

# RELAIS



Interim Financial Information  
January–September 2022

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### CONSOLIDATED INCOME STATEMENT

EUR thousand	Note	Jul- Aug 2022	Jul- Aug 2021	Jan- Sep 2022	Jan- Sep 2021	Jan- Dec 2021
Net sales	3	64,780	58,741	185,498	164,283	237,830
Other operating income		599	540	2,012	2,135	3,074
Materials and services		-36,003	-33,021	-101,954	-96,498	-138,242
Employee benefit expenses		-12,216	-10,834	-40,403	-31,948	-46,945
Depreciation, amortisation and impairments		-4,252	-3,203	-12,165	-9,191	-12,963
Other operating expenses		-6,089	-4,931	-18,648	-13,009	-19,712
<b>Operating profit</b>		<b>6,818</b>	<b>7,292</b>	<b>14,340</b>	<b>15,772</b>	<b>23,042</b>
Financial income	4	908	305	3,541	720	1,222
Financial expenses	4	-2,639	-1,503	-8,362	-4,088	-5,794
<b>Net financial expenses</b>		<b>-1,731</b>	<b>-1,198</b>	<b>-4,820</b>	<b>-3,368</b>	<b>-4,572</b>
<b>Profit before income taxes</b>		<b>5,087</b>	<b>6,094</b>	<b>9,519</b>	<b>12,404</b>	<b>18,470</b>
Income taxes		-1,396	-1,532	-3,179	-3,185	-4,093
<b>Profit for the financial year</b>		<b>3,691</b>	<b>4,562</b>	<b>6,341</b>	<b>9,219</b>	<b>14,377</b>
<b>Profit for the financial year attributable to</b>						
Owners of the parent company		3,691	4,562	6,338	9,197	14,346
Non-controlling interests		0	1	2	22	30
<b>Earnings per share</b>						
Basic earnings per share, euro	5	0.21	0.26	0.35	0.52	0.81
Diluted earnings per share, euro	5	0.20	0.25	0.34	0.50	0.78

## CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

EUR thousand	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
<b>Profit for the financial year</b>	<b>3,691</b>	<b>4,562</b>	<b>6,341</b>	<b>9,219</b>	<b>14,377</b>
<b>Other comprehensive income</b>					
Items that may be subsequently reclassified to profit or loss					
Foreign currency translation difference	-911	-1,827	-3,214	-347	-620
<b>Total other comprehensive income for the financial year</b>	<b>-911</b>	<b>-1,827</b>	<b>-3,214</b>	<b>-347</b>	<b>-620</b>
<b>Total comprehensive income for the financial year</b>	<b>2,780</b>	<b>2,735</b>	<b>3,127</b>	<b>8,873</b>	<b>13,757</b>
<b>Total comprehensive income attributable to</b>					
Owners of the parent company	2,781	2,736	3,134	8,854	13,734
Non-controlling interests	-2	-1	-7	18	23

## CONSOLIDATED BALANCE SHEET

EUR thousand	Note	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		14,467	14,089	15,066
Goodwill		116,972	108,380	116,630
Tangible assets	7	4,462	3,996	4,897
Right-of-use assets	7	53,627	50,760	54,143
Deferred tax assets		882	856	798
Other non-current assets	8	438	85	85
<b>Total non-current assets</b>		<b>190,849</b>	<b>178,167</b>	<b>191,619</b>
<b>Current assets</b>				
Inventories		77,038	65,547	73,352
Current tax receivables		1,693	1,234	2,588
Trade and other receivables		36,696	31,079	31,170
Cash at bank and in hand		12,525	19,863	11,803
<b>Total current assets</b>		<b>127,951</b>	<b>117,723</b>	<b>118,912</b>
<b>Total assets</b>		<b>318,800</b>	<b>295,890</b>	<b>310,531</b>

EUR thousand	Note	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>EQUITY</b>				
Share capital		80	80	80
Reserve for invested unrestricted equity	5,9	74,125	71,500	71,436
Translation differences		-4,836	-1,362	-1,632
Retained earnings	5	31,930	29,083	34,232
<b>Equity attributable to owners of the parent company</b>		<b>101,299</b>	<b>99,301</b>	<b>104,117</b>
<b>Non-controlling interests</b>		<b>0</b>	<b>332</b>	<b>337</b>
<b>Total equity</b>		<b>101,299</b>	<b>99,633</b>	<b>104,454</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Loans from financial institutions	8	100,025	94,599	90,537
Lease liabilities	8	43,257	41,963	44,284
Other non-current financial liabilities	8	0	3,163	1,609
Other non-current liabilities		61	348	650
Deferred tax liabilities		5,911	5,947	6,179
<b>Total non-current liabilities</b>		<b>149,254</b>	<b>146,021</b>	<b>143,259</b>
<b>Current liabilities</b>				
Loans from financial institutions	8	10,731	6,379	6,042
Lease liabilities	8	11,555	9,370	10,641
Other current financial liabilities	8	3,040	345	2,937
Current tax liabilities		3,320	2,881	4,305
Trade and other payables	8	39,602	31,262	38,893
<b>Total current liabilities</b>		<b>68,248</b>	<b>50,237</b>	<b>62,818</b>
<b>Total liabilities</b>		<b>217,501</b>	<b>196,257</b>	<b>206,076</b>
<b>Total equity and liabilities</b>		<b>318,800</b>	<b>295,890</b>	<b>310,531</b>

