

RELAIS GROUP

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INDERES CORPORATE CUSTOMER

COMPANY REPORT



The acceleration lane is still open

Relais' Q2 performance was operationally quite in line with our expectations, and the sluggish market situation did not significantly destabilize the company. Against this backdrop, we have made few changes to our forecasts, as our expectations of a gradual improvement in the operating environment aligned with management's comments. Therefore, we are maintaining our target price of EUR 18.5 or our Accumulate recommendation.

Operationally, a quarter largely in line with expectations

Relais' Q2 revenue grew by 12% year-on-year to nearly 83 MEUR, which slightly exceeded our estimate of just under 80 MEUR. The slight organic decline in revenue (-2%) was largely in line with our expectations, as anticipated weaker demand eroded demand relative to the strong level in the comparison period. However, this was more than offset by the growth spurt brought about by acquisitions, which had a greater impact than predicted, causing an overshoot of our estimates. The operating result (EBITA) for Q2, adjusted for amortization of acquisitions, was exactly in line with our forecast at 7.2 MEUR. Overall, operationally speaking, the quarter was steadily reliable for Relais, as usual. The fact that earnings per share fell to EUR 0.08, short of our forecast of EUR 0.20, does not change this overall picture, as this was largely due to losses related to FX rate fluctuations, a substantial portion of which has no impact on cash flow.

Limited room for maneuver in terms of balance sheet

At the end of Q2'25, Relais' net debt was 227 MEUR (incl. IFRS 16 liabilities), corresponding to a net debt/EBITDA ratio of 4.4x (2.5x excluding lease liabilities). Considering this, the company's current financing agreements, and its most recent acquisitions, we estimate that Relais has limited room for maneuver in terms of capital allocation. However, the company has announced plans to refinance the bridge financing obtained for the TVH acquisition with equity-like or equity capital market financing in the near

future. Given this and the defensive nature of the business, we believe that the financial position is on a very stable footing. According to our estimates, the amount of refinancing for the bridge financing facility will also largely determine the amount of funds available for inorganic growth in the short and medium term.

We saw no reason for significant estimate changes

We have not made any significant changes to our operational estimates since the Q2 report, which was in line with our expectations. However, we slightly increased our net financing costs forecast, reflecting the slightly higher level of interest expense we anticipate. Against this backdrop, our operating profit forecasts rose by one percent, while our earnings per share forecasts for the coming years fell by the same amount.

We believe there is upside in the valuation

According to our forecasts, the adjusted P/E ratios for 2025-2026 are about 13-11x, and the corresponding adjusted EV/EBITA multiples are 13x and 10x. In our view, the valuation multiples for next year, which fully reflect the acquisitions made and are therefore more relevant, are quite reasonable and have upside, considering Relais' operational businesses and track record in capital allocation. Relatively, Relais is valued roughly in line with companies engaged in similar operational businesses, whereas compared to serial acquirers, the valuation is at a significant discount. In our opinion, Relais' justified valuation lies somewhere between these two peer groups. Thus, when viewed through the lens of peer valuation, we believe that the current valuation level does not reflect value created through capital allocation. Given the company's track record, we believe it is reasonable to rely on its continuation, so we find the risk-reward ratio of the stock is attractive.

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 18.50

(was EUR 18.50)

Share price:

EUR 17.15

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	322.6	382.2	440.8	454.0
growth-%	13%	18%	15%	3%
EBIT adj.	36.1	38.9	45.6	47.1
EBIT-% adj.	11.2 %	10.2 %	10.3 %	10.4 %
Net Income	18.5	19.9	24.7	26.6
EPS (adj.)	1.21	1.29	1.57	1.65

P/E (adj.)	11.4	13.3	11.0	10.4
P/B	2.1	2.4	2.2	2.0
Dividend yield-%	3.6 %	3.0 %	3.2 %	3.4 %
EV/EBIT (adj.)	10.8	14.5	12.1	11.3
EV/EBITDA	7.5	9.6	8.2	7.8
EV/S	1.2	1.5	1.3	1.2

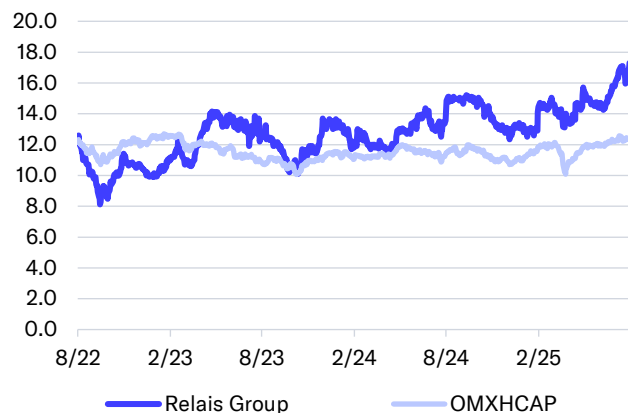
Source: Inderes

Guidance

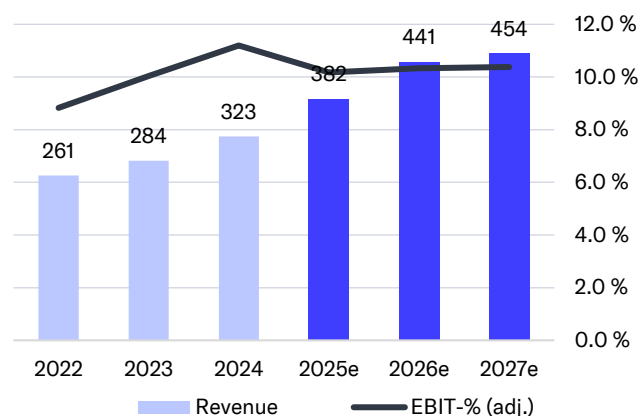
(Unchanged)

Relais Group does not provide a numeric guidance for the financial year 2025. The company has a long-term financial target published on February 3, 2023, according to which it aims to reach a proforma comparable EBITA of 50 MEUR by the end of the year 2025.

