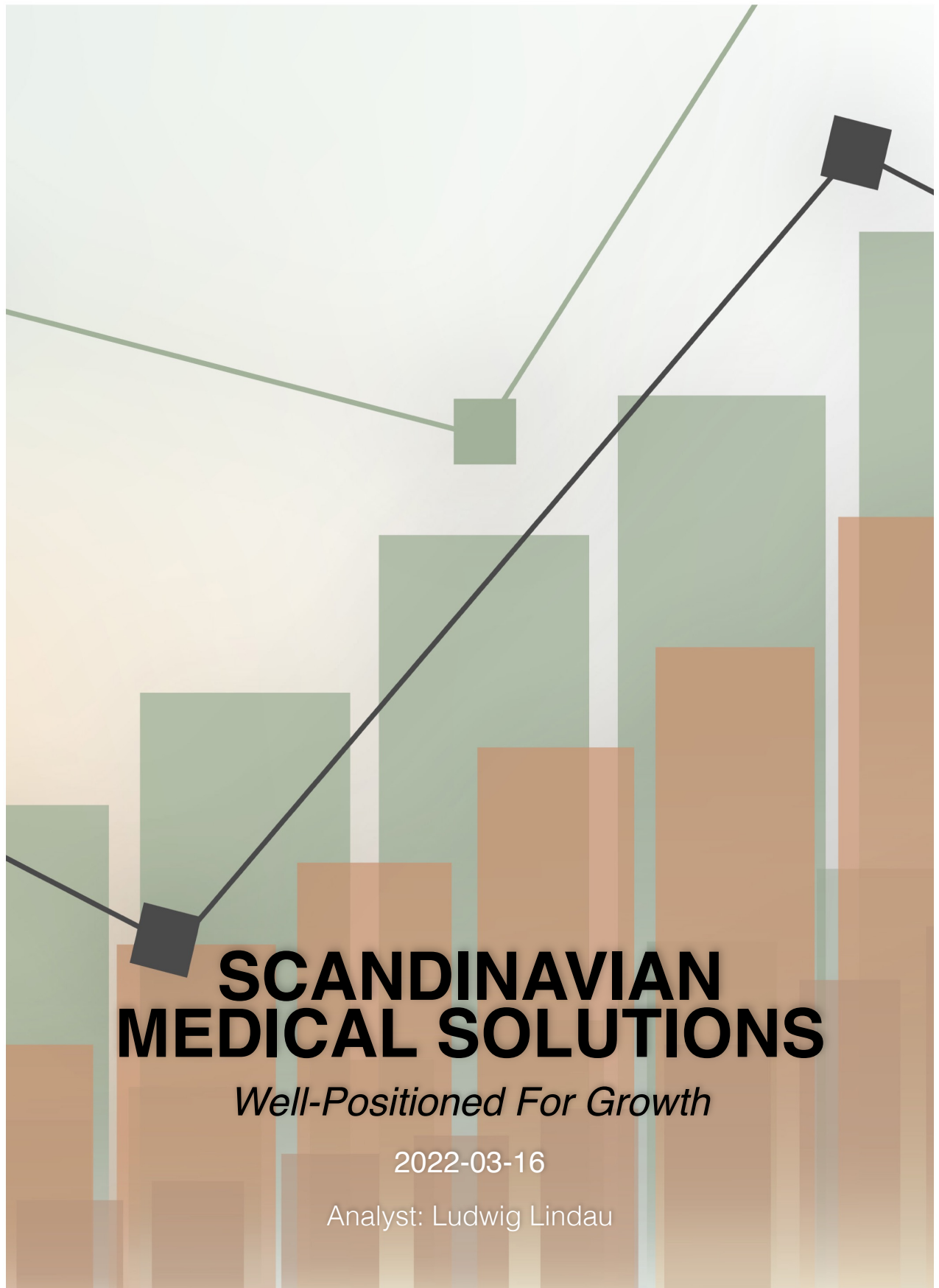


# EQUITY RESEARCH REPORT



# SCANDINAVIAN MEDICAL SOLUTIONS A/S

Ag

## WELL-POSITIONED FOR GROWTH

Scandinavian Medical Solutions A/S (“SMS” or the “Company”) is a broker, specialized in the purchase and resale of high-quality pre-owned medical imaging equipment to third parties globally. A strong market position with secured partnerships with some of the largest Original-Equipment-Manufactures (OEM:s), combined with underlying market trends and a greater product offering is expected to be key drivers going forward, estimated to result in a revenue CAGR of 13.1% between 2020/21-2025/26. The recent IPO has also enabled value adding investments such as a larger inventory and a greater product mix. With an applied target P/E multiple of 19.0x based on earnings per share of DKK 0.37 in 2022 combined with a discount rate of 13.4%, yields a fair value per share of DKK 6.5.

### ▪ Proceeds from the IPO Enable Expansion

The IPO in November 2021 provided capital of DKK 30m, and SMS has a clear plan of how this capital raised will be allocated for value adding investments. These investments include introducing new verticals which will create new revenue streams, expanding the Company's inventory and recruiting additional sales staff. This combined is expected to play a substantial part of the sales growth going forward, resulting in an estimated revenue CAGR of 13.1% between 2020/21-2025/26.

### ▪ Partnerships with Leading OEM:s

SMS has secured contracts with the four leading Original-Equipment-Manufactures (OEM:s), gaining access to the latest, most qualitative and sought-after medical equipment on the market. This is expected to lead to a competitive inventory which should attract new systems' orders and drive sales going forward.

