

## Relais Group Oyj

Consumer Goods  
Finland

## KEY DATA

Stock country	Finland
Bloomberg	RELAIS FH
Reuters	RELAIS.HE
Share price (close)	EUR 15.20
Free float	42%
Market cap. (bn)	EUR 0.29/EUR 0.29
Website	www.relais.fi
Next report date	14 Aug 2025

## PERFORMANCE



## VALUATION APPROACH (EUR/SHARE)

DCF	19.0	23.3
2026E P/E (adj.)	18.7	22.8
2026E EV/EBITDA	18.4	22.4
Nordea fair value	18.7	22.8

15.0 17.0 19.0 21.0 23.0 25.0

Source: Nordea estimates

## ESTIMATE CHANGES

Year	2025E	2026E	2027E
Sales	14%	27%	27%
EBIT (adj)	8%	21%	22%

Source: Nordea estimates

## Nordea IB &amp; Equity - Analysts

Joni Sandvall  
AnalystSanna Perälä  
Analyst

## Focus on growth initiatives

Relais' Q1 results were well in line with LSEG Data and Analytics consensus expectations, while the focus was clearly on the latest acquisitions and future opportunities in the market. The company expects to close the acquisitions of Matro and Team Verksted in June, while it sees potential for further acquisitions during 2025. The Matro acquisition opens up the continental Europe market for Relais, with clear cross-selling potential, while the Team Verksted acquisition further fortifies Relais' strong market position in the Nordic independent repair and maintenance market. We incorporate the acquisitions into our estimates, and increase our DCF- and multiples-based fair value range to EUR 18.7-22.8 (18.3-22.3).

## Q1 was in line with consensus expectations

Relais' Q1 organic sales growth was -4% y/y against tough comps. Q1 net sales of EUR 83m fell 1% short of consensus expectations, while adjusted EBITA of EUR 9.2m was in line. The sales mix tilt towards repair and maintenance boosted the gross margin by 350bp y/y, beating the consensus estimate by 350bp. Both business areas improved their gross margin y/y, indicating a continuing positive trend. EPS was supported by the strengthening of the SEK, explaining the clear beat versus consensus. The company expects relatively stable market conditions in 2025.

## Clear margin uplift potential from synergies

We incorporate the Matro and Team Verksted acquisitions into our estimates from Q3 onwards, trim our underlying estimates slightly and adjust for positive FX movements. We hike the top line by 14% for 2025E and by 27% for 2026E-27E. We nudge up 2025E adjusted EBITA by 5% and lift 2026E-27E by 17-18%. We believe the company will focus in the near term on unlocking synergies from the recent acquisitions, while there could be further bolt-on acquisitions during 2025, as the company has a solid pipeline of targets.

## 2025 target looks de-risked – more headroom for refinancing

We raise our DCF- and multiples-based fair value range to EUR 18.7-22.8 (18.3-22.3). Following announced acquisitions, we view the EUR 50m pro forma adjusted EBITA target by 2025 as de-risked. The company is financing the Team Verksted acquisition via bridge financing, which it aims to refinance with equity or equity-like financing. Hence, we believe there will be M&A headroom for larger acquisitions at the latest from 2026 onwards, as announced acquisitions will temporarily elevate leverage.

