



# DMS Group

BUY

Market Cap (€M)	34,6	Ticker	ALDMS-FR	Medtech
Target Price	2,00	Number of shares (in million)	26,65	
10/20/2025 Price	1,30 €	Average volume 12m (securities)	21 211	Research note
Upside	54%	Extreme 12m (€)	0,71€/1,46€	10/21/2025

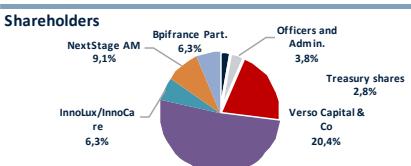
## FY 2025 driven by international markets

### Highlights

- FY 25 revenue of €50.0m, up +9% y/y
- North America (+71%) and Middle East (+85%)
- Target price reiterated at 2,0€

Financial summary (€m)				
3/12	2024	2025e	2026e	2027e
Sales	46,1	50,0	57,5	62,0
YoY chg (%)	9,4%	8,5%	14,9%	7,8%
EBITDA	2,7	4,0	5,5	6,2
% of sales	5,9%	8,1%	9,6%	10,0%
EBIT	-0,2	1,3	2,5	3,1
% of sales	-0,4%	2,5%	4,3%	5,0%
Net profit	-2,9	0,0	1,6	2,2
% of sales	-6,2%	0,0%	2,8%	3,6%
EPS (reported)	-0,13	0,02	0,05	0,08
ROCE (%)	-0,4%	2,7%	5,0%	6,1%
ROE (%)	-22,4%	0,1%	7,5%	9,5%
Gearing (%)	74,8%	22,5%	23,8%	16,3%
Net debt	10,6	4,7	5,4	4,0
Div/share (€)	0,0	0,0	0,0	0,0
Yield (%)				

Valuation metrics (x)				
	2024	2025e	2026e	2027e
EV/sales (x)	0,7	0,9	0,8	0,7
EV/EBITDA (x)	11,3	10,6	7,9	6,8
EV/EBIT (x)	ns	33,7	17,4	13,4
P/E (x)	ns	ns	21,8	15,5



### FY 2025 Revenue

DMS Group reported FY 2025 revenue of €50.0m, up +9% y/y. This performance came in slightly below our expectations (€51.3m, Euroland estimates). This level represents a historical high for the Group and reflects a sustained growth trajectory since 2022, with a 2022–2025 CAGR of +11%. Momentum accelerated markedly in H2 2025, with growth of +14% versus +3% in H1, illustrating a gradual recovery in activity despite a still-cautious European market environment.

In Q4 2025 alone, revenue reached €15.4m, up +17% y/y, confirming the sequential improvement observed since Q3.

### Resilient operations despite a subdued European backdrop

The Radiology business posted full-year revenue of €39.1m, up +9% y/y (vs. €35.9m in 2024). This is a notable achievement in the context of a cyclical downturn in the global radiology market. It was primarily driven by (1) the first deliveries under the Ukrainian contract for 120 “IM1 Adam” mobile units, with 5 out of 10 batches delivered by year-end 2025, and (2) the ramp-up in OEM sales in North America and the Middle East.

In Q4, Radiology revenue increased by +12%, reflecting a meaningful contribution from international deliveries at year-end. Adjusted for the one-off impact of the Ukrainian contract, we estimate that, on a like-for-like basis, the business was slightly down over the quarter. It nevertheless continued to significantly outperform the European market, which was characterised by a pronounced contraction in demand over the period.

The Bone Densitometry segment generated €10.9m over the year, corresponding to growth of +8% y/y. After being affected by supply-chain constraints on certain electronic components until the autumn, sales rebounded sharply in Q4 2025, with growth of +36%, signalling a return to a normalised delivery pace.



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## Confirmed international momentum

Geographically, in line with the trends observed in Q3, growth was primarily driven by North America (14% of FY 2025 revenue), where sales reached €6.9m for the year, up a strong +71% year-on-year. This performance reflects the ramp-up of OEM partnerships with Carestream, Fujifilm and Medlink, which continue to generate significant operating leverage in delivered volumes and enhance the Group's commercial visibility.

The Middle East (8% of FY 2025 revenue) also remained a highly dynamic region, with revenue of €3.8m, up +85% y/y, notably supported by the development of partnership-driven sales and resilient hospital investment in the area.

International markets now account for more than 80% of total revenue, compared with nearly 75% the previous year.

## Outlook and estimates

Against a still-constrained European market backdrop, the visibility provided by these international growth drivers reinforces DMS Group's ability to outperform its reference market while remaining in line with the growth objectives set out in the Imaging 2027 strategic plan.