### ▪ Capitalizing on Underlying Market Trends

An ageing population globally has led to an increased demand for well-equipped healthcare. Hence, healthcare spending has outpaced economic growth for the past decade and is projected to still do so for the next 15 years. Moreover, pressure on public finances create a need for more economic alternatives such as pre-owned systems. Analyst Group assess SMS to be well-positioned to capitalize on these trends.

### ▪ Greater Product Mix Expected Within 2023/24

The announced goal of becoming an Inter Service Organization (ISO) with Multi Vendor Service (MSV) will extend the product offering to also include installation, service, renting and the sale of spare parts. This is expected to be reached within 2023/24 and will create new verticals and revenue streams. This is estimated to play a substantial part of Analyst Group's projections of revenue which is estimated to increase from DKK 71.6m in 2020/21 to DKK 132.8m in 2025/26.

**SHARE PRICE | DKK 5.0**
**VALUATION INTERVAL**

<b>BEAR</b> DKK 4.1	<b>BASE</b> DKK 6.5	<b>BULL</b> DKK 8.3
------------------------	------------------------	------------------------

#### SCANDINAVIAN MEDICAL SOLUTIONS

Share Price (2022-03-16)	5.0
Number of Shares Outstanding	27 250 000
Market Cap (DKKm)	137.1
Net cash(-)/debt(+) (DKKm)	-23.5
Enterprise Value (DKKm)	113.5
W.52 Price Intervall (DKK)	N/A
List	Nasdaq First North Growth Market Denmark

#### DEVELOPMENT

1 Week	-1.4%
1 Month	-7.7%
3 Months	7.0%
Since IPO	-10.6%

#### MAIN SHAREHOLDERS (2022-01-11)

SMS Holding ApS	25.2%
J. Krohn Holding ApS	25.2%
Fundamental Invest Afd Stock Pick	2.9%
Fundamental Fondsmæglerselskab A/S	2.3%
Jens Olsson	1.8%

#### CEO AND CHAIRMAN OF THE BOARD

CEO	Jens Krohn
Chairman of the board	Millie Tram Lux

#### FINANCIAL CALENDAR

H1 Report	2022-05-19
-----------	------------

ESTIMATES (BASE), DKKM	2019/20	2020/21	2021/22E	2022/23E
<b>Revenue</b>	<b>41.9</b>	<b>71.6</b>	<b>86.7</b>	<b>101.1</b>
<i>Revenue growth</i>	<i>34.5%</i>	<i>70.8%</i>	<i>21.1%</i>	<i>16.5%</i>
<b>Gross profit</b>	<b>7.4</b>	<b>13.9</b>	<b>17.9</b>	<b>21.6</b>
<i>Gross margin</i>	<i>17.5%</i>	<i>19.4%</i>	<i>20.7%</i>	<i>21.3%</i>
<b>EBITDA</b>	<b>6.0</b>	<b>10.9</b>	<b>12.0</b>	<b>14.6</b>
<i>EBITDA margin</i>	<i>14.3%</i>	<i>15.2%</i>	<i>13.9%</i>	<i>14.4%</i>
<b>EBIT</b>	<b>6.0</b>	<b>10.9</b>	<b>12.0</b>	<b>14.5</b>
<i>EBIT margin</i>	<i>14.2%</i>	<i>15.2%</i>	<i>13.8%</i>	<i>14.4%</i>
P/S	N/A	2.4x	1.6x	1.4x
EV/S	N/A	2.0x	1.1x	1.0x
EV/EBITDA	N/A	13.3x	7.8x	6.9x

# INVESTMENT THESIS

**DKK 30M IN  
VALUE  
ADDING  
INVESTMENTS**

## Proceeds From the IPO Enable Significant Opportunities for Growth

The IPO in November 2021 raised 30 MDKK and SMS has clearly expressed how these proceeds will be used for investments in the organization, 45% will be used to turn SMS into an ISO with MSV and 45% for increasing the Company's inventory. Broader inventory is expected to lead to more attractive systems supplied and faster deliveries as they can be ordered on-demand and selling to a larger pool of customers. The last 10% will be used for technical development. Partnerships with leading OEM:s, underlying market growth and extending the product offering presents great growth opportunities for SMS. Analyst Group assess SMS to be well-positioned to further capitalize going forward.

## Partnerships with Leading OEM:s Result in an Inventory of Highest-Quality

SMS' position within the industry as a professional and trusted dealer has enabled the company to establish partnerships with the four leading Original-Equipment-Manufactures; GE Healthcare, Siemens Healthineers, Canon Medical Systems and Philips Healthcare. SMS is one of the few approved buyers of these OEM:s' equipment, giving access to the latest, most qualitative and sought-after systems on the market. The Company also has its key operations in one of the most developed healthcare sectors in the world as Denmark's healthcare sector ranks #4 in Science and Technology and 11# Overall globally. This results in a competitive product offering which is one of several important drivers for gaining new orders in the future.

## Capitalizing on Underlying Market Trends

An aging population worldwide has resulted in a greater need for well-equipped healthcare sectors. This has led to healthcare spending outpacing economic growth in most OECD countries for the past decade, and OECD forecasts healthcare spending outpacing economic growth for the next 15 years. An aging population also puts pressure on public finances which is expected to increase demand for more economically feasible alternatives such as acquiring pre-owned systems. Political legislation is also pushing for early diagnosis to prevent sickness and illnesses. This drives the demand for medical imaging systems on a global level and consequently SMS' systems.

