

RELAIS GROUP

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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Growth leap into Central Europe

Expansion into Central Europe through acquisition is a strategic first step for Relais, supporting its growth and market potential. In our opinion, the conditions for value creation are good, given the quality of the target and the reasonable purchase price. We have slightly revised our organic forecasts for H1 to take into account the mild winter, while we will include the acquisition in our forecasts once the timing of the completion is confirmed. Against this backdrop, we reiterate our EUR 16.5 target price and Buy recommendation.

Growth leap into the accessories market in Central Europe

Relais announced yesterday the acquisition of the Matro Group, which will expand the company's activities in the truck accessories market in Central Europe. Matro Group is a long-established distributor of accessories in the Benelux and Germany, among other countries, and is also a long-term customer of Strands, a subsidiary of Relais. We understand that Matro Group's most important accessories brand is Nedking, which is present in Central Europe but not in the Nordic countries. This will provide growth opportunities for Relais' existing Nordic operations, while Strands' experience in brand building will support the conditions for Matro Group's further growth in Europe.

Purchase price is rather reasonable

In the last two years, the revenue of the target was 18.1 and 18.7 MEUR, while the EBIT in the corresponding years was 3.6 MEUR. As a result, Matro Group's profitability has been excellent, at around 20%. Relais will acquire 70% of Matro Group at this point for approximately 19.9 MEUR and the net debt-free enterprise value of the target in the transaction will be 27.9 MEUR. Thus, based on the previous two years' results, the purchase price corresponds to an EV/EBIT multiple of around 8x, which is moderate given the quality of the business and, in

our view, a rather good return on capital. Relais will finance around 15 MEUR of the purchase price from its cash at hand, which is well within its means considering its cash position and the recently confirmed financing package. The remainder of the purchase price will be financed with a vendor note. The parties to the transaction have agreed on a shareholder agreement that includes a put and call option for the remaining 30%.

Minor organic forecast revisions

We have made very marginal changes of 1-3% to our estimates. We have slightly lowered our short-term organic growth forecasts, reflecting the mild winter at the beginning of the year. As a result, we forecast an organic decline in revenue for Technical Wholesale and Products compared to the exceptionally strong comparison period driven by weather conditions. As for the acquisition, we will include it in our forecasts closer to its expected confirmation in the summer, but we are taking into account a small non-recurring cost of the acquisition.

Valuation is attractive on multiple measures

According to our forecasts, the P/E ratios adjusted for goodwill amortization for 2025-2026 are around 10x and the EV/EBITA ratios are 10-9x. In our view, the absolute valuation multiples for the coming years are favorable. Following the recent share price decline, Relais is valued at a significant discount to its industry peers, which we do not believe is justified. Thus, the valuation gap relative to the peer group of serial consolidators is also significant, and in addition, the current share price is significantly below the value indicated by our DCF model, which is EUR 16.5 per share. We believe the company has the potential to achieve sustained value creation over time with its acquisition-driven strategy, and we consider the current share price to be attractive relative to this.

Recommendation

Buy
(was Buy)

Target price:

EUR 16.50

(was EUR 16.50)

Share price:

13.12

Business risk



Valuation risk



	2024	2025e	2026e	2027e
Revenue	322.6	329.6	342.8	353.1
growth-%	13%	2%	4%	3%
EBIT adj.	36.1	33.6	35.1	37.0
EBIT-% adj.	11.2 %	10.2 %	10.2 %	10.5 %
Net Income	18.5	18.8	20.2	22.2
EPS (adj.)	1.21	1.25	1.32	1.41
P/E (adj.)	11.4	10.5	9.9	9.3
P/B	2.1	1.9	1.7	1.6
Dividend yield-%	3.6 %	4.0 %	4.2 %	4.5 %
EV/EBIT (adj.)	10.8	10.9	10.1	9.2
EV/EBITDA	7.5	7.3	6.8	6.3
EV/S	1.2	1.1	1.0	1.0

