



CONTINUED STRONG PERFORMANCE

Relais Group Plc

Half-Year Financial Report January–June 2024

15 August 2024

RELAIS

PRESENTING TODAY



Arni Ekholm
CEO



Thomas Ekström
CFO

CONTENT

- Relais as an Investment
- Business Review
- Acquisitions
- Outlook 2024
- Financial Review










An aerial photograph showing a two-lane asphalt road winding through a dense forest of tall, thin trees. The forest is lush green, with some trees showing early autumn colors. To the left of the road, a large body of blue water is visible. To the right, a smaller stream or inlet flows into the larger body of water. The overall scene is bright and scenic.

RELAIS AS AN INVESTMENT

RELAIS

RELAIS AS AN INVESTMENT

-  Sector specialist, competent compounder
-  Profitable and unique growth platform in Northern Europe
-  Successful acquisition track record
-  Strong profitability and cash flow
-  Growing, defensive underlying market
-  Own vehicle lighting brands with growth potential
-  Lean and effective operating model



RELAIS GROUP COMPANIES

Technical wholesale and products (67%)

Spare parts




31%

Lighting and equipment











36%




Commercial vehicle repair and maintenance (33%)



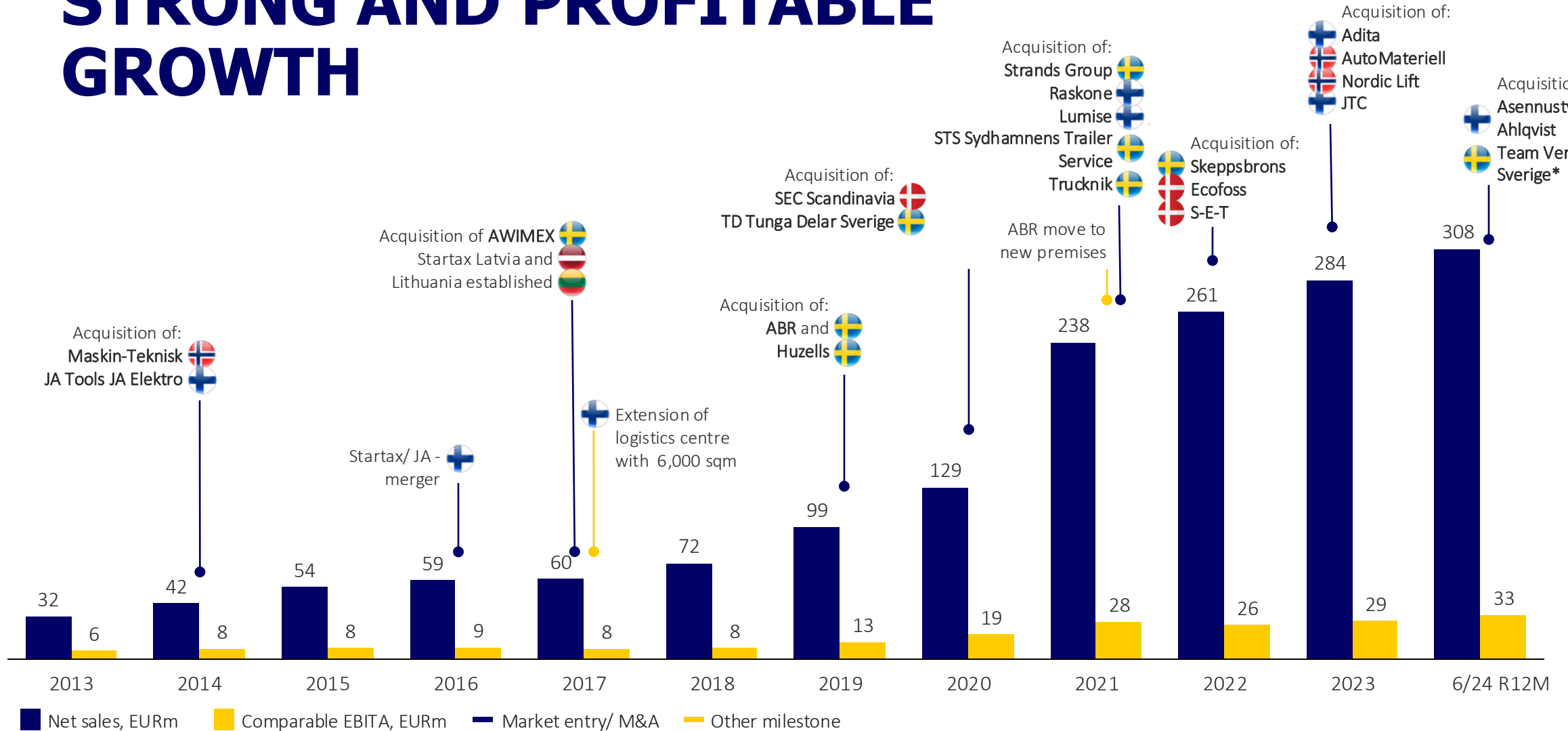




Over thousand professionals in 6 countries



STRONG AND PROFITABLE GROWTH



An aerial photograph showing a two-lane asphalt road winding through a dense forest of tall, thin trees. The forest is lush green, with some trees showing early autumn colors. To the left of the road, a large body of water with a blue-green hue is visible. The overall scene is bright and scenic, suggesting a natural or rural setting.

BUSINESS REVIEW Q2 and H1 / 2024

RELAIS

An aerial photograph showing a two-lane asphalt road winding through a dense forest of tall, thin trees. The forest is situated on a peninsula or shoreline next to a large body of blue water. The lighting suggests a bright, sunny day, with some trees appearing in shadow and others in full light.

Q2: Sixth consecutive quarter with a double-digit EBITA growth

RELAIS

Q2/2024

**Net sales
MEUR**

74.3

+16% vs. Q2/2023

H1/2024

157.0

+18% vs. H1/2023

12 MR

308

+8% vs. FY 2023

**Comparable EBITA
MEUR**

7.3

+52% vs. Q2/2023

17.0

+37% vs. H1/2023

33.4

+16% vs. FY 2023

**Earnings per share,
basic (EUR)**

0.18

(0.01 in Q2/2023)

0.39

(0.17 in H1/2023)

ROCE

12.9%

+2,4 pp vs. H1/2023

Q2: STRONG PERFORMANCE ON ALL FRONTS

- The net sales of the Group grew with 16% supported by the good market demand, acquisitions and our successful commercial activities. The organic growth was 8%.
- The gross profit percentage of the Group grew from 45.7 to 47.7 supported by sales price increases, operational efficiency of the workshops and effective purchasing.
- The comparable EBITA grew with 52% compared with last year.



