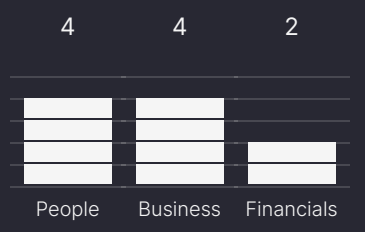
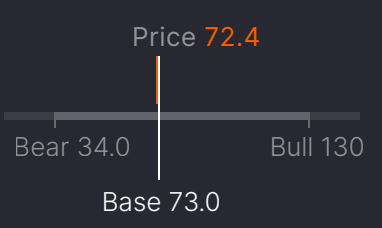
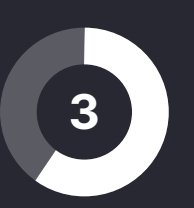
REDEYE

W5 Solutions

Research Note







Performance VS OMXS30



Share Information

Share Price SEK	**72.4**
Number of shares (M)	**16.0**
Marketplace	**First North Stockholm**
CEO	**Evelina Hedskog**
Chairman	**Anders Lundström**

Key Stats

Market Cap	**1.1 BSEK**
Entprs. Value (EV)	**1.2 BSEK**
Net Debt (2024Q4)	**50.0 MSEK**
30 Day Avg Vol	**112 K**
Dividend Yield	**N/A**

Top Holders

Name	Ownership
Cajory Defence AB	19.92%
DT2W Invest	11.44%
Nvest Sverige AB	8.67%
Ingvar Jensen	6.09%
Carl Douglas	5.96%
Avanza Pension	4.01%
Berenberg Funds	3.65%
Familjen Douglas	3.07%
Thomas Wernhoff	1.88%
Nordnet Pensionsförsäkring	1.71%

W5 Solutions: Soft topline, continued good order intake

Redeye comments on W5's Q1-results which were softer than expected while the order intake remained solid.

W5 Solutions reported topline of SEK85m and EBIT of -SEK3.1m while Redeye expected SEK105m and -SEK2.2m, respectively. Q1 is usually the seasonally slowest quarter of the year while W5 further highlighted that the company is tied-up in longer term customer projects which also impacted revenue generation in the quarter. While topline was soft, the gross margin was solid at 62% which was above our forecast of 60% and up from 51% in Q4 2024. Overall opex was also largely as expected which resulted in an EBIT that was close to our forecast. The company continued to generate a solid order intake of SEK109m, up from SEK75m in Q1 2024. While the order intake was down from SEK171m in Q4 2024, this was mostly due to a lack of larger orders. The company stated that it has seen a good flow of medium-sized orders with short turnaround times and deliveries during 2025. This supports our view that the company should see improved performance in the coming quarters.

Coming to the outlook, W5 comments that it is in a good position with a growing order book and a stronger product portfolio while adding that focus in the near-term is to convert the orderbook to revenue and profitability. Still, Redeye expects to lower its estimates on the back of the softer-than-expected revenue in Q4. The table below summarizes Q1-results outcome compared to our forecast.

W5 Solutions results outcome

SEKm	**Q1 24**	**Q2 24**	**Q3 24**	**Q4 24**	**Q1 25E**	**Q1 25A**	**Diff, %**
Net Sales	**95.0**	**97.7**	**66.8**	**131.2**	**104.5**	**84.5**	***-19%***
Growth Y/Y (%)	*34%*	*-13%*	*-12%*	*2%*	*10%*	*-11%*	
COGS	-40.7	-37.2	-26.2	-64.0	-41.8	-31.8	*-24%*
Personnel costs	-34.8	-43.0	-33.0	-40.0	-40.4	-39.0	*-3%*
Other costs	-17.2	-19.8	-15.6	-27.8	-18.0	-20.1	*11%*
EBITDA	**4.5**	**2.3**	**-2.8**	**10.2**	**5.3**	**0.7**	***-87%***
EBITDA (%)	*5%*	*2%*	*-4%*	*8%*	*5%*	*1%*	
D&A	-12.5	-12.5	-12.6	-10.8	-7.5	-3.8	*-49%*
EBIT	-8.0	-10.3	-15.4	-0.6	-2.2	-3.1	*41%*
EBIT %	*-8%*	*-11%*	*-23%*	*0%*	*-2%*	*-4%*	
Net income	-11.8	-8.1	-14.7	-11.2	-1.7	-4.3	*n.m.*
EPS, SEK	-0.78	-0.70	-0.97	-0.06	-0.10	-0.27	*n.m.*

Source: Redeye Research

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More research on W5 Solutions

Scan the QR code to access all Redeye publications and research tools regarding W5 Solutions.

redeye.se/company/w5-solutions-2

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