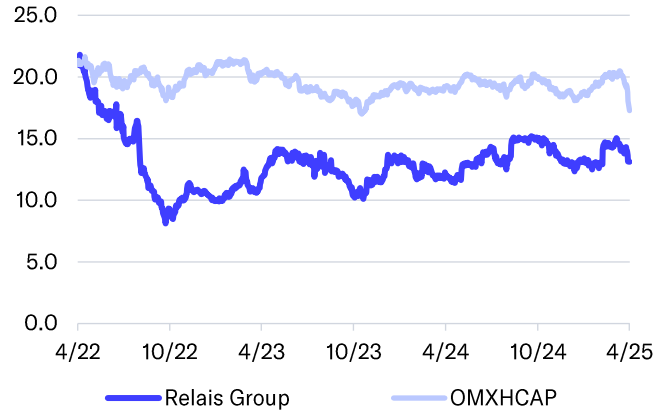
Source: Inderes

Guidance

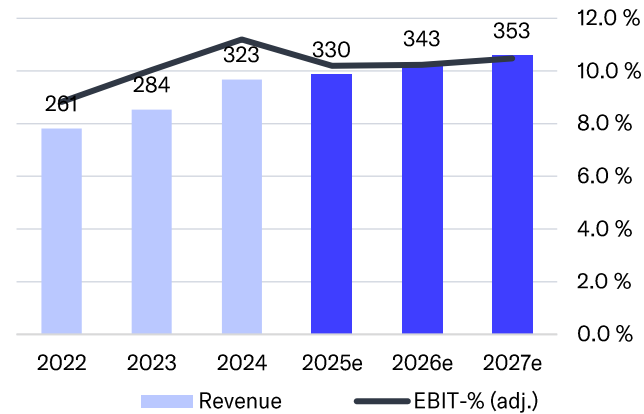
(Unchanged)

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.

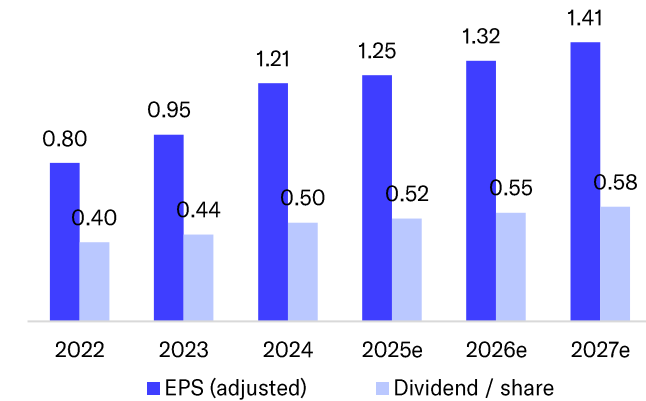
Share price



Revenue and EBIT %



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
- Upward pressure on costs due to high inflation and a significant increase in the cost of financing
- Low liquidity of the stock

Valuation	2025e	2026e	2027e
Share price	13.12	13.12	13.12
Number of shares, millions	18.2	18.3	18.4
Market cap	239	239	239
EV	366	354	341
P/E (adj.)	10.5	9.9	9.3
P/E	12.7	11.9	10.8
P/B	1.9	1.7	1.6
P/S	0.7	0.7	0.7
EV/Sales	1.1	1.0	1.0
EV/EBITDA	7.3	6.8	6.3
EV/EBIT (adj.)	10.9	10.1	9.2
Payout ratio (%)	50.3 %	49.7 %	47.9 %
Dividend yield-%	4.0 %	4.2 %	4.5 %

Source: Inderes

Only organic changes to estimates at this time

Strategic expansion into Central Europe

Based on 2024 figures, Matro Group will increase Relais' revenue by around 6%, while its higher profitability will have an impact of around 10% on Relais' EBITA. The acquisition is therefore medium-sized for Relais.

Strategically, however, we believe that the acquisition may be more significant than its size, as the expansion into new product categories in the truck accessories market will strengthen the organic growth potential of Relais' Technical Wholesale and Products business more broadly. Relais also has a good track record of growing the Strands brand organically, which we believe puts it in a good position to support the growth potential of the business to be acquired.

More generally, this opening and the creation of a bridgehead around the Matro Group in Central Europe will enhance Relais's ability to grow inorganically in this large market for the size of the group. Thus, the target market

that Relais can reach also increases with the acquisition, which in turn increases the potential to reallocate capital to inorganic growth as well.

Numbers look good

The roughly 8x EV/EBIT multiple paid by Relais for Matro Group translates directly into a low double-digit ROCE, which is also well above the cost of capital we apply to the company. Given Matro Group's high profitability and the good capital turnover we estimate (i.e. low capital intensity), it should have very good value creation conditions for organic growth. We therefore see Relais's value creation potential from this acquisition as quite good and, on a group level, above the size of the acquisition if the targeted organic growth synergies are realized.

Current management is committed

The seller in the transaction will be Matro's CEO, who will remain a minority shareholder in Matro Group. However, the

parties have options on the remaining 30% that will be exercisable five years after the closing of the transaction. The arrangement will therefore strongly commit Matro's CEO (seller) Glenn Gils to the continued development of the business in the future as well. We understand that the remainder of the purchase price is also dependent on Matro Group's earnings development, which will incentivize Gils to grow the business.

Organic estimate changes

We have made only marginal forecast changes here to reflect the mild winter at the beginning of the year, and we have also included an assumption of a small acquisition cost in our estimates. We will include the acquisition in our estimates only when the timing of the acquisition is confirmed, although we do not anticipate any particular issues with the partial demerger of the target or meeting the conditions of the transaction.