For FY 2026, the Group intends to continue pursuing its international expansion strategy, which should remain the primary growth engine. This momentum will notably rely on (1) the continuation of deliveries under the Ukrainian contract in H1 2026, (2) the launch of the first sales of the !M1 mobile radiology system for JPI Healthcare Solutions, also expected during H1 2026, and (3) the implementation of the Danish framework agreement signed in partnership with Santax Medico, providing for the delivery of 20 to 30 units over a four-year period starting in 2026.

These factors lead us to reaffirm our FY 2026 revenue forecast of €57.5m, implying growth of +14.9%.

For FY 2025, we are slightly revising our earnings forecasts downward. We now expect EBITDA of €4.0m (versus €4.3m previously), corresponding to a margin of 8.1% (+220bps versus 2024), as well as operating income of €1.3m (versus €1.5m). Net income is now expected to break even at €0.0m, compared with €0.2m in our previous estimates.

## Recommendation

We reiterate our Buy recommendation with a target price of €2.0.



## Company profile

Founded in Montpellier in 1993, DMS Group is a medtech company specialising in the development, design, manufacture and marketing of medical imaging systems, primarily for digital radiology and bone densitometry. Since 2020, the Group has also been marketing a software suite, developed in-house, dedicated to the management of medical examinations. With more than 30 years' experience, DMS Group focuses on providing innovative, high added-value digital imaging solutions to ensure that healthcare professionals can make reliable diagnoses and provide better therapeutic follow-up for patients.

## Investment case

**A pure player in medical imaging.** In October 2022, the Group unveiled its new roadmap to establish DMS Group as a key European player in the global medical imaging industry. Named Imaging 2027, this ambitious strategic plan targets over €70.0 million in revenue and a 14% EBITDA margin by 2027, driven solely by organic growth. In this context, management has also decided to refocus on the medical imaging activities of its subsidiary, DMS Imaging (88.3% ownership), and has completed its divestment from its DMS Biotech business (stake in Hybrigenics).

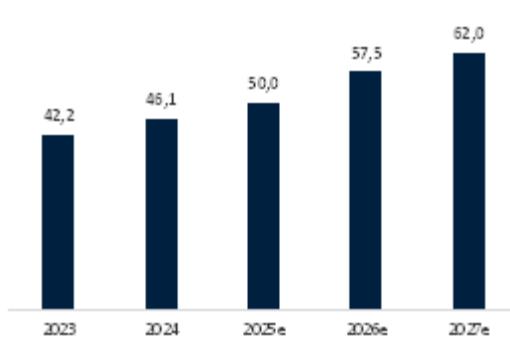
**High-profile partnerships.** DMS Group has developed recognized expertise, enabling it to establish a strong position in the medical imaging market. Thanks to the technological excellence of its innovative solutions and its flexibility, DMS Group has secured multiple commercial and industrial partnerships with major industry players such as Canon, Fujifilm, and Carestream.

**An innovative international group.** Leveraging its partnerships, the Group has a significant international presence. It relies on its new 6,000 m<sup>2</sup> production facility in Gallargues-le-Montueux, which employs 125 people and enables the production of up to 450 radiology tables per year. The Group also implements an ambitious innovation strategy. Driven by a top-tier R&D team (with 25% of its workforce dedicated to R&D) and sustained R&D efforts (~10% of revenue over the past five years), the company holds a portfolio of approximately 10 patents.

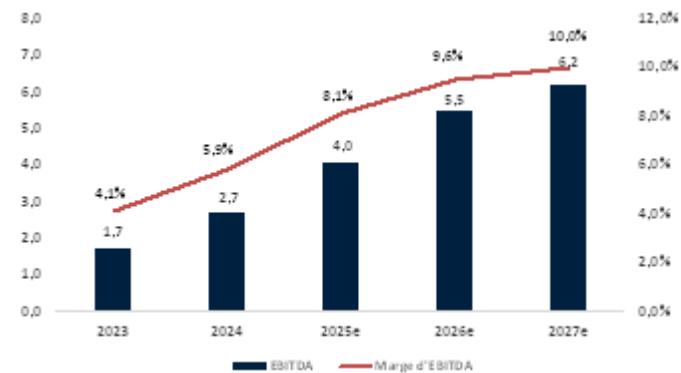
## Comparable valuation multiples

Société	Capitalisation	VE / CA		VE / EBITDA		VE / EBIT		P/E	
		2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e
Siemens Healthineers	54 561,4	2,8x	2,7x	2,5x	13,9x	13,0x	11,8x	17,8x	16,6x
Guerbet SA	186,3	0,7x	0,6x	0,6x	5,5x	4,8x	4,4x	16,5x	11,8x
Hologic, Inc.	13 706,1	4,0x	3,8x	3,6x	12,2x	11,7x	10,9x	13,2x	12,6x
GE Healthcare Technic	29 524,6	1,9x	1,8x	1,8x	10,8x	10,0x	9,3x	12,7x	11,7x
Arcoma AB	11,7	0,7x	0,7x	0,6x	5,8x	4,9x	4,3x	9,8x	7,6x
								6,0x	16,2x
								12,9x	10,8x

