs. SEB at SEK 1m) whilst wound management was just shy of our estimate. Looking at costs, opex was largely in line with our estimates whilst COGS were lower, leading to an EBITDA of SEK 8m (SEB at SEK 1m). This takes FY 2024 EBITDA to SEK 18m. With a considerable positive impact from changes in WC (SEK 12m), cash flows after investments and lease amortisations came in at SEK +14m in Q4, which is better than SEK 1m Q4/23.

Outlook: New financial targets to be revealed no later than Q1/25

Bactiguard has decided to review its 2028 financial targets, set in October 2023. According to the CEO letter, outcome will be announced no later than at the end of Q1/25.

Impact: Small positive revisions warranted

License revenues can be somewhat lumpy and the BIP portfolio is being phased out but small positive estimate revisions likely warranted.

Q4 deviation table

SEKm	Q4/24E		Deviation SEB		Q4/23		Q3/24	
	Actual	SEB	Abs	Rel	Actual	y/y	Actual	q/q
Total Income	68.3	62.7	6	8.8	61.3	11.4	73.9	-7.6
Net sales	63.1	56.7	6	11.2	56.3	12.2	67.3	-6.3
EBITDA	8.4	1.1	7	656.8	-4.2	298.0	9.9	-15.0
EBITDA margin	12.3	1.8		10.5pp	-6.9	19.2pp	13.4	-1.1pp
EBIT	-3.2	-11.0	8	71.0	-23.8	86.5	-1.9	-64.7
Net profit	-0.9	-11.5	11	92.1	-27.2	96.7	-4.7	80.7
EPS	-0.03	-0.33	0	90.8	-0.78	96.1	-0.13	77.5
Adj. EBITDA	8.4	1.1	7	656.8	-4.2	298.0	9.9	-15.0
Adj. EBITDA margin	12.3	1.8		10.5pp	-6.9	19.2pp	13.4	-1.1pp
Sales by division								
Recurring license revenues	41.2	37.2	4	10.6	29.5	39.5	46.6	-11.7
Non-recurring license revenues	3.1	1.5	2	106.7	2.6	17.5	0.9	257.8
BIP portfolio	3.2	1.0	2	220.0	10.2	-68.5	1.9	65.0
Wound Management	15.6	17.0	-1	-8.2	13.9	12.1	17.9	-12.8

Source: Bactiguard, SEB

Conference call details: 11:00 CET

Audiocast: ir.bactiguard.com/report/q4-2024/

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