

Morning Note – 7th January 2025

SPINEGUARD

Extension of strategic partnership with Omnia Medical

- Close collaboration to launch PsiFGuard in the US
- Sacroiliac fusion: a place to take
- A reassuring outlook

A successful trial run with Omnia Medical

Last night, SpineGuard announced the extension of its strategic partnership with Omnia Medical, a US-based company developing innovative products for spinal surgery, with whom an agreement had been signed in September 2022 for the co-development and marketing of two devices (guided drilling for sacroiliac fusion and Smart pedicle screw). As a reminder, SpineGuard's DSG technology optimizes implant positioning and limits the use of X-rays during surgery. Two years after the start of the collaboration, SpineGuard announced the green light from the FDA for PsiFGuard, a revolutionary device to secure the placement of implants for sacroiliac fusion. The two partners are today reinforcing their collaboration for the commercial launch in the United States, with SpineGuard staff joining Omnia Medical to support with their expertise and optimize the chances of success in the field. Initial feedback from surgeons has been very positive, with PsiFGuard meeting a real need.

This announcement highlights the excellent synergy between the partners and their ability to work together. It's a very positive signal, which points to major advances in the field, with, in the short term, the official launch of PsiFGuard at a congress by the end of January (North American Neuromodulation Society). The press release also refers to SpineGuard's involvement in other products and geographical areas, without giving any details.

PsiFGuard: the right device for delicate surgery

In a previous note, we spoke of the need and expectations of surgeons to optimize the positioning of implants to fuse the sacrum and iliac wing, thus resolving the recurrent and disabling pain associated with this joint (cartilage degeneration and buttock pain). This pathology accounts for 10 to 15% of lumbar pain and represents a market estimated by the Spinemarket Group at USD740m in 2032. In our view, the combined Implant + PsiFGuard offering can claim a very respectable place in this market in the years to come.

Valuation and rating

An extension of collaboration is obviously good news, and PsiFGuard's prospects are very reassuring. In 2025, we should see the first effects in terms of revenues, a contribution already included into our model. Our confidence in the company remains unchanged, and we reiterate our positive opinion on the share.

Next communication : Q4 revenues – January 10th

France - Medtech

Buy

Fair value (EUR)	0.75
Price (EUR)	0.2235
Upside/down side	+235.6%

Lionel Labourdette, PhD, MBA

lionel@biostrategic-research.com

+33 617 965 019

Stock data (2025-01-06)

ISIN	FR0011464452
Ticker	ALSGD.PA
Price (EUR)	0.2235
Market capitalisation (EURm)	12.0
Free float (%) est.	95.2
Floating capitalisation (EURm)	11.4
Number of shares (,000)	53,501
Average daily volume (3 m)	354,908

12m performance



Change (%)	1 m	3 m	12m
Absolute	-2.8	-20.2	-2.8
Rel. to CAC SM190	-3.7	-17.5	1.3
Rel. to Next Biotech	-6.3	-40.7	-38.7

Financials (31/12)

EURm	2023	2024E	2025E	2026E
Sales	4.3	5.4	7.0	8.5
EBITDA	-3.7	-2.6	-1.5	-0.6
EBIT	-4.0	-2.9	-1.8	-1.0
Net income	-4.2	-3.2	-2.0	-1.1
EPS (EUR)	-0.08	-0.06	-0.03	-0.02
Net debt	-0.8	0.4	1.2	0.8

Key ratios

	2023	2024E	2025E	2026E
EV/Sales	2.0x	2.0x	1.7x	1.3x
EV/EBITDA	na	na	na	na
EV/EBIT	na	na	na	na
PER	na	na	na	na
ROIC	na	na	na	na
ROE	na	na	na	na
EV/IC	1.7x	2.1x	2.3x	2.2x
Gearing	-13%	7%	31%	19%