Q2: TECHNICAL WHOLESALE AND PRODUCTS

- The sales grew with **18%**. The organic growth was **9%**.
- The sales growth comes predominantly from the Scandinavian markets, partly supported by the earlier acquisitions in Norway and the positive market demand in Sweden. The market in Finland was stable after the strong Q1.
- The sales of **spare parts** grew with **13%**. The hard winter conditions of Q1 caused an increased need of repairs extending also to Q2 which led to a higher demand of spare parts, especially brake parts, suspension and steering components
- The **equipment product group** sales grew with **33%** which is largely coming from the acquired workshop equipment businesses in Norway.
- The sales of the **vehicle lighting products** grew with **14%**, coming mainly from the positively developed export activities of our Strands brand.



Q2: REPAIR AND MAINTENANCE

- The sales of the Group's Commercial Vehicle Repair and Maintenance-business area developed also positively during Q2.
- The sales growth was **12%**. Organic growth was **6%**.
- The demand for our services has **continued to grow** as especially bigger **fleet customers** are looking for cost efficiencies in their operations.
- The **resource situation** at our workshops was on a good level and there were no critical shortages in manpower.



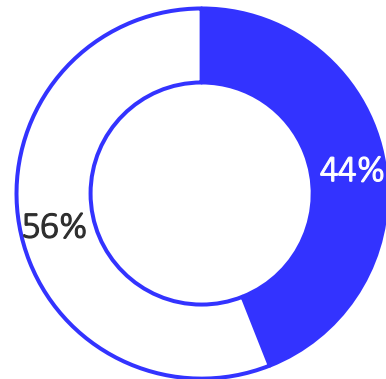
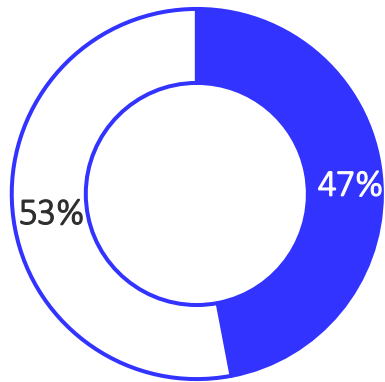
SALES BY SEGMENT Q2 AND 1HY

4-6/2023

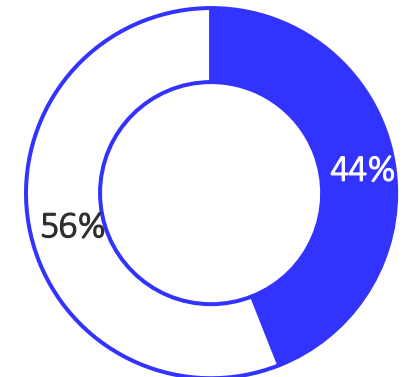
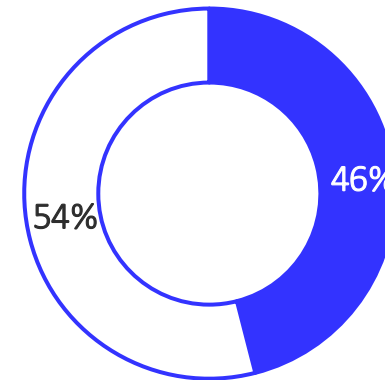
4-6/2024

1-6/2023

1-6/2024



% of net sales



MEUR

33.9

30.2

41.6

32.6

+23%

+8%

MEUR

71.9

61.1

+23%

+13%

□ Scandinavia

■ Finland & Baltics

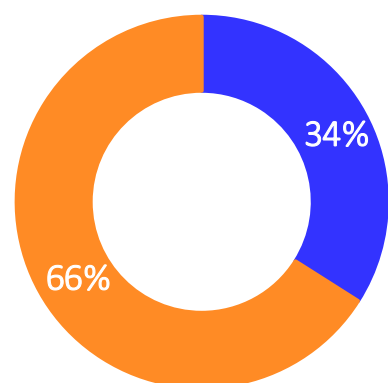
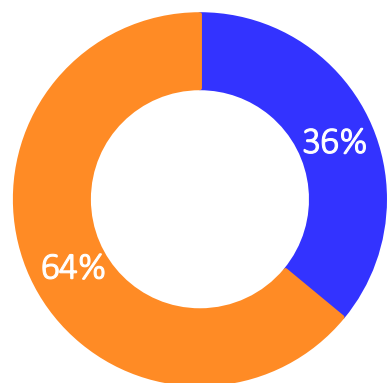
SALES BY BUSINESS AREA Q2 AND 1HY

4-6/2023

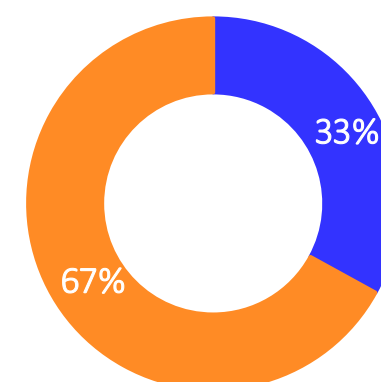
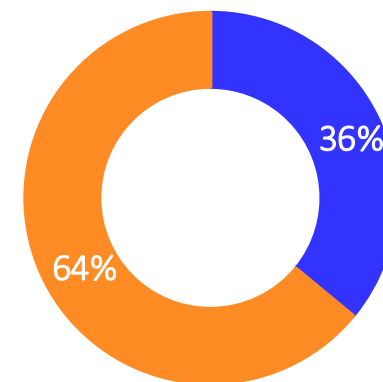
4-6/2024

