

7 April 2025

Commissioned research: Relais Group Oyj – Market expansion to Benelux and Germany through acquisition of a Belgium-based distributor

Marketing material commissioned by Relais Group Oyj

Relais announced today that it will acquire a majority stake in Matro Group, a well-established distributor of truck accessories in Benelux and Germany. Acquisition will be made under Strands, which has a long-term knowledge of Matro Group through a long-term customer relationship. In 2024, Matro Group sales were EUR 18.7m with EUR 3.6m EBIT. Enterprise value is EUR 27.9m, while preliminary purchase price for 70% of the Matro group is EUR 19.9m. Transaction price corresponds to 1.5x EV/sales and 7.8x EV/EBIT while Relais is currently trading with 2025E EV/sales of 1.1x and EV/EBIT of 9.7x based on our estimates. Acquisition is expected to be closed by the end of June 2025. Initially we view the acquisition as a good fit and note that it widens Relais' market opportunities in continental Europe. Relais is targeting pro forma adjusted EBITA of EUR 50m by the end of 2025 why we expect further acquisition during 2025.

Acquisition of Matro group could add 6% to the top line

Relais acquires 70% of Matro group, a well-established Belgium based distributor of truck accessories. Acquisition is made under Strands. Matro group has foothold in Benelux and Germany and it employs approximately 20 people. The company had EUR 18.7m (18.1m in 2023) sales with EBIT of EUR 3.6m (3.6m) in 2024, corresponding to ~19% EBIT margin. Hence, acquisition is margin accretive for Relais which had 10.4% adjusted EBIT margin in 2024. Enterprise value is EUR 27.9m, corresponding to 1.5x EV/sales and 7.8x EV/EBIT while Relais is currently trading with 2025E EV/sales of 1.1x and EV/EBIT of 9.7x based on our estimates. Of the purchase price, EUR 5m will be financed with a vendor note and rest using cash at hand. Based on our 2025 estimates (pro forma), the acquisition would add some 6% on group sales and 10% on group adjusted EBITA.

The closing of the acquisition is expected by the end of June 2025 while the parties have agreed on a shareholder agreement, which includes a put and call option for the remaining 30% of shares of Matro Group. The put and call option is exercisable five years after closing. To our understanding, Glenn Gills, current owner of the Matro group will remain in the company after the acquisition.

We view the acquisition as a good fit for Relais as it should accelerate Relais growth within truck accessories and widen clearly addressable market within continental Europe. In addition, we believe there could be synergies through cross selling and procurement.

We note the company is targeting EUR 50m pro forma adjusted EBITA by the end of 2025. Based on our current estimates and the acquisition of Matro group, we believe Relais can reach above EUR 45m adjusted EBITA. Based on our understanding, Relais has a healthy pipeline of M&A targets and we expect further actions during 2025.

OUR ESTIMATES VERSUS CONSENSUS

EURm	Nordea estimates				Consensus estimates				Difference %			
	Q1 2025E	2025E	2026E	2027E	Q1 2025E	2025E	2026E	2027E	Q1 2025E	2025E	2026E	2027E
Sales	84.9	339	351	361	85.0	335	348	358	0%	1%	1%	1%
Gross profit	39.1	159	166	171	39.0	160	166	171	0%	0%	0%	0%
Gross margin	46.0%	47.1%	47.3%	47.5%	45.9%	47.8%	47.8%	47.8%	0.1pp	-0.7pp	-0.5pp	-0.4pp
EBITDA	14.1	58.9	63.6	67.0	14.0	55.0	58.5	61.0	1%	7%	9%	10%
EBITDA margin	16.6%	17.4%	18.1%	18.5%	16.5%	16.4%	16.8%	17.1%	0.1pp	1.0pp	1.3pp	1.5pp
Adj. EBITA	9.8	41.6	46.1	49.3	9.8	41.6	46.1	49.3	0%	0%	0%	0%
Adj. EBITA margin	11.5%	12.3%	13.1%	13.6%	11.5%	12.4%	13.3%	13.8%	0.0pp	-0.1pp	-0.1pp	-0.1pp
EBIT	8.8	37.5	41.9	45.0	9.0	34.0	37.0	39.5	-2%	10%	13%	14%
EBIT margin	10.4%	11.1%	12.0%	12.5%	10.6%	10.1%	10.6%	11.0%	-0.2pp	0.9pp	1.3pp	1.4pp
PTP	7.2	31.3	36.6	40.5	7.0	28.0	31.5	34.5	3%	12%	16%	17%
EPS	0.29	1.25	1.49	1.66		1.18	1.31	1.46		6%	14%	13%
DPS		0.52	0.60	0.70		0.52	0.58	0.60		0%	4%	17%