## SUMMARY TABLE - KEY FIGURES

EURm	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	238	261	284	323	386	447	460
EBITDA (adj)	39	39	44	52	62	75	79
EBIT (adj)	26	22	25	34	41	51	55
EBIT (adj) margin	10.8%	8.6%	9.0%	10.4%	10.5%	11.3%	11.9%
EPS (adj, EUR)	0.91	0.69	0.75	1.02	1.36	1.66	1.89
EPS (adj) growth	133.9%	-24.2%	8.8%	36.5%	33.2%	22.0%	14.0%
DPS (ord, EUR)	0.36	0.40	0.44	0.48	0.52	0.60	0.70
EV/Sales	2.7	1.3	1.4	1.2	1.4	1.2	1.1
EV/EBIT (adj)	24.6	14.9	15.8	11.6	13.1	10.2	9.0
P/E (adj)	29.0	14.8	18.1	13.0	11.2	9.2	8.0
P/BV	4.8	1.8	2.3	2.1	2.1	1.8	1.6
Dividend yield (ord)	1.4%	3.9%	3.3%	3.6%	3.4%	3.9%	4.6%
FCF Yield bef A&D, lease	0.5%	7.5%	5.2%	6.5%	-13.9%	7.4%	12.5%
Net debt	140	143	149	140	243	232	207
Net debt/EBITDA	3.9	3.9	3.4	2.7	3.9	3.1	2.6
ROIC after tax	11.5%	7.0%	7.7%	10.0%	10.2%	10.8%	11.5%

Source: Company data and Nordea estimates

# Q1 results and estimate revisions

Relais reported Q1 adjusted EBITA of EUR 9.2m, down 5% y/y and in line with LSEG Data & Analytics consensus. Organic sales growth was -4% y/y in Q1, burdened by the mild winter in the Nordics (we anticipated +1% growth). Net sales were EUR 82.8m (flat y/y), 1% below consensus. The gross margin came in 350bp above consensus and was up 350bp y/y to 49.6%, supported by a higher share of repair and maintenance sales. Operating cash flow declined slightly y/y, owing to the mild winter impacting net working capital. Leverage increased to 2.9x (2.7x at the end of Q4). Relais has not provided a short-term outlook for 2025 but notes that it aims to remain active in terms of M&A following two acquisitions during April. We continue to view the pro forma adjusted EBITA target of EUR 50m for 2025 as de-risked following the acquisitions of Matro and Team Verkstad.

Q1 DEVIATION TABLE (EURm; EPS IN EUR)

EURm	Actual Q1 2025	NDA est. Q1 2025E	Deviation vs. actual		Consensus Q1 2025E	Deviation vs. actual		Actual Q4 2024	q/q	Actual Q1 2024	y/y
<b>Sales</b>	<b>82.8</b>	<b>84.9</b>	<b>-2</b>	<b>-3%</b>	<b>83.4</b>	<b>-1</b>	<b>-1%</b>	<b>90.7</b>	<b>-9%</b>	<b>82.8</b>	<b>0%</b>
Gross profit	41.1	39.1	2.0	5%	39	2.6	7%	41.6	-1%	38.2	
<b>Gross margin</b>	<b>49.6%</b>	<b>46.0%</b>	<b>3.6pp</b>		<b>46.2%</b>		<b>3.5pp</b>	<b>45.9%</b>	<b>3.8pp</b>	<b>46.2%</b>	<b>3.5pp</b>
<b>Adj. EBITA</b>	<b>9.2</b>	<b>9.8</b>	<b>(0.6)</b>	<b>-6%</b>	<b>9.2</b>	<b>0.0</b>	<b>0%</b>	<b>10.6</b>	<b>-13%</b>	<b>9.7</b>	<b>-5%</b>
Adj. EBITA margin	11.1%	11.5%	-0.4pp	-9%	11.0%	0.1pp	-3%	11.7%	-0.6pp	11.7%	-0.6pp
EBITA	9.0	9.8	-0.8	-9%	9.2	-0.2	-3%	10.0	-11%	9.7	-7%
EBITA margin	10.8%	11.5%	-0.7pp	-7%	11.0%	-0.2pp	-1%	11.0%	-0.2pp	11.7%	-0.9pp
EBIT	8.1	8.8	-0.7	-7%	8.2	-0.1	-1%	9.0	-10%	9.0	-9%
EBIT margin	9.8%	10.4%	-0.5pp	-4%	9.9%	0.0pp	22%	10.0%	-0.1pp	10.8%	-1.0pp
PTP	7.5	7.2	0.3	4%	6.2	1.3	22%	6.5	15%	5.8	28%
EPS	0.32	0.29		11%	0.21	0.11	52%	0.36		0.21	
<b>Sales split</b>											
Equipment	15.7	16.4	-0.8	-5%				17.4	-10%	17.2	-9%
Lighting	15.4	17.0	-1.6	-9%				21.8	-29%	14.8	4%
Spare parts	22.0	22.5	-0.5	-2%				22.2	-1%	24.4	-10%
Repair and maintenance	29.1	29.0	0.1	0%				28.7	2%	25.9	12%
Other	0.6	0.0	0.6					0.6	-10%	0.5	n.m.