1-6/2023

1-6/2024



% of net sales



EURm

41.3

22.8

48.7

25.6

+18%

+12%

EURm

85.6

47.4

+23%

+8%

Technical wholesale and products

Repair and maintenance

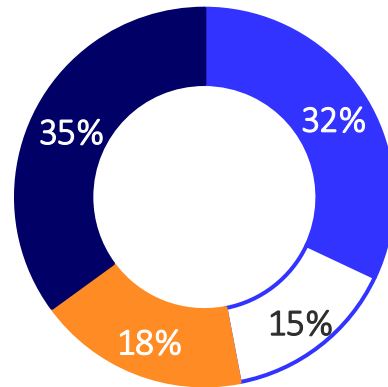
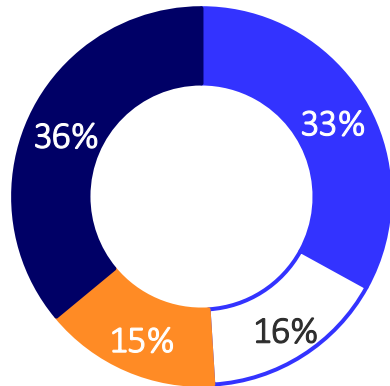
SALES BY PRODUCT GROUP Q2 AND 1HY

4-6/2023

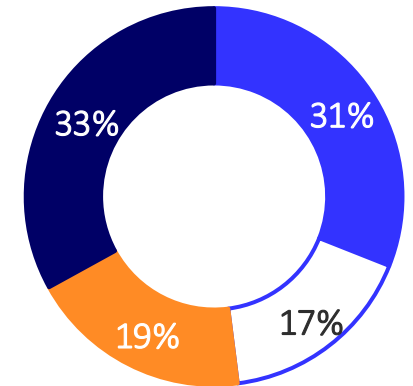
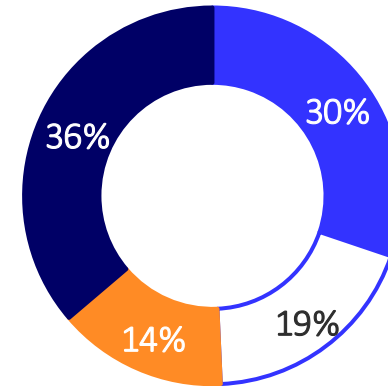
4-6/2024

1-6/2023

1-6/2024



% of net sales



EURm

22.8

9.8

9.9

20.9

25.6

13.1

11.2

23.6

EURm

47.4

19.2

24.7

40.2

51.5

30.3

26.0

48.0



SUSTAINABILITY



We continued to prepare for the Sustainability Reporting Directive (CSRD).



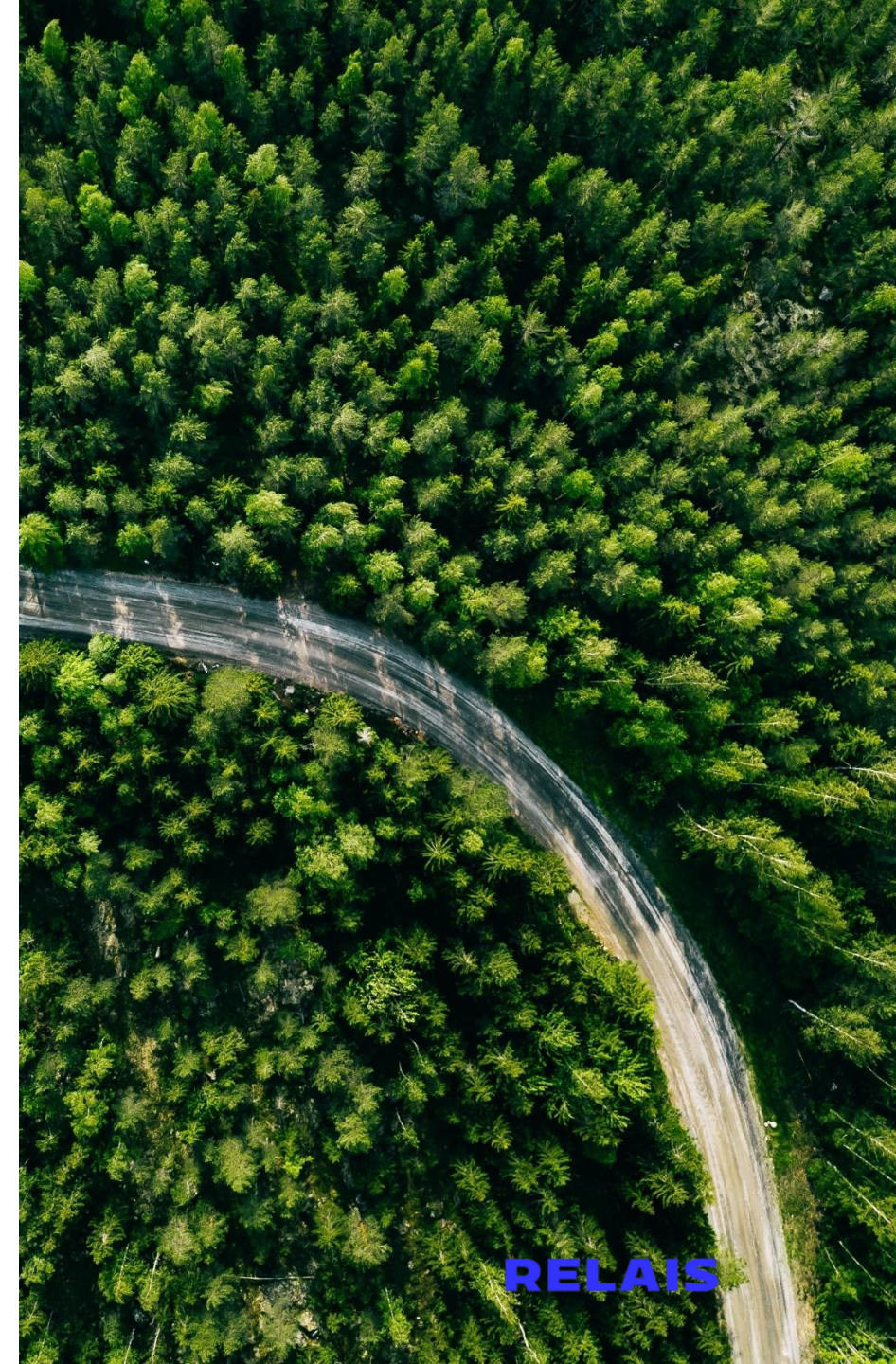
During H1, we finalized our materiality assessment based on the principle of double materiality from financial risks and opportunities perspective. The evaluation was started during 2023.