## Change in sales (€M) 2023-2027e



## Change in EBITDA (€M) 2023-2027e



P&L (€m)	2022	2023	2024	2025e	2026e	2027e
Sales	35,3	42,2	46,1	50,0	57,5	62,0
EBITDA	2,0	1,7	2,7	4,0	5,5	6,2
<b>EBIT</b>	<b>-0,3</b>	<b>-1,0</b>	<b>-0,2</b>	<b>1,3</b>	<b>2,5</b>	<b>3,1</b>
Operating income	-5,9	-2,3	-0,3	0,7	2,5	3,1
Net financial income (loss)	-0,8	-7,6	-2,3	-0,8	-0,7	-0,6
Tax	0,0	0,0	-0,2	0,1	-0,3	-0,3
Affiliates	-0,2	0,0	0,0	0,0	0,0	0,0
Minorities	-2,1	-0,1	0,1	0,0	0,0	0,0
<b>Net income, group share</b>	<b>-6,9</b>	<b>-4,9</b>	<b>-2,9</b>	<b>0,0</b>	<b>1,6</b>	<b>2,2</b>
Balance sheet (€m)	2022	2023	2024	2025e	2026e	2026e
Non current assets	24,9	19,5	23,6	23,8	23,8	23,6
Goodwill	1,0	4,7	8,0	8,0	8,0	8,0
Working capital	5,6	12,2	10,0	11,0	13,2	14,2
<b>Cash and cash equivalents</b>	<b>4,4</b>	<b>4,8</b>	<b>5,3</b>	<b>9,0</b>	<b>6,9</b>	<b>7,2</b>
Equity	18,2	13,7	14,2	21,1	22,6	24,8
Borrowings and financial debt	15,4	15,5	15,9	13,8	12,3	11,3
<b>Total balance sheet</b>	<b>53,9</b>	<b>51,1</b>	<b>53,9</b>	<b>59,9</b>	<b>61,8</b>	<b>64,3</b>
Cash flow statement (€m)	2022	2023	2024	2025e	2026e	2026e
Cash flow from operations	-1,3	-0,5	0,9	3,3	4,3	4,3
Change in working capital	2,3	-1,2	-1,2	-3,1	-1,7	-1,7
<b>Cash flow from operating activities</b>	<b>1,0</b>	<b>-1,6</b>	<b>-0,2</b>	<b>0,2</b>	<b>2,6</b>	<b>2,6</b>
CAPEX, net	-1,9	-2,6	-2,1	-1,4	-1,5	-1,5
Net financial investment	-1,2	1,1	0,0	0,0	0,0	0,0
<b>FCF</b>	<b>-3,1</b>	<b>-1,5</b>	<b>-2,1</b>	<b>-1,4</b>	<b>-1,5</b>	<b>-1,5</b>
Capital increase	5,9	0,0	0,0	0,0	0,0	0,0
Change in financial debt	-2,8	3,4	0,0	0,0	0,0	0,0
Dividends paid	0,0	0,0	0,0	0,0	0,0	0,0
<b>Cash flow from financing activities</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>
Change in cash and cash equivalents	3,1	3,5	0,0	0,0	0,0	0,0
Ratios	2022	2023	2024	2025e	2026e	2026e
<b>Sales growth (%)</b>	<b>-5%</b>	<b>20%</b>	<b>9%</b>	<b>21%</b>	<b>8%</b>	<b>8%</b>
EBITDA margin (%)	6%	4%	5%	8%	10%	10%
<b>EBIT margin (%)</b>	<b>-1%</b>	<b>-2%</b>	<b>-1%</b>	<b>2%</b>	<b>5%</b>	<b>5%</b>
Operating profit margin (%)	-17%	-5%	-1%	2%	5%	5%
Net margin (%)	-20%	-12%	-2%	1%	2%	2%
CAPEX (% sales)	5%	6%	5%	3%	3%	3%
Working capital (% sales)	16%	29%	29%	29%	30%	30%
ROCE (%)	-1%	-2%	-1%	3%	6%	6%
ROCE ex GW (%)	-1%	-3%	-1%	3%	7%	7%
ROE (%)	-44%	-40%	-7%	5%	10%	10%
Payout (%)	0%	0%	0%	0%	0%	0%
Dividend yield (%)	0%	0%	0%	0%	0%	0%
Leverage ratios	2022	2023	2024	2025e	2026e	2026e
<b>Gearing (%)</b>	<b>60%</b>	<b>112%</b>	<b>138%</b>	<b>140%</b>	<b>118%</b>	<b>118%</b>
Net debt/EBITDA (x)	5,6	8,9	8,0	4,1	2,8	2,8
Interest coverage (x)	2,6	2,7	3,1	6,2	8,2	8,2
Valuation	2022	2023	2024	2025e	2026e	2026e
Nb of shares (millions)	16,1	17,6	18,1	26,7	26,7	26,7
Average nb of shares (millions)	16,1	16,9	17,9	22,4	26,7	26,7
Price (annual average, €)	1,0	1,1	0,9	1,3	1,3	1,3
Average market capitalization (€m)	16,3	18,7	16,4	29,1	34,6	34,6
(2) Net debt (+)/ Net cash (-)	11,0	10,7	10,6	4,7	5,4	4,0
(3) Value of minorities	2,5	1,3	1,3	1,3	1,3	1,2
(4) Value of financial assets	1,7	0,5	0,4	0,4	0,4	0,4
EV = (1)+(2)+(3)-(4)	28,0	30,2	27,9	34,8	40,9	39,5
<b>EV/sales</b>	<b>0,8</b>	<b>0,8</b>	<b>0,7</b>	<b>0,9</b>	<b>0,8</b>	<b>0,7</b>
EV/EBITDA	14,7	18,6	11,3	10,6	7,9	6,8
<b>EV/EBIT</b>	<b>ns</b>	<b>ns</b>	<b>ns</b>	<b>33,7</b>	<b>17,4</b>	<b>13,4</b>
P/E	ns	ns	ns	1910,8	21,8	15,5
P/B	0,9	1,4	1,2	1,6	1,5	1,4
Per share data (€)	2022	2023	2024	2025e	2026e	2026e
<b>EPS (reported)</b>	<b>-0,1</b>	<b>-0,2</b>	<b>0,0</b>	<b>0,0</b>	<b>0,1</b>	<b>0,1</b>
Book value	1,1	0,8	0,6	0,6	0,7	0,7
Dividend	0,0	0,0	0,0	0,0	0,0	0,0