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

## Estimate revisions

Following the Q1 report, we trim our underlying estimates slightly, partly mitigated by a positive FX impact. In addition, we add the Matro and Team Verksted acquisitions to our estimates. We lift the 2025E top line by 14% and adjusted EBITA by 5%. For 2026E-27E, with full impact from the acquisitions, we lift the top line by 27% and adjusted EBITA by 17-18%. Our EPS estimates are up by 7% for 2025 and by 11-14% for 2026-27, burdened by higher interest expenses. We note that the company aims to refinance its bridge loan (with 18 months maturity) with equity-like financing.

ESTIMATE REVISIONS (EURm; EPS AND DPS IN EUR)

EURm	New estimates				Old estimates				Difference %			
	Q2 2025E	2025E	2026E	2027E	Q2 2025E	2025E	2026E	2027E	Q2 2025E	2025E	2026E	2027E
<b>Sales</b>	<b>78.5</b>	<b>386</b>	<b>447</b>	<b>460</b>	<b>78.0</b>	<b>339</b>	<b>351</b>	<b>361</b>	<b>1%</b>	<b>14%</b>	<b>27%</b>	<b>27%</b>
Gross profit	39.2	190	221	228	37.5	159	166	171	5%	19%	33%	33%
<b>Gross margin</b>	<b>50.0%</b>	<b>49.4%</b>	<b>49.5%</b>	<b>49.6%</b>	<b>48.0%</b>	<b>47.1%</b>	<b>47.3%</b>	<b>47.5%</b>	<b>2.0pp</b>	<b>2.3pp</b>	<b>2.2pp</b>	<b>2.1pp</b>
<b>Adj. EBITA</b>	<b>7.8</b>	<b>43.9</b>	<b>54.1</b>	<b>58.2</b>	<b>8.6</b>	<b>41.6</b>	<b>46.1</b>	<b>49.3</b>	<b>-9%</b>	<b>5%</b>	<b>17%</b>	<b>18%</b>
Adj. EBITA margin	10.0%	11.4%	12.1%	12.7%	11.0%	12.3%	13.1%	13.6%	-1.0pp	-0.9pp	-1.0pp	-1.0pp
EBITA	7.6	43.4	54.1	58.2	8.6	41.6	46.1	49.3	-11%	4%	17%	18%
EBITA margin	9.7%	11.3%	12.1%	12.7%	11.0%	12.3%	13.1%	13.6%	-1.3pp	-1.0pp	-1.0pp	-1.0pp
EBIT	6.8	40.1	50.7	54.7	7.5	37.5	41.9	45.0	-10%	7%	21%	22%
EBIT margin	8.6%	10.4%	11.3%	11.9%	9.7%	11.1%	12.0%	12.5%	-1.0pp	-0.7pp	-0.6pp	-0.6pp
PTP	5.2	33.2	40.9	46.5	5.9	31.3	36.6	40.5	-13%	6%	12%	15%
EPS	0.21	1.34	1.66	1.89	0.23	1.25	1.49	1.66	-12%	7%	11%	14%
DPS		0.52	0.60	0.70		0.52	0.60	0.70		0%	0%	0%

Source: Nordea estimates

# Valuation

We value Relais using a variety of methods, including a peer multiples-based valuation and a discounted cash flow (DCF) model. We only include organic growth potential in our valuation approach and exclude any impact from potential future M&A. Using a combination of valuation methods, we derive a fair valuation range of EUR 18.7-22.8 per share.

