EQUASENS

PEA SME

ADD

Software

GILBERT DUPONT
GROUPE SOCIETE GENERALE

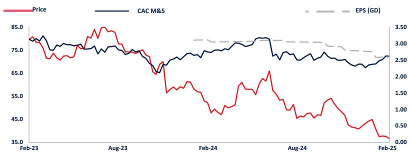
EPS 12/24e ↘ -0.9% € 2.55 vs € 2.57 • EPS 12/25e ↘ -0.9% € 2.73 vs € 2.75

PRICE*	TP	POTENTIAL
€ 36.70	€ 44.0	+19.9%

*closing 06/02/25

Annual sales + Contact

Bloomberg	EQS FP
Market cap.	€m 557
Free Float	€m 181
Volume (3M)	€m 0.47/day



PERFORMANCE	1M	6M	12M
Absolute	-16.8%	-18.6%	-31.1%
Rel. / CAC M&S	-19.4%	-21.7%	-29.4%

AGENDA
28/03/25 (aft. mkt): FY earnings

FINANCIAL ANALYST(S)

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Close to forecasts

The small decline in Q4 (-0.2% organic) enabled the group to deliver a FY performance close to forecasts. Despite management's confident message on 2025, a return to lasting double-digit organic growth remains a major catalyst for the share and is not at all guaranteed. We reiterate our estimates, rating and TP.

2024 sales of €216.8m (-4.6% org.) vs GD €218.2m (-3.7% org.)

Equasens has ended 2024 with an organic decline in sales of 4.6% to €216.8m. After three complicated quarters (Q1: -8.7%, Q2: -6.0% and Q3: -3.4%), the FY performance i/ points to a slight slowdown in organic growth in Q4 at -0.2% (GD est.: +3.3%), and ii/ was fairly close to forecasts (GD est: €218.2m, -3.7% org. / css: €217.3m, -1.1% reported).

Q4: a good performance by Axigate (+6.7%), slightly better at Pharmagest

Trends were somewhat better in the group's main division Pharmagest (74% of Q4 sales) but were still down 1.2% organically in Q4 impacted by i/ the decline in the installed base, and ii/ a lack of IT investments in the sector. Note the healthy performance by the nursing home division (16%), which gained 6.7% in organic terms in Q4, driven especially by the SaaS Titanlink offer and the deployment at 600 new sites in France/90 in Belgium. In all, SaaS represented 9% of 2024 sales (vs. material sales: 40%).

Clear confidence in 2025. More conservative GD scenario reiterated.

Despite the lack of rebound in H2 (-1.6% org.) management's message was confident for 2025, expecting growth in H1 and a double-digit increase in H2. In view of the still adverse backdrop in the Pharma division (installed base down primarily in France), we confirm our cautious scenario. We continue to anticipate organic growth of 5% (sales of €229.7m) driven by other group divisions and EBIT margin up 0.4pts to 22% (vs. 21.6% in 2024, -3.8pts).

Consensus FactSet 06 /02 /25 (3 analysts excl. GD)

2025

Sales: €236.4m (+8.8% reported)
EBIT: €56.1m or an EBIT margin of 23.7%
NRGS: €49.9m

Rating and TP reiterated

Equasens looks attractively valued (10-year P/E of 25x vs. 2025e P/E of 13.5x), but momentum in the pharma division (GD est. ≈75% of 2025 sales) remains complicated. We confirm our Add rating pending better quality newsflow (i.e. back to double-digit growth combined with a recovery in margins). TP of €44 (DCF) confirmed.

STOCK RATIOS	12/23	12/24e	12/25e	12/26e
P/E	19.7x	17.4x	13.5x	11.9x
PEG	15.4x	ns	1.9x	0.9x
P/CF	15.0x	12.1x	9.5x	8.8x
EV/Sales	5.0x	3.5x	2.2x	2.0x
EV/EBITDA	15.9x	11.9x	7.6x	6.6x
EV/C. EBIT	19.6x	16.0x	10.0x	8.4x
EV/EBIT	19.6x	16.0x	10.0x	8.4x
EV/Capital employed	5.2x	3.3x	2.2x	2.1x
P/BV	4.1x	2.7x	2.1x	1.9x
FCF yield	4.8%	5.3%	7.9%	8.9%
Yield	2.0%	3.1%	3.9%	4.2%

