

11 November 2024

Commissioned research: Investors House – Q3 results somewhat below our estimates, 2024 guidance reiterated as expected

Marketing material commissioned by Investors House

Investors House reported Q3 revenues of EUR 2.4m, 10% below our EUR 2.7m estimate. Net operating income was EUR 1.3m, which was up from EUR 0.5m y/y but below our EUR 1.6m estimate. Real Estate division posted EUR 1.8m in sales versus our EUR 1.9m estimate. The Services segment posted weaker sales and EBIT than we estimated with EBIT of EUR -0.1m versus EUR +0.1m a year ago. Adjusted group EBIT was EUR 1.0m versus our EUR 1.4m estimate. EPS for Q3 was EUR 0.14 versus our EUR 0.13 estimate. Operationally, the results were weaker than we expected for both divisions. The guidance for 2024 was reiterated, as expected: earnings will increase significantly compared to 2023 (2023: EUR 3.5m) thanks to the significant asset disposal and revaluation gains in H1. YTD, the company has posted net earnings of EUR 7.6m and we forecast EUR 8.8m for 2024. The equity ratio improved q/q from 46% in Q2 2024 to 49%. We expect an initial slightly negative share price reaction.

INVESTORS HOUSE: DEVIATION TABLE

| | Actual | NDA est. | Deviation | | Actual | | Actual | |
|----------------------|---------|----------|------------|------|---------|------|---------|------|
| EURt | Q3 2024 | Q3 2024E | vs. actual | | Q2 2024 | q/q | Q3 2023 | y/y |
| Sales | 2,426 | 2,706 | -280 | -10% | 3,082 | -21% | 1,648 | 47% |
| EBIT adj. | 1,047 | 1,436 | -389 | -27% | 1,814 | -42% | 768 | 36% |
| Net operating income | 1,311 | 1,596 | -285 | -18% | 1,905 | -31% | 540 | 143% |
| EPS, EUR | 0.14 | 0.13 | | 8% | 0.91 | -85% | 0.08 | 72% |

Source: Investors House and Nordea

SUMMARY TABLE - KEY FIGURES

| EURt | 2021 | 2022 | 2023 | 2024E | 2025E | 2026E |
|------------------------------|--------|--------|--------|--------|--------|--------|
| Total revenue | 8,043 | 7,603 | 6,857 | 10,323 | 11,591 | 11,823 |
| EBITDA (adj) | 4,149 | 2,260 | 3,897 | 5,582 | 5,195 | 5,374 |
| EBIT (adj) | 4,149 | 2,260 | 3,897 | 5,582 | 5,195 | 5,374 |
| EBIT (adj) margin | 51.6% | 29.7% | 56.8% | 54.1% | 44.8% | 45.5% |
| EPS (adj, EUR) | 0.53 | 0.27 | 0.54 | 0.46 | 0.37 | 0.40 |
| EPS (adj) growth | 396.5% | -49.0% | 100.3% | -14.4% | -19.3% | 7.2% |
| DPS (ord, EUR) | 0.29 | 0.31 | 0.33 | 0.35 | 0.37 | 0.39 |
| EV/Sales | 6.4 | 5.7 | 6.0 | 8.3 | 7.5 | 7.4 |
| EV/EBIT (adj) | 22.6 | 25.5 | n.m. | 16.2 | 16.7 | 16.3 |
| P/E (adj) | 10.5 | 17.8 | 9.4 | 11.1 | 13.8 | 12.9 |
| P/BV | 1.0 | 1.0 | 1.0 | 0.8 | 0.8 | 0.8 |
| Dividend yield (ord) | 5.2% | 6.5% | 6.5% | 6.8% | 7.2% | 7.6% |
| FCF Yield bef A&D, lease adj | -2.1% | 1.9% | -2.9% | 24.6% | 6.7% | 7.0% |
| Net debt | 4,383 | 12,205 | 8,273 | 38,651 | 38,678 | 38,759 |
| Net debt/EBITDA | n.m. | 2.9 | 2.1 | 3.4 | 7.4 | 7.2 |
| ROIC after tax | n.a. | 4.1% | 6.9% | 6.8% | 4.7% | 4.8% |

Source: Company data and Nordea estimates

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