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Company Comment	Healthcare	Sweden	29 April 2025
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Expectations ahead of Q1/25

For Q1, we forecast -29% organic growth, +15% acquisition contribution, leading to group sales -12% y/y, while expectations for EBIT is SEK -5m. Our growth assumptions assume only limited recovery in the US. In Q1 we look for comments on leading indicators in the US and initial development with Combinostics. Our fair value range is lowered to SEK 3.9-4.7 (4.2-5.0) on 2025 sales down 3% on FX. Awaiting signs of meaningful recovery in the US, we reiterate that uncertainty is elevated.

Q1e: First Combinostics quarter

We forecast Q1 organic growth of -29% and +15% acquisition contribution leading to sales of SEK 1.6m (-12% y/y). On organic development, our Q1 assumption correspond to flat growth q/q, reflecting limited recovery in the US expected (Q1 is seasonally weaker). Q1 is the first quarter of sales for Combinostics, we assume SEK 2.6m i sales, coming of SEK 9.1m for FY'24 (avg. 2.3m/q). We assume EBIT margin of -33% (-48pp y/y), leading to EBIT of SEK 5m (+3m last year), reflecting similar underlying cost base as in Q4.

Estimates down on FX

We leave underlying assumptions largely unchanged ahead of Q1 but lower estimates on FX with 2025 sales falling -3%. Large revisions to EBIT and EPS are due to base effects. We forecast 18% organic growth in 2025 (i.e. excluding Combinostics), however our 2025 sales figure excluding the Combinostics contribution is at SEK 64m, which is lower than the 2022 FY sales, reflecting that we only assume partial recovery in the US. Amid recent weak sales development and management changes, we stress that uncertainty is elevated short-term. We forecast 2025 FCF of -14m and year-end 2025 cash of 20m.

Valuation: Fair value range lowered to SEK 3.9-4.7

The shares trade on an EV/sales of 3x for 2025 and EV/EBIT of 15x for 2027 on our estimates. Driven by our estimate changes, our new DCF-based fair value range is SEK 3.9-4.7 (4.2-5.0).

Detailed estimates

	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25E	Q2'25E	Q3'25E	Q4'25E	2023	2024E	2025E	2026E	2027E
	18	12	13	13	16	18	20	22	89	56	76	91	109
Net sales													
Sales growth %	10.2%	-43.9%	-38.6%	-58.0%	-12.0%	54.4%	51.4%	71.4%	30.7%	-37.6%	36.4%	19.8%	19.8%
Own work capitalized	2	1	2	1	2	2	2	2	5	0	0	7	7
Other income	3	-1	0	1	0	0	0	0	1	3	0	0	0
Total income	23	12	15	15	17	20	22	23	95	64	82	98	116
Other external expenses	-7	-8	-9	-11	-9	-9	-9	-9	-30	-34	-37	-37	-42
Employee benefit costs	-12	-10	-9	-10	-12	-12	-9	-11	-43	-40	-43	-45	-49
Depreciation of tangible and intangible assets	-2	-2	-2	-2	-2	-2	-2	-2	-0	-7	-9	-9	-10
EBIT	3	-8	-5	-7	-5	-3	1	1	14	-18	-6	6	15
EBIT margin %	15.1%	-68.8%	-40.0%	-58.9%	-33.0%	-17.0%	5.0%	5.0%	15.8%	-32.9%	-8.2%	6.5%	14.0%
NRI	0	0	0	-1.809	0	0	0	0	0	-1.809	0	0	0
Adj. EBIT	3	-8	-5	-6	-5	-3	1	1	14	-16	-6	6	15
Adj. EBIT margin %	15.1%	-68.8%	-40.0%	-44.6%	-33.0%	-17.0%	5.0%	5.0%	15.8%	-29.6%	-8.2%	6.5%	14.0%
Financial income	0	0	0	0	0	0	0	0	0	0	0	0	0
Financial expenses	2	0	-1	2	0	0	0	0	-1	2	0	0	0
Net financial income/expense	2	0	-1	2	0	0	0	0	-1	2	0	0	0
Earnings before tax	4	-8	-7	-5	-5	-3	1	1	13	-16	-6	6	15
Tax	-1	1	0	0	0	0	0	0	-3	0	0	-1	-3
Net profit	3	-7	-7	-5	-5	-3	1	1	10	-16	-6	5	12
Sales breakdown													
SyntheticMR	18	12	13	13	13	16	17	19	89	50	64	77	92
Combinotics					3	3	3	3			12	14	17

Source: SEB

Estimate Revisions

(SEKm)	2025E	2026E	2027E
Revenues			
Old	85	100	119
New	82	98	116
Change (%)	(3)	(3)	(3)
Adj. EBIT			
Old	(5)	7	17
New	(6)	6	15
Change (%)	(32)	(21)	(12)
Adj. EPS			
Old	(0.08)	0.10	0.23
New	(0.11)	0.08	0.20
Change (%)	(32)	(21)	(12)

Source: SEB

Key figures				
(SEKm)	2024	2025E	2026E	2027E
Revenues (m)	63	85	100	119
Adj. EBIT	(16)	(5)	7	17
PTP (m)	(16)	(5)	7	17
EPS	(0.39)	(0.08)	0.10	0.23
EPS (adjusted)	(0.34)	(0.08)	0.10	0.23
DPS	0.00	0.00	0.00	0.00
Revenue growth (%)	(37.6)	40.3	19.8	19.8
EPS growth (%)	n.a.	n.a.	n.a.	n.a.
Operating margin (%)	(32.9)	(6.0)	8.0	15.5
Adj. EBIT margin (%)	n.m	n.m	7.5	14.6
ROCE (%)	(12.6)	(3.0)	4.3	9.5
Net Debt/EBITDA (x)	0.8	0.9	0.2	0.3
PER (adjusted)	(12.5)	(54.1)	45.0	19.4
Dividend yield (%)	0.0	0.0	0.0	0.0
Free Cash Flow Yield (%)	(6.4)	(4.7)	(2.1)	(1.1)
P/BV (x)	1.8	1.7	1.6	1.5
EV/EBIT (x)	(10.4)	(54.6)	35.1	15.3
EV/Sales (x)	3.08	3.29	2.81	2.37

Source: SEB

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