

Careium

Back to growth, but soft on earnings

- Q3 sales 3% below our ests. at SEK 214m, for 9.4% org. growth
- Adj. EBIT SEK 19m vs. ABGSCe 22m
- Trading at 9x-7x '25e-'26e EV/EBITA adj.

Solid growth, EBIT weighed down by financial leases

Careium delivered sales of SEK 214m (-3% vs ABGSCe 221m), corresponding to y-o-y organic growth ex. FX of 9.4% (-1.9pp vs ABGSCe 11.3%). Segment wise, service sales was SEK 147m (-11% vs ABGSCe 166m), and product sales was SEK 66m (20% vs ABGSCe 55m). UK & Ireland was the primary growth driver (17%), albeit from light comps (-19% Q3'24). Sales in Sweden were negatively impacted by the accounting of financial leases, which had an effect of SEK 21.9m, leading to negative sales growth in the Nordics of -14.2% y-o-y. Excluding the impact of the classification of financial leases, Careium comments that Nordics net sales would have increased 11%. The gross margin increased to 44.2% (0.1pp vs ABGSCe 44.1%). Opex came in at SEK -80m (7% vs ABGSCe -75m). EBIT amounted to SEK 14m (-36% vs ABGSCe 22m), however, affected by a one-off of SEK 4.6m related to the recent change of CEO. Adj. EBIT was therefore SEK 19m (-15% vs. ABGSCe 22m), for a margin of 8.8% (-1.3pp vs ABGSCe 10.1%), vs. 8.2% Q3'24.

Cash flow and outlook

FCF in Q3 amounted to SEK 14m, vs. ABGSCe SEK 23m. This is an increase of SEK 10.9m y-o-y. FCF was below our expectations, mainly due to the lower than expected earnings. Capex increased to SEK -20.4m vs -10.3m in Q3'24, as a lower number of contracts were classified as financial leases. We are encouraged by the strong sales in UK and Germany. The new CEO also commented that Careium is poised to participate in market consolidation, but should tread lightly when looking for M&A opportunities. Moreover, the company reiterates its targets for 2025. From Q1'26, the impact of financial lease accounting is expected to be significantly reduced.

Valuation and conference call details

On our pre-Q3 estimates, the share is trading at 9x-7x '25-'26e EV/EBITA adj. The negative mechanical effect for consensus '25e-'26e EBIT should be within a range between low teens to h.s.d. In addition, we expect more details about Q3 on the conference call at 10.30 CET. Link to the webcast [here](#).

Fast comment

Commissioned research

Not rated

IT

CARE-SE/CARE SS

Share price (SEK)	23/10/2025	24.20
MCap (SEKm)		589
MCap (EURm)		54
Net debt (SEKm)		182.50
No. of shares (m)		24.3
Free float (%)		62.9
Av. daily volume (k)		23

Next event Q3 Report 24 October 2025

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Deviation table

SEK m	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	ABGSCe		Deviation	
						Q3'25e	%	#	
Sales	202	229	207	202	214	221	-3%	-7	
COGS	-115	-127	-115	-115	-119	-124	-3%	4	
Gross profit	86	102	92	88	94	97	-3%	-3	
Opex	-70	-75	-76	-78	-80	-75	7%	-5	
Non-recurring items	0.0	0.0	0.0	0.0	-5	0.0	na	-5	
EBITDA	34	44	34	26	32	39	-19%	-7	
EBIT	17	27	17	10	14	22	-36%	-8	
Adj. EBIT	17	27	17	10	19	22	-15%	-3	
Net financials	-2.4	0.4	-7.1	-1.8	-3.6	-3.6	n.m.	0	
Pre-tax profit	14	27	10	8	11	19	-43%	-8	
Tax	-3	-4	-2	-2	-2	-4	-46%	2	
Net profit	11	23	8	6	9	15	-42%	-6	
Assumptions	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q3'25e	%		
Sales y-o-y	-7.2%	14.8%	-1.6%	-11.9%	5.9%	9.6%	-3.7pp		
Organic growth y-o-y	-7.9%	12.5%	-2.3%	-9.3%	9.4%	11.3%	-1.9pp		
Gross margin	42.7%	44.4%	44.5%	43.3%	44.2%	44.1%	0.1pp		
EBITDA margin	17.0%	19.1%	16.2%	13.0%	14.9%	17.7%	-2.8pp		
EBIT margin	8.2%	11.6%	8.0%	4.9%	6.7%	10.1%	-3.4pp		
Adj. EBIT margin	8.2%	11.6%	8.0%	4.9%	8.8%	10.1%	4.6pp		
Service sales	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q3'25e	%	#	
Nordics	94	88	81	82	80	90	-11%	-10	
UK & Ireland	46	51	52	41	41	49	-16%	-8	
Netherlands	20	21	21	21	21	22	-5%	-1	
Other	4.4	5.7	6.0	5.3	5.6	5.0	12%	1	
Total service sales	164.3	165.9	160.3	148.0	147.4	166.0	-11%	-19	
Product sales	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q3'25e	%	#	
Nordics	3.9	6.9	4.6	5.9	3.7	6.8	-46%	-3	
UK & Ireland	24	30	31	31	41	31	32%	10	
Netherlands	0.7	0.5	0.5	0.7	0.8	0.7	14%	0	
Other	9	26	12	16	21	17	27%	4	
Total product sales	37.4	63	47.2	54.2	66.4	55.1	20%	11	

Source: ABG Sundal Collier, company data

SEKm	2023	2024	2025e	2026e	2027e
Sales	825	871	871	949	1,021
Sales growth (%)	13.7	5.6	0.0	9.0	7.6
EBITDA	149	151	146	169	183
EBITDA margin (%)	18.0	17.3	16.8	17.8	17.9
EBIT adj.	59	84	79	98	107
EBIT adj. margin (%)	7.2	9.6	9.1	10.3	10.5
Pretax profit	53	78	63	83	92
EPS	1.68	2.53	2.06	2.71	3.01
EPS growth (%)	nm	50.7	-18.6	31.5	11.1
EPS adj.	2.22	2.81	2.14	2.77	3.07
DPS	0.00	0.00	0.00	0.00	
EV/EBITDA (x)	5.2	5.0	5.0	4.1	3.6
EV/EBIT adj. (x)	13.1	9.0	9.2	7.1	6.1
P/E (x)	14.4	9.6	11.8	8.9	8.1
P/E adj. (x)	10.9	8.6	11.3	8.7	7.9
EV/sales (x)	0.94	0.87	0.84	0.73	0.64
FCF yield (%)	10.5	6.3	8.1	8.6	10.3
Le. adj. FCF yld. (%)	3.6	-0.5	5.2	5.2	6.9
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Net IB debt/EBITDA (x)	1.3	1.1	0.9	0.6	0.4
Le. adj. ND/EBITDA (x)	1.2	1.1	0.9	0.6	0.3

Source: ABG Sundal Collier, Company Data

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