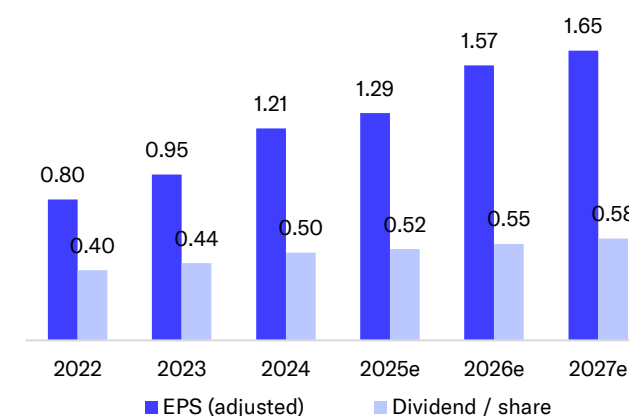
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



Value drivers

- The stable and defensive market over time is huge relative to Relais' size class
- Plenty of room for consolidation on the fragmented vehicle aftermarket
- Serial consolidator business model's value creation potential and growth strategy is quite good
- Mutual sales synergies of the owned businesses support growth preconditions

Risk factors

- Working capital commitment in the wholesale business slows down cash flow
- Typical risks associated with acquisitions
- Long-term risks associated with limited pricing power and competitive situation
- Low liquidity of the stock

Valuation	2025e	2026e	2027e
Share price	17.15	17.15	17.15
Number of shares, millions	18.2	18.3	18.4
Market cap	312	313	315
EV	564	551	533
P/E (adj.)	13.3	11.0	10.4
P/E	15.7	12.7	11.8
P/B	2.4	2.2	2.0
P/S	0.8	0.7	0.7
EV/Sales	1.5	1.3	1.2
EV/EBITDA	9.6	8.2	7.8
EV/EBIT (adj.)	14.5	12.1	11.3
Payout ratio (%)	47.6 %	40.7 %	40.0 %
Dividend yield-%	3.0 %	3.2 %	3.4 %

Source: Inderes

Acquisitions fueled growth

Revenue growth driven by acquisitions

As expected, acquisitions drove Relais' 12% revenue growth in Q2, while organic revenue declined slightly in a subdued market. Geographically, the Baltic and Finnish markets were sluggish, and revenue declined in these markets, although this was partially offset by growth in Scandinavia.

Revenue from the Technical Wholesale and Products business increased 5% in Q2, fueled by inorganic growth and the total contribution of the TVH acquisition. We consider reaching the level of the comparison period in the wholesale business an impressive achievement, as we estimate that the market declined in Q2, reflecting the strong comparison period and price competition. The stable organic development of the business outperformed our expectations of a 4% decline, and the impact of acquisitions was also slightly greater in Q2 than we had anticipated.

The Commercial Vehicle Repair and Maintenance business grew by 24%, which was pretty much in line with our

estimates. However, organically, it contracted by as much as 6%, which was a larger decline than we had anticipated, but that was again offset by the larger-than-expected impact of acquisitions.

Profitability largely at the expected level

In Q2, Relais achieved an EBITA of 7.2 MEUR, corresponding to an EBITA margin of 8.7%. The result was thus exactly in line with our expectations, as was the comparable profitability, mainly stripped of acquisition costs. We track the reported EBITA for Relais because, in line with the group's business model, acquisition-related costs are ongoing, so to speak. Nevertheless, this indicates that the development of profitability below is in line with expectations. Profitability declined by just over 1 percentage point in terms of EBITA-% from the comparison period, which is a natural consequence of the change in revenue mix, i.e., the growth in the relative share of the Repair and Maintenance business.

Cash flow has been flowing outwards

In H1, Relais' cash flow from operating activities was only 2.4 MEUR due to net working capital commitments and an increase in non-operating cash flow-related items. Taking into account the increased level of investment due to acquisitions and repayment of lease liabilities, it is clear that cash has flowed outwards from the company. This has been reflected in an increase in leverage, with net debt, excluding IFRS 16 liabilities, standing at 128 MEUR at the end of Q2'25. This corresponds to a multiple of 2.8x relative to our 2026 EBITA forecast, which fully takes into account the acquisitions made. Thus, even though the debt level has risen significantly, we believe that the financial position remains on fairly stable footing, even considering the defensive nature of the business. We therefore believe that the company has all the necessary ingredients to refinance the bridge financing on reasonable terms.

Estimates	Q2'24	Q2'25	Q2'25e	Q2'25e	Consensus		Difference (%)	2025e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. Inderes	Inderes
Revenue	74.3	82.9	79.5				4%	382
EBITDA	11.1	11.8	11.3				4%	58.6
EBITA	7.3	7.2	7.2				0%	38.9
PTP	4.9	1.6	4.6				-65%	26.0
EPS (reported)	0.18	0.08	0.20				-60%	1.09
Revenue growth-%	15.8 %	11.6 %	7.1 %				4.6 pp	18.5 %
EBITA-%	9.8 %	8.7 %	9.1 %				-0.4 pp	10.2 %

Source: Inderes

New strategy and financial targets coming up by year-end

Minor forecast changes

Since the Q2 figures were well in line with our estimates, we have only made minor adjustments to our operational forecasts. Our slightly higher revenue forecasts also trickled down to our operational earnings projections, but further down the line, our earnings per share forecasts for the current year declined significantly, in line with the Q2 outcome, and declined slightly for the next few years. This was due to revisions in interest expense estimates. However, since our model does not account for the impact of exchange rate differences, potential currency movements may still cause deviations in our forecasts going forward.

Estimates for the next few years

Although Relais has, as usual, not issued any numerical guidance for the current year, its EBITA target (pro forma) of 50 MEUR has been set for the end of the current year. In

our estimates for this year, we expect organic growth to stabilize in Q3 and continue with a slight upward trend next year as well. Given this background and the acquisitions already made, we predict that Relais' revenue growth rate (%) will remain in the double digits in 2025-2026. As a result of the change in the revenue structure, our profitability estimates for 2025–2026 are below the fairly good level of 2024 (EBITA-% 11.2%). Our EBITA forecast for 2026, taking into account the currently announced acquisitions, is 45.6 MEUR, which is slightly below the company's financial target. However, we do not place great emphasis on achieving this target but rather on steady value creation based on successful capital allocation, which is clearly of greater value.

