

EQUASENS

Euronext A – FR0012882389 – EQS

- ✓ **Very dynamic Q1**
 - o Turnover €56.25m +14%
 - o Ségur contribution €1.43m

Equasens achieved a 1st quarter growth of +14% (+11% excluding Ségur contribution) under the impulse of Pharmagest (€42.3m +16.2%) and the new Medical Solutions division (€2.2m +24.2%).

Pharmagest benefits, among other things, from the e-label market in France and confirms the relevance of having acquired Asca in 2021. In addition, the group has revised its licenses prices upwards, which is favorable to recurring contracts and will be an element of support at the level of the gross margin.

Medical Solutions, which benefits in particular from the Ségur, now integrates ICT which was previously in Axigate Link and represents the city medicine sector.

Axigate Link, which posted sales of €7.2 million, up +7.1%, also benefits from Ségur for retirement homes and home hospitals.

E-Connect with a turnover of €4 million shows a growth of 3.1%. This remains limited due to problems of access to electronic components. Thus, the increase is mainly linked to the increase in the prices charged.

Outlook.

This 1st quarter is in line with our expectations (€56.33 million) and confirms our estimate of an annual turnover of €233.1 million (+8.9%), especially since the group joined in April new bricks.

In terms of sequence, management "intends to maintain its organic growth momentum in the continuity of this first quarter".

While there is no doubt that the group will experience another year of growth, there remains the question of the level of the latter. As the base effect is less favorable at constant scope, we estimate that Q2 and Q3 should show levels rather around +8%/+8.5%, which can be considered conservative in terms of the discourse.

Opinion & price target: Buy – €96 vs €92.9

Note that for the first time that we are analyzing Equasens the valuation by DCF and that by peers result in an equivalent price whereas until now the DCF approach valued Equasens much better.

Thus, by DCF with a WACC of 7.2% the value per share is €96.1.

By peers, the price per share is €95.5.

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BUY

Q1 Sales

Eligible PEA

TARGET
€ 96

PREVIOUS
€ 92.9

PRICE (5/11/23)
€ 75.9

POTENTIAL
+ 26.4%

MARKET CAP.
€ 1 150m

FREE FLOAT
€ 277m

Ratios	2023e	2024e	2025e
EV/Sales	4,6	4,1	3,7
EV/EBIT	17,0	15,6	14,0
P/E	22,5	21,2	19,8
P/CF	18,7	17,8	16,7
Dividend Yield	1,6%	1,6%	1,6%

Data per share	2022	2023e	2024e	2025e
EPS	3,21	3,38	3,58	3,84
%Change	23%	5%	6%	7%
FCF	3,09	3,84	3,61	3,83
%Change	26%	24%	-6%	6%
Dividend	1,15	1,21	1,21	1,21

Income Statement (€m)	2022	2023e	2024e	2025e
Net Sales	214,1	233,1	249,9	267,0
%Change	10,9%	10,9%	8,9%	7,2%
Gross Margin	173,3	188,8	202,4	216,2
% Sales	81,0%	81,0%	81,0%	81,0%
EBITDA	68,3	75,0	78,2	83,6
% Sales	31,9%	32,2%	31,3%	31,3%
EBIT	56,8	62,4	65,7	70,3
% Sales	26,5%	26,8%	26,3%	26,3%
Net Result	48,6	51,3	54,3	58,3
% Sales	22,7%	22,0%	21,7%	21,8%

Cash Flow Statement (€m)	2022	2023e	2024e	2025e
FCF	46,9	58,2	54,8	58,2
Net Debt	-48,1	-88,9	-125,3	-165,2
Shareholder Equity	196,8	230,6	266,7	306,6
Gearing	-24%	-39%	-47%	-54%
ROCE	30%	28%	24%	22%

Shareholders

Marque Verte Santé	60,5%
La Coopérative Welcoop	6,1%
Founders	2,7%
Auto Control	1,5%
Free Float	29,2%

Performances	2023	3m	6m	1 Year
Equasens	1,6%	-6,8%	-1,8%	-1,4%
CAC Mid&Small	5,9%	-2,9%	5,5%	-0,2%
12 months Low-High	57,80	86,6		

Liquidity	2023	3m	6m	1 Year
Cumulative volume (000)	332	220	437	937
% of capital	2,2%	1,4%	2,9%	6,2%
% of Free Float	9,1%	6,0%	11,9%	25,6%
€ Million	25,0	16,2	32,8	70,7

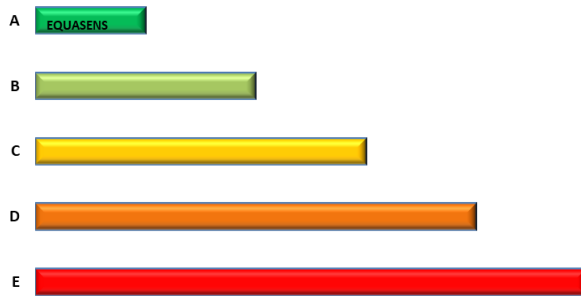
Next Event Q2 Sales : August, 3

GreenSome has signed a research contract with Equasens

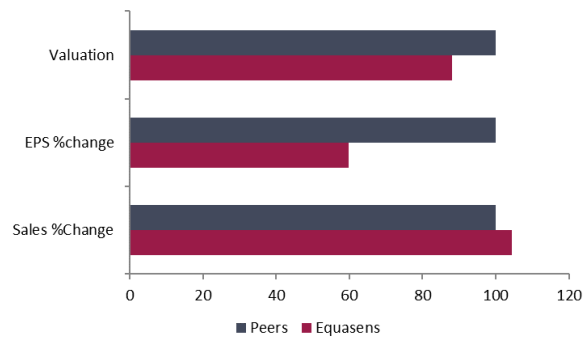
Snapshot EQUASENS

EQUASENS is the French leader in computational informatics with 44% of market share. With more than 1,100 employees, the EQUASENS's strategy revolves around a core business, IT innovation in the service of healthcare and the development of two priority areas: 1 / services and technologies for patients and health professionals, including support for the pharmacist in monitoring adherence; 2 / Technology areas that can improve the efficiency of health systems. EQUASENS has developed specialized professions: computational informatics, solutions for e-Health, solutions for health professionals, solutions for pharmaceutical laboratories, applications and connected health objects, marketplace in sales financing ... These activities are divided into 5 Divisions: Pharmegest, Axigate Link, E-Connect, Fintech and Medical Soft.