Estimate revisions	2025e	2025	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	331	330	0%	344	343	0%	354	353	0%
EBITDA	51.0	50.4	-1%	52.6	52.2	-1%	54.5	54.1	-1%
EBIT (exc. NRIs)	34.2	33.6	-2%	35.5	35.1	-1%	37.4	37.0	-1%
EBIT	30.4	29.7	-2%	31.6	31.2	-1%	33.7	33.3	-1%
PTP	24.6	23.9	-3%	26.3	25.9	-2%	29.0	28.5	-2%
EPS (excl. NRIs)	1.28	1.25	-2%	1.34	1.32	-1%	1.43	1.41	-1%
DPS	0.52	0.52	0%	0.55	0.55	0%	0.58	0.58	0%

Source: Inderes

Valuation is attractive on multiple measures

Valuation multiples are moderate

Relais' P/E ratios for 2025-2026 based on our estimates are around 10x and corresponding EV/EBITA ratios are 10x and 9x. 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. We consider the current valuation of the existing businesses to be favorable and believe that the above-mentioned earnings-based valuation multiples are near the bottom of the justified valuation range. As a result, we believe that the absolute valuation multiples are quite attractive relative to the value of the existing businesses and the conditions for value creation in the company's business model.

The stock is also cheap in relative terms

We have assembled two peer groups for Relais, one consisting of companies operating with a similar business model. The second peer group consists of so-called serial consolidators. The business models of the latter group rely in particular on value creation through active inorganic growth, based especially on the successful allocation of capital over the long term. We believe it is relevant to compare Relais' valuation to these two peer groups, as we do not believe that a valuation based on operational business alone gives value to the company's inorganic growth strategy. Relais is valued at an average discount of around 10% on key metrics relative to the median of key earnings-based valuation multiples for the next few years for the peer group of companies operating mainly in the international automotive aftermarket the valuation of which we feel is at a sensible level overall.

Compared to a peer group of serial consolidators, the share is valued at a discount of 55% 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 historically experienced more rapid value creation when its returns on capital were higher. In addition, we note that the valuation multiples of the peer group of serial consolidators are high in absolute terms. However, we feel that the valuation difference to both peer groups supports our view of the upside in the stock's valuation.

Significant upside to DCF value

Our DCF model indicates a share value of EUR 16.5. The weakness of the cash flow model is that the model does not consider inorganic growth. However, the model is well-suited for valuing existing businesses. Thus this valuation metric, in our view, indicates that the current share valuation does not include expectations of value creation from future M&A and that the pure valuation of the current business portfolio is moderate.

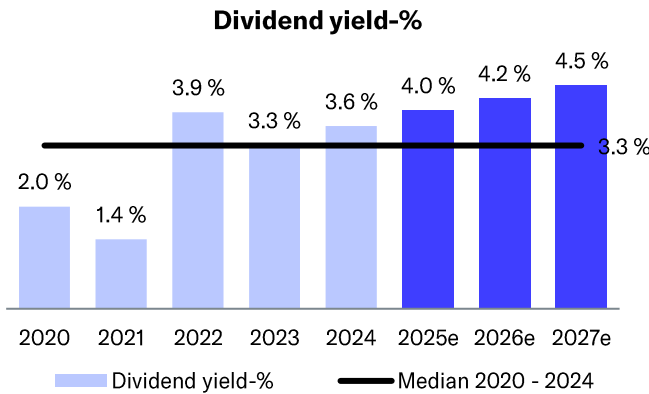
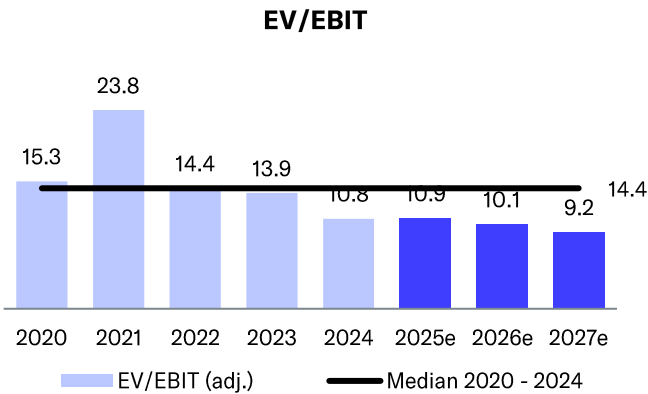
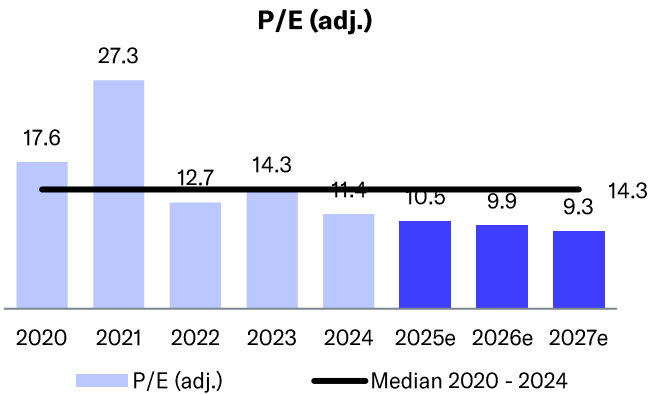
Valuation	2025e	2026e	2027e
Share price	13.12	13.12	13.12
Number of shares, millions	18.2	18.3	18.4
Market cap	239	239	239
EV	366	354	341
P/E (adj.)	10.5	9.9	9.3
P/E	12.7	11.9	10.8
P/B	1.9	1.7	1.6
P/S	0.7	0.7	0.7
EV/Sales	1.1	1.0	1.0
EV/EBITDA	7.3	6.8	6.3
EV/EBIT (adj.)	10.9	10.1	9.2
Payout ratio (%)	50.3 %	49.7 %	47.9 %
Dividend yield-%	4.0 %	4.2 %	4.5 %