In April, Relais Group's Board of Directors approved the material sustainability topics in accordance with the double materiality assessment.



We will report on our sustainability according to approved topics in connection the with the financial statements for 2024.



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ACQUISITIONS

RELAIS

ACQUISITIONS

- We continued to actively scan the market for **good acquisition opportunities**.
- Continuously a number of **discussions and dialogues** ongoing with different parties.
- There are **several interesting targets** having a good strategic fit with us within the Nordic marketplace.
- We have made **two acquisitions** within the **heavy commercial vehicle repair and maintenance** business this year.



ACQUISITION Q2/2024: M AHLQVIST

- Family company with a **30-year history** of providing maintenance and repair services for **heavy commercial vehicles and trailers** in Southwest Finland.
- Workshops (3) are located in Southwestern Finland.
- Another add-on by Raskone, following the acquisition of JTC in October 2023.
- **Heavy commercial vehicle trailer repair and maintenance is a strategically important growth area for Raskone.**



Net sales

MEUR **8.7** (FY22/23)

EBIT

MEUR **0.6** (FY22/23)

68

Employees

3

Workshops

RELAIS

ACQUISITION AFTER Q2: TEAM VERKSTAD SVERIGE AB

- On 5 July 2024 we agreed to acquire **Team Verkstad Sverige AB** from Vy Buss AB in Sweden*. Team Verkstad provides repair and maintenance services for buses and other heavy commercial vehicles.
- Through the acquisition, our group company STS strengthens its position in the **strategically important Gothenburg area** and gains valuable expertise in **bus repair and maintenance services**.
- This acquisition, combined with the earlier acquisition of M Ahlqvist Oy, will increase the number of our commercial vehicle workshops to a total of **38**. This makes us **the biggest independent operator of heavy commercial vehicle repair and maintenance workshops in the Nordic region**.



Net sales

MEUR **5.2** (FY22/23)

EBIT

MEUR **0.2** (FY22/23)

34

Employees

2

Workshops

An aerial photograph showing a two-lane road winding through a dense forest of tall, thin trees. The forest is lush green, with some trees showing early autumn colors. To the right of the road, a body of water is visible, with a small peninsula or island. The sky is not visible, and the overall scene is bright and clear.

OUTLOOK 2024

RELAIS

OUTLOOK 2024

- The outlook for the rest of the year looks **stable**, provided that the current good market demand of stays on the present level.
- There are nevertheless uncertainties coming mainly from the **poor consumer purchase power of consumers**, especially in the Finnish marketplace.
- The second half of the year is traditionally very important for the total profit of the Group.
- Specifically, the profit of our vehicle lighting product group is dependent on the success of our **new product launches** and **commercial activities** during the peak season of August-December.
- With that said, we consider that **we are well positioned** to carry on implementing our strategy in a successful and sustainable way during the rest of the year 2024.



LONG TERM FINANCIAL TARGET

Relais Group aims to reach a pro forma* comparable EBITA of

50 MEUR

by the end of 2025

* Including latest 12 months ("run rate") comparable EBITA of acquired businesses