## CONSOLIDATED CASH FLOW STATEMENT

EUR thousand	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
<b>Cash flows from operating activities</b>					
<b>Profit for the financial year</b>	<b>3,691</b>	<b>4,562</b>	<b>6,341</b>	<b>9,219</b>	<b>14,377</b>
Adjustments:					
Depreciation, amortisation and impairment losses	4,252	3,203	12,165	9,191	12,963
Financial income and expenses	1,325	1,095	3,274	2,999	3,889
Unrealised foreign exchange gains and losses	398	103	1,547	369	683
Income tax expense	1,396	1,532	3,179	3,185	4,093
Other adjustments	92	754	329	1,962	2,467
<b>Cash flows before change in net working capital</b>	<b>11,154</b>	<b>11,249</b>	<b>26,834</b>	<b>26,925</b>	<b>38,472</b>
<b>Change in net working capital:</b>					
Change in trade and other receivables (increase (-) / decrease (+))	-6,055	-5,003	-5,384	-5,313	-1,317
Change in inventories (increase (-) / decrease (+))	-967	-4,361	-4,062	-9,595	-14,814
Change in trade and other payables (increase (+) / decrease (-))	3,745	-922	394	-1,098	-1,293
<b>Cash flows before finance items</b>	<b>7,878</b>	<b>963</b>	<b>17,781</b>	<b>10,919</b>	<b>21,048</b>
Interest paid	-356	-753	-2,176	-2,455	-3,465
Interest received	23	17	64	41	67
Other financial items	-114	-144	-247	-260	-404
Dividends received	0	0	5	0	0
Income taxes paid	-1,184	-722	-3,866	-2,975	-4,052
<b>Net cash from operating activities (A)</b>	<b>6,246</b>	<b>-640</b>	<b>11,561</b>	<b>5,270</b>	<b>13,194</b>
<b>Cash flows from investing activities</b>					
Acquisition of intangible and tangible assets	-396	-396	-1,242	-1,567	-2,482
Proceeds from sale of tangible and intangible assets	-31	11	178	11	197
Acquisition of subsidiaries, net of cash acquired	-819	-3	-9,739	-44,212	-52,872
<b>Net cash used in investing activities (B)</b>	<b>-1,246</b>	<b>-388</b>	<b>-10,803</b>	<b>-45,768</b>	<b>-55,157</b>
<b>Cash flows from financing activities</b>					
Proceeds from current loans and borrowings	3,510	4,497	3,510	4,497	4,500
Repayment of current loans and borrowings	22	-6,189	-13	-6,189	-6,569
Proceeds from non-current loans and borrowings	0	300	16,500	40,735	40,735
Repayment of non-current loans and borrowings	-24	1,022	-3,347	-3,020	-6,743
Dividends paid	0	0	-6,459	-5,189	-5,189
Repayment of lease liabilities	-2,713	-2,181	-7,793	-5,896	-8,306
Acquisition of non-controlling interest	11	0	-2,512	0	0
Proceeds from shares subscriptions based on share options	0	0	207	915	915
<b>Net cash from financing activities (C)</b>	<b>806</b>	<b>-2,551</b>	<b>92</b>	<b>25,853</b>	<b>19,343</b>
<b>Net cash from (used in) operating, investing and financing activities (A+B+C)</b>	<b>5,806</b>	<b>-3,578</b>	<b>850</b>	<b>-14,644</b>	<b>-22,620</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>5,806</b>	<b>-3,578</b>	<b>850</b>	<b>-14,644</b>	<b>-22,620</b>
Cash and cash equivalents, at the beginning of the period	<b>6,835</b>	<b>23,771</b>	<b>11,803</b>	<b>34,669</b>	<b>34,669</b>
Effects of exchange rate fluctuations on cash held	-115	-330	-128	-162	-245
<b>Cash and cash equivalents, at the end of the period</b>	<b>12,526</b>	<b>19,862</b>	<b>12,525</b>	<b>19,862</b>	<b>11,803</b>