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	13.12	13.12	13.12	13.12
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	239	239	239	239
EV	285	613	332	396	390	366	354	341	329
P/E (adj.)	17.6	27.3	12.7	14.3	11.4	10.5	9.9	9.3	9.0
P/E	36.9	32.5	18.4	17.8	13.4	12.7	11.9	10.8	10.3
P/B	3.6	4.5	1.8	2.2	2.1	1.9	1.7	1.6	1.5
P/S	2.0	2.0	0.7	0.9	0.8	0.7	0.7	0.7	0.7
EV/Sales	2.2	2.6	1.3	1.4	1.2	1.1	1.0	1.0	0.9
EV/EBITDA	14.9	17.0	9.1	9.1	7.5	7.3	6.8	6.3	6.2
EV/EBIT (adj.)	15.3	23.8	14.4	13.9	10.8	10.9	10.1	9.2	8.7
Payout ratio (%)	75.3 %	44.9 %	72.3 %	58.1 %	48.9 %	50.3 %	49.7 %	47.9 %	46.9 %
Dividend yield-%	2.0 %	1.4 %	3.9 %	3.3 %	3.6 %	4.0 %	4.2 %	4.5 %	4.6 %

Source: Inderes



Peer group valuation (1/2)

Peer group valuation Company	Market cap MEUR	EV MEUR	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Inter Cars SA	1711	2385	8.9	7.9	7.4	6.6	0.5	0.4	8.8	7.7	0.3	0.4	1.4
Advance Auto Parts Inc	1906	1833	13.1	7.7	4.9	3.8	0.2	0.2	22.6	12.1	2.9	2.9	1.0
Duell	32	57	11.9	8.9	6.3	5.7	0.4	0.4	8.6	9.0	2.3	4.1	0.6
Auto Partner SA	520	618	7.7	6.5	6.8	5.7	0.5	0.5	8.5	6.8	1.2	1.2	
Genuine Parts Co	14753	18229	12.2	11.5	9.9	9.2	0.8	0.8	14.8	13.4	3.5	3.7	3.5
LKQ Corp	9716	13307	10.4	9.9	8.4	8.0	1.0	1.0	11.7	10.7	3.2	3.4	1.6
O'Reilly Automotive Inc	72402	77308	24.5	22.7	21.6	20.1	4.8	4.5	31.4	28.0			
Autozone Inc	55618	63582	18.8	17.4	16.2	15.0	3.7	3.5	24.4	21.6			
Bapcor Ltd	837	1132	11.8	10.4	7.5	6.9	1.0	1.0	15.9	13.5	3.6	4.2	1.6
Mekonomen AB													
Relais Group (Inderes)	239	366	10.9	10.1	7.3	6.8	1.1	1.0	10.5	9.9	4.0	4.2	1.9
Average			13.2	11.4	9.9	9.0	1.5	1.4	16.3	13.7	2.4	2.8	1.6
Median			11.9	9.9	7.5	6.9	0.8	0.8	14.8	12.1	2.9	3.4	1.5
Diff-% to median			-8%	3%	-3%	-1%	34%	29%	-29%	-18%	39%	24%	27%

Peer group valuation (2/2)