Fondamental Matrix



Investment Profile



Price Target and Rating History

DATE	TYPE	OPINION	PRICE	TARGET PRICE
4/6/23	Acquisitions	Buy	€ 70.7	€ 92.9
3/24/23	Annual Results	Buy	€ 73.7	€ 92.9
2/3/23	2022 Annual Sales	Buy	€ 79.7	€ 92.9
11/10/22	Q3 Sales	Buy	€ 70.9	€ 87.3
9/22/22	H1 Results	Buy	€ 70.2	€ 87.3
3/8/22	Q2 Sales	Buy	€ 84.2	€ 103.1
5/12/22	Q1 Sales	Buy	€ 75.2	€ 112.7

Financial Data

Income Statement (€ m)	2019	2020	2021	2022	2023e	2024e
Revenues	158,6	171,8	193,1	214,1	233,1	249,9
Purchase	29,9	32,2	36,9	40,7	44,3	47,5
Gross Margin	128,6	139,5	156,2	173,3	188,8	202,4
Externals costs	20,4	20,2	22,4	27,8	28,9	31,0
Personnals Costs	56,3	60,9	68,7	74,2	81,1	89,3
EBITDA	49,0	55,0	62,2	68,3	75,0	78,2
Amortization	8,1	9,1	12,3	13,5	11,7	12,5
other	0,0	0,8	0,5	2,0	0,0	0,0
EBIT	40,8	46,7	50,5	56,8	62,4	65,7
Financial Result	1,5	0,8	0,3	0,9	0,7	1,4
Tax	13,3	13,4	10,6	6,2	11,8	12,8
Net Result	29,0	32,7	41,2	48,6	51,3	54,3
Group Net Result	28,4	30,7	39,1	46,4	49,0	51,9

Balance Sheet (€ m)	2019	2020	2021	2022	2023e	2024e
Fixed Assets	160,5	184,9	207,7	213,6	214,6	216,0
Stock Inventories	4,4	6,8	8,9	9,3	9,7	10,4
Accounts Receivable	34,6	31,8	37,4	46,5	45,3	48,6
Other Currents Assests	8,0	9,0	11,2	13,3	12,9	13,9
Cash & Equivalentes	50,6	63,3	64,8	68,0	98,8	125,2
TOTAL Assets	258,1	295,8	330,0	350,8	381,4	414,1
Shareholders' Equity	131,9	149,0	165,2	196,8	230,6	266,7
Provisions	4,6	5,3	5,5	5,6	6,4	6,8
Financial Debt	57,5	71,8	84,1	66,7	56,7	46,7
Accounts Payables	13,4	14,2	16,3	16,8	19,4	20,8
Others Liabilities	47,6	49,3	54,3	61,2	64,7	69,4
TOTAL Liabilitites	258,1	295,8	330,0	350,8	381,4	414,1

Cash Flow Statements (€ m)	2019	2020	2021	2022	2023e	2024e
Cash Flow from Operating Activities	35,8	42,0	50,0	62,6	61,6	64,8
Change in Net Working Capital	4,9	5,2	-2,5	-5,6	7,1	1,3
Cash Flow from Operations	40,7	47,2	47,5	57,0	68,7	66,0
Cash Flow from Investing	-16,3	-19,6	-10,3	-10,1	-10,5	-11,2
Capital Increase	-13,3	-13,3	-20,1	-17,5	-17,5	-18,3
Funding Flow	-4,8	17,8	10,3	-20,8	-10,0	-10,0
Cash Flow from Financing	-34,8	-15,4	-35,7	-46,5	-27,5	-28,3
Net Change in cash position	-10,5	12,2	1,6	0,3	30,8	26,4

RATIOS	2019	2020	2021	2022	2023e	2024e
Gross Margin	81,1%	81,2%	80,9%	81,0%	81,0%	81,0%
Ebitda Margin	30,9%	32,0%	32,2%	31,9%	32,2%	31,3%
EBIT Margin	25,8%	27,2%	26,1%	26,5%	26,8%	26,3%
Net Margin	18,3%	19,0%	21,3%	22,7%	22,0%	21,7%
ROE	22,0%	21,9%	24,9%	24,7%	22,2%	20,4%
ROCE	32,9%	33,0%	31,4%	29,9%	27,9%	24,4%
Gearing	-33,2%	-24,1%	-16,7%	-24,4%	-38,5%	-47,0%
FCF per share	1,6	1,8	2,5	3,1	3,8	3,6
EPS (€)	1,9	2,0	2,6	3,2	3,4	3,6
Dividend per share (€)	0,9	1,0	1,1	1,2	1,2	1,2
Dividen Yield	1,2%	1,3%	1,4%	1,5%	1,6%	1,6%
Distribution rate	47,2%	46,8%	43,7%	38,3%	35,9%	35,7%

GreenSome Finance Estimates

Rating Definition

BUY	NEUTRAL	SELL
Upside > +10%	-10% < Upside < +10%	Upside < -10%

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NO	NO	YES	YES	NO	NO

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