## Greater Product Offering Creates New Revenue Streams

The Company's announced goal of becoming an Inter Service Organization (ISO) with Multi Vendor Service (MSV) bodes well for SMS, since this is expected to extend the product offering from solely buying and reselling equipment to also renting, installation, service and the sale of spare parts. Analyst Group deems it likely that this goal will be reached within 2023/24. Moreover, the industry is seeing increased demand for temporary solutions and after-sale services which presents opportunities for SMS. Developing the organization to an ISO with MSV will create entirely new revenue streams and is estimated to play a substantial part of the estimated sales growth for the Company, which is estimated to lead to a revenue CAGR of 13.1% is expected between 2020/21-2024/25.

## Trading at a Bargain with an Implied Valuation of 6.5 DKK

SMS is currently trading at a forward-looking P/E multiple of 13.6x 2022 based on Analyst Group's estimates. Compared to peers' median, this corresponds to a discount of 42.6%. A conservatively applied multiple discount of 20% to peers' median motivates a P/E target multiple of P/E 19.0x 2022. The discount is based on SMS' smaller MCAP and that the Company only broker equipment and have no in-house production compared to peers. Based on a relative valuation to peers, weighted equally to a discount rate of 13.4%, a potential price per share of 6.5 DKK is implied in a Base scenario.

**HEALTHCARE  
SPENDING  
OUTPACING  
ECONOMIC  
GROWTH**

**POTENTIAL  
PRICE PER  
SHARE OF  
6.5 DKK**

## HIGHLIGHTS



# COMPANY DESCRIPTION

Scandinavian Medical Solutions was formed in 2019 by CEO Jens John. The Company did its initial public offering on Nasdaq First North Copenhagen in November, 2021, in which SMS raised DKK 30m. SMS is an independent dealer of high-quality pre-owned medical imaging equipment. The Company primarily deals with heavy imaging diagnostic equipment such as CT, MRI and PET/CT-scanners through contracts with leading OEM:s which allow SMS to submit tenders o equipment advertised by OEM:s. This equipment include the most costly and complex medical equipments found in hospitals. Transportation, maintenance and installation of this equipment requires advanced technical expertise, possessed by Scandinavian Medical Solutions. The Company is currently a reseller, acting as a bridge between OEM:s and other third parties globally. These third parties include other resellers and ISOs who then sell equipment to the end customer which are usually clinics or hospitals. However, the Company recently announced the goal of extending its product offering to include installation, service and transportation which would transform SMS to the first ISO with MSV in Europe.

## OEM:s having partnership with Scandinavian Medical Solutions



**Canon**  
CANON MEDICAL



**SIEMENS**  
**Healthineers**

Source: Scandinavian Medical Solutions

## Global Reseller of High-Quality Pre-Owned Medical Equipment

SMS specialize in the purchase and sale of pre-owned medical imaging equipment to customers around the world. Customers in the USA constitute 40% of sales, Western Europe 30%, Eastern Europe 20% and 10% of sales to other customers globally. As a reseller, SMS identify equipment for customers' needs and then sell the systems to third parties which are responsible for installing the equipment to the end customer which can be clinics or hospitals. OEM:s advertise pre-owned equipment on portals where resellers are able to submit tenders. Next to SMS, there are 10-30 other resellers registered across these portals. Most products are sourced on-demand and 60% of SMS' systems never hit the market as they are purchased by customers. The Company also find systems based on customers tailored-needs and requirements.

## Significant Costs Include COGS and Transportation

MRI, CT and PET/CT-scanners include some of the most costly medical equipment. Therefore, COGS are a significant cost affecting the gross margin. Moreover, SMS' net sales depends on the amount of buyers and sellers available to identify and then resell equipment to customers, more sales staff would theoretically enable increased sales. This inherently leads to personnel cost being a major cost for the Company. Transportation cost also include significant costs for SMS as systems need to be delivered globally. Problems in the global supply chain has increased transportation costs recently with up to 200% as reported by the Company. Similarly, SMS has also seen transportation delays in their supply chain, delays cause lower prices for sold systems and therefore decrease top-line revenue as it leads to longer contract timelines.

## Need For Larger Inventory and More Sales Personnel Going Forward

The Company was ranked #29 in DOTmed's 2020 Top 100 ranking of global medicine companies, based on reviews from customers. As a reseller, customers are gained by maintaining a good brand recognition as its quality as a company is based on expertise and professionalism when delivering systems. Hence, satisfied customers generate recurring and new customers. The announced objective of becoming an ISO with Multi Vendor Service would create new revenue streams, such as after-sales service and temporary renting of systems to capitalize from. In order to implement this transformation, SMS needs to expand the organization by recruiting additional sellers and buyers equipped with the right skills. The Company increased from 2 to 9 full-time employees in connection with the IPO, but the Company will need to employ more in order to become an ISO with MSV in the future. Moreover, an increased inventory with more systems is of significance as it allows to sell to a larger customer pool and set higher prices as equipment can be delivered faster.