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
Indutrade AB	8561	9276	22.1	20.0	16.6	15.3	3.0	2.8	29.5	25.9	1.3	1.4	5.1
Bergman & Beving AB	713	865	21.9	19.8	13.2	11.9	1.9	1.8	31.5	25.7	1.4	1.6	3.4
Momentum Group AB	708	755	27.8	25.7	18.9	17.8	2.7	2.6	34.3	31.1	1.0	1.1	9.0
Bufab AB (publ)	1316	1616	17.9	15.6	14.1	12.5	2.1	2.0	22.5	18.7	1.5	1.8	3.3
Addtech AB	6884	7367	29.4	26.9	22.1	20.7	3.7	3.5	39.4	34.8	1.1	1.2	10.0
Beijer Ref AB (publ)	6124	7007	19.1	17.5	15.3	14.1	2.0	1.8	25.1	22.0	1.2	1.3	2.6
Beijer Alma AB	963	1211	12.8	11.7	9.4	8.9	1.7	1.6	16.3	13.9	2.3	2.5	2.1
Lifco AB (publ)	12873	13687	27.1	24.5	20.9	19.1	5.2	4.8	39.8	34.7	0.8	0.9	7.3
Lagercrantz Group AB	3669	3980	30.5	26.8	22.0	19.8	4.7	4.3	40.5	34.3	1.1	1.2	9.4
Volati Ab	823	1061	15.1	13.3	10.2	9.2	1.3	1.2	16.6	14.0	1.3	1.6	3.8
Boreo	41	98	14.0	14.0	9.3	7.5	0.7	0.6	16.5	31.9	0.4	0.8	0.9
AddLife AB	1624	2053	27.1	23.9	13.6	12.7	2.1	2.0	43.8	34.5	0.8	1.0	3.2
Addnode Group AB	1156	1251	20.9	18.2	13.0	12.0	2.3	2.2	28.1	23.8	1.4	1.5	4.6
Instalco AB	706	1033	13.9	11.0	8.5	7.3	0.8	0.8	13.6	10.1	2.4	2.9	2.1
Relais Group (Inderes)	239	366	10.9	10.1	7.3	6.8	1.1	1.0	10.5	9.9	4.0	4.2	1.9
Average			21.9	19.7	15.2	13.8	2.5	2.4	29.3	26.2	1.3	1.5	4.8
Median			21.9	19.8	14.1	12.7	2.1	2.0	29.5	25.9	1.2	1.3	3.4
Diff-% to median			-50%	-49%	-49%	-46%	-48%	-49%	-64%	-62%	239%	226%	-45%

Source: Refinitiv / Inderes. Note: The market value used by Inderes does not take into account treasury shares held by the company

Income statement

Income statement	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue	284.3	82.8	74.3	74.9	90.7	323	83.4	74.9	78.2	93.1	330	343	353	360
Technical Wholesale and Products	192	56.9	48.7	49.5	62.0	217	53.5	46.7	51.0	63.9	215	224	230	235
Repair and Maintenance	91.9	25.9	25.6	25.4	28.7	106	30.0	28.1	27.2	29.2	115	119	123	125
EBITDA	43.5	13.5	11.1	13.0	14.3	51.9	12.6	10.3	12.8	14.6	50.4	52.2	54.1	52.7
Depreciation	-18.4	-4.5	-4.5	-4.6	-5.3	-18.9	-5.1	-5.2	-5.2	-5.3	-20.7	-21.0	-20.8	-18.2
EBIT (excl. NRI)	28.6	9.7	7.3	9.1	10.0	36.1	8.5	6.1	8.6	10.4	33.6	35.1	37.0	37.9
EBIT	25.1	9.0	6.6	8.4	9.0	33.0	7.5	5.2	7.6	9.4	29.7	31.2	33.3	34.6
Relais Group	25.1	9.0	6.6	8.4	9.0	33.0	7.5	5.2	7.6	9.4	29.7	31.2	33.3	34.6
Net financial items	-7.4	-3.1	-1.7	-1.9	-2.5	-9.2	-1.5	-1.5	-1.4	-1.3	-5.8	-5.3	-4.8	-4.4
PTP	17.7	5.8	4.9	6.5	6.5	23.8	6.0	3.7	6.2	8.0	23.9	25.9	28.5	30.2
Taxes	-4.0	-2.0	-1.6	-1.9	0.2	-5.2	-2.1	-1.2	-1.8	0.0	-5.1	-5.7	-6.3	-6.6
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	13.7	3.9	3.3	4.6	6.7	18.5	3.9	2.5	4.4	8.0	18.8	20.2	22.2	23.6
EPS (adj.)	0.95	0.25	0.22	0.30	0.44	1.2	0.27	0.19	0.29	0.50	1.25	1.32	1.41	1.46
EPS (rep.)	0.76	0.21	0.18	0.26	0.37	1.02	0.21	0.14	0.24	0.44	1.03	1.11	1.21	1.28

Key figures	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25e	Q2'25e	Q3'25e	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	9.0 %	20.0 %	15.8 %	6.6 %	12.0 %	13.5 %	0.8 %	0.8 %	4.4 %	2.7 %	2.2 %	4.0 %	3.0 %	2.0 %
Adjusted EBIT growth-%	24.1 %	28.4 %	52.2 %	8.9 %	27.8 %	26.5 %	-12.1 %	-16.0 %	-5.8 %	3.5 %	-7.0 %	4.4 %	5.5 %	2.4 %
EBITDA-%	15.3 %	16.3 %	14.9 %	17.4 %	15.8 %	16.1 %	15.1 %	13.8 %	16.4 %	15.7 %	15.3 %	15.2 %	15.3 %	14.6 %
Adjusted EBIT-%	10.0 %	11.7 %	9.8 %	12.2 %	11.0 %	11.2 %	10.2 %	8.2 %	11.0 %	11.1 %	10.2 %	10.2 %	10.5 %	10.5 %
Net earnings-%	4.8 %	4.7 %	4.4 %	6.2 %	7.4 %	5.7 %	4.7 %	3.3 %	5.6 %	8.6 %	5.7 %	5.9 %	6.3 %	6.5 %

Source: Inderes

Note: EBIT excluding NRI is the EBITA reported by the company.