New strategy and financial targets by the end of the year

Relais' current strategic period is coming to an end, as are its financial targets. Additionally, the company's current CEO is retiring at the beginning of 2026.

However, we estimate that the company's strategy will remain largely unchanged, with a continued focus on the Nordic vehicle aftermarket, where the company has considerable growth potential through strategic acquisitions, geographical expansion, and add-on acquisitions. Nevertheless, considering the moves already seen in Central Europe, we believe that expansion outside the Nordic countries will also continue in small steps as opportunities arise. We believe that the company's financial targets are ambitious in terms of growth. We would also like to see the company set a target level for return on invested capital (ROIC-%), clearly in the double digits. In line with the business model, the new CEO's capital allocation skills will also be key, while the management team's long history with current operational business activities will enable them to steer the group companies.

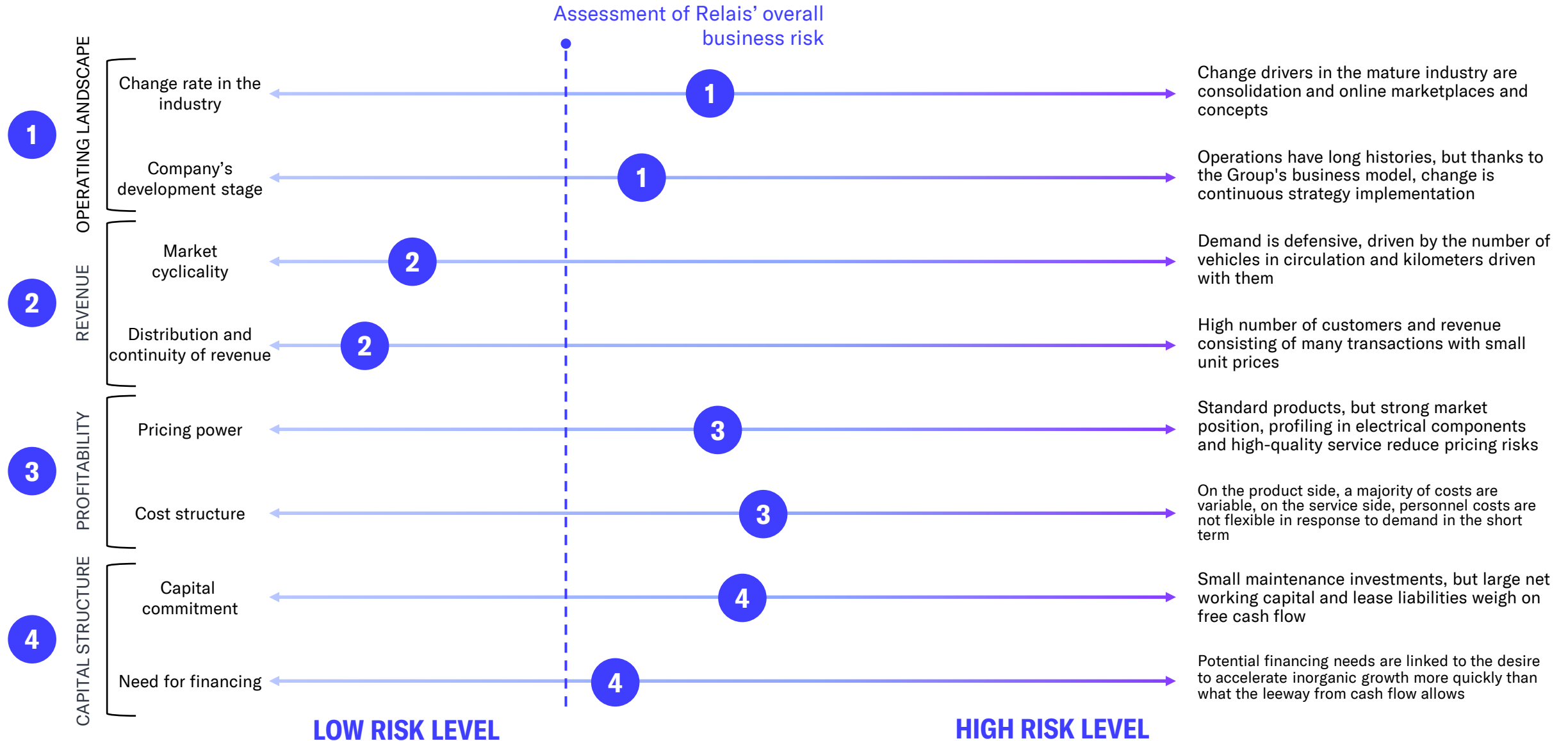
Estimate revisions	2025e	2025	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	379	382	1%	437	441	1%	450	454	1%
EBITDA	58.2	58.6	1%	66.7	67.2	1%	68.2	68.7	1%
EBIT (exc. NRIs)	39.0	38.9	0%	45.1	45.6	1%	46.6	47.1	1%
EBIT	35.4	35.2	-1%	41.2	41.7	1%	42.9	43.4	1%
PTP	29.4	26.0	-12%	33.0	32.6	-1%	35.3	35.0	-1%
EPS (excl. NRIs)	1.43	1.29	-10%	1.58	1.57	-1%	1.66	1.65	-1%
DPS	0.52	0.52	0%	0.55	0.55	0%	0.58	0.58	0%

Source: Inderes

Relais Half-Year Financial Report January–June 2025



Risk profile of the business model



Investment profile

- 1 Good historical track record in allocating capital to growth
- 2 Significant growth potential in the target market and accumulated experience in M&A
- 3 Flexible cost structure and mainly stable performance history
- 4 Business model consumes funds through working capital and lease obligations, limiting the amount of capital that can be reallocated
- 5 In the long run, the expected return is determined by the success of the capital reallocation