Profit and Loss

As of 31/12 (EURm)	2019	2020	2021	2022	2023	2024E	2025E	2026E
Sales	6.83	4.85	4.41	5.60	4.31	5.39	6.99	8.49
Change n-1	-9.9%	-29.0%	-9.2%	27.1%	-23.0%	25.1%	29.6%	21.3%
Other revenues	-	-	-	-	-	-	-	-
Total revenues	6.83	4.85	4.41	5.60	4.31	5.39	6.99	8.49
Gross margin	5.77	4.04	3.61	4.71	3.38	4.37	5.85	7.19
EBITDA	-0.14	-1.49	-1.04	-1.37	-3.68	-2.56	-1.45	-0.59
Change n-1	84%	-993%	30%	-31%	-169%	31%	43%	59%
Depreciation & amortisation	0.30	0.35	0.31	0.43	0.16	0.25	0.25	0.26
Goodwill	-	-	-	-	-	-	-	-
EBIT	-0.43	-1.84	-1.35	-1.66	-3.98	-2.93	-1.83	-0.98
Change n-1	61%	-326%	27%	-23%	-139%	26%	37%	46%
Net financial income	-0.64	-0.84	-0.30	-0.43	-0.23	-0.20	-0.13	-0.06
Minorities	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Net profit before tax	-1.07	-2.68	-1.65	-2.09	-4.20	-3.14	-1.96	-1.05
Tax	0.39	-0.04	-0.08	-0.30	0.02	-0.07	-0.07	-0.07
Net in come	-0.69	-2.72	-1.72	-2.39	-4.18	-3.21	-2.03	-1.12
Change n-1	71%	-296%	37%	-39%	-75%	23%	37%	45%
EPS	-0.05	-0.12	-0.06	-0.07	-0.09	-0.06	-0.03	-0.02
EPS fully diluted	-0.05	-0.10	-0.05	-0.07	-0.08	-0.06	-0.03	-0.02
Gross margin (% of sales)	84.5%	83.2%	81.9%	84.2%	78.3%	81.0%	83.6%	84.8%
EBITDA (% of sales)	na	na	na	na	na	na	na	na
EBIT (% of sales)	na	na	na	na	na	na	na	na
Net margin (% of sales)	na	na	na	na	na	na	na	na

Cash Flow statement

Au 31/12 (MEUR)	2019	2020	2021	2022	2023	2024E	2025E	2026E
Net income	-0.69	-2.72	-1.72	-2.39	-4.18	-3.21	-2.03	-1.12
Depreciation and amortisation	0.30	0.35	0.31	0.43	0.16	0.25	0.25	0.26
Goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Change in WCR	0.27	0.64	-0.09	-0.51	-0.10	-0.48	-0.28	-0.32
Others	0.71	1.04	0.35	1.07	0.51	0.43	0.36	0.29
Cash-flow from operations	0.60	-0.68	-1.16	-1.40	-3.62	-3.01	-1.70	-0.89
Capex	-0.08	-0.05	-0.04	-0.14	-0.07	-0.08	-0.08	-0.08
Free cash flow	0.52	-0.73	-1.19	-1.54	-3.69	-3.09	-1.78	-0.97
Acquisitions	-	-	-	-	-	-	-	-
Divestments	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Capital increase	1.75	1.75	6.51	1.20	4.77	1.50	1.00	1.00
Financing (bank and others)	0.22	0.00	-	-	-	-	-	-
Others	-1.54	-0.99	-0.91	-1.09	-1.09	-0.65	-0.61	-0.08
Change in cash over the period	0.96	0.03	4.41	-1.44	-0.01	-2.24	-1.40	-0.04
Opening cash position	1.16	2.12	2.15	6.56	5.12	5.11	2.87	1.48
Closing cash position	2.12	2.15	6.56	5.12	5.11	2.87	1.48	1.43

Balance sheet

Au 31/12 (MEUR)	2019	2020	2021	2022	2023	2024E	2025E	2026E
Fixed assets	0.63	0.50	0.37	0.28	0.23	0.14	0.05	-0.05
Intangible assets	0.72	0.69	0.89	1.27	1.24	1.03	0.82	0.61
Goodwill	3.08	3.08	3.08	3.08	3.08	3.08	3.08	3.08
Financial assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventories	0.66	0.66	0.68	0.87	0.95	0.84	1.09	1.32
Account receivables	0.95	0.71	0.62	1.10	0.75	1.06	1.37	1.66
Other receivables	0.55	0.67	0.57	0.63	0.73	0.56	0.70	0.91
Cash and cash equivalents	1.40	1.22	5.21	4.12	3.89	1.65	0.26	0.21
Prepaid expenses	-	-	-	-	-	-	-	-
Other non-current assets	0.50	0.51	0.48	0.17	0.17	0.17	0.17	0.17
Total assets	8.50	8.06	11.90	11.50	11.04	8.53	7.54	7.92
Equity	0.59	-0.01	5.06	5.14	6.03	4.92	3.93	4.24
Others	-	-	-	-	-	-	-	-
Provisions	0.05	0.05	0.05	0.18	0.03	0.16	0.29	0.42
Financial debt	6.08	5.64	4.47	3.83	3.09	2.02	1.47	1.00
Account payables	1.04	1.34	1.00	1.14	1.21	0.68	0.89	1.08
Other debts	0.62	0.88	1.00	1.00	0.67	0.75	0.97	1.19
Deferred income and other liabilities	0.11	0.15	0.32	0.21	-	-	-	-
Total liabilities	8.50	8.06	11.90	11.50	11.04	8.53	7.54	7.92

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Société Anonyme au capital de 37.092.080 €
Code établissement bancaire n°11 238
RCS Paris 382 490 001
7. place Vendôme - F 75041 Paris Cedex 01 – France
Tél. : +33 1 53 29 14 14

BioStrategic Partners SAS

Société par Actions Simplifiée au capital de 30. 000 €
RCS Paris 530 430 487
140 bis. rue de Rennes - F 75006 Paris – France
Tél. : +33 6 17 96 50 19

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