## CHANGES IN THE GROUP'S EQUITY

Equity attributable to owners of the parent company							
EUR thousand	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total	Non-control-ling interests	Total equity
<b>Equity 1 Jan 2022</b>	<b>80</b>	<b>71,436</b>	<b>-1,632</b>	<b>34,232</b>	<b>104,117</b>	<b>337</b>	<b>104,454</b>
<b>Comprehensive income</b>							
Profit (loss) for the period				6,338	6,338	2	6,341
Change in translation differences			-3,205	0	-3,205	-9	-3,214
<b>Total comprehensive income for the financial year</b>	<b>0</b>	<b>0</b>	<b>-3,205</b>	<b>6,338</b>	<b>3,134</b>	<b>-7</b>	<b>3,127</b>
<b>Transactions with owners of the parent company</b>							
Shares issues related to business combinations		1,168			1,168	0	1,168
Share-based payments		1,314			1,314	0	1,314
Shares subscribed by using option rights		207			207	0	207
Acquisition of non-controlling interest				-2,182	-2,182	-330	-2,512
Dividend distribution				-6,459	-6,459	0	-6,459
<b>Total transactions with owners of the parent company</b>	<b>0</b>	<b>2,689</b>	<b>0</b>	<b>-8,640</b>	<b>-5,952</b>	<b>-330</b>	<b>-6,282</b>
<b>Equity 30 Sep 2022</b>	<b>80</b>	<b>74,125</b>	<b>-4,836</b>	<b>31,930</b>	<b>101,299</b>	<b>0</b>	<b>101,299</b>

Equity attributable to owners of the parent company							
EUR thousand	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total	Non-control-ling interests	Total equity
<b>Equity 1 Jan 2021</b>	<b>80</b>	<b>56,226</b>	<b>-1,019</b>	<b>25,075</b>	<b>80,362</b>	<b>314</b>	<b>80,676</b>
Profit (loss) for the period				9,197	9,197	22	9,219
Change in translation differences			-343		-343	-4	-347
<b>Total comprehensive income for the financial year</b>	<b>0</b>	<b>0</b>	<b>-343</b>	<b>9,197</b>	<b>8,854</b>	<b>18</b>	<b>8,873</b>
<b>Transactions with owners of the parent company</b>							
Shares issues related to business combinations		14,359			14,359		14,359
Shares subscribed by using option rights					915		915
Dividend distribution				-5,189	-5,189		-5,189
<b>Total transactions with owners of the parent company</b>	<b>0</b>	<b>15,274</b>	<b>0</b>	<b>-5,189</b>	<b>10,085</b>	<b>0</b>	<b>10,085</b>
<b>Equity 30 Sep 2021</b>	<b>80</b>	<b>71,500</b>	<b>-1,362</b>	<b>29,083</b>	<b>99,301</b>	<b>332</b>	<b>99,633</b>

EUR thousand	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total	Non-control-ling interests	Total equity
<b>Equity 1 Jan 2021</b>	<b>80</b>	<b>56,226</b>	<b>-1,019</b>	<b>25,075</b>	<b>80,362</b>	<b>314</b>	<b>80,676</b>
Profit (loss) for the period			0	14,346	14,346	30	14,377
Change in translation differences			-612	0	-612	-8	-620
<b>Total comprehensive income for the financial year</b>	<b>0</b>	<b>0</b>	<b>-612</b>	<b>14,346</b>	<b>13,734</b>	<b>23</b>	<b>13,757</b>
<b>Transactions with owners of the parent company</b>							
Shares issues related to business combinations		14,296		0	14,296	0	14,296
Shares subscribed by using option rights		915		0	915	0	915
Dividend distribution				-5,189	-5,189	0	-5,189
<b>Total transactions with owners of the parent company</b>	<b>0</b>	<b>15,210</b>	<b>0</b>	<b>-5,189</b>	<b>10,022</b>	<b>0</b>	<b>10,022</b>
<b>Equity 31 Dec 2021</b>	<b>80</b>	<b>71,436</b>	<b>-1,632</b>	<b>34,232</b>	<b>104,117</b>	<b>337</b>	<b>104,454</b>

## NOTES

1. Basis of accounting
2. Seasonality
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### 1. BASIS OF ACCOUNTING

These interim financial information of Relais Group (hereinafter "Relais" or "Group") for the nine-month period ending 30 September 2022 have been prepared solely for the purpose of inclusion in the Prospectus in accordance with the Prospectus Regulation (EU) 2017/1129 and the Commission Delegated Regulation (EU) 2019/980, prepared in connection with the listing of Relais Group Plc and the offering of the company's shares to the public and the listing of the shares in the stock exchange list of Nasdaq Helsinki Oy, and these interim financial information cannot be used for any other purposes.

This financial interim financial information has been prepared in accordance with the IAS 34 Interim Financial Reporting standard which are consistent with the accounting policies of Relais Groups's first, 2021 financial statements, with the exception of changes to the existing standards IFRS 3, IAS 16 and IAS 37, which the group has applied from 1 January 2022. According to the management's assessment, the implementation of the changes will not have a significant impact on the group's financial statements.

As of September 1, 2022, Relais has changed the basis of internal reporting for the reporting segments and reports them to the chief operating decision maker based on international financial reporting standards (IFRS). Previously, the basis of preparation was in accordance with the Finnish accounting and financial statement regulations (FAS). The segment information according to the new accounting basis is presented in note 6.