Potential

- Demand drivers are not susceptible to cyclical fluctuations, so demand is defensive
- If Relais is a successful serial consolidator it has good preconditions to generate ROI that exceeds the cost of equity
- In a large and fragmented market, the number of potential acquisition targets is huge
- Relatively flexible cost structure

Risks

- The business requires significant inventories that tie up working capital and depress cash flow
- Usual risks associated with the implementation of an inorganic growth strategy
- No identifiable sources of strong and sustainable competitive advantages in the business
- Low liquidity of the share

We believe there is upside in the valuation

Next year's multiples are not demanding

Based on our estimates, the 2025 EV/EBITA multiple adjusted for IFRS 16 impact is just under 13x, while the adjusted P/E multiple is about 16x. It should be noted, however, that the acquisitions of significant size have been fully reflected in the current year's balance sheet, while their impact on earnings will only be fully reflected in the 2026 earnings projections. Additionally, we have not adjusted for currency exchange rate differences, which increase this year's P/E ratio. Therefore, we believe the 2026 valuation multiples are a more relevant benchmark. The corresponding valuation multiples for the year are 10x (EV/EBITA ratio) and 11x (P/E ratio), both of which we consider moderate. In our view, the value creation potential of Relais, in line with its business model, consists of two components: These are the existing businesses while the value creation potential of the acquisition strategy is another component. Although we consider the current valuation justified based on current operations alone, it does not set expectations for value creation in terms of capital allocation.

Relative valuation supports upside

We apply two peer groups to Relais, one of which consists of companies operating with a similar business model and the other of so-called serial consolidators. The business models of the latter peer group rely especially on value creation through active capital reallocation, which is especially based on successful acquisitions. In our view, it is relevant to compare Relais's valuation to both of these peer groups on a relative basis, as a valuation based solely on operational business does not, in our view, give credit to

the company's historical track record of capital allocation capabilities. Relais is in practice valued in line with the median of key near-term earnings-based valuation multiples of a peer group consisting of international companies operating in the automotive aftermarket. In absolute terms, we believe this peer group is fairly valued, and we believe Relais' valuation is reasonable. Compared to a peer group of serial consolidators, the share is valued at a discount of just above 50% using valuation multiples for the coming years. In our view, Relais should be valued at a discount to its peer group of serial consolidators, as the group has experienced more rapid value creation in recent years, as can be seen in their on average higher returns on capital. In addition, we believe that the valuation multiples of serial consolidators are quite high. However, we feel that the valuation difference to both peer groups supports our view of the upside in the stock's valuation.

DCF slightly below target price

Our DCF model indicates a share value of EUR 17.5. In our view, the cash flow model is well suited for valuing Relais's existing business due to its stable nature, but it does not measure the value creation of capital reallocation. We believe that our cash flow model indicates that the current share valuation does not include expectations of value creation from future arrangements, whereas Relais' historical track record, in our view, to some extent supports relying on this.

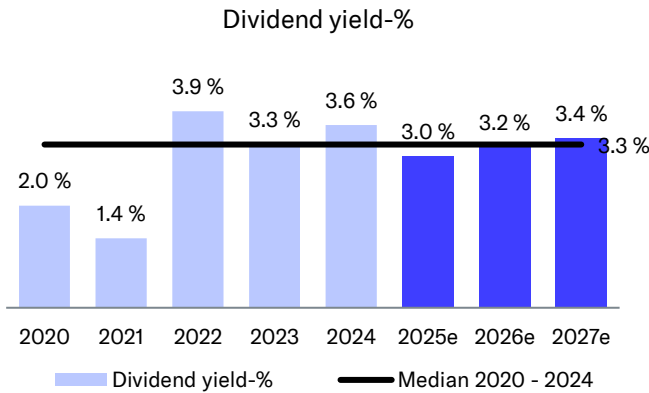
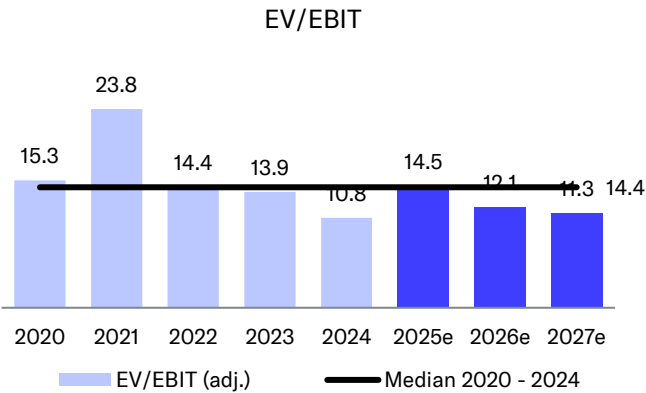
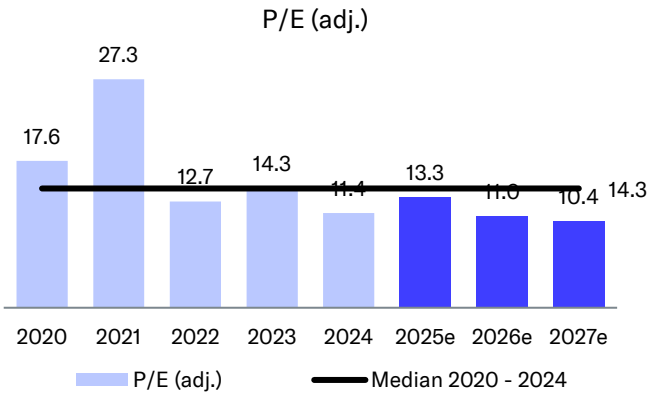
Valuation	2025e	2026e	2027e
Share price	17.15	17.15	17.15
Number of shares, millions	18.2	18.3	18.4
Market cap	312	313	315
EV	564	551	533
P/E (adj.)	13.3	11.0	10.4
P/E	15.7	12.7	11.8
P/B	2.4	2.2	2.0
P/S	0.8	0.7	0.7
EV/Sales	1.5	1.3	1.2
EV/EBITDA	9.6	8.2	7.8
EV/EBIT (adj.)	14.5	12.1	11.3
Payout ratio (%)	47.6 %	40.7 %	40.0 %
Dividend yield-%	3.0 %	3.2 %	3.4 %