Source: Company data, LSEG Data & Analytics and Nordea estimates

SUMMARY TABLE - KEY FIGURES

EURm	2022	2023	2024	2025E	2026E	2027E
Total revenue	260.7	284.3	322.6	338.7	350.6	361.1
EBITDA (adj)	39.4	43.8	52.5	58.9	63.6	67.0
EBIT (adj)	22.5	25.4	33.6	37.5	41.9	45.0
EBIT (adj) margin	8.62%	8.95%	10.4%	11.1%	12.0%	12.5%
EPS (adj. EUR)	0.69	0.75	1.02	1.25	1.49	1.66
EPS (adj) growth	-24.2%	8.76%	36.5%	22.7%	19.2%	10.9%
DPS (ord. EUR)	0.40	0.44	0.48	0.52	0.60	0.70
EV/Sales	1.28	1.42	1.21	1.10	1.01	0.92
EV/EBIT (adj)	14.9	15.8	11.6	9.92	8.43	7.38
P/E (adj)	14.8	18.1	13.0	10.5	8.79	7.92
P/BV	1.84	2.29	2.12	1.86	1.63	1.44
Dividend yield (ord)	3.92%	3.26%	3.61%	3.96%	4.57%	5.34%
FCF Yield bef A&D, lease adj	7.46%	5.19%	6.89%	9.39%	11.6%	12.9%
Net debt	142.9	149.4	140.3	125.8	106.8	85.8
Net debt/EBITDA	3.91	3.43	2.70	2.14	1.68	1.28
ROIC after tax	7.04%	7.72%	10.0%	11.6%	13.3%	14.4%

Source: Company data and Nordea estimates

Joni Sandvall

Analyst

Nordea | Investment Banking & Equities | Equity Research Finland

Tel: +358 953 005 484

E-mail: joni.sandvall@nordea.com

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As of today, Nordea Abp holds no positions of 0.5% or more of shares issued by Relais Group Oyj.

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Nordea Bank Abp**Nordea IB & Equity Division,
Equity Research**

Visiting address:
Aleksis Kiven katu 7, Helsinki
FI-00020 Nordea
Finland

Tel: +358 9 1651
Fax: +358 9 165 59710

Reg.no. 2858394-9
Satamaradankatu 5
Helsinki

Nordea Bank Abp, filial i Sverige**Nordea IB & Equity Division,
Equity Research**

Visiting address:
Smålandsgatan 17
SE-105 71 Stockholm
Sweden

Tel: +46 8 614 7000
Fax: +46 8 534 911 60

**Nordea Danmark, Filial af Nordea
Bank Abp, Finland****Nordea IB & Equity Division,
Equity Research**

Visiting address:
Grønjordsvej 10
DK-2300 Copenhagen S
Denmark

Tel: +45 3333 3333
Fax: +45 3333 1520

Nordea Bank Abp, filial i Norge**Nordea IB & Equity Division,
Equity Research**

Visiting address:
Essendropsgate 7
N-0107 Oslo
Norway

Tel: +47 2248 5000
Fax: +47 2256 8650