### 2. SEASONALITY

The seasonality of the group's business has an impact on the demand for Relais' services, which in turn affects its net sales, net operating profit, and cash flows. Variation in seasonal temperatures, such as warm summers and cold winters, can have an effect on the demand for batteries, starter motors, and chargers as well as the need for vehicle air conditioning and heating. Furthermore, the demand for lighting products, such as LEDs and auxiliary lights, typically grows in the fall and winter months. Due to seasonal changes, Relais typically produces greater Net sales in the second half of the year.

### 3. DISAGGREGATION OF NET SALES

Consolidated net sales is disaggregated by product line and geographical market in the tables below. Markets are based on the geographic location of customers.

EUR thousand	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Equipment	23,614	23,890	33,222
Lighting	40,132	39,338	61,892
Spare parts	58,976	59,382	80,062
Repair and maintenance	61,928	40,605	60,039
Other	848	1,068	2,616
<b>Total</b>	<b>185,498</b>	<b>164,283</b>	<b>237,830</b>



EUR thousand	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Finland	82,532	85,880	123,475
Sweden	78,412	59,685	88,262
Estonia	3,391	3,233	4,796
Norway	4,471	4,602	6,412
Other countries	16,692	10,883	14,885
<b>Total</b>	<b>185,498</b>	<b>164,283</b>	<b>237,830</b>

#### 4. FINANCE INCOME AND EXPENSES, EFFECT OF EXCHANGE RATES

Financial income and expenses are detailed in the table below.

EUR thousand	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
<b>Financial income</b>					
Foreign exchange gains	826	276	3,149	647	1,155
Interest income	23	17	64	41	67
Other financial income	1	13	6	32	0
Changes in fair values	58	0	322	0	0
<b>Financial income total</b>	<b>908</b>	<b>305</b>	<b>3,541</b>	<b>720</b>	<b>1,222</b>
<b>Financial expenses</b>					
Foreign exchange losses	-1,349	-514	-5,076	-1,230	-1,997
Interest expenses	-1,288	-944	-3,281	-2,782	-3,785
Other financial expenses	-2	-45	-5	-76	-12
<b>Financial expenses total</b>	<b>-2,639</b>	<b>-1,503</b>	<b>-8,362</b>	<b>-4,088</b>	<b>-5,794</b>
<b>Net financial expenses</b>	<b>-1,731</b>	<b>-1,198</b>	<b>-4,820</b>	<b>-3,368</b>	<b>-4,572</b>

The increase in net financial expenses in the reporting period is due to unrealized exchange rate gains and losses of unhedged foreign currency loans. The increase in reference interest rates on loans from financial institutions increased the interest expenses by approximately EUR 0.2 million in the review period.

The strengthening of the USD against the euro increased the costs of the materials and services item in the group's income statement by approximately EUR 0.7 million in the review period. The development of the EUR/SEK exchange rate during the review period had a negative impact on the Group's EBITA. At comparable exchange rates, EBITA during the review period would have been approximately EUR 0.2 million higher than reported.

## 5. EARNINGS PER SHARE, DIVIDEND PAYMENT AND SHARE-BASED PAYMENTS

EUR	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Earnings per share, basic	0.21	0.26	0.35	0.52	0.81
Earnings per share, diluted	0.20	0.25	0.34	0.50	0.78

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Number of outstanding shares at the end of the period	18 132 308	17 941 433	18 132 308	17 941 433	17 941 433
Weighted average number of shares, basic	18 132 308	17 941 433	18 024 511	17 562 625	17 658 106
Weighted average number of shares, diluted	18 787 677	18 690 040	18 752 469	18 399 444	18 483 266

The AGM of 13 April 2022 decided that, in accordance with the board's proposal, a dividend of EUR 0.36 per share will be paid from the parent company's distributable assets to the shareholders who, on the record date of the dividend payment, April 19, 2022, were entered in the company's shareholder register maintained by Euroclear Finland Oy. The dividend was paid on April 26, 2022.

A total of EUR 6.5 million in dividends was paid out.

Share-based payment arrangement was related to Lumise and was considered a transaction separate from the business combination, and consequently was accounted as an employee benefit expense. The terms of the arrangement were fulfilled and EUR 1.3 million was paid in 64,407 company shares.