Source: Inderes

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	14.7	26.0	10.2	13.5	13.7	17.15	17.15	17.15	17.15
Number of shares, millions	17.4	17.9	18.1	18.1	18.1	18.2	18.3	18.4	18.4
Market cap	256	466	185	245	248	312	313	315	316
EV	285	613	332	396	390	564	551	533	515
P/E (adj.)	17.6	27.3	12.7	14.3	11.4	13.3	11.0	10.4	10.2
P/E	36.9	32.5	18.4	17.8	13.4	15.7	12.7	11.8	11.4
P/B	3.6	4.5	1.8	2.2	2.1	2.4	2.2	2.0	1.8
P/S	2.0	2.0	0.7	0.9	0.8	0.8	0.7	0.7	0.7
EV/Sales	2.2	2.6	1.3	1.4	1.2	1.5	1.3	1.2	1.1
EV/EBITDA	14.9	17.0	9.1	9.1	7.5	9.6	8.2	7.8	7.4
EV/EBIT (adj.)	15.3	23.8	14.4	13.9	10.8	14.5	12.1	11.3	10.8
Payout ratio (%)	75.3 %	44.9 %	72.3 %	58.1 %	48.9 %	47.6 %	40.7 %	40.0 %	39.8 %
Dividend yield-%	2.0 %	1.4 %	3.9 %	3.3 %	3.6 %	3.0 %	3.2 %	3.4 %	3.5 %

Source: Inderes



The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MEUR	MEUR	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Inter Cars SA	1920	2678	9.4	8.4	7.9	7.0	0.5	0.5	9.6	8.4	0.3	0.3	1.4
Advance Auto Parts Inc	3161	3261	20.5	12.6	8.3	6.8	0.5	0.4	34.3	21.1	1.6	1.6	1.8
Duell	20	42	20.8	15.1	7.6	6.2	0.3	0.3		42.6			0.4
Auto Partner SA	610	717	9.3	7.6	8.0	6.5	0.6	0.5	9.9	7.9	1.0	1.0	
Genuine Parts Co	16385	20110	14.5	13.3	11.6	10.7	1.0	1.0	17.9	16.3	3.0	3.1	4.0
LKQ Corp	6962	10509	9.3	8.7	7.5	7.2	0.9	0.9	10.0	9.1	4.1	4.4	1.2
O'Reilly Automotive Inc	74314	79114	26.8	24.7	23.4	21.8	5.2	4.9	34.9	31.1			
Autozone Inc	57619	64944	20.7	19.0	17.8	16.5	4.0	3.8	27.4	24.2			
Bapcor Ltd	746	1045	11.9	11.2	7.3	7.0	1.0	0.9	15.8	14.3	29.5	28.8	1.5
Mekonomen AB	439	1061	15.6	11.2	7.3	5.9	0.7	0.6	12.5	7.4	3.9	4.6	0.8
Relais Group (Inderes)	312	564	14.5	12.1	9.6	8.2	1.5	1.3	13.3	11.0	3.0	3.2	2.4
Average			15.9	13.2	10.7	9.5	1.5	1.4	19.1	18.2	6.2	6.3	1.6
Median			15.0	11.9	7.9	7.0	0.8	0.7	15.8	15.3	3.0	3.1	1.4
Diff-% to median			-3%	1%	21%	17%	93%	69%	-16%	-28%	2%	3%	79%

Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	284	82.8	74.3	74.9	90.7	323	82.8	82.9	97.4	119	382	441	454	463
Technical Wholesale and Products	192	56.9	48.7	49.5	62.0	217	53.7	51.2	56.7	71.6	233	256	264	269
Maintenance	91.9	25.9	25.6	25.4	28.7	106	29.1	31.7	40.7	47.5	149	184	190	194
EBITDA	43.5	13.5	11.1	13.0	14.3	51.9	13.0	11.8	15.9	18.0	58.6	67.2	68.7	69.7
Depreciation	-18.4	-4.5	-4.5	-4.6	-5.3	-18.9	-4.9	-5.5	-6.5	-6.6	-23.4	-25.5	-25.3	-25.2
EBIT (excl. NRI)	28.6	9.7	7.3	9.1	10.0	36.1	9.0	7.2	10.4	12.4	38.9	45.6	47.1	47.8
EBIT	25.1	9.0	6.6	8.4	9.0	33.0	8.1	6.3	9.4	11.4	35.2	41.7	43.4	44.5
Relais Group	25.1	9.0	6.6	8.4	9.0	33.0	8.1	6.3	9.4	11.4	35.2	41.7	43.4	44.5
Net financial items	-7.4	-3.1	-1.7	-1.9	-2.5	-9.2	-0.6	-4.4	-2.1	-2.1	-9.2	-9.0	-8.4	-7.9
PTP	17.7	5.8	4.9	6.5	6.5	23.8	7.5	1.9	7.3	9.3	26.0	32.6	35.0	36.5
Taxes	-4.0	-2.0	-1.6	-1.9	0.2	-5.2	-1.6	-0.4	-1.6	-2.0	-5.7	-7.0	-7.5	-7.9
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	-0.2	-0.4	-0.9	-0.9	-0.9
Net earnings	13.7	3.9	3.3	4.6	6.7	18.5	5.9	1.5	5.5	7.0	19.9	24.7	26.6	27.8
EPS (adj.)	0.95	0.25	0.22	0.30	0.44	1.21	0.37	0.13	0.35	0.44	1.29	1.57	1.65	1.69
EPS (rep.)	0.76	0.21	0.18	0.26	0.37	1.02	0.32	0.08	0.30	0.39	1.09	1.35	1.45	1.51

