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Corporate Research

Inderes

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Growth in recurring revenue, flat in project revenue in August

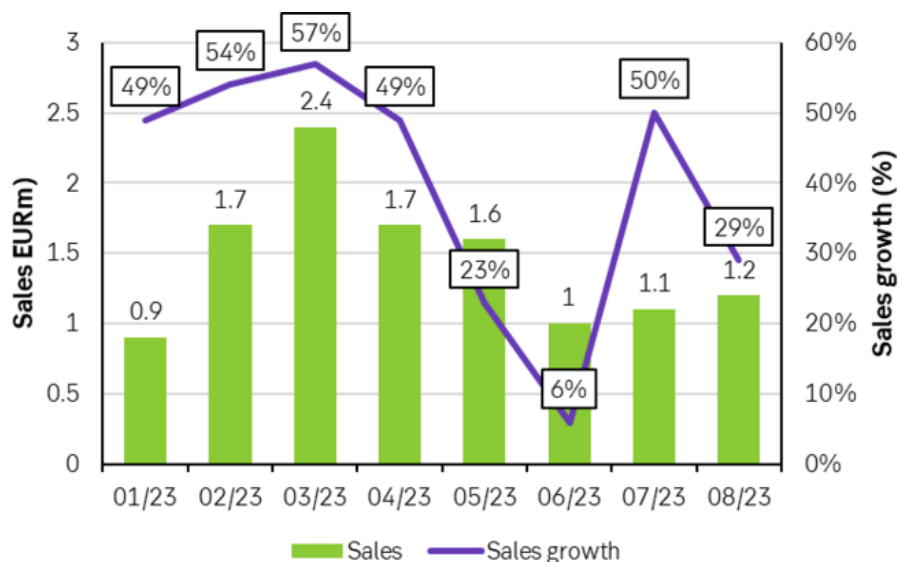
Inderes delivered EUR 1.2m sales in August, indicating 29% growth driven by recurring revenue and acquisitions. Project revenue remained flat year-on-year. The august sales number indicates that rather similar growth would be needed to make it to our Q2 estimate. However, we see that September is a seasonally bigger month for the Finnish business but smaller for Sweden. All in all, we call August broadly in line.

29% growth in August

Inderes reported EUR 1.2m sales in August, indicating some 29% sales growth y-o-y. Sales growth was driven by recurring revenue growth and Financial Hearings and Streamfabriken acquisition. However, project revenue was reflecting the challenging market situation and was flat year-on-year. The August print leaves rather similar year-on-year delta to (EUR 0.4m, or close to 30% growth vs EUR 0.3m and

29% growth in August) for September to meet our Q2 estimate. However, we note that September is seasonally bigger month for Inderes in Finland with more events and e.g., CMDs but weaker for Sweden with no reporting season - meaning that the Finnish business must grow a bit faster to meet our estimate.

Inderes 2023 sales growth by months



Source: SEB, Inderes

Key figures

(EURm)	2022	2023E	2024E	2025E
Revenues (m)	14	18	20	22
Adj. EBIT	1	3	4	4
PTP (m)	1	1	2	4
EPS	0.23	0.47	1.05	1.62
EPS (adjusted)	0.50	1.08	1.67	2.24
DPS	0.82	0.85	0.90	1.00
Revenue growth (%)	14.3	34.8	8.2	9.7
EPS growth (%)	(50.2)	117.5	53.8	34.0
Operating margin (%)	6.0	8.8	11.8	16.2
ROCE (%)	15.5	23.9	34.5	33.5
Net Debt/EBITDA (x)	(1.2)	(0.8)	(0.0)	(0.1)

Key figures

PER (adjusted)	51.1	20.9	13.6	10.2
Dividend yield (%)	3.2	3.7	4.0	4.4
Free Cash Flow Yield (%)	2.3	4.9	(2.1)	5.1
P/BV (x)	5.4	5.2	4.9	4.3
EV/EBIT (x)	31.4	14.0	10.7	10.0
EV/Sales (x)	3.04	1.97	1.93	1.74

Source: SEB

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