

Previews

Labomar (BUY)

Results Preview

Possible Surprise	Positive	Neutral	Negative
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Results due on 29 March: The company will release 2020 results today after the market close. We recall that in October 2019 Labomar closed the deal for the acquisition of the ImportFab assets consolidated from 1 November 2019. Therefore, for comparison purposes, we also report in our 2020E results preview table Labomar's 2019 pro-forma figures, assuming the ImportFab consolidation from January 2019. We estimate the group's top line to show a +25.8% yoy increase (+7.7% on a pro forma basis) mainly driven by the consolidation of ImportFab for the whole year and as a result of the rise in Labomar's share of wallet of the main clients, partially offset by the negative effect of the pandemic. As for the adjusted EBITDA margin, we would expect the group to show an increase of 120bps yoy benefiting from the better fixed costs absorption and from the structurally higher EBITDA margin of ImportFab vs. Labomar standalone. We expect the group's net debt to decline to EUR 2.8M at end-2020E vs. EUR 28.7M at 31 December 2019, mainly benefitting from the EUR 25M capital increase completed with the IPO.

What we think: We would not expect any surprises from 2020 results and we would focus attention on any updates on the 2021 outlook and on possible M&A actions.

Labomar - Key Data

29/03/2021	Healthcare		
Target Price (EUR)	8.6		
Rating	BUY		
Mkt price (EUR)	8.63		
Mkt cap (EUR M)	160		
Main Metrics (€ M)	2020E	2021E	2022E
Revenues	60.80	66.11	75.50
EBITDA	11.33	14.25	16.45
EPS (EUR)	0.33	0.35	0.41
Net debt/-cash	2.80	0.71	1.09
Ratios (x)	2020E	2021E	2022E
Adj. P/E	25.8	24.8	21.1
EV/EBITDA	14.3	11.2	9.8
EV/EBIT	22.9	16.9	14.6
Debt/EBITDA	0.25	0.05	0.07
Div yield (%)	1.2	1.2	1.4
Performance (%)	1M	3M	12M
Absolute	5.4	30.4	NA
Rel. to FTSE IT All Sh	-1.4	18.2	NA

Source: FactSet, Company data, Intesa Sanpaolo Research estimates

Intesa Sanpaolo is Specialist to Labomar

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Labomar - FY20 results preview

EUR M	FY19A	FY19PF	FY20E	FY20C	FY E/C %	FY yoy %	FY yoy % vs. 19PF
Net Revenue	48.3	56.6	60.8	61.0	-0.3	25.8	7.5
Value of Production	49.1	57.4	61.8	61.9		25.8	7.7
EBITDA	9.1	11.3	11.3	11.1	2.1	24.6	0.3
% on sales	18.5	19.7	18.3	17.9	-	-	-
adj. EBITDA	9.7	12.2	12.9	NA	-	33.4	5.9
% on sales	19.7	21.2	20.9	-	-	-	-
EBIT	5.8	7.4	7.1	6.9	2.6	21.6	-4.8
% on sales	11.8	13.0	11.5	11.1	-	-	-
adj. EBIT	6.4	8.3	8.6	NA	-	35.2	4.0
% on sales	13.0	14.5	14.0	-	-	-	-
PBT	5.6	6.7	6.2	NA	-	11.0	-8.3
Net Attrib. Inc.	4.1	5.0	5.2	4.9	5.2	24.4	2.9

NA: not available; NM: not meaningful; A: actual; E: estimates; C: Bloomberg consensus; Source: Company data and Intesa Sanpaolo Research