Generic Sweden

Fast comment

Gross margins up but costs weigh in Q4

Commissioned research

Not rated

IT

- Sales -1% and adj. EBITA -5% vs ABGSCe
- Gross profit of SEK 21.5m, up 5% y-o-y, and GM of 44%
- SaaS continues to grow, DOCS adoption >26% of municipalities

Q4'25 details

Generic reports Q4'25 sales of SEK 49.2m (-1% vs ABGSCe 49.7m), broadly in line with expectations. Gross profit came in at SEK 21.5m, up 5% y-o-y, with a gross margin of 44%. This was in line with expectations and confirms continued improvement in the underlying margin profile. Adj. EBITA came in at SEK 10.5m, reflecting higher operating expenses related to organisational changes. While this was expected, costs were slightly higher than we had anticipated. Reported adj. EBIT came in at SEK 10.4m, down 4% y-o-y, representing a margin of 21%.

Reaching gross margins of 43.6% (42.9% in Q4'24)

The continued expansion in gross margin to 43.6% is important, as Generic is steadily improving its mix, with SaaS products such as DOCS and SenderID contributing. DOCS continues to grow, with penetration of >26% municipalities, and we see continued room for expansion. While costs were somewhat higher than we estimated, we consider these investments necessary to build a more robust and scalable organisation.

Valuation

Generic is trading at 11-10x on '26e-'27e EV/EBITA on our unrevised estimates. SMS continues to face pricing sensitivity in the market, however, we expect volume to stabilise as the market normalise, penetration within niche customer segments increases, and RCS adoption in the Nordics gains traction. In our view, the key value driver is the SaaS products, and if execution remains solid and penetration continues to expand, we see potential for structurally higher margins over time.

Deviation table

SEKm	Q4'24	Actual Q4'25	y-o-y	ABGSCe Q4'25	Deviation vs. ABGSCe
Net sales	**47.8**	**49.2**	3%	**49.7**	-1%
COGS	-27.3	-27.7	2%	-27.9	0%
Gross profit	20.5	21.5	5%	21.9	-2%
OPEX	-9.9	-11.7	18%	-10.7	9%
adj. EBITA	**10.9**	**10.5**	-4%	**11.0**	-5%
EBIT	10.9	9.7	-11%	10.9	-11%
Net profit	**9.1**	**8.0**	-13%	**8.8**	-9%
Sales growth y-o-y	*24%*	*3%*	*-20.7pp*	*4%*	*-1.0pp*
Gross margin	*43%*	*44%*	*0.8pp*	*44%*	*-0.3pp*
adj. EBITA margin	*23%*	*21%*	*-1.6pp*	*22%*	*-0.9pp*
EBIT margin	*23%*	*20%*	*-3.0pp*	*22%*	*-2.3pp*

Source: ABG Sundal Collier, Company data

GENI-SE/GENI SS

Share price (SEK)	11/2/2026	47.00
MCap (SEKm)		578
MCap (EURm)		55
No. of shares (m)		12.3
Free float (%)		37.8
Av. daily volume (k)		15

Next event Q4 Report 12 February 2026

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SEKm	2023	2024	2025e	2026e	2027e
Sales	143	176	184	203	226
Sales growth (%)	*11.6*	*23.7*	*4.4*	*10.3*	*11.5*
EBITDA	29	34	41	47	55
EBITDA margin (%)	*20.6*	*19.4*	*22.2*	*23.2*	*24.1*
EBIT adj.	29	33	41	46	54
EBIT adj. margin (%)	*20.7*	*18.9*	*22.4*	*22.7*	*23.7*
Pretax profit	29	34	40	47	55
EPS	1.90	2.22	2.59	3.01	3.53
EPS growth (%)	*14.1*	*16.8*	*16.9*	*16.2*	*17.1*
EPS adj.	1.95	2.22	2.68	3.01	3.53
DPS	1.50	1.60	1.75	2.00	2.25
EV/EBITDA (x)	18.8	15.7	12.8	10.8	9.0
EV/EBIT adj. (x)	18.7	16.1	12.7	11.1	9.2
P/E (x)	24.8	21.2	18.1	15.6	13.3
P/E adj. (x)	24.1	21.2	17.5	15.6	13.3
EV/sales (x)	3.88	3.04	2.85	2.51	2.18
FCF yield (%)	3.5	3.8	5.7	6.0	7.3
Le. adj. FCF yld. (%)	3.5	3.8	5.7	6.0	7.3
Dividend yield (%)	3.2	3.4	3.7	4.3	4.8
Net IB debt/EBITDA (x)	-0.9	-1.2	-1.3	-1.4	-1.5
Le. adj. ND/EBITDA (x)	-0.8	-1.2	-1.3	-1.4	-1.5

Source: ABG Sundal Collier, Company Data

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