**90% OF SALES  
IN THE US  
AND EUROPE**

**#29 RANK  
GLOBALLY  
BASED ON  
CUSTOMER  
REVIEWS**

# FINANCIAL FORECAST

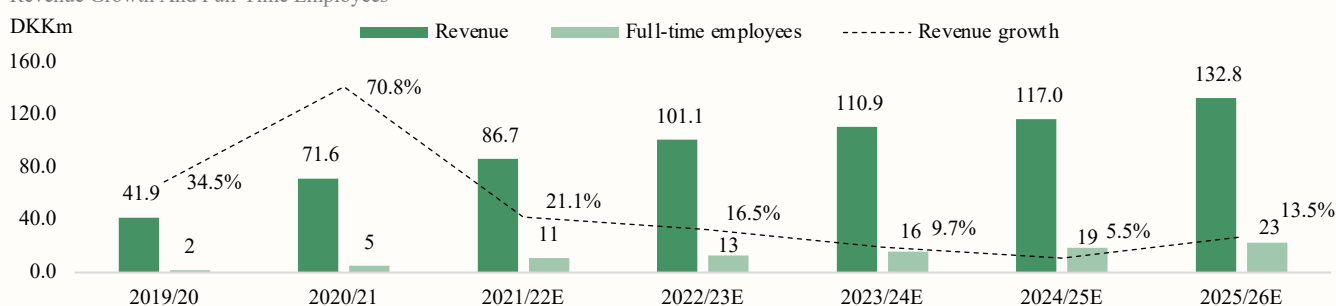
## Revenue Estimated to Reach DKK 132.8m in 2025/26

**REVENUE  
CAGR OF  
13.1%**

The main factor driving sales are sales staff for brokering equipment, since the sales staff drive turnover and ultimately sales. In connection to the IPO in November 2021, the Company increased full-time employees from 2 to 6, including more sales staff. Since then, the Company has recruited 3 more personnel reaching 9 full-time employees under 2021/22. SMS expect to hire at least 2 more people in 2021/22 of which 1-2 will be sellers and 1 buyer. It is expected that the Company will recruit 2 employees in 2022/23 and 4 additional in 2023/24 in connection with expanding to an ISO with MSV. The greater product offering is expected to play a substantial role in sales growth as a result of new verticals in Analyst Group's estimates. Moreover, an expanded systems' inventory will allow systems to be delivered faster which will enable higher prices on equipment due to shorter contractual obligations in line with statements by SMS. This is expected to result in a revenue CAGR of 13.1% between 2020/21-2025/26. Consequently, an increase from DKK 71.6m in 2020/21 to DKK 132.8m in 2025/26.

### Revenue Estimated To Increase Mainly Due To Sales Staff

Revenue Growth And Full-Time Employees



Source: Scandinavian Medical Solutions and Analyst Group

### Need For Buyers and Sellers Will Increase Personnel Costs

The average salary per employee decreased by 21% 2019/20 and 13% 2020/21, the reason is that the Company consisted of 1-2 in the early stages, in managerial positions and thus higher salaries. Therefore, as the number of employees increase, the cost per employee is expected to slightly decrease. However, a need for more personnel to drive future sales growth will lead to additional personnel costs in the coming years. Personnel costs is estimated to increase from DKK 3m in 2020/21 to DKK 10.6m in 2025/26, representing a decrease in cost per employee with a CAGR of 3.8% between 2021/22-2025/26.

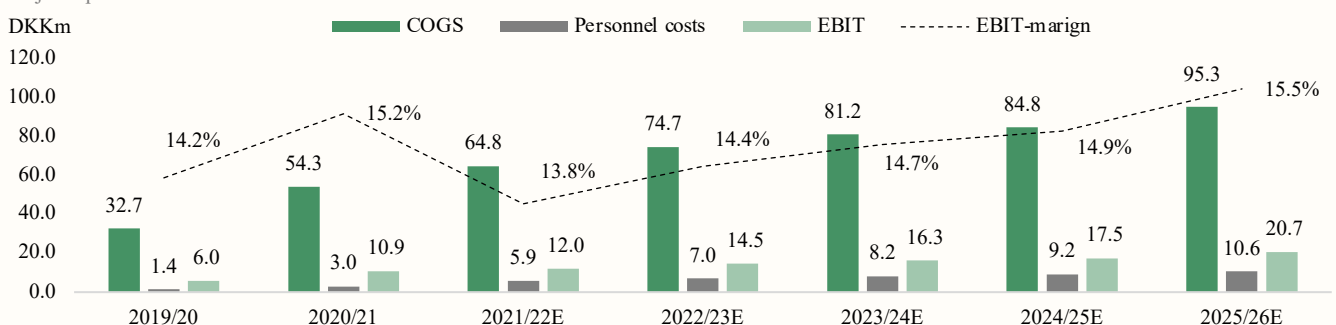
**BOTTOM-LINE  
NET INCOME  
OUTPACING  
COSTS**

### EBIT Margin Expansion Despite Increasing Costs

COGS is expected to increase from DKK 54.3m in 2020/21 to DKK 95.3m in 2025/26 as this will follow the turnover of sold equipment, which is also expected to increase SMS' expenditures. The Company's EBIT margin is estimated to slightly improve though due to efficiencies and an improving organizational structure over time. Analyst Group estimate that EBIT margin will increase from 15.2% in 2020/21 to 15.5% in 2025/26.