FINANCIAL DATA	12/23	12/24e	12/25e	12/26e
Sales (€m)	219.7	216.8	229.7	242.4
C. EBIT (€m)	55.8	46.8	50.4	57.4
C. EBIT/Sales	25.4%	21.6%	22.0%	23.7%
EBIT (€m)	55.8	46.8	50.4	57.4
Net attributable profit (€m)	47.0	38.7	41.4	46.6
Adjusted EPS (€)	3.10	2.55	2.73	3.07
Chg.	1.3%	-17.7%	7.0%	12.7%
FCF (€m)	53.4	41.4	43.8	49.8
Net fin. debt (€m)	-22.7	-30.1	-51.4	-79.4
Gearing	-9.9%	-12.1%	-19.0%	-26.8%
ROCE	21.9%	15.9%	16.5%	18.9%

A slight improvement in Q4

In €m	2022	2023	2024	Chg. (org.)	GD est.	Chg. (org.)
1st quarter	49.4	56.3	53.3	-8.7%		
2nd quarter	54.2	56.4	54.7	-6.0%		
3rd quarter	50.1	50.1	50.2	-3.4%		
4th quarter	60.4	57	58.6	-0.2%	60	3.3%
Yearly sales	**214.1**	**219.7**	**216.8**	**-3.7%**	**218.2**	**-3.7%**

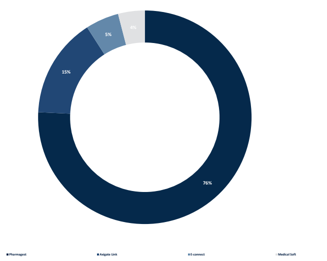
PRICE*	TP	POTENTIAL
€ 36.70	€ 44.0	+19.9%
*closing 06/02/25		

Activity

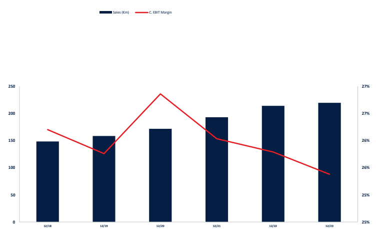
£cr£Business software solutions for professionals and healthcare establishments

Market data	
12M Low/High	€ 36.35/€ 66.90
Volume (3M)	11,333 shares/day
Number of shares	15,174,125
Market cap.	€m 557
Free Float	€m 181
Market	Euronext A
Sector	Software
Bloomberg	EQS FP
Isin	FR0012882389
Index	CAC SMALL
Shareholders on 31/12/23	
Marque Verte Santé	60.5%
Free float	32.4%
Coopérative Welcoop	6.1%
Treasury shares	0.9%
Employees on 31/12/23	1,288
2024 sales by quarter	
Q4	27%
Q2	25%
Q3	24%
Q1	24%

2024 sales by business unit



Sales and C. EBIT Margin



PROFIT LOSS STATEMENT (€m)	12/21	12/22	12/23	12/24e	12/25e	12/26e
Sales	193.1	214.1	219.7	216.8	229.7	242.4
Chg.	12.4%	10.9%	2.6%	-1.3%	6.0%	5.5%
Chg. lfl	12.4%	8.8%	1.3%	-4.6%	5.0%	5.5%
EBITDA	62.7	70.3	68.7	62.8	66.5	73.2
C. EBIT	50.3	55.2	55.8	46.8	50.4	57.4
EBIT	50.3	55.2	55.8	46.8	50.4	57.4
Net interest income	1.6	-0.8	1.7	3.7	4.7	4.7
Tax	-10.6	-6.2	-9.9	-11.9	-13.8	-15.5
Income from associates	-0.1	0.4	1.3	1.0	1.0	1.0
Net earnings from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0
Minority interests	-2.0	-2.2	-1.9	-1.0	-1.0	-1.0
Net attributable profit	41.2	46.4	47.0	38.7	41.4	46.6
Adjusted net attr. profit	41.2	46.4	47.0	38.7	41.4	46.6

CASH FLOW STATEMENT (€m)	12/21	12/22	12/23	12/24e	12/25e	12/26e
Cash Flow	53.1	34.6	62.4	53.6	56.9	61.9
- Chg. in WCR	-5.5	22.4	5.6	1.4	1.7	2.9
- Capex	10.3	10.1	14.5	13.6	14.8	15.0
= Free Cash Flow	37.2	46.9	53.4	41.4	43.8	49.8
- Net financial investment	-25.9	-8.3	-2.0	-15.0	-2.0	0.0
- Dividends	-15.0	-16.5	-17.5	-19.0	-20.5	-21.9
+ Capital increase/Share buybacks	-5.5	-1.2	0.0	0.0	0.0	0.0
+ Others	0.0	0.0	0.0	0.0	0.0	0.0
= Chg. net financial debt	6.7	-20.8	-21.5	-7.4	-21.3	-28.0