## 6. SEGMENT INFORMATION

EUR thousand	Finland& Baltics	Scandi- navia	Other	Elimina- tions	Total
<b>Jan-Sep 2022</b>					
External revenue	88,254	97,248	0	-4	185,498
Internal revenue	5,252	559	227	-6,038	0
Material and services	-54,133	-53,456	0	5,634	-101,954
<b>Gross profit</b>	<b>39,374</b>	<b>44,351</b>	<b>227</b>	<b>-408</b>	<b>83,544</b>
Depreciation, amortisation and impairment	-6,147	-3,524	-37	-2,457	-12,165
Other income and expenses	-26,212	-27,980	-2,206	-641	-57,039
<b>Operating profit</b>	<b>7,014</b>	<b>12,848</b>	<b>-2,016</b>	<b>-3,506</b>	<b>14,340</b>
Financial items	-603	-1,959	-2,252	-7	-4,820
<b>Profit before income taxes</b>	<b>6,411</b>	<b>10,889</b>	<b>-4,268</b>	<b>-3,513</b>	<b>9,519</b>

EUR thousand	Finland& Baltics	Scandi- navia	Other	Elimina- tions	Total
<b>Jan-Sep 2021</b>					
External revenue	90,989	73,295	0	-1	164,283
Internal revenue	5,079	409	0	-5,488	0
Material and services	-56,134	-44,653	0	4,289	-96,498
<b>Gross profit</b>	<b>39,934</b>	<b>29,050</b>	<b>0</b>	<b>-1,199</b>	<b>67,785</b>
Depreciation, amortisation and impairment	-5,772	-1,438	-28	-1,952	-9,191
Other income and expenses	-24,943	-14,793	-1,279	-1,807	-42,822
<b>Operating profit</b>	<b>9,219</b>	<b>12,819</b>	<b>-1,307</b>	<b>-4,959</b>	<b>15,772</b>
Financial items	-828	-1,495	8,251	-9,295	-3,368
<b>Profit before income taxes</b>	<b>8,390</b>	<b>11,324</b>	<b>6,944</b>	<b>-14,254</b>	<b>12,404</b>

EUR thousand	Finland& Baltics	Scandi- navia	Other	Elimina- tions	Total
<b>Jan-Dec 2021</b>					
External revenue	130,851	106,979	0	0	237,830
Internal revenue	8,324	751	0	-9,075	0
Material and services	-82,164	-64,053	0	7,976	-138,242
<b>Gross profit</b>	<b>57,011</b>	<b>43,676</b>	<b>0</b>	<b>-1,099</b>	<b>99,588</b>
Depreciation, amortisation and impairment	-7,913	-2,325	-40	-2,685	-12,963
Other income and expenses	-35,418	-23,600	-2,389	-2,176	-63,584
<b>Operating profit</b>	<b>13,680</b>	<b>17,751</b>	<b>-2,428</b>	<b>-5,961</b>	<b>23,042</b>
Financial items	-1,038	-1,959	6,459	-8,034	-4,572
<b>Profit before income taxes</b>	<b>12,642</b>	<b>15,793</b>	<b>4,031</b>	<b>-13,996</b>	<b>18,470</b>

EUR thousand	Finland& Baltics	Scandi- navia	Other	Elimina- tions	Total
<b>Jan-Dec 2020</b>					
External revenue	59,857	69,121	0	0	128,978
Internal revenue	4,213	474	286	-4,974	0
Material and services	-45,543	-43,257	-120	4,459	-84,460
<b>Gross profit</b>	<b>18,527</b>	<b>26,338</b>	<b>166</b>	<b>-514</b>	<b>44,518</b>
Depreciation, amortisation and impairment	-2,308	-1,182	-27	-465	-3,982
Other income and expenses	-7,241	-14,194	-1,321	71	-22,685
<b>Operating profit</b>	<b>8,979</b>	<b>10,963</b>	<b>-1,182</b>	<b>-909</b>	<b>17,851</b>
Financial items	854	-2,302	320	-490	-1,617
<b>Profit before income taxes</b>	<b>9,833</b>	<b>8,661</b>	<b>-861</b>	<b>-1,398</b>	<b>16,234</b>

Other- item includes management and administrative services provided by the parent company to the group.

Eliminations- column includes internal eliminations as well as postings and amortizations related to acquisitions.

Relais segment information for 2021 has been restated to reflect the change in the basis of preparation. Until year-end 2021 segment information for management reporting was prepared in accordance with Finnish accounting standards (FAS). Starting 1st of September 2022 segment information preparation for management reporting is based on International Financial Reporting Standards (IFRS). Restatement had no impact on the Group's total figures.

## 7. CHANGES TO TANGIBLE AND RIGHT-OF-USE ASSETS

### CHANGES TO RIGHT-OF-USE ASSETS

EUR thousand	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>Cost at the beginning of period</b>	<b>65,818</b>	<b>20,323</b>	<b>20,323</b>
Additions	2,223	10,559	12,701
Business combinations	2,911	29,156	33,049
Exchange differences	-1,351	-66	-210
Disposals	-2,522	-217	-245
Revaluations	4,918	174	200
<b>Cost at the end of period</b>	<b>71,996</b>	<b>59,929</b>	<b>65,818</b>
<b>Accumulated depreciation and impairment at the beginning of the period</b>	<b>-11,675</b>	<b>-3,140</b>	<b>-3,140</b>
Disposals	1,264	217	245
Depreciation	-8,218	-6,251	-8,798
Exchange differences	260	5	18
<b>Accumulated depreciation and impairment at the end of the period</b>	<b>-18,369</b>	<b>-9,168</b>	<b>-11,675</b>
<b>Book value at the beginning of the period</b>	<b>54,143</b>	<b>17,183</b>	<b>17,183</b>
<b>Book value at the end of the period</b>	<b>53,627</b>	<b>50,760</b>	<b>54,143</b>