### EBIT Margin Expansion Despite Higher Costs

Major expenses in relation to EBIT



Source: Scandinavian Medical Solutions and Analyst Group

# VALUATION

Comparable peers	MCAP (MDKK)	Enterprise Value (MDKK)	Revenue 2022E (MDKK)	Revenue CAGR 2020-2022E	P/E 2022E	EV/EBIT 2022E	ROIC LTM
C-RAD	1 079	1 003	234	15.3%	34.4x	25.7x	13.6%
Integrum	599	489	95	14.6%	11.1x	163.1x	21.8%
Euromedis Group	160	157	696	15.3%	34.4x	25.7x	13.6%
Arcoma	88	98	126	23.3%	13.1x	10.9x	neg
<b>Average</b>	<b>482</b>	<b>437</b>	<b>288</b>	<b>17.2%</b>	<b>23.2x</b>	<b>56.4x</b>	<b>16.3%</b>
<b>Median</b>	<b>380</b>	<b>323</b>	<b>180</b>	<b>15.3%</b>	<b>23.7x</b>	<b>25.7x</b>	<b>13.6%</b>
SMS <sup>1</sup>	137	114	94	19.8%	13.6x	8.6x	35.9%

Source: Analyst Group and Bloomberg

<sup>1</sup>Revenue, Revenue CAGR, forward-looking P/E and EV/EBIT for SMS constitute the median of their financial years 2021/22 and 2022/23.

## Undervalued to Peers Despite a Significant Multiple Discount

SMS is currently trading at a significant discount to comparable peers and at a forward-looking P/E of 13.6x trading, based on Analyst Group's estimates, at a discount of 42.6% to peers' medians. This considering the Company have a considerably higher yield on invested capital with a LTM ROIC of 35.9% compared to peers' median of 13.6%. SMS is also expected to grow at a higher rate than peers with an estimated revenue CAGR of 19.8% compared to peers' median of 15.3% between 2020-2022. Nonetheless, Analyst Group motivate a conservative discount of 20% theoretically applied on a forward-looking P/E multiple of 13.6x in 2022 which is firstly based on SMS' smaller MCAP and secondly that comparable peers' have in-house production which SMS lack. In-house production yields better margins and R&D has potential for introducing new revenue-earning products, which is valued higher by the market. With a 20% applied discount to peers, this results in a target P/E multiple of 19.0x on an estimated net income of DKK 15.7m in 2022.

## Fair Value of 6.5 DKK

An absolute valuation is applied weighted equally with a relative valuation. Given Scandinavian Medical Solutions' financial characteristics and size, an applied discount rate of 13.4%. Combining the relative valuation and the absolute valuation, a target price of 6.5 DKK is motivated in a Base scenario.

### Bull scenario

The following are potential value drivers in a Bull scenario:

- More sales staff with expertise in medical imaging equipment are recruited than anticipated.
- The organizational transformation targeted for 2023/24 will have been successfully implemented in-time and leveraged, leading to increased revenue.
- Recent wave in cases of the Omicron variant of Covid-19 will increase global demand as seen previously.
- The above is expected to lead to revenue reaching DKK 174.6m and net income DKK 24.4m in 2025/26.

Based on a forward-looking P/E 2022 and a discount rate of 13.4%, a target price of DKK 8.3 is motivated in a Bull scenario.

### Bear scenario

The following are potential factors in a Bear scenario:

- SMS fail to find experienced buyers and sellers to the same extent as anticipated by our and the Company's projections.
- Problems in global supply chains will result in increased transportation costs and delays, resulting in lowered prices.
- Failure to successfully expand current offering to become an ISO with MSV within 2023/24.
- The above is expected to result in revenue increasing to DKK 84.0m and net income of DKK 6.1m in 2025/26.

Based on a forward-looking P/E 2022 and a discount rate of 13.4%, a target price of DKK 4.1 is motivated in a Bear scenario.

