

SMS Lowers Expectations for the 2025/26 Financial Year and Announces New Major Sale

Last week, SMS announced that the company is lowering its expectations for the 2025/26 financial year due to increased global uncertainty, while it has also recently announced a new major sale.

SMS chose last week to downgrade its expectations for the 2025/26 financial year as a result of heightened global uncertainty, which in recent months has impacted investment appetite and financing conditions in the company's key markets. In the United States, SMS continues to be affected by trade barriers and protectionist trends, while geopolitical developments in the Middle East are intensifying, also influencing oil prices and overall market volatility and predictability.

The uncertain market conditions have led the company's partners to postpone planned investments and await greater clarity. As a result, SMS has lowered its expectations for the 2025/26 financial year from previously expecting revenue in the range of DKK 220–250 million to now expecting revenue of DKK 190–220 million. The company has also reduced its EBITDA expectations to DKK 0–5 million, compared to the previous DKK 11–15 million. It is worth noting that the uncertain market conditions also create increased potential in the company's rental business, while at the same time offering opportunities for attractive pricing and access to equipment that is normally unavailable. SMS states that the updated expectations reflect current market conditions but do not take into account any potential further deterioration in geopolitical circumstances.

The Chief Executive Officer of Scandinavian Medical Solutions A/S, Jens Hvid Paulsen, states:

We are operating in a period of exceptionally high geopolitical uncertainty, and we are feeling it directly in the market. Investments are being postponed, financing is more difficult to obtain, and customers are more cautious than usual. This is naturally a challenge that we take seriously. In the current situation, there is strong focus on balancing cost development with the continued need for experienced knowledge employees. At the same time, we are convinced that the crisis also creates opportunities. We are seeing increased interest in renting rather than purchasing equipment, which is positive for our rental business. On the procurement side, we also see opportunities for attractive prices and terms, as well as access to equipment that is normally not available. We are well positioned to navigate this environment and to create value when the market normalizes.

The CEO of Scandinavian Medical Solutions Inc., Jens Krohn, continues:

We are closely monitoring global economic developments and must acknowledge that the current uncertainty in the world is also affecting our activities. It is of course unfortunate to lower expectations, but it is prudent in a volatile market. We are

pleased that our core business remains robust, providing us with a solid foundation for the future.

SMS recently announced that the company has completed the sale of a total of two GE PET/CT scanners to a customer in the United States. The transaction arose from the customer's own inquiry, and SMS was able to act quickly due to its supplier network and strong market relationships. The order is in the range of DKK 5.0–8.0 million and does not affect the company's updated guidance.

Contacts

Email: markus@vaekstaktier.dk

Telephone: +45 50 42 99 18

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