## Euroland Corporate company ratings :

EuroLand Corporate's recommendations cover the next twelve months and are defined as follows:

**Buy:** upside potential greater than 15% in absolute terms relative to the current share price, with good fundamentals.

**Hold :** upside potential between 0% and 15% in absolute terms relative to the current share price.

**Neutral:** share price potential between -5% and +5% absolute vs. current price.

**Underweight :** downside potential of between 0% and 15% in absolute terms relative to the current share price.

**Sell :** downside potential greater than 15% absolute relative to current share price, excessive valuation.

**Under review :** the recommendation is under review due to a capital transaction (takeover bid / public exchange offer / capital increase, etc.), a change of analyst or a temporary conflict of interest between Euroland Corporate and the issuer.

## Recommendation history :

BUY : Since 31/05/2023

Hold : (-)

Neutral : (-)

Underweight : (-)

Sell : (-)

Under review : (-)

## Valuation methods :

This research note may refer to valuation methods whose definitions are summarized below:

**1/ Comparables method :** the valuation multiples of the company under review are compared with those of a sample of companies in the same business sector, or with a similar financial profile. The average of the sample establishes a valuation benchmark, to which the analyst adds any discounts or premiums resulting from his or her perception of the specific characteristics of the company being valued (legal status, growth prospects, level of profitability, etc.).

**2/ NAV method :** Net Asset Value approach is an assessment of the market value of a company's balance sheet assets, using the method that appears most relevant to the analyst.

**3/ Sum of the parts method :** the sum of the parts consists in valuing a company's activities separately, using methods appropriate to each of these activities, and then adding them together.

**4/ DCF method :** the discounted cash flow method consists in determining the present value of the cash a company will generate in the future. Cash flow projections are established by the analyst on the basis of his or her assumptions and modeling. The discount rate used is the weighted average cost of capital, which represents the cost of the company's debt and the theoretical cost of equity estimated by the analyst, weighted by the weight of each of these two components in the company's financing.

**5/ Transactions multiples method :** the method consists of applying the multiples observed in previous transactions involving comparable companies to the company being valued.

**6/ Dividend discounting method :** the method consists of establishing the present value of the dividends that will be received by a company's shareholder, based on a dividend projection made by the analyst and a discount rate deemed relevant (generally the theoretical cost of equity).

**7/ EVA method :** the "Economic Value Added" method involves determining the annual increase in profitability generated by a company's assets in relation to its cost of capital (also known as "value creation"). This additional profitability is then discounted for future years at a rate corresponding to the weighted average cost of capital, and the result obtained is added to the company's net book value.

## DETECTION OF POTENTIAL CONFLICTS OF INTEREST

Corporate Finance	Intérêt personnel de l'analyste	Détenzione d'actifs de l'émetteur	Communication préalable à l'émetteur	Contrat de liquidité	Contrat Eurovalue*
Non	Non	Non	Oui	Non	Oui



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