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	204	196	191	188	184
Goodwill	120	120	120	120	120
Intangible assets	13.1	12.0	10.3	8.6	7.2
Tangible assets	65.8	61.7	59.4	57.3	55.1
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	140	146	150
Inventories	74.1	83.7	84.1	87.4	90.0
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	41.4	40.6	46.1	48.0	49.1
Cash and equivalents	9.7	9.6	9.9	10.3	10.6
Balance sheet total	329	330	332	333	334

Source: Inderes

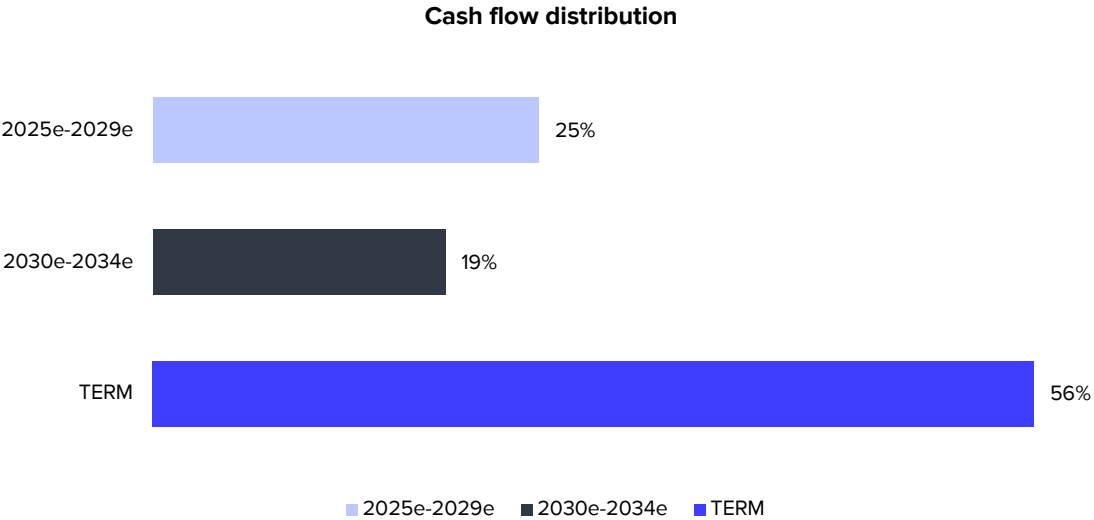
Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	111	118	127	138	150
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	42.0	52.3	62.1	72.8	85.0
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	68.5	65.2	65.2	65.2	65.2
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	144	135	104	94.0	94.0
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	100.0	90.0	90.0
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	100	101	89.5
Interest bearing debt	21.8	19.6	36.9	35.9	22.7
Payables	46.8	53.7	59.3	61.4	62.8
Other current liabilities	5.7	4.0	4.0	4.0	4.0
Balance sheet total	329	330	332	333	334