BALANCE SHEET (€m)	12/21	12/22	12/23	12/24e	12/25e	12/26e
Goodwill	83.7	83.1	83.7	98.7	100.2	100.2
Other intangible assets	123.2	121.5	125.7	140.8	143.7	144.0
Tangible assets	27.7	26.6	22.7	21.3	20.1	20.1
Financial assets	56.9	65.5	67.5	67.5	69.5	69.5
WCR	-26.1	0.7	-5.3	-4.8	-4.6	-5.7
Shareholders' equity (group share)	159.0	189.8	219.3	239.0	259.9	284.6
Equity + minorities	165.2	196.8	228.2	248.9	270.8	296.6
Cash and equivalent	64.8	68.0	102.0	109.4	130.7	158.7
Net financial debt	19.6	-1.2	-22.7	-30.1	-51.4	-79.4
Net financial debt excluding IFRS 16	9.5	-11.1	-33.4	-40.8	-62.1	-90.0
Capital employed	181.6	214.3	210.6	224.8	228.7	227.9

PER SHARE DATA (€)	12/21	12/22	12/23	12/24e	12/25e	12/26e
Number of shares (000)	15,174	15,174	15,174	15,174	15,174	15,174
Number of diluted shares (000)	15,174	15,174	15,174	15,174	15,174	15,174
Adjusted EPS	2.71	3.06	3.10	2.55	2.73	3.07
Reported EPS	2.71	3.06	3.10	2.55	2.73	3.07
CF per share	3.15	4.00	4.07	3.66	3.85	4.18
Book value per share	10.89	12.97	15.04	16.40	17.85	19.54
Dividend	1.15	1.15	1.25	1.35	1.44	1.54
Payout	42%	38%	40%	53%	53%	50%

RATIOS	12/21	12/22	12/23	12/24e	12/25e	12/26e
Gross margin/Sales	80.9%	81.0%	80.5%	80.5%	80.5%	80.5%
EBITDA/Sales	32.5%	32.8%	31.3%	28.9%	29.0%	30.2%
C. EBIT/Sales	26.0%	25.8%	25.4%	21.6%	22.0%	23.7%
EBIT/Sales	26.0%	25.8%	25.4%	21.6%	22.0%	23.7%
Corp. tax rate	20.5%	11.4%	17.2%	23.5%	25.0%	25.0%
Adjusted NR/Sales	21.3%	22.7%	22.2%	18.3%	18.4%	19.6%
Capex/Sales	5.4%	4.7%	6.6%	6.3%	6.4%	6.2%
Capex/D&A	0.8x	0.7x	1.1x	0.9x	0.9x	1.0x
FCF/Sales	19.3%	21.9%	24.3%	19.1%	19.1%	20.6%
FCF/EBITDA	59.3%	66.7%	77.8%	65.9%	65.9%	68.1%
Goodwill/Equity + minorities	50.7%	42.2%	36.7%	39.6%	37.0%	33.8%
WCR/Sales	-13.5%	0.3%	-2.4%	-2.2%	-2.0%	-2.3%
Gearing	11.9%	-0.6%	-9.9%	-12.1%	-19.0%	-26.8%
Net financial debt/EBITDA	0.3x	0.0x	-0.3x	-0.5x	-0.8x	-1.1x
EBITDA/Financial charges	ns	85.0x	ns	ns	ns	ns
ROCE	22.0%	22.8%	21.9%	15.9%	16.5%	18.9%
ROE	24.9%	24.7%	21.4%	15.9%	15.6%	16.1%

STOCK MARKET DATA	12/21	12/22	12/23	12/24e	12/25e	12/26e
Share price performance	-15.6%	-20.5%	-18.2%	-27.6%	-17.1%	-
Share price performance vs. CAC M&S	-27.6%	-7.7%	-19.4%	-23.0%	-20.6%	-
Share price High (€)	122.60	92.70	85.00	66.90	44.90	-
Share price Low (€)	83.60	58.60	56.40	40.15	36.35	-
Enterprise value (€m)	1,507.4	1,170.1	1,090.5	749.6	505.9	482.1
= Market cap.	1,468.5	1,174.9	1,115.4	781.6	556.9	556.9
+ Net financial debt	19.6	-1.2	-22.7	-30.1	-51.4	-79.4
+ Minorities	6.2	7.0	8.9	9.9	10.9	11.9
+ Provisions & others	70.0	54.9	56.4	55.6	58.9	62.2
- Financial assets	56.9	65.5	67.5	67.5	69.5	69.5