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25	Q2'25	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	9.0 %	20.0 %	15.8 %	6.6 %	12.0 %	13.5 %	0.1 %	11.6 %	30.1 %	31.3 %	18.5 %	15.3 %	3.0 %	2.0 %
Adjusted EBIT growth-%	24.1 %	28.4 %	52.2 %	8.9 %	27.8 %	26.5 %	-7.4 %	-1.5 %	13.4 %	23.6 %	7.6 %	17.2 %	3.4 %	1.4 %
EBITDA-%	15.3 %	16.3 %	14.9 %	17.4 %	15.8 %	16.1 %	15.7 %	14.2 %	16.3 %	15.1 %	15.3 %	15.2 %	15.1 %	15.0 %
Adjusted EBIT-%	10.0 %	11.7 %	9.8 %	12.2 %	11.0 %	11.2 %	10.8 %	8.7 %	10.6 %	10.4 %	10.2 %	10.3 %	10.4 %	10.3 %
Net earnings-%	4.8 %	4.7 %	4.4 %	6.2 %	7.4 %	5.7 %	7.1 %	1.8 %	5.6 %	5.9 %	5.2 %	5.6 %	5.9 %	6.0 %

Source: Inderes NB! EBIT excluding NRI is the company's reported EBITA

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	204	196	292	288	285
Goodwill	120	120	159	159	159
Intangible assets	13.1	12.0	23.5	21.8	20.4
Tangible assets	65.8	61.7	108	106	104
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.9	0.9	0.1	0.1	0.1
Deferred tax assets	4.0	1.6	1.6	1.6	1.6
Current assets	125	134	167	181	197
Inventories	74.1	83.7	99.4	108	111
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	41.4	40.6	53.5	61.7	63.1
Cash and equivalents	9.7	9.6	13.7	11.0	23.0
Balance sheet total	329	330	459	469	483

Source: Inderes

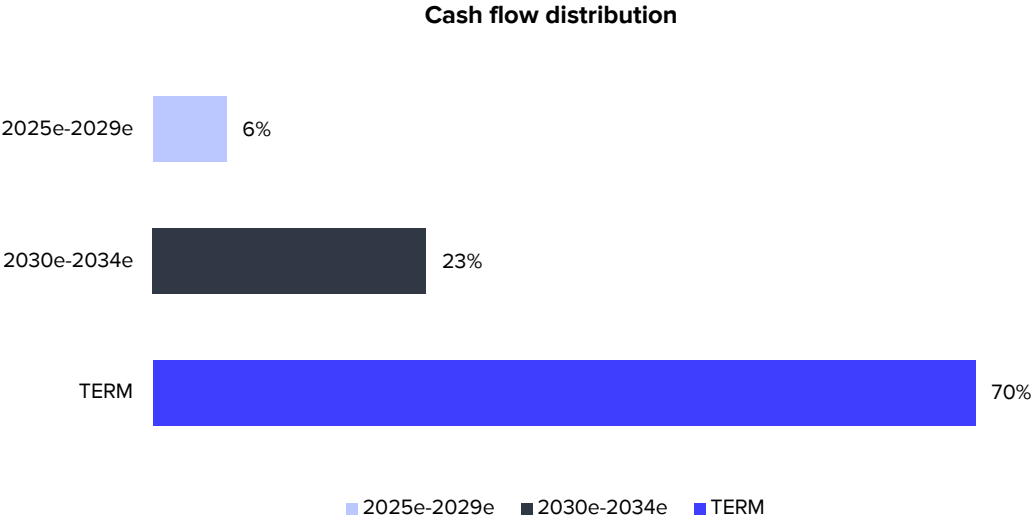
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	111	118	137	152	169
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	42.0	52.3	63.1	78.4	94.9
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	68.5	65.2	65.2	65.2	65.2
Minorities	0.0	0.0	8.5	8.5	8.5
Non-current liabilities	144	135	224	209	204
Deferred tax liabilities	5.2	4.0	4.0	4.0	4.0
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	139	131	220	205	200
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	0.0	0.0	0.0	0.0
Current liabilities	74.3	77.3	97.8	108	110
Interest bearing debt	21.8	19.6	25.0	25.0	25.0
Payables	46.8	53.7	68.8	78.9	80.8
Other current liabilities	5.7	4.0	4.0	4.0	4.0
Balance sheet total	329	330	459	469	483