### CHANGES TO TANGIBLE ASSETS

EUR thousand	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>Cost at the beginning of period</b>	<b>15,055</b>	<b>3,891</b>	<b>3,891</b>
Additions	819	1,314	2,424
Business combinations	1,026	2,818	9,688
Exchange differences	-465	-21	-88
Disposals	-60	-156	-406
Reclassifications	118	42	42
<b>Cost at the end of period</b>	<b>16,310</b>	<b>7,888</b>	<b>15,055</b>
<b>Accumulated depreciation and impairment at the beginning of the period</b>	<b>-10,159</b>	<b>-3,026</b>	<b>-3,026</b>
Business combinations	-955	-143	-6,244
Disposals	58	145	320
Reclassifications	-118	-28	-47
Depreciation	-1,197	-604	-1,225
Exchange differences	341	15	64
<b>Accumulated depreciation and impairment at the end of the period</b>	<b>-11,848</b>	<b>-3,892</b>	<b>-10,159</b>
<b>Book value at the beginning of the period</b>	<b>4,897</b>	<b>865</b>	<b>865</b>
<b>Book value at the end of the period</b>	<b>4,462</b>	<b>3,996</b>	<b>4,897</b>

The most significant additions in the review period and comparison period are related to premises, of which right-of-use assets acquired with lease agreements have been recorded in connection with business acquisitions.

Revaluations in rents include additions to right-of-use assets and lease liabilities due to rent increases and due to changes in lease terms in lease agreements for existing premises.

## **8. FINANCING ARRANGEMENTS**

### **Changes in financing arrangements**

The Senior Facilities Agreement between the Company and its main bank has initially been entered into in May 2022, after with it has been restated and extended three times during 2020-2022.

On 30 March 2022, the Company agreed on extensions and amendments of its Senior Facilities Agreement with its main bank. The Amended and Restated Facilities Agreement includes a new committed term loan facility of EUR 7 million and uncommitted term loan facility of EUR 25 million for possible future corporate acquisitions. At the same time, the Amended and Restated Facilities Agreement was extended by one year until the end of May 2024, which means that EUR 100.0 million of the loans will be repaid in 2024 instead of 2023 and are presented as long-term loans from financial institutions.

The maximum amount of financial limits under the Amended and Restated Facilities Agreement is EUR 133.7 million, comprising of financing for corporate acquisitions of a maximum of EUR 101.7 million, an uncommitted term loan facility of EUR 25 million and an RCF limit of EUR 7 million. During the review period, the Company increased both the loan facility and the RCF limit so, that at the end of the review period, the undrawn portion of the uncommitted senior facilities was EUR 15.5 million and of RCF limit EUR 1.3 million.

During the review period, MEUR 16.5 Acquisition financing was drawn down, and the undrawn portion EUR 15.5 million. After these drawdowns, the annual repayment amount of acquisition loans is total EUR 7.2 million. No material Financing expenses incurred regarding drawdowns and Senior Facilities Agreement amendment.

On May 5, 2022, the company redeemed the remaining 30% of SEC Scandinavia A/S's shares from the companies' minority shareholders. The company had previously recorded a redemption debt of EUR 345 thousand and accounted the acquisition of SEC Scandinavia A/S as the acquisition of a 100% subsidiary in its financial statements. The cash purchase price for the shares of SEC Scandinavia A/S was DKK 3.0 million.

The company also paid an additional purchase price of STS Sydhamnens Trailer Service AB of SEK 22.0 million in the period ending September 30, 2022. The company had previously recognised a contingent consideration of EUR 2.0 million.

The company has recognised a contingent consideration of EUR 1.6 million in connection with the acquisition of Strands Group AB, which was reported in long-term contingent consideration in the last financial period and was reported in short-term contingent consideration in the period ended.

