

Trading statement for Q1 2024/25 (1 July - 30 September 2024)

Growth in revenue and operating profit

Revenue was up 27% in the first quarter of 2024/25 to DKK 115.6 million from DKK 91.1 million in the year-earlier period. The performance reflects growing sales of both instruments, consumables and services. Operating profit (EBITDA) was up 50% in the first quarter to DKK 62.1 million, driven by the revenue growth. The EBITDA margin was 54% for the first quarter.

	2024/25 Q1	2023/24 Q1	Change, %
Revenue, DKKm	115.6	91.1	+27
EBITDA, DKKm	62.1	41.5	+50
EBITDA margin (%)	54	46	

Highlights

- Revenue was up 27% in the first quarter of 2024/25 to DKK 115.6 million from DKK 91.1 million in the year-earlier period. The increase was also 27% assuming constant exchange rates.
- Sales of instruments grew by 61% in the first quarter to DKK 39.2 million from DKK 24.3 million. In the first quarter of 2024/25, ChemoMetec's new instruments, the XcytoMatic 30 (XM30) and the XcytoMatic 40 (XM40), continued to enjoy good interest and positive feedback, and contributed DKK 7.8 million to first quarter revenue. The NC-200 and NC-202 also contributed positively.
- Sales of consumables and services increased by 13% and 18%, respectively, in the first quarter.
- Revenue in ChemoMetec's core business area, LCB (Life science research, Cell and gene therapy and Bioprocessing), was up 29% in the first quarter. LCB market revenue accounted for 93% of total revenue in the first quarter.
- EBITDA amounted to DKK 62.1 million in the first quarter compared with DKK 41.5 million in the same period last year, and the EBITDA margin rose to 54% from 46% in the year-earlier period.
- The most recently announced full-year revenue and EBITDA guidance for 2024/25 (at 16 October 2024) is maintained. Accordingly, revenue for 2024/25 is expected in the DKK 445-460 million range and EBITDA is expected in the DKK 222-230 million range.

Revenue

At the end of the previous financial year, positive trends were beginning to emerge in ChemoMetec's markets, and these trends have continued into the 2024/25 financial year. In the first quarter of the financial year, the injection of capital to cell and gene therapy companies thus continued to develop positively, and our customers therefore have the opportunity to gradually increase their level of activity and investments.

In the first quarter, we significantly focused on increasing revenue, not least revenue from instrument sales. Initiatives to drive sales included a further strengthening of the research department that supports a data-driven sales process for both new and existing products.

Revenue by product segments and geography

Revenue was DKK 115.6 million in the first quarter of 2024/25 which was a year-on-year increase of 27% from DKK 91.1 million in the first quarter of 2023/24. The increase was mainly driven by growing sales of instruments across all three regions; USA/Canada, Europe and the rest of the world (RoW).

Revenue was also up 27% for the first quarter assuming constant exchange rates.

Product segments

Sales of instruments were up 61% in the first quarter to DKK 39.2 million from DKK 24.3 million in the year-earlier period. The increase was driven by higher sales across instrument types. The NC-200 and the NC-202 as well as the new XM30 and XM40 instruments all contributed positively to the revenue growth.

The gradual launch of the XM30 and the XM40 is still proceeding according to plan, and customers continue to show a good deal of interest in the two new instruments. Combined sales of the XM30 and the XM40 instruments amounted to DKK 7.8 million, of which sales in the North American market accounted for DKK 5.8 million.

The NC-202 instrument generated the largest proportion of total instrument sales (30%). Sales of instruments accounted for 34% of total revenue in the first quarter of 2024/25, against 27% in the year-earlier period.

Sales of consumables, comprising cassettes, glass counting chambers, reagents and test kits, rose by 13% to DKK 48.7 million in the first quarter to account for 42% of revenue compared with 47% in the year-earlier period.

Sales of services, including service contracts, continued to develop satisfactorily. First quarter sales of services amounted to DKK 26.7 million, a year-on-year increase of 18%. Revenue from services accounted for 23% of total revenue in the first quarter, compared with 25% in the year-earlier period.

Geography

ChemoMetec's largest geographical market is the USA/Canada, which accounted for 59% of revenue in the first quarter. Revenue in the USA/Canada rose by 26% from DKK 54.6 million to DKK 68.6 million. The increase was mainly driven by a 100% rise in sales of instruments from DKK 11.6 million in the first quarter last year to DKK 23.2 million. Sales of consumables and services increased by 2% and 12%, respectively.