DCF-calculation

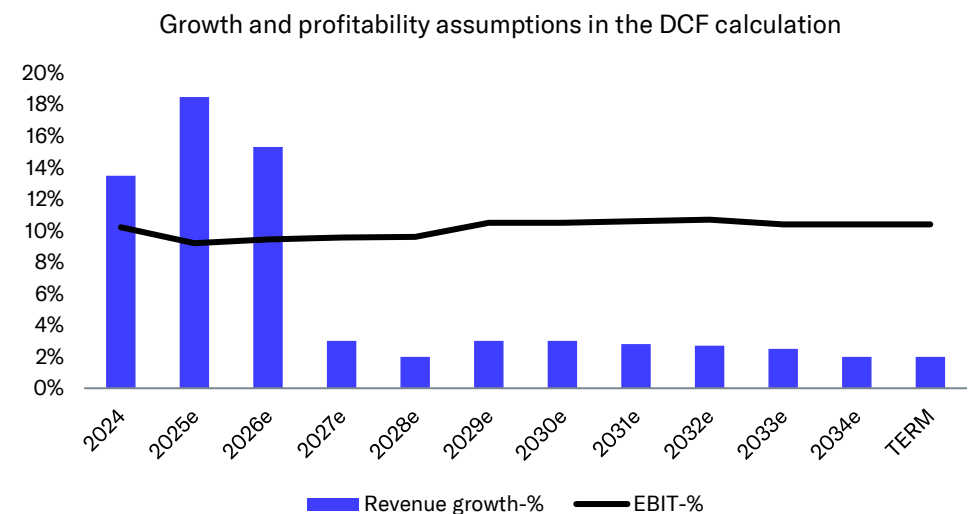
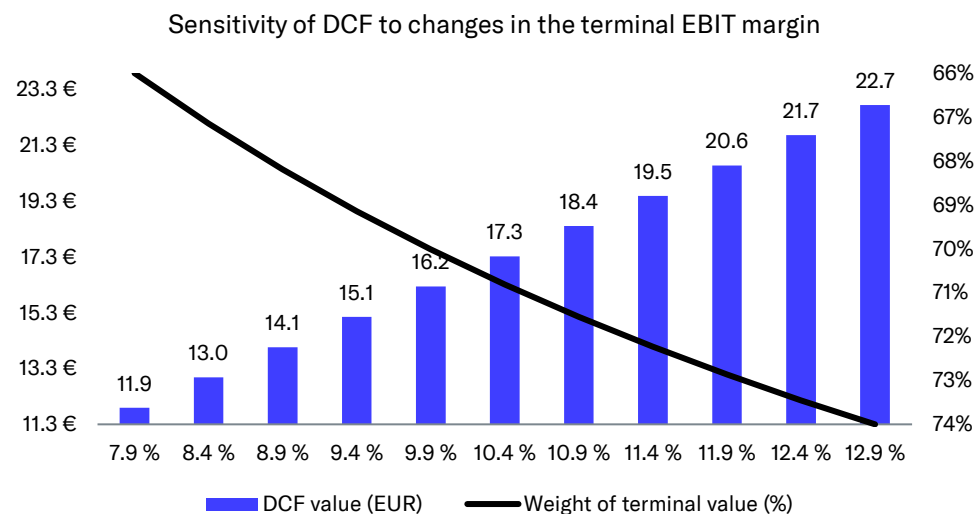
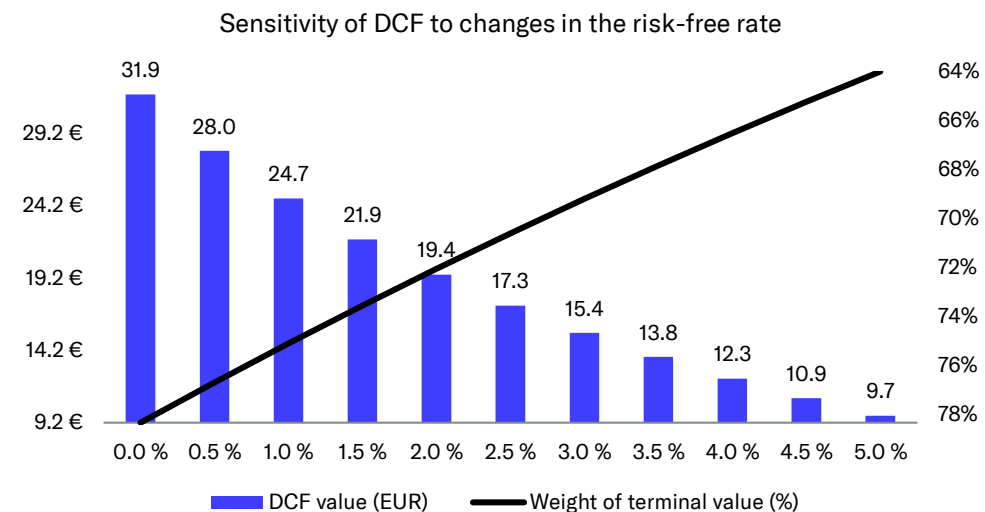
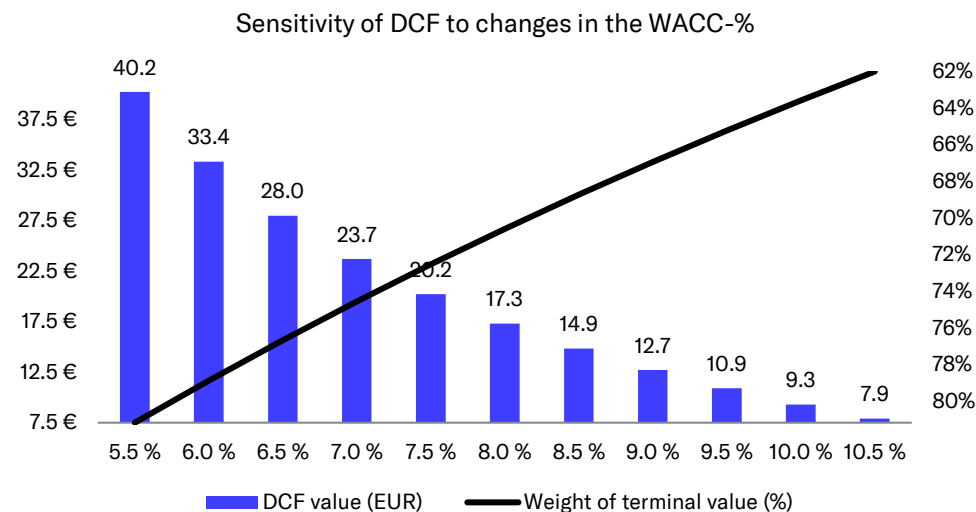
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	13.5 %	18.5 %	15.3 %	3.0 %	2.0 %	3.0 %	3.0 %	2.8 %	2.7 %	2.5 %	2.0 %	2.0 %
EBIT-%	10.2 %	9.2 %	9.5 %	9.6 %	9.6 %	10.5 %	10.5 %	10.6 %	10.7 %	10.4 %	10.4 %	10.4 %
EBIT (operating profit)	33.0	35.2	41.7	43.4	44.5	50.1	51.6	53.5	55.5	55.3	56.4	
+ Depreciation	18.9	23.4	25.5	25.3	25.2	24.1	23.9	23.3	23.3	23.4	23.4	
- Paid taxes	-4.0	-5.7	-7.0	-7.5	-7.9	-9.1	-9.5	-9.9	-10.3	-10.3	-10.5	
- Tax, financial expenses	-2.0	-2.0	-1.9	-1.8	-1.7	-1.6	-1.6	-1.6	-1.6	-1.6	-1.6	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-3.5	-13.5	-6.7	-2.7	-1.9	-2.9	-2.9	-2.8	-2.8	-2.7	-2.2	
Operating cash flow	42.3	37.3	51.5	56.7	58.3	60.6	61.4	62.5	64.1	64.1	65.5	
+ Change in other long-term liabilities	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-13.7	-119.2	-21.7	-22.1	-22.3	-22.9	-23.0	-23.4	-23.6	-23.7	-24.2	
Free operating cash flow	28.5	-81.9	29.8	34.6	35.9	37.7	38.5	39.2	40.4	40.4	41.3	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	28.5	-81.9	29.8	34.6	35.9	37.7	38.5	39.2	40.4	40.4	41.3	703
Discounted FCFF		-79.5	26.8	28.8	27.7	26.9	25.4	24.0	22.9	21.2	20.1	342
Sum of FCFF present value		486	566	539	510	483	456	430	406	383	362	342
Enterprise value DCF		486										
- Interest bearing debt		-151										
+ Cash and cash equivalents		9.6										
-Minorities		-20.7										
-Dividend/capital return		-9.1										
Equity value DCF		315										
Equity value DCF per share		17.5										