RELAIS

FINANCIAL REVIEW

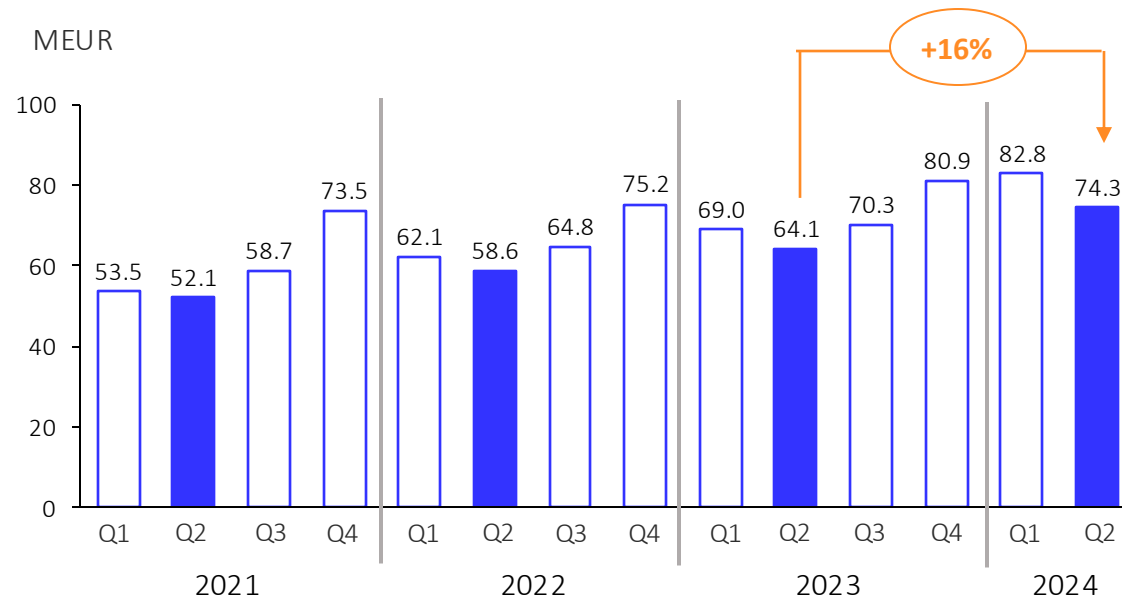
RELAIS



NET SALES AND EBITA

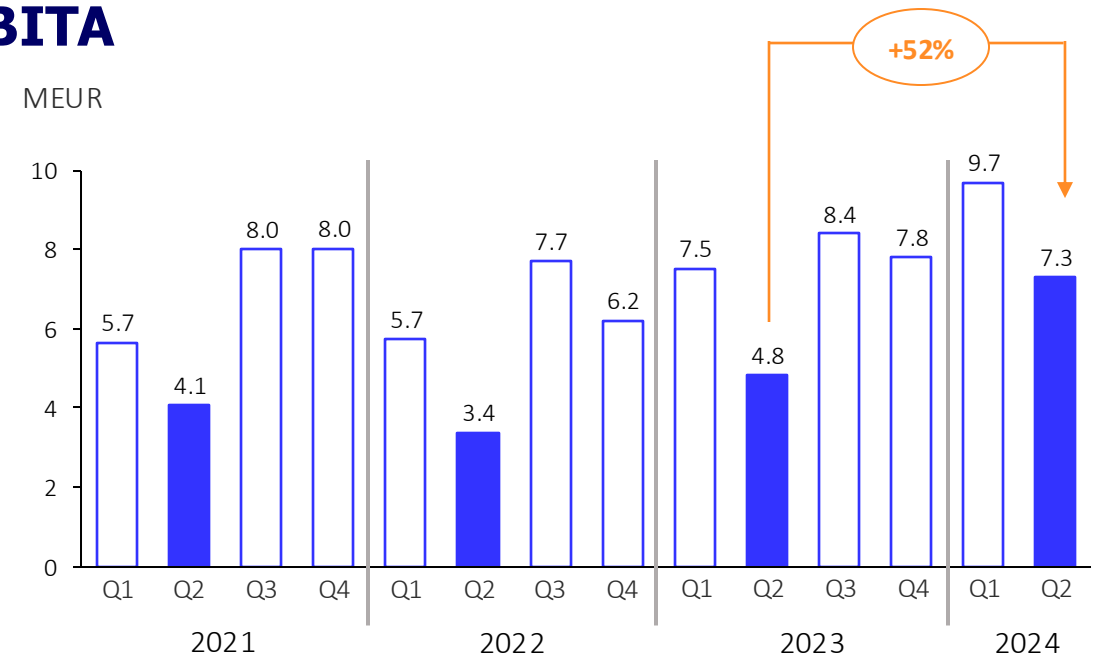
Continued strong performance; Q2 net sales +16%, EBITA +52%

Net sales



- + Strong organic net sales increase in both businesses
- + Organic growth in Technical Wholesale and Products especially in Scandinavia
- + Strong demand continued in Commercial Vehicle Repair and Maintenance
- + Significant positive impact from acquisitions implemented in 2023 and 2024

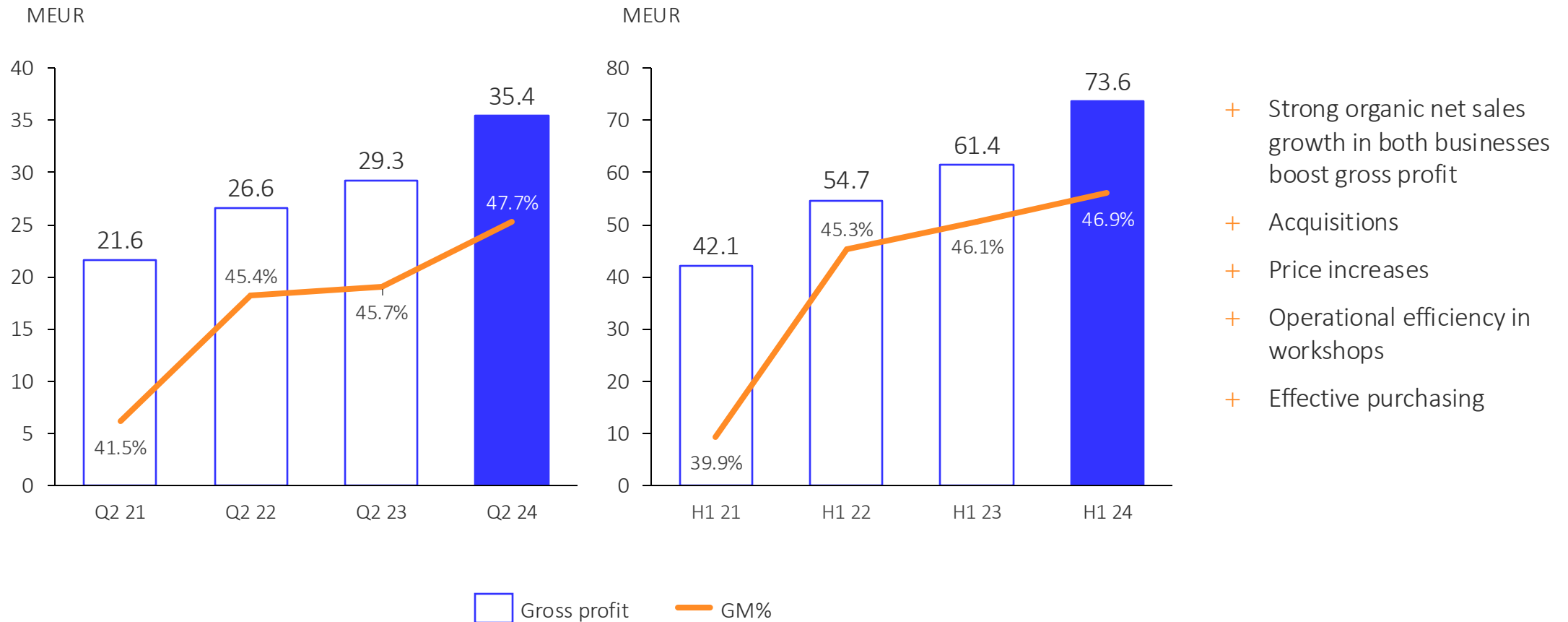
EBITA



- + EBITA improved in both businesses with the largest improvement in the Technical Wholesale and Products business
- ± No material impact from the average EUR/SEK exchange rate