In the European market, revenue was up 29% to DKK 36.4 million from DKK 28.2 million in the year-earlier period. The revenue momentum in the European market was attributable to growing sales of instruments, consumables and services, which were up 30%, 26% and 34%, respectively.

In the RoW region, revenue rose by 28% from DKK 8.3 million to DKK 10.6 million, driven by increases in sales of instruments and consumables of 15% and 37%, respectively. Sales of services remain very limited in the RoW region.

Revenue broken down by product segments and geography for the first quarter of 2024/25:

DKKm	USA/Canada	Europe	RoW	2024/25	2023/24	Change %
				Q1 Total	Q1 Total	
Instruments	23.2	12.2	3.8	39.2	24.3	+61
Consumables	26.3	15.7	6.7	48.7	43.1	+13
Services	18.4	8.2	0.1	26.7	22.7	+18
Other	0.7	0.3	-	1.0	1.0	0
Total	68.6	36.4	10.6	115.6	91.1	+27

Revenue broken down by product segment and business area

In the largest business area, LCB, first quarter revenue was up 29%. The growth was driven by increasing sales of both instruments, consumables and services. In production and quality control of animal semen, revenue was down 4.4%, whereas revenue in production control of beer and quality control of milk was up 48%, albeit from a low level. In the first quarter, the LCB business area accounted for 93% of total revenue, semen analysis accounted for 5% and the remaining business areas combined accounted for just over 2%.

Revenue broken down by product segments and business area for the first quarter of 2024/25:

DKKm	LCB market	Animal semen*	Beer and milk**	2024/25	2023/24	Change %
				Q1 Total	Q1 Total	
Instruments	37.8	0.4	1.0	39.2	24.3	+61
Consumables	41.9	5.8	1.0	48.7	43.1	+13
Services	26.7	-	-	26.7	2.7	+18
Other	0.9	0.1	-	1.0	1.0	0
Total	107.3	6.3	2.0	115.6	91.1	+27

* Production control and quality control of animal semen

** Production control of beer and quality control of milk

EBITDA

EBITDA grew to DKK 62.1 million in the first quarter, a year-on-year increase of 50% from DKK 41.5 million. The EBITDA margin was 54%, against 46% in the year-earlier period.

As expected, ChemoMetec's cost level was affected by higher sales activity in the first quarter. However, total staff costs were in line with the cost level in the same period last year.

Events after the balance sheet date

On 22 October 2024, ChemoMetec announced that all shareholders of the Belgian company Ovizio Imaging Systems SA had accepted ChemoMetec's offer to purchase 100% of the share capital for EUR 2,830,000 after which the acquisition was finalised on that day.

Ovizio has developed a cell counter based on holographic microscopy. The instrument is primarily used in bioprocessing and in cell and gene therapy. Ovizio's product is connected directly to the customers' bioreactors via a disposable item, which is supplied sterilised and with a high degree of cleanness. With the cell counter, cells can be continuously extracted from the bioreactor for analysis and subsequently returned to the bioreactor. Ovizio has a number of respected customers in the pharmaceutical and biotech industries. In 2023, the company reported revenue of EUR 1.4 million, of which a substantial part was generated through sales of consumables and service contracts.

The acquisition of Ovizio is not expected to affect ChemoMetec's most recent profit guidance and will be discussed in more detail in the interim report for the first half of 2024/25.

Guidance for 2024/25

On 16 October 2024, ChemoMetec upgraded the full-year 2024/25 revenue guidance to a range of DKK 445-460 million from the DKK 435-450 million range announced in the 2023/24 annual report. On the same occasion, the EBITDA guidance was upgraded to a range of DKK 222-230 million from the previously guided range of DKK 216-223 million.

The most recent revenue and EBITDA guidance is maintained.

Additional information

Martin Helbo Behrens, CEO

Tel.: (+45) 48 13 10 20

Kim Nicolajsen, CFO

Tel.: (+45) 48 13 10 20

About ChemoMetec A/S

ChemoMetec develops, manufactures and markets instruments for cell counting and a wide range of other measurements. ChemoMetec's instruments are marketed to the pharmaceutical, biotech and agricultural industries worldwide. ChemoMetec's customers include some of the world's leading pharmaceutical companies.

ChemoMetec was founded in 1997 and is listed on Nasdaq OMX Copenhagen. For further information, go to www.chemometec.com.