WACC	
Tax-% (WACC)	21.5 %
Target debt ratio (D/(D+E))	25.0 %
Cost of debt	5.0 %
Equity Beta	1.2
Market risk premium	4.75%
Liquidity premium	1.2 %
Risk free interest rate	2.5 %
Cost of equity	9.3 %
Weighted average cost of capital (WACC)	8.0 %

Source: Inderes



DCF sensitivity calculations and key assumptions in graphs



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	260.7	284.3	322.6	382.2	440.8	EPS (reported)	0.55	0.76	1.02	1.09	1.35
EBITDA	36.6	43.5	51.9	58.6	67.2	EPS (adj.)	0.80	0.95	1.21	1.29	1.57
EBIT	19.7	25.1	33.0	35.2	41.7	OCF / share	1.64	1.82	2.33	2.05	2.82
PTP	13.1	17.7	23.8	26.0	32.6	OFCF / share	0.72	0.50	1.57	-4.50	1.63
Net Income	10.0	13.7	18.5	19.9	24.7	Book value / share	5.73	6.10	6.49	7.05	7.86
Extraordinary items	-3.3	-3.4	-3.1	-3.7	-3.9	Dividend / share	0.40	0.44	0.50	0.52	0.55
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	312.8	329.1	330.2	458.7	469.1	Revenue growth-%	10%	9%	13%	18%	15%
Equity capital	103.9	110.7	117.6	136.9	152.1	EBITDA growth-%	2%	19%	19%	13%	15%
Goodwill	118.2	120.1	120.1	158.7	158.7	EBIT (adj.) growth-%	-11%	24%	27%	8%	17%
Net debt	147.2	151.0	141.3	231.3	219.0	EPS (adj.) growth-%	-16%	18%	28%	7%	21%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	14.0 %	15.3 %	16.1 %	15.3 %	15.2 %
EBITDA	36.6	43.5	51.9	58.6	67.2	EBIT (adj.)-%	8.8 %	10.0 %	11.2 %	10.2 %	10.3 %
Change in working capital	-1.8	-0.3	-3.5	-13.5	-6.7	EBIT-%	7.5 %	8.8 %	10.2 %	9.2 %	9.5 %
Operating cash flow	29.8	33.0	42.3	37.3	51.5	ROE-%	9.6 %	12.8 %	16.2 %	16.2 %	18.2 %
CAPEX	-16.1	-24.1	-13.7	-119.2	-21.7	ROI-%	7.5 %	9.4 %	12.2 %	10.8 %	10.9 %
Free cash flow	13.1	9.0	28.5	-81.9	29.8	Equity ratio	33.2 %	33.6 %	35.6 %	29.8 %	32.4 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	141.7 %	136.5 %	120.1 %	169.0 %	143.9 %
EV/S	1.3	1.4	1.2	1.5	1.3						
EV/EBITDA	9.1	9.1	7.5	9.6	8.2						
EV/EBIT (adj.)	14.4	13.9	10.8	14.5	12.1						
P/E (adj.)	12.7	14.3	11.4	13.3	11.0						
P/B	1.8	2.2	2.1	2.4	2.2						
Dividend-%	3.9 %	3.3 %	3.6 %	3.0 %	3.2 %						

Source: Inderes

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

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Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
4/4/2022	Accumulate	24.00 €	21.00 €
5/13/2022	Accumulate	20.00 €	18.00 €
8/9/2022	Accumulate	14.50 €	13.25 €
8/12/2022	Accumulate	14.00 €	12.20 €
11/9/2022	Buy	13.00 €	10.45 €
11/11/2022	Buy	13.50 €	10.95 €
3/1/2023	Accumulate	13.50 €	11.50 €
3/3/2023	Accumulate	13.50 €	12.50 €
5/5/2023	Accumulate	15.50 €	14.00 €
5/30/2023	Accumulate	15.50 €	13.15 €
8/11/2023	Accumulate	15.50 €	13.15 €
11/3/2023	Buy	15.50 €	11.35 €
3/7/2024	Buy	15.00 €	12.65 €
5/9/2024	Buy	15.00 €	12.50 €
6/5/2024	Osta	15.00 €	12.70 €
8/15/2024	Accumulate	16.50 €	14.45 €
11/8/2024	Accumulate	16.50 €	14.50 €
2/14/2025	Buy	16.50 €	14.10 €
4/8/2025	Buy	16.50 €	13.12 €
5/6/2025	Accumulate	17.00 €	14.45 €
5/14/2025	Accumulate	17.00 €	15.20 €
6/19/2025	Accumulate	17.00 €	14.40 €
8/12/2025	Accumulate	18.50 €	16.55 €
8/15/2025	Accumulate	18.50 €	17.15 €



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