**CONSERVATIVE DISCOUNT OF 20% TO PEERS**

**FAIR VALUE OF DKK 6.5 IN A BASE SCENARIO**

**FAIR VALUE OF 8.3 DKK IN A BULL SCENARIO**

**FAIR VALUE OF 4.1 DKK IN A BEAR SCENARIO**

# APPENDIX

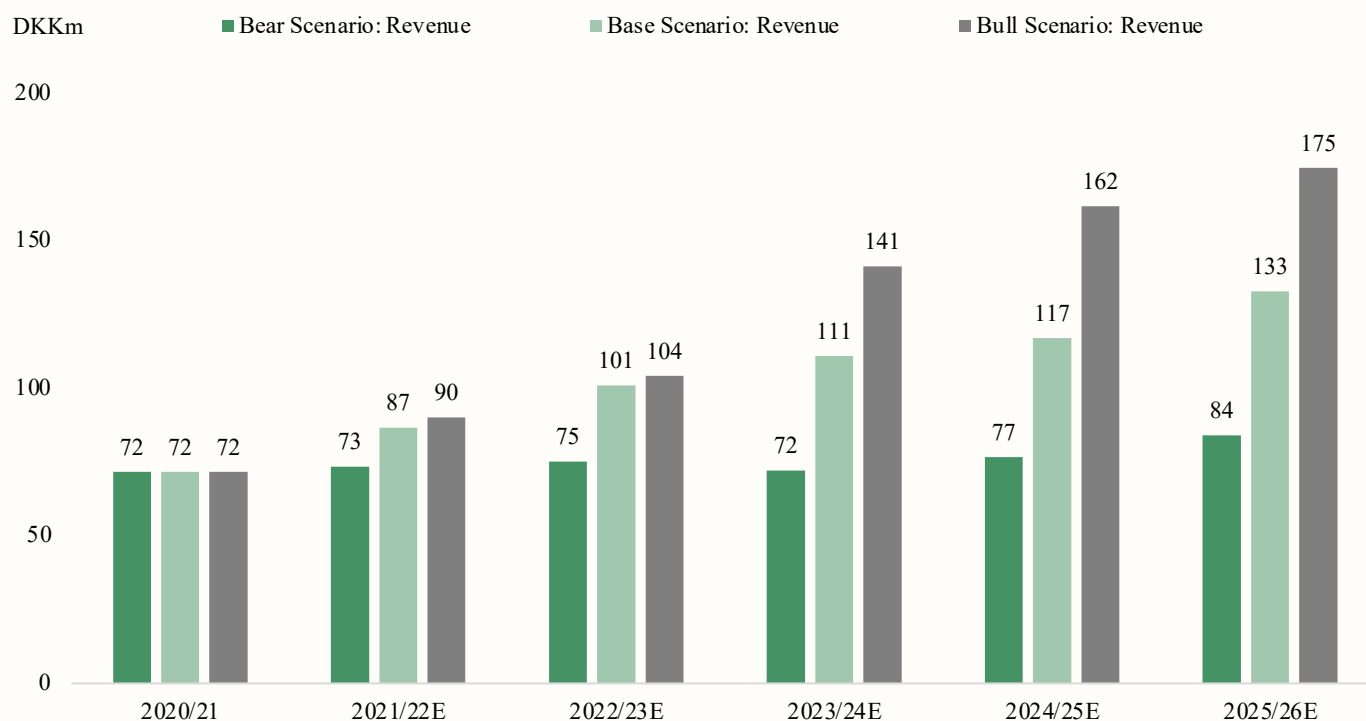
Base scenario, DKKtn	2019/20	2020/21	2021/22E	2022/23E	2023/24E	2024/25E	2025/26E
Net sales	41 949	71 638	86 745	101 086	110 916	117 011	132 826
<b>Total revenue</b>	<b>41 949</b>	<b>71 638</b>	<b>86 745</b>	<b>101 086</b>	<b>110 916</b>	<b>117 011</b>	<b>132 826</b>
COGS	-32 717	-54 300	-64 765	-74 718	-81 164	-84 767	-95 262
Other external costs	-1 876	-3 457	-4 033	-4 789	-5 206	-5 517	-6 249
<b>Gross profit</b>	<b>7 356</b>	<b>13 880</b>	<b>17 947</b>	<b>21 580</b>	<b>24 547</b>	<b>26 726</b>	<b>31 315</b>
<i>Gross margin</i>	<i>17.5%</i>	<i>19.4%</i>	<i>20.7%</i>	<i>21.3%</i>	<i>22.1%</i>	<i>22.8%</i>	<i>23.6%</i>
Personnel costs	-1 367	-2 983	-5 906	-6 980	-8 161	-9 207	-10 587
D&A	-24	-24	-49	-57	-62	-66	-75
<b>EBIT</b>	<b>5 965</b>	<b>10 873</b>	<b>11 992</b>	<b>14 543</b>	<b>16 324</b>	<b>17 454</b>	<b>20 653</b>
<i>EBIT margin</i>	<i>14.2%</i>	<i>15.2%</i>	<i>13.8%</i>	<i>14.4%</i>	<i>14.7%</i>	<i>14.9%</i>	<i>15.5%</i>
Financial income	131	203	258	301	330	348	395
Financial expenses	-278	-536	-612	-713	-782	-825	-937
<b>EBT</b>	<b>5 818</b>	<b>10 540</b>	<b>11 639</b>	<b>14 131</b>	<b>15 871</b>	<b>16 977</b>	<b>20 111</b>
Tax	-1 307	-2 383	-2 560	-3 109	-3 492	-3 735	-4 425
<b>Profit/loss for the year</b>	<b>4 511</b>	<b>8 157</b>	<b>9 078</b>	<b>11 022</b>	<b>12 380</b>	<b>13 242</b>	<b>15 687</b>
<i>Net income margin</i>	<i>10.8%</i>	<i>11.4%</i>	<i>10.5%</i>	<i>10.9%</i>	<i>11.2%</i>	<i>11.3%</i>	<i>11.8%</i>
Bull scenario, DKKtn	2019/20	2020/21	2021/22E	2022/23E	2023/24E	2024/25E	2025/26E
Net sales	41 949	71 638	90 133	104 248	141 294	161 706	174 642
<b>Total revenue</b>	<b>41 949</b>	<b>71 638</b>	<b>90 133</b>	<b>104 248</b>	<b>141 294</b>	<b>161 706</b>	<b>174 642</b>
COGS	-32 717	-54 300	-66 270	-75 882	-101 818	-115 362	-123 345
Other external costs	-1 876	-3 457	-4 146	-4 900	-6 570	-7 560	-8 143
<b>Gross profit</b>	<b>7 356</b>	<b>13 880</b>	<b>19 717</b>	<b>23 467</b>	<b>32 905</b>	<b>38 784</b>	<b>43 154</b>
<i>Gross margin</i>	<i>17.5%</i>	<i>19.4%</i>	<i>21.9%</i>	<i>22.5%</i>	<i>23.3%</i>	<i>24.0%</i>	<i>24.7%</i>
Personnel costs	-1 367	-2 983	-5 906	-6 980	-8 671	-10 176	-11 048
D&A	-24	-24	-51	-59	-79	-91	-98
<b>EBIT</b>	<b>5 965</b>	<b>10 873</b>	<b>13 761</b>	<b>16 429</b>	<b>24 155</b>	<b>28 517</b>	<b>32 008</b>
<i>EBIT margin</i>	<i>14.2%</i>	<i>15.2%</i>	<i>15.3%</i>	<i>15.8%</i>	<i>17.1%</i>	<i>17.6%</i>	<i>18.3%</i>
Financial income	131	203	268	310	421	481	520
Financial costs	-278	-536	-636	-735	-997	-1 141	-1 232
<b>EBT</b>	<b>5 818</b>	<b>10 540</b>	<b>13 393</b>	<b>16 004</b>	<b>23 579</b>	<b>27 858</b>	<b>31 296</b>
Tax	-1 307	-2 383	-2 946	-3 521	-5 187	-6 129	-6 885
<b>Profit/los for the year</b>	<b>4 511</b>	<b>8 157</b>	<b>10 447</b>	<b>12 483</b>	<b>18 392</b>	<b>21 729</b>	<b>24 411</b>
<i>Net income margin</i>	<i>10.8%</i>	<i>11.4%</i>	<i>11.6%</i>	<i>12.0%</i>	<i>13.0%</i>	<i>13.4%</i>	<i>14.0%</i>