## Breakdown of financial liabilities

EUR thousand	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>At amortised cost</b>			
<b>Non-current</b>			
Borrowings from financial institutions	100,025	94,599	90,537
Lease liabilities	43,257	41,963	44,284
	<b>143,282</b>	<b>136,562</b>	<b>134,821</b>
<b>Current</b>			
Borrowings from financial institutions	10,731	6,379	6,042
Lease liabilities	11,555	9,370	10,641
Trade payables	16,683	13,341	15,402
Redemption liability of non-controlling interest	0	345	345
Other financial liabilities	824	0	13
	<b>39,792</b>	<b>29,435</b>	<b>32,444</b>
<b>Total financial liabilities at amortised cost</b>	<b>183,074</b>	<b>165,997</b>	<b>167,265</b>
<b>At fair value through profit or loss</b>			
<b>Non-current</b>			
Contingent considerations	0	1,564	1,561
Derivative instruments	0	104	48
	<b>0</b>	<b>1,668</b>	<b>1,609</b>
<b>Current</b>			
Contingent considerations	2,216	0	2,578
<b>Total financial liabilities at fair value through profit or loss</b>	<b>2,216</b>	<b>1,668</b>	<b>4,187</b>
<b>Total financial liabilities</b>	<b>185,291</b>	<b>167,665</b>	<b>171,452</b>

## Accounting classification and fair values

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. The table excludes fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

EUR thousand	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
<b>At 30 September 2022</b>					
<u>Financial assets measured at fair value</u>					
Interest rate swaps (not hedge accounted)	322	-	322	-	<b>322</b>
<b>Total</b>	<b>322</b>	-	<b>322</b>	-	<b>322</b>
<u>Financial liabilities measured at fair value</u>					
Interest rate swaps (not hedge accounted)	-	-	-	-	-
Contingent considerations	2 216	-	-	2,216	2,216
<b>Total</b>	-	-	-	<b>2,216</b>	<b>2,216</b>
<u>Financial liabilities not measured at fair value</u>					
Current borrowings from financial institutions	10,731	-	-	10,731	10,731
Non-current borrowings from financial institutions	100,025	-	-	100,025	100,025
<b>Total</b>	<b>110,755</b>	-	-	<b>110,755</b>	<b>110,755</b>

EUR thousand	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
<b>At 30 September 2021</b>					
<u>Financial liabilities measured at fair value</u>					
Interest rate swaps (not hedge accounted)	104	-	104	-	104
Contingent considerations	1 564	-	-	1,564	1,564
<b>Total</b>	-	-	-	<b>1,564</b>	<b>1,564</b>
<u>Financial liabilities not measured at fair value</u>					
Current borrowings from financial institutions	6,379	-	-	6,379	6,379
Non-current borrowings from financial institutions	94,599	-	-	94,599	94,599
Redemption liability of non-controlling interest	345	-	-	345	<b>345</b>
<b>Total</b>	<b>101,323</b>	-	-	<b>101,323</b>	<b>101,323</b>

EUR thousand	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
<b>At 31 December 2021</b>					
<u>Financial liabilities measured at fair value</u>					
Interest rate swaps (not hedge accounted)	48	-	48	-	<b>48</b>
Contingent considerations	4,139	-	-	4,139	<b>4,139</b>
<b>Total</b>	<b>4,187</b>	-	<b>48</b>	<b>5,576</b>	<b>4,187</b>
<u>Financial liabilities not measured at fair value</u>					
Current borrowings from financial institutions	6,042	-	-	6,042	<b>6,042</b>
Non-current borrowings from financial institutions	90,537	-	-	90,537	<b>90,537</b>
Redemption liability of non-controlling interest	345	-	-	345	<b>345</b>
<b>Total</b>	<b>96,924</b>	-	-	<b>96,924</b>	<b>96,924</b>

#### Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are categorised into hierarchy levels that are representative of the inputs used in the valuation techniques as follows:

<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Fair value is calculated on the basis of quoted prices (unadjusted) in active markets for identical assets or liabilities that Relais can access at the measurement date.	Fair value is calculated on the basis of inputs other than quoted prices included in Level 1 that are observable for the asset or liability; either directly (i.e. as prices) or indirectly (i.e. derived from prices).	Fair value is calculated on the basis of inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The group has determined the fair value of the contingent consideration according to the terms of the agreement by discounting probability-weighted cash flows at the time of reporting. Determining fair value involves management judgment. The contingent consideration will be paid within a year, and the management does not expect the cash flows to differ significantly from the fair value. The change in fair value is recognised in the income statement and is fully unrealized.

The group has estimated that the fair value of its bank loans corresponds to their book value, because the loans have variable interest rates and according to the management's assessment, the interest rate on the loans is close to the market rate on the reporting date. The increase in interest rates does not have a significant effect on the fair value of loans, but they directly increase interest expenses.

#### **Collaterals and other obligations**

<b>EUR thousand</b>	<b>30 Sep 2022</b>	<b>30 Sep 2021</b>	<b>31 Dec 2021</b>
<b>Loans from financial institutions</b>			
Financing loans	110,840	63,733	96,762
Overdraft limit	3,500	0	0
Amount of overdraft limit granted	4,856	4,856	4,856
Available limit	1,356	4,856	4,856
Book value of pledged subsidiary shares	105,222	105,222	105,222
Mortgage on company assets	107,500	109,150	107,500
<b>Collateral for financial institution loans, total</b>	<b>212,722</b>	<b>214,372</b>	<b>212,722</b>
<b>Guarantees given on behalf of the companies belonging to the same group</b>			
General guarantee	5,228	9,308	4,712
Other	801	8,635	8,570
<b>Total</b>	<b>6,029</b>	<b>17,943</b>	<b>13,282</b>
<b>Other liabilities</b>			
Rental securities	1,865	1,865	1,858
Other guarantees	248	215	205
<b>Total</b>	<b>2,113</b>	<b>2,080</b>	<b>2,063</b>



## 9. BUSINESS COMBINATIONS

The company signed in May the acquisition of the entire share capital of the Swedish company Skeppsbrons Jönköping AB. The purchase price of Skeppsbrons was SEK 87.6 million, of which SEK 14.0 million was paid by new 68.118 Relais Group shares issued upon closing.