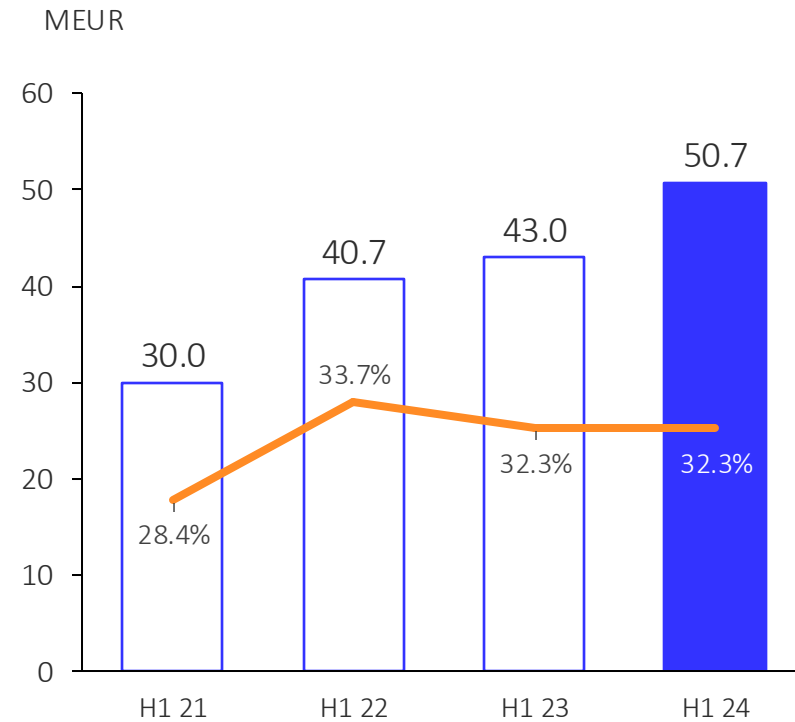
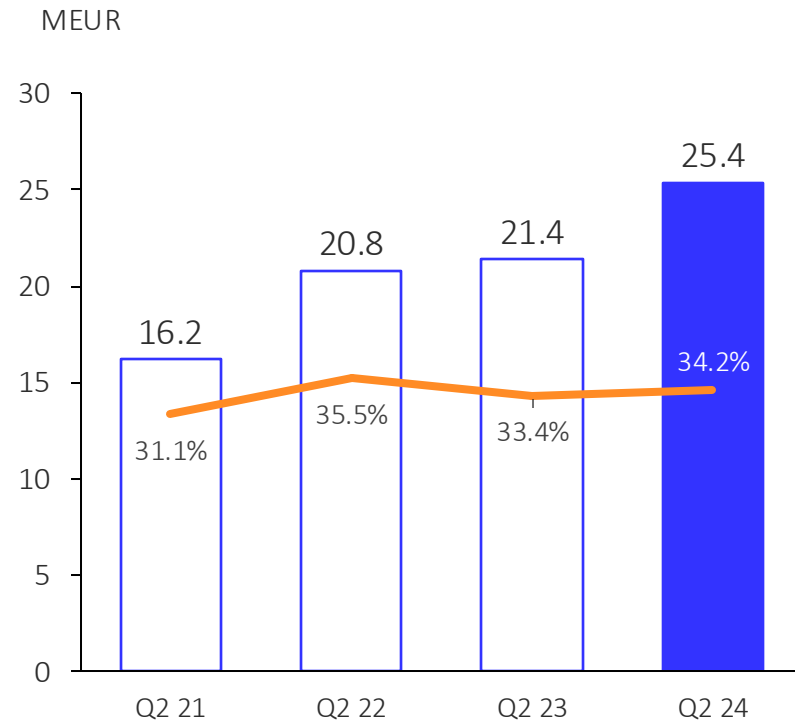
GROSS PROFIT AND GROSS MARGIN

Significant improvement in both gross profit and gross margin



OPERATING EXPENSES

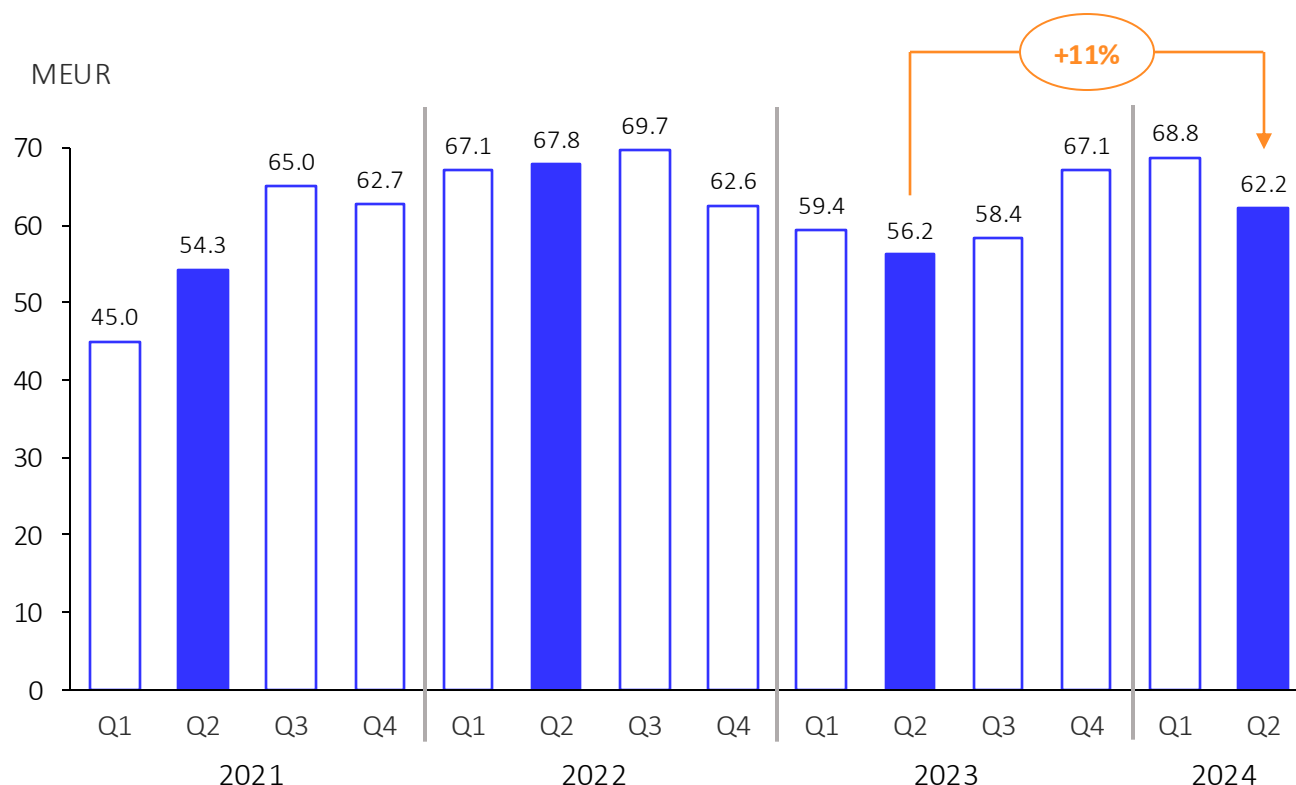
Increase mostly driven by acquisitions | Stable opex %