DCF-calculation

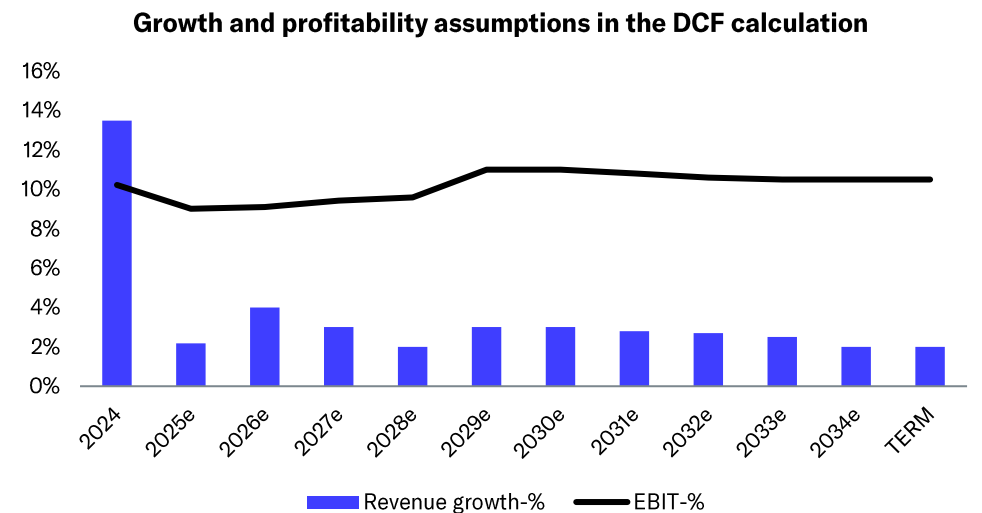
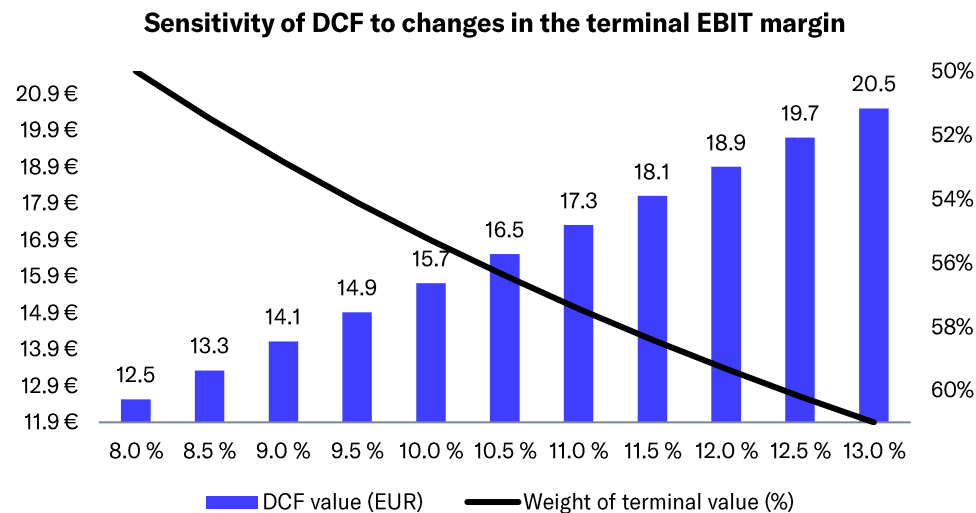
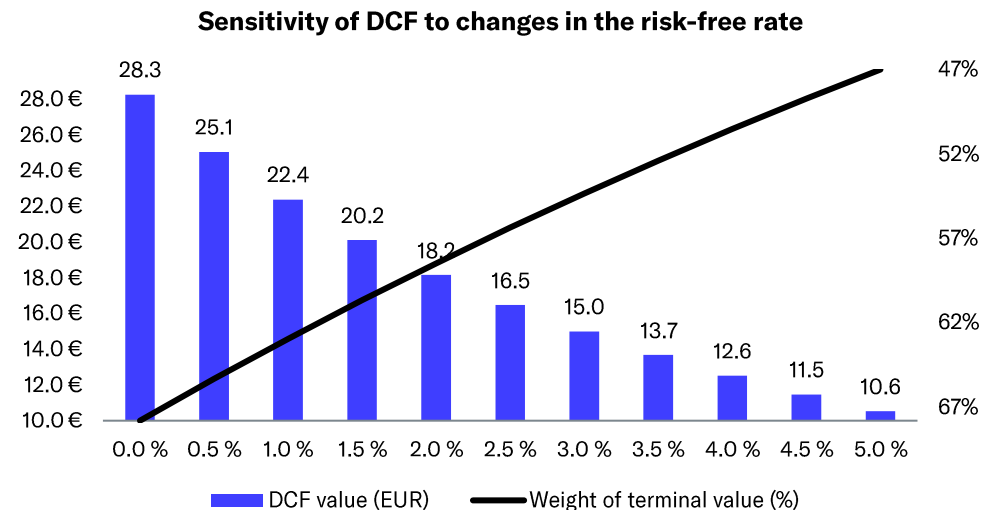
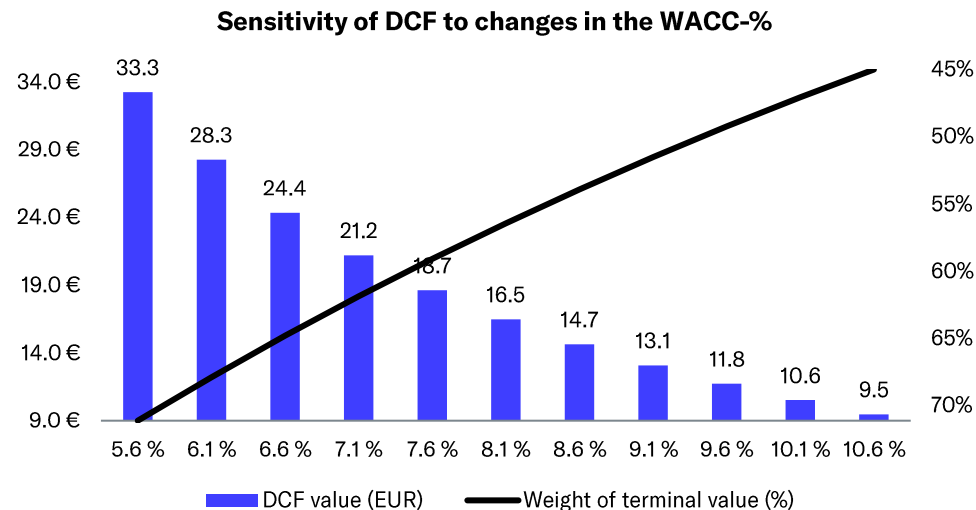
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	13.5 %	2.2 %	4.0 %	3.0 %	2.0 %	3.0 %	3.0 %	2.8 %	2.7 %	2.5 %	2.0 %	2.0 %
EBIT-%	10.2 %	9.0 %	9.1 %	9.4 %	9.6 %	11.0 %	11.0 %	10.8 %	10.6 %	10.5 %	10.5 %	10.5 %
EBIT (operating profit)	33.0	29.7	31.2	33.3	34.6	40.8	42.0	42.4	42.8	43.4	44.3	
+ Depreciation	18.9	20.7	21.0	20.8	18.2	16.6	16.7	16.6	16.8	17.0	17.2	
- Paid taxes	-4.0	-5.1	-5.7	-6.3	-6.6	-8.1	-8.3	-8.4	-8.5	-8.6	-8.8	
- Tax, financial expenses	-2.0	-1.2	-1.2	-1.0	-1.0	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9	
+ 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	-0.3	-3.2	-2.2	-1.5	-2.7	-2.8	-2.7	-2.3	-2.2	-1.8	
Operating cash flow	42.3	43.7	42.2	44.6	43.6	45.8	46.7	46.9	47.9	48.7	49.9	
+ 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	-15.9	-17.2	-17.3	-17.3	-17.6	-17.7	-17.8	-17.8	-17.7	-18.1	
Free operating cash flow	28.5	27.9	25.0	27.3	26.3	28.1	29.0	29.2	30.0	31.0	31.8	
+/- 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	27.9	25.0	27.3	26.3	28.1	29.0	29.2	30.0	31.0	31.8	532
Discounted FCFF		26.3	21.8	22.1	19.7	19.5	18.6	17.3	16.5	15.7	14.9	250
Sum of FCFF present value		442	416	394	372	352	333	314	297	280	265	250
Enterprise value DCF		442										
- Interest bearing debt		-151										
+ Cash and cash equivalents		9.6										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		301										
Equity value DCF per share		16.5										

WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	20.0 %
Cost of debt	5.0 %
Equity Beta	1.1
Market risk premium	4.75%
Liquidity premium	1.2 %
Risk free interest rate	2.5 %
Cost of equity	9.1 %
Weighted average cost of capital (WACC)	8.1 %

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	329.6	342.8	EPS (reported)	0.55	0.76	1.02	1.03	1.11
EBITDA	36.6	43.5	51.9	50.4	52.2	EPS (adj.)	0.80	0.95	1.21	1.25	1.32
EBIT	19.7	25.1	33.0	29.7	31.2	OCF / share	1.64	1.82	2.33	2.40	2.31
PTP	13.1	17.7	23.8	23.9	25.9	FCF / share	0.72	0.50	1.57	1.53	1.37
Net Income	10.0	13.7	18.5	18.8	20.2	Book value / share	5.73	6.10	6.49	6.99	7.55
Extraordinary items	-3.3	-3.4	-3.1	-3.9	-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	331.6	333.4	Revenue growth-%	10%	9%	13%	2%	4%
Equity capital	103.9	110.7	117.6	127.3	138.1	EBITDA growth-%	2%	19%	19%	-3%	4%
Goodwill	118.2	120.1	120.1	120.1	120.1	EBIT (adj.) growth-%	-11%	24%	27%	-7%	4%
Net debt	147.2	151.0	141.3	127.0	115.6	EPS (adj.) growth-%	-16%	18%	28%	3%	6%
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	50.4	52.2	EBIT (adj.)-%	8.8 %	10.0 %	11.2 %	10.2 %	10.2 %
Change in working capital	-1.8	-0.3	-3.5	-0.3	-3.2	EBIT-%	7.5 %	8.8 %	10.2 %	9.0 %	9.1 %
Operating cash flow	29.8	33.0	42.3	43.7	42.2	ROE-%	9.6 %	12.8 %	16.2 %	15.4 %	15.2 %
CAPEX	-16.1	-24.1	-13.7	-15.9	-17.2	ROI-%	7.5 %	9.4 %	12.2 %	11.2 %	11.8 %
Free cash flow	13.1	9.0	28.5	27.9	25.0	Equity ratio	33.2 %	33.6 %	35.6 %	38.4 %	41.4 %
						Gearing	141.7 %	136.5 %	120.1 %	99.8 %	83.7 %
Valuation multiples	2022	2023	2024	2025e	2026e						
EV/S	1.3	1.4	1.2	1.1	1.0						
EV/EBITDA	9.1	9.1	7.5	7.3	6.8						
EV/EBIT (adj.)	14.4	13.9	10.8	10.9	10.1						
P/E (adj.)	12.7	14.3	11.4	10.5	9.9						
P/B	1.8	2.2	2.1	1.9	1.7						
Dividend-%	3.9 %	3.3 %	3.6 %	4.0 %	4.2 %						

Source: Inderes

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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	Buy	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 €



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