VALUATION	12/21	12/22	12/23	12/24e	12/25e	12/26e
P/E	34.7x	24.4x	19.7x	17.4x	13.5x	11.9x
PEG	1.0x	1.9x	15.4x	ns	1.9x	0.9x
P/CF	29.9x	18.7x	15.0x	12.1x	9.5x	8.8x
EV/Sales	7.8x	5.5x	5.0x	3.5x	2.2x	2.0x
EV/EBITDA	24.0x	16.7x	15.9x	11.9x	7.6x	6.6x
EV/C. EBIT	30.0x	21.2x	19.6x	16.0x	10.0x	8.4x
EV/EBIT	30.0x	21.2x	19.6x	16.0x	10.0x	8.4x
EV/Capital employed	8.3x	5.5x	5.2x	3.3x	2.2x	2.1x
P/BV	8.6x	5.8x	4.1x	2.7x	2.1x	1.9x
FCF yield	2.5%	4.0%	4.8%	5.3%	7.9%	8.9%
Yield	1.2%	1.5%	2.0%	3.1%	3.9%	4.2%

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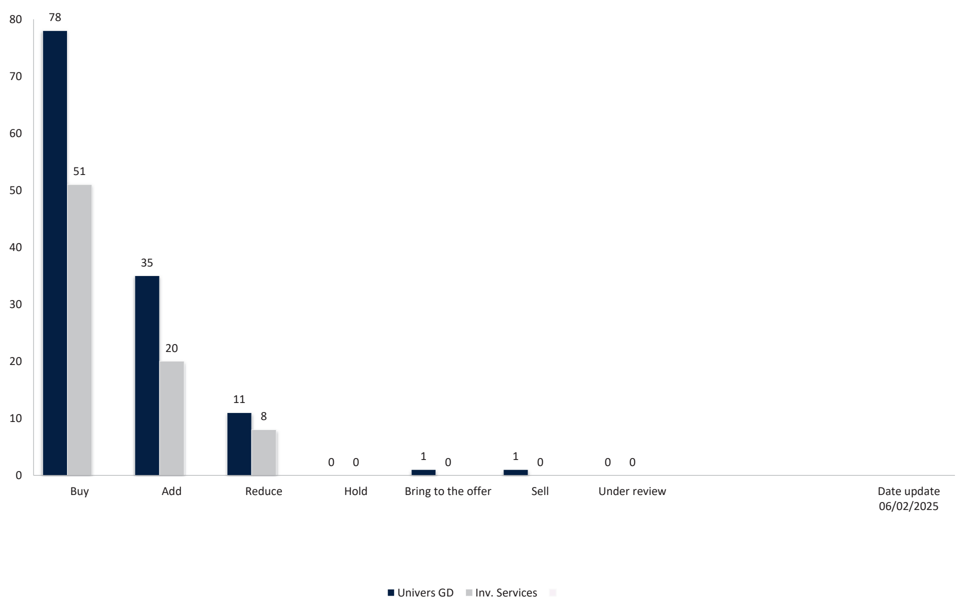
STOCK OPINIONS:

Given on a 6 to 12-month horizon, these are established by the financial analysts. These ratings are formulated using a general framework outlined below as well as non-quantitative factors (news-flow, momentum, share price volatility, etc).



Price Target : This is derived via different methods which are weighted (DCF, comparable quoted stock market values, Sum of the parts, NAV, transaction multiples).

- Buy : potential increase of more than 15%
- Add : potential increase of between 5 and 15%
- Reduce : potential between –5% et +5%
- Hold : opinion possible in case of IPO
- Bring to the offer : recommandation used as applicable when a compagny is the subject of a takeover bid
- Sell : potential drop of more than –5%
- Under Review : temporarily when a special event occurs

Favorite stocks : 2 exisiting lists, each one with a maximum of 10 companies

· Midcaps List : Mkt cap. > €m350 the day of entry
· Smallcaps List : Mkt Cap. < €m350 the day of entry

Calculation of absolute and relative performance is done on the opening price of the day on entry or exit from the list

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17. This document has been sent to the company for review before it is published. This rereading didn't prompted the analyst to adjust his target price and his stock market recommendation
18. This document was sent to the company for a rereading prior to its publication. This rereading prompted the analyst to adjust his target price and his stock market recommendation
19. The stock has been the subject of a Public Offer presented by Société Générale in the last 12 months.

COMPANY	DISCLOSURES APPLICABLES
Equasens	1,3,6

HISTORICAL TARGET PRICE (12M)

Company	Date	Price (€)	TP (€)
Equasens	03/02/25	36.50	44.0
Equasens	10/01/25	40.75	49.0
Equasens	08/11/24	46.75	53.0
Equasens	10/07/24	49.55	54.0
Equasens	13/05/24	55.80	58.0
Equasens	07/02/24	48.30	59.0

HISTORICAL CHANGE OF OPINION (12M)

Company	Date	Previous	Current

VALUATION METHODOLOGY

DCF (44€, wacc : 10,5 %, LT EBIT margin: 23,5 %, LT growth rate: 1,5 %)

RISK(S)

Decrease in the number of pharmacies and already high equipment ratios