Opex Opex%

NET WORKING CAPITAL

Inventory and NWC turnover stable | Acquisitions, inventory investments and inflation increase NWC euro value

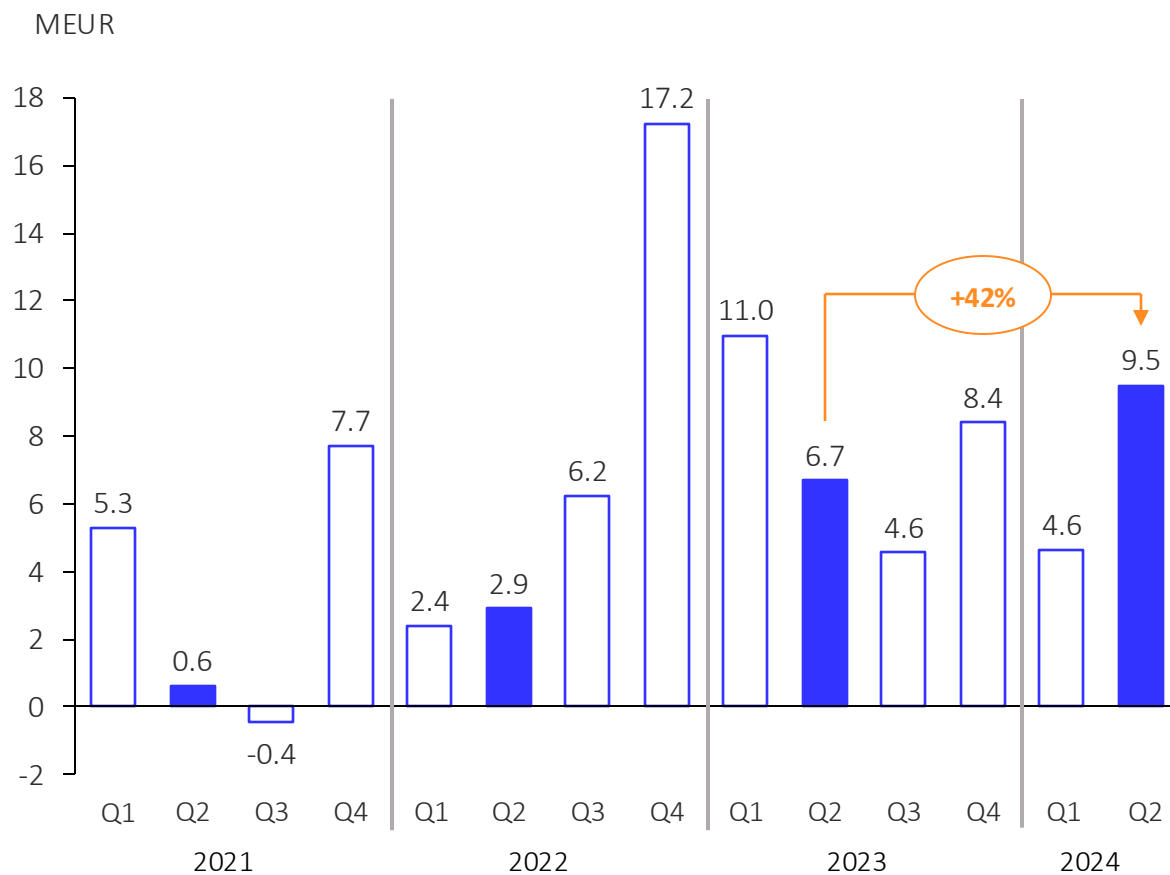


MEUR	6/2024	6/2023	12/2023
Inventories	79.2	68.6	74.1
Trade and other receivables	44.9	35.9	45.4
Trade and other payables	61.9	48.3	52.5
Total net working capital	62.1	56.2	67.1
<i>Inventory turnover</i>	4.1	4.0	4.1
<i>NWC turnover</i>	4.7	4.6	4.7

- + Inventory and NWC turnover stable
- Build-up of receivables after the acquisition of the AutoMateriell business
- Inventories acquired in connection of the acquisition of AutoMateriell, Nordic Lift and M Ahlqvist
- Growth related investments in inventories in the Lighting product group
- Increased sourcing and sales unit prices inflated NWC value

CASH FLOW FROM OPERATING ACTIVITIES

Significant Q2 improvement driven by improved profitability and reduced NWC



MEUR	4-6/2024	4-6/2023	1-6/2024	1-6/2023	2023
CF before change in NWC	11.3	8.8	25.2	20.2	44.4
Change in NWC	2.9	1.2	-3.0	3.3	-2.4
CF from net financials	-4.7	-3.4	-8.1	-5.8	-11.4
CF from operations	9.5	6.7	14.1	17.6	30.6

Q2

- + Improved profitability
- + Development in net working capital
- CF from net financials due increased interest and tax payments

H1

- + Improved profitability
- Development in net working capital
- CF from net financials due increased interest and tax payments

CASH FLOW SUMMARY 1-6/2024

Cash flow from operations

EUR **14.1** (17.6)
million

- + Improved profitability
- Development in net working capital
- CF from net financials due increased interest and tax payments

Cash flow from investing activities

EUR **-2.9** (-4.0)
million

- Raskone's acquisition of shares in M Ahlqvist Oy
- Investments in intangible and tangible assets