# APPENDIX

Bear scenario, DKKtn	2019/20	2020/21	2021/22E	2022/23E	2023/24E	2024/25E	2025/26E
Net sales	41 949	71 638	73 414	75 180	72 173	76 605	84 009
<b>Total revenue</b>	<b>41 949</b>	<b>71 638</b>	<b>73 414</b>	<b>75 180</b>	<b>72 173</b>	<b>76 605</b>	<b>84 009</b>
COGS	-32 717	-54 300	-55 647	-57 286	-55 139	-58 602	-64 266
Other external costs	-1 876	-3 457	-3 487	-3 571	-3 509	-3 768	-4 109
<b>Gross profit</b>	<b>7 356</b>	<b>13 880</b>	<b>14 280</b>	<b>14 323</b>	<b>13 525</b>	<b>14 235</b>	<b>15 635</b>
<i>Gross margin</i>	<i>17.5%</i>	<i>19.4%</i>	<i>19.5%</i>	<i>19.1%</i>	<i>18.7%</i>	<i>18.6%</i>	<i>18.6%</i>
Personnel costs	-1 367	-2 983	-5 369	-5 906	-6 121	-6 784	-7 365
D&A	-24	-24	-41	-42	-41	-43	-47
<b>EBIT</b>	<b>5 965</b>	<b>10 873</b>	<b>8 870</b>	<b>8 375</b>	<b>7 363</b>	<b>7 409</b>	<b>8 222</b>
<i>EBIT margin</i>	<i>14.2%</i>	<i>15.2%</i>	<i>12.1%</i>	<i>11.1%</i>	<i>10.2%</i>	<i>9.7%</i>	<i>9.8%</i>
Financial income	131	203	219	224	215	228	250
Financial costs	-278	-536	-518	-530	-509	-540	-593
<b>EBT</b>	<b>5 818</b>	<b>10 540</b>	<b>8 571</b>	<b>8 068</b>	<b>7 069</b>	<b>7 096</b>	<b>7 880</b>
Tax	-1 307	-2 383	-1 886	-1 775	-1 555	-1 561	-1 734
<b>Profit/loss for the year</b>	<b>4 511</b>	<b>8 157</b>	<b>6 685</b>	<b>6 293</b>	<b>5 514</b>	<b>5 535</b>	<b>6 146</b>
<i>Net income margin</i>	<i>10.8%</i>	<i>11.4%</i>	<i>9.1%</i>	<i>8.4%</i>	<i>7.6%</i>	<i>7.2%</i>	<i>7.3%</i>

## Difference In Estimated Revenue In The Three Scenarios

Total revenue in each scenario



Source: Scandinavian Medical Solutions and Analyst Group



# DISCLAIMER

---

## Disclaimer

These analyses, documents and any other information originating from AG Equity Research AB (Henceforth "AG") are created for information purposes only, for general dissemination and are not intended to be advisory. The information in the analysis is based on sources, data and persons which AG believes to be reliable. AG can never guarantee the accuracy of the information. The forward-looking information found in this analysis are based on assumptions about the future, and are therefore uncertain by nature and using information found in the analysis should therefore be done with care. Furthermore, AG can never guarantee that the projections and forward-looking statements will be fulfilled to any extent. This means that any investment decisions based on information from AG, any employee or person related to AG are to be regarded to be made independently by the investor. These analyses, documents and any other information derived from AG is intended to be one of several tools involved in investment decisions regarding all forms of investments regardless of the type of investment involved. Investors are urged to supplement with additional relevant data and information, as well as consulting a financial adviser prior to any investment decision. AG disclaims all liability for any loss or damage of any kind that may be based on the use of analyzes, documents and any other information derived from AG.

