

## Figures quite as expected

Talenom's net sales in Q2 grew 29.6% to EUR 21.4m, in line with our and consensus estimates (EUR 21.0m Evli/cons.). EBIT amounted to EUR 4.1m, slightly below our and consensus estimates (EUR 4.3m/4.4m Evli/cons.).

- Net sales in Q2 amounted to EUR 21.4m (EUR 16.5m in Q2/20), in line with our and consensus estimates (EUR 21.0m Evli/Cons.). Growth in Q2 amounted to 29.6% y/y. Around two-thirds of the growth during H1/21 was inorganic growth and the remainder organic growth.
- Operating profit in Q2 amounted to EUR 4.1m (EUR 3.6m in Q2/20), slightly below our and consensus estimates (EUR 4.3m/4.4m Evli/cons.), at a margin of 19.4%.
- EPS in Q2 amounted to EUR 0.07 (EUR 0.06 in Q2/20), in line with our and consensus estimates (EUR 0.07/0.08 Evli/cons.).
- Talenom's new customer acquisition recovered to pre-pandemic levels in late spring. The coronavirus pandemic no longer had a significant impact on Talenom's business during the review period.
- Piloting of the KontoKalle service – a similar service to the TiliJaska small customer concept in Finland – began in Sweden in the summer.
- Net investments during H1/21 amounted to EUR 23.5m (H2/2020: EUR 9.0m).
- **Guidance intact (updated 15.4.2021):** Net sales in 2021 are expected to amount to EUR 80-84m and operating profit to EUR 14-16m.

**Rating** 🟡 HOLD

Q2/21	Actual	Evli	Consensus	Year ago
Net sales	21.4	21.0	21.0	16.5
EBIT	4.1	4.3	4.4	3.6
EPS	0.07	0.07	0.08	0.06

Deviation	Actual	Evli	Consensus	Year ago
Net sales		2 %	2 %	30 %
EBIT		-4 %	-6 %	15 %
EPS		-6 %	-13 %	14 %

*\*Consensus by Bloomberg*

 Share price, EUR (Last trading day's closing price) 16.28

 Target price, EUR 13.3

 Latest change in recommendation 09-Feb-21

 Latest report on company 27-Apr-21

 Research paid by issuer: YES

 No. of shares outstanding, '000's 43,466

 No. of shares fully diluted, '000's 43,466

 Market cap, EURm 708

 Free float, % 58.5

 Exchange rate 0.000

 Reuters code TNOM.HE

 Bloomberg code TNOM FH

 Average daily volume, EURm 0.28

 Next interim report 02-Aug-21

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+ BUY 🟡 HOLD - SELL

### PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2019	58.0	10.4	18.0%	2.6	0.18	41.2	5.9	32.9	0.8	0.13
2020	65.2	12.9	19.8%	3.3	0.22	68.1	10.5	52.9	0.5	0.15
2021E	81.6	15.3	18.8%	-4.3	0.26	61.4	9.2	48.7	-0.6	0.18
2022E	91.4	18.3	20.0%	9.5	0.32	51.2	8.2	40.8	1.3	0.21
2023E	100.5	21.1	21.0%	11.9	0.37	43.9	7.4	35.2	1.7	0.24

Market cap, EURm	708	BV per share 2021E, EUR	107.2	CAGR EPS 2020-23, %	18.8
Net debt 2021E, EURm	40	Price/book 2021E	19.0	CAGR sales 2020-23, %	15.6
Enterprise value, EURm	747	Dividend yield 2021E, %	1.1	ROE 2021E, %	33.2
Total assets 2021E, EURm	106	Tax rate 2021E, %	20.3	ROCE 2021E, %	19.3
Goodwill 2021E, EURm	34	Equity ratio 2021E, %	35.0	PEG, P/E 21/CAGR	3.7

All the important disclosures can be found on the last pages of this report.

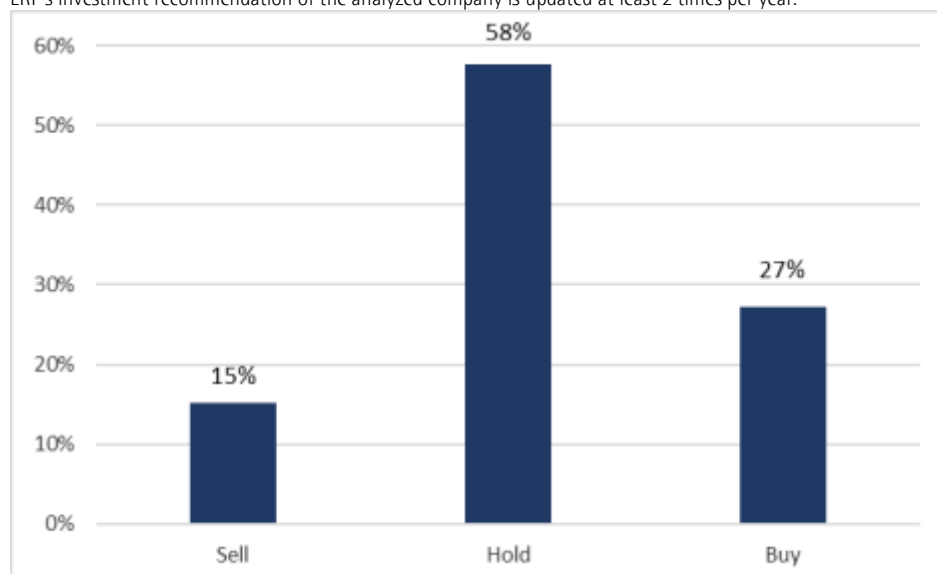
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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