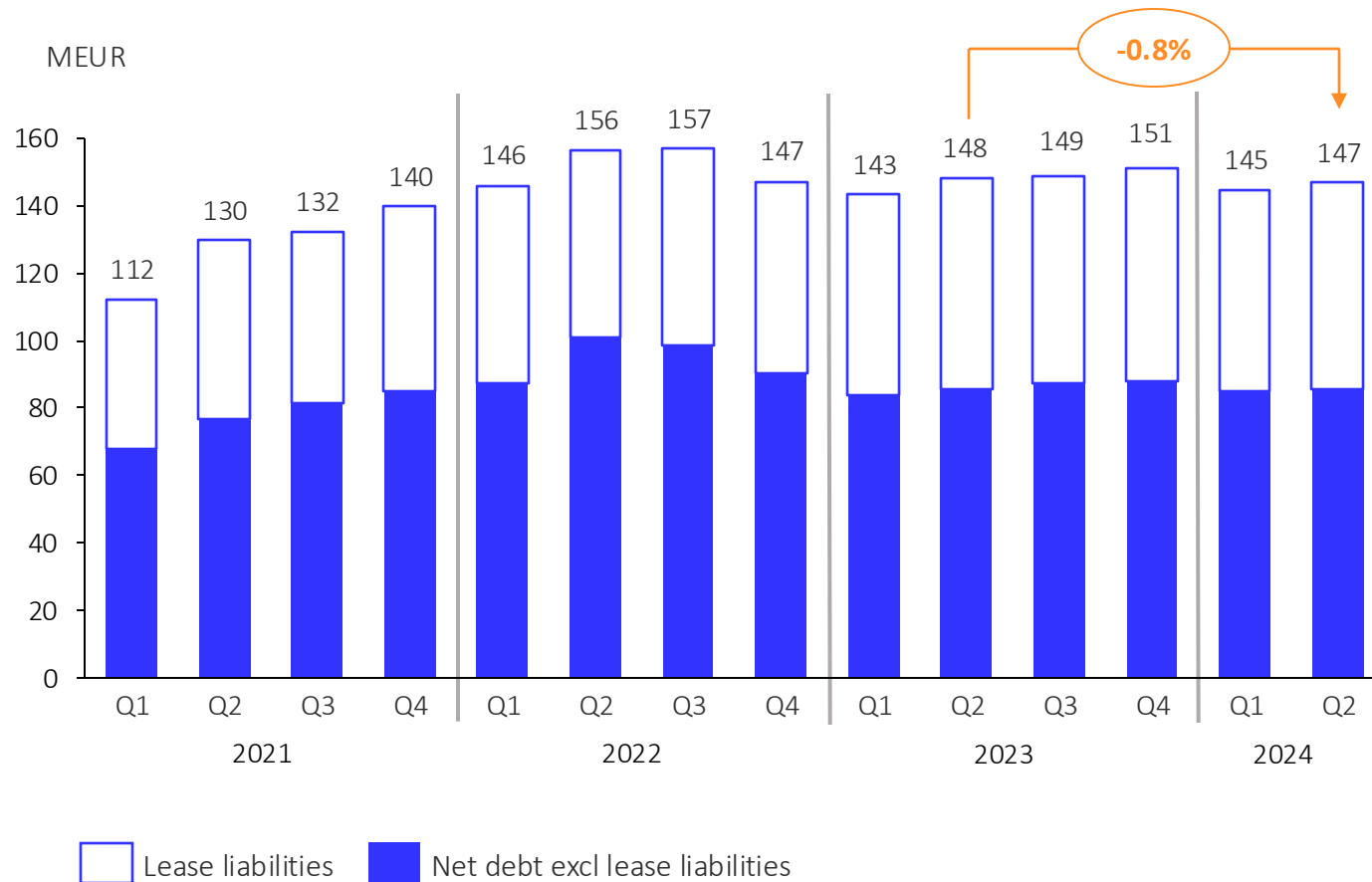
Cash flow from financing activities

EUR **-11.5** (-13.3)
million

- ± Normal repayments of lease liabilities EUR -6.5 (-6.1) million
- ± Dividends paid EUR -4.0 (-3.6) million
- + Proceeds from non-current loans and borrowings of EUR 3.0 (0.0) million

INTEREST-BEARING NET DEBT

Normal biannual loan amortisations | 3 M€ draw-down from uncommitted facility | Reduced leverage



Relais Group (IFRS) MEUR	6/2024	6/2023	12/2023
Loans from financial institutions, l-t	87.6	90.3	88.8
Loans from financial institutions, s-t	7.0	6.9	7.1
Lease liabilities	61.0	62.7	63.1
Other liabilities	0.6	1.6	1.7
Gross debt	156.2	161.5	160.7
Cash and bank	9.4	13.5	9.7
Net debt	146.7	148.0	151.0
Net debt excl. lease liabilities	85.8	85.3	87.9
Net debt to LTM EBITDA (leverage)	3.03	3.62	3.47
Undrawn RCF	5.6	5.6	5.6
Undrawn uncommitted facility	12.5	15.5	15.5
Cash+unused credit facilities	27.5	34.6	30.8

NET FINANCIALS

Increase in net interest expenses | FX net gains in Q2 and net FX losses in H1

(EUR 1,000)	4-6/2024	4-6/2023	1-6/2024	1-6/2023	1-12/2023
Financial income					
Foreign exchange gains/losses	-590	2,293	1,467	3,066	1,289
Interest income	8	25	64	61	121
Other financial income	0	0	138	0	27
Changes in fair values	-	0	-	-	-
Financial income total	-582	2,318	1,669	3,127	1,436
Financial expenses					
Foreign exchange gains/losses	1,008	-3,384	-2,124	-4,568	-1,145
Interest expenses	-2,096	-1,693	-4,072	-3,394	-7,415
Other financial expenses	-61	-81	-320	-154	-313
Changes in fair values	-	-4	-	-4	-4
Financial expenses total	-1,149	-5,161	-6,516	-8,119	-8,876
Net financial expenses	-1,730	-2,842	-4,847	-4,993	-7,440

- **Net interest expenses** increased due to the increase in reference interest rates on interest-bearing loans
- **Exchange rate net income in Q2** as SEK strengthened in the beginning of the quarter
- **Exchange rate net loss in H1 2024** but significantly lower than in H1 2023
- FX net gains originate in the net exchange rate difference of SEK denominated interest-bearing loans and SEK denominated group internal interest-bearing loan receivables

BALANCE SHEET AND FINANCIAL POSITION

30 JUNE 2024

Total assets

EUR **331.1** (311.3)
million

Total equity

EUR **107.9** (96.2)
million

Interest-bearing net debt

EUR **146.7** (148.0)
million

Net gearing

135.9 (153.9)
%

Equity ratio

34.5 (32.9)
%

Cash assets

EUR **9.4** (13.5)
million



Q & A

RELAIS