## Conflicts of Interest and impartiality

To ensure AG's independence, AG has established compliance rules for analysts. In addition, all analysts have signed an agreement in which they are required to report any and all conflicts of interest. These terms have been designed to ensure that *COMMISSION DELEGATED REGULATION (EU) 2016/958 of 9 March 2016, supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest*. Compliance policy: <https://analystgroup.se/interna-regler-ansvarsbegransning/> (Swedish)

## Bull and bear

The recommendations in the form of bull alternatively Bear aims to provide a comprehensive picture of Analyst Group's opinion. The recommendations are developed through rigorous processes consisting of qualitative research and the weighing and discussion with other qualified analysts.

### Definition Bull

Bull is a metaphor for an optimistic view of the future. It indicates a belief in improvement.

### Definition Bear

Bear is a metaphor for a pessimistic view set on the future. It indicates a belief deterioration.

## Other

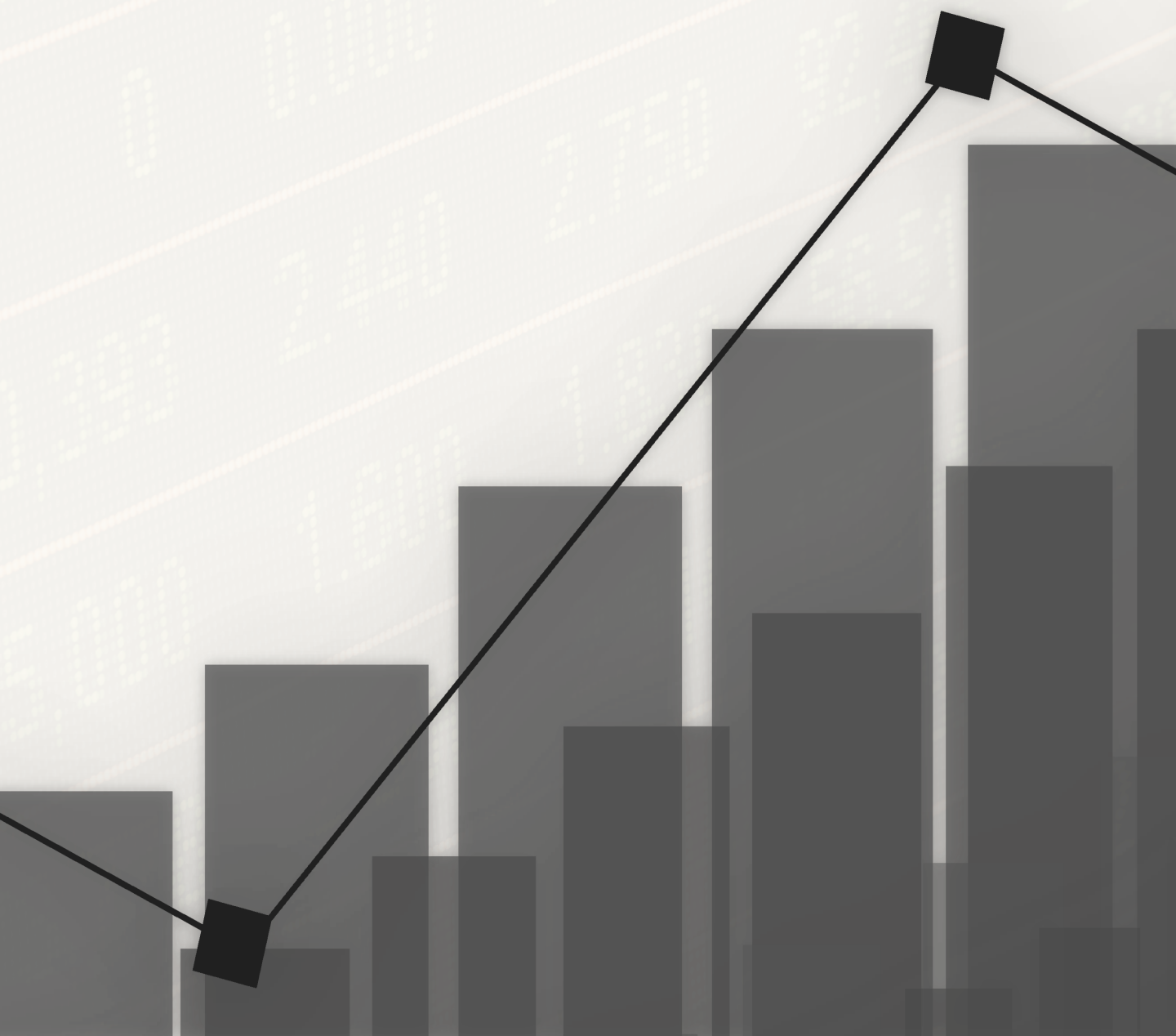
This analysis is an independent analysis. This means Analyst Group has not received payment for doing the analysis. The Principal, **Scandinavian Medical Solutions A/S** (furthermore "SMS" or "the Company") has had no opportunity to influence the parts where Analyst Group has had opinions about the Company's future valuation or anything that could constitute an objective assessment.

The parts that the company has been able to influence are the parts that are purely factual and objective.

This analysis is copyright protected by law © AG Equity Research AB (2014-2022). Sharing, dissemination or equivalent action to a third party is permitted provided that the analysis is shared unchanged.



Analyst Group



**AG EQUITY RESEARCH AB**

Org.nr: 556999-0939 | Mail: [info@analystgroup.se](mailto:info@analystgroup.se)  
Riddargatan 12B, 114 35, Stockholm