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Corporate Research

Inderes

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Q1: In-line report

Inderes delivered a Q1 report well in line with our estimates. Rounded off, sales were a notch higher than our estimate, while EBITA missed by tens of thousands of euros. The number of commissioned research contracts was also in line. Guidance was reiterated and we flag that sales growth should pick up from Q2 as AGM season was more skewed towards Q2 this year. All in all, we expect a neutral reaction and at first glance believe that estimate revisions should be small.

Outcome: Q1 sales in line, EBITA marginally below

Inderes posted Q1 sales of EUR 5.0m, in line (+1.6%) with our estimate of EUR 4.9m. Jan-Feb sales data had already been reported and March sales came in at EUR 2.3m vs. SEB est. of EUR 2.2m (we call the deviation a rounding 'error'). The y/y sales growth in Q1 was just 0.6%, which was negatively impacted by the timing of Easter (AGM season tilted toward April). Our understanding is that Inderes delivered sales growth in commissioned research and IR software, of which the latter is still in a very early phase. The

Swedish revenue landed at EUR 1.0m, in line with our estimate. Also the split between recurring revenue and project revenue was broadly in line with our expectation and the tiny beat in sales looks to come from project revenue. The number of commissioned research agreements was flat q/q at 145 agreements (SEB est. 145 agreements). Noteworthy that the agreements in Finland declined due to some listed companies being acquired. However, the positive note is that this was replaced with new Swedish contracts. Q1 EBITA came in at EUR 0.6m and was in line with our estimate in rounded numbers. But personnel costs were marginally higher than we had expected and EBITA was some 9% below our estimate in relative terms. During the past 12 months Inderes delivered services for 429 listed companies, which is slightly up from the Q4/23 print of 427 companies. Active members of Inderes' community remained flat q/q at 74,000.

Inderes Q1/24 deviation table

| EURm | Q1/24 | | Deviation SEB | | Q1/23 | | Q4/23 | |
|--|--------|-------|---------------|---------|--------|---------|--------|---------|
| | Actual | SEB | Abs | Rel (%) | Actual | y/y (%) | Actual | q/q (%) |
| Net sales | 5.0 | 4.9 | 0.1 | 1.6 | 5.0 | 0.8 | 4.2 | 19.1 |
| Materials and services | -0.9 | -0.9 | 0.0 | -0.6 | -1.0 | 6.8 | -0.5 | -76.2 |
| Gross profit | 4.1 | 4.0 | 0.1 | 1.8 | 3.9 | 2.8 | 3.7 | 10.8 |
| Personnel expenses | -2.7 | -2.6 | -0.1 | -2.9 | -2.5 | -5.3 | -2.6 | -3.2 |
| Other operating costs | -0.7 | -0.7 | -0.1 | -8.0 | -0.7 | -9.1 | -0.8 | 1.6 |
| EBITA | 0.6 | 0.6 | -0.1 | -9.3 | 0.7 | -13.8 | 0.2 | 135.3 |
| EBITA adjusted | 0.6 | 0.6 | -0.1 | -9.3 | 0.7 | -13.8 | 0.2 | 135.3 |
| EBIT reported | 0.3 | 0.4 | -0.1 | -16.0 | 0.4 | -22.9 | 0.0 | 1715.8 |
| Adj. EBITA margin | 11.3% | 12.7% | | -1.4pp | 13.3% | -1.9pp | 5.7% | 5.6pp |
| No. of commissioned research companies | 145 | 145 | 0.0 | 0.0 | 141.0 | 2.8 | 145.0 | 0.0 |

Source: Company, SEB

Outlook: Guidance reiterated, we see growth picking up from Q2 onwards

Inderes reiterated its FY guidance and sees sales growing from 2023 (EUR 17.2m) and the EBITA margin improving from the 2023 level (10.6%). We expect sales growth of 6% (sales of EUR 18.5m) and EBITA margin of 12.9%. Despite reported growth being muted (0.6%), we flag that the AGM season this year is more skewed to Q2 and hence we believe that growth should pick up from Q2 onward. Looking at H2, we believe that growth will be driven by IR software and the Swedish operations.

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