Summary of the acquisition including the table showing the considerations transferred and the recognised amounts of assets acquired, and liabilities assumed at the date of acquisitions are presented below. Goodwill is mainly generated from skilled personnel and a strong market position.

EUR thousand	Skeppsbrons Jönköping Ab
Acquisition date	5 May
Share acquired	100%
Domicile	Sweden
Consolidated from	1 May
Revenue from acquisition date until 30 September 2022	2,779
Profit/loss from acquisition date until 30 September 2022	146
Goodwill deductible for tax purposes	No
<u>Consideration transferred</u>	
Cash	7,013
Equity instruments	1,168
Non-competing agreement	-379
<b>Total consideration transferred</b>	<b>7,802</b>
<u>Identified assets acquired and liabilities assumed</u>	
Customer-related intangibles	1,683
Machinery and equipment	70
Right-of-use assets	2,918
Inventories	475
Trade and other receivables	1,171
Cash and cash equivalents	625
Non-current liabilities	-24
Deferred tax liabilities	-457
Lease liabilities	-2,918
Trade and other payables	-1,082
<b>Total identifiable net assets acquired</b>	<b>2,461</b>
<b>Goodwill</b>	<b>5,341</b>
Acquisition-related costs incurred	41
Cash consideration	-7,013
Less: cash acquired	625
<b>Net outflow of cash - investing activities</b>	<b>-6,388</b>

In addition Relais' subsidiary SEC Scandinavia A/S completed the acquisition of the entire share capital of the Danish Ecofoss A/S on 1 July 2022. Acquisition has no material effect on the Group's income statement nor financial position. Had the acquisitions occurred on 1 January 2022, management estimates that the consolidated revenue would have amounted to EUR 186,592 thousand, and consolidated profit for the year would have been EUR 6,589 thousand in the period ended 30 September 2022. None of the goodwill recognised is deductible for tax purposes. Relais expects the gross contractual amount for the acquired trade receivables to equal their fair value.

In May 2022, Relais Group acquired with cash an additional 4,75% interest in TD Tunga Delar Sverige AB, increasing its ownership to 100%.

#### EUR thousand

Carrying amount of NCI acquired	334
Consideration paid to NCI	2,543
<hr/>	
A decrease in equity attributable to owners of the Company	2,209

## 10. RELATED PARTY TRANSACTIONS

Relais' board members and management team members subscribed for shares based on option rights during the reporting period 1-9/2022 58,350 shares (1-9/2021 109,550 shares).

Key management personnel compensation						
EUR thousand	Jan-Sep 2022	Jan-Dec 2021	Jan-Sep 2022	Jan-Dec 2021	Jan-Sep 2022	Jan-Dec 2021
	<b>CEO Arni Ekholm</b>		<b>Other members of Management</b>		<b>Total</b>	
Salaries and other short-term employee benefits	-250	-276	-560	-557	-810	-833
Pension benefits (defined contribution plans)	-48	-47	-91	-93	-139	-140
Share-based payments*	131	-180	258	-353	389	-533
<b>Total</b>	<b>-167</b>	<b>-503</b>	<b>-393</b>	<b>-1,003</b>	<b>-560</b>	<b>-1,506</b>

\*) The revaluation of the debt related to synthetic options has resulted in cost reversal during the review period, because of the related debt has decreased as the fair value of the share under the arrangement has decreased.

<b>Transactions with related parties and outstanding balances</b>			
	<b>Jan- Sep 2022/ 30 Sep 2022</b>	<b>Jan- Sep 2021/ 30 Sep 2021</b>	<b>Jan- Dec 2021/ 31 Dec 2021</b>
<b>EUR thousand</b>			
<b>Transactions</b>			
Sales	293	150	374
Purchases	401	424	525
Services	620	241	325
<b>Outstanding balances</b>			
Trade receivables	37	0	19
Trade payables	126	0	13

The related party transactions disclosed in the table above consist of transactions with those companies, in which key management personnel of Relais has control or significant influence.

#### **11. EVENTS AFTER THE REVIEWED PERIOD**

On 25 October Relais announced that the company is transitioning to IFRS reporting starting from 1 January 2020.

On November 10, 2022, the company published the Q3 2022 interim management report.