## Background

Our valuation does not include M&A

We acknowledge the company's ambition to continue growing at an accelerated pace, which includes a significant M&A component. However, because the potential targets, their sizes and fundamentals are unknown, we refrain from including any speculative M&A in our estimates.

We use a range of valuation methods to derive a fair value for Relais. In our analysis, we compare the company to a group of peers that we consider relevant, using valuation multiples such as EV/EBITDA and P/E. We also use a standard DCF model. The table below shows the peer group.

## PEER VALUATION TABLE

	EV / Sales			EV / EBITDA			EV/EBIT			P/E		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
<b>Peer group</b>												
Advance Auto Parts Inc	0.2x	0.2x	0.2x	4.7x	3.7x	3.0x	12.8x	7.6x	5.7x	22.1	12.0	7.7
Auto Partner Sa	0.6x	0.6x		8.2x	6.9x		9.2x	7.8x				
Autozone Inc	3.8x	3.6x	3.4x	16.7x	15.5x	14.4x	19.3x	17.9x	16.6x	24.9	22.0	19.7
Inter Cars Sa	0.5x	0.5x	0.5x	8.0x	7.2x	6.8x	9.6x	8.6x	8.3x	9.0	8.1	7.8
Camping World Holdings Inc	0.8x	0.7x	0.6x	15.7x	12.2x	10.3x	17.4x	13.3x	11.3x	25.7	13.4	12.6
Dometic Group Ab (Publ)	1.1x	1.1x	1.1x	7.9x	6.6x	6.2x	11.9x	9.4x	8.4x	11.5	7.8	6.6
Halfords Group Plc	0.4x	0.4x	0.4x	3.7x	3.6x	3.5x	13.7x	13.5x	11.6x	13.3	13.2	10.8
Meko Ab	0.6x	0.6x	0.6x	5.9x	5.5x	5.2x	11.2x	9.9x	9.6x	10.1	8.8	8.3
O'Reilly Automotive Inc	4.8x	4.5x	4.2x	21.5x	20.0x	18.6x	24.4x	22.5x	21.0x	31.1	27.7	25.0
Thule Group Ab	3.0x	2.8x	2.8x	14.6x	13.0x	12.6x	17.1x	15.0x	14.4x	20.7	17.9	17.4
<b>Peer group average</b>	1.6x	1.5x	1.5x	10.7x	9.4x	9.0x	14.7x	12.5x	11.9x	18.7	14.5	12.9
<b>Peer group median</b>	0.7x	0.7x	0.6x	8.1x	7.0x	6.8x	13.2x	11.6x	11.3x	20.7x	13.2x	10.8
<b>US peers' average</b>	2.4x	2.3x	2.1x	14.6x	12.9x	11.6x	18.5x	15.3x	13.7x	26.0x	18.8x	16.2x
<b>European peers' average</b>	1.1x	1.0x	1.1x	8.0x	7.1x	6.9x	12.1x	10.7x	10.5x	12.9x	11.2x	10.2x
<b>Relais (Nordea)</b>	1.3x	1.1x	1.0x	8.1x	6.6x	5.9x	12.4x	9.7x	8.5x	10.6x	8.7x	7.6x
<b>difference to median</b>	83%	65%	61%	0%	-6%	-13%	-6%	-16%	-25%	-49%	-34%	-29%
<b>Compounders</b>												
Addtech Ab	4.5	4.3	4.0	27.0	25.5	23.8	36.0	33.3	30.6	50.7	45.5	41.0
Bergman & Beving Ab	2.0	1.9	1.9	13.7	13.0	11.8	75.7	22.9	19.7		27.8	26.2
Beijer Alma Ab	1.9	1.8	1.8	10.7	9.8	9.1	14.5	12.8	12.1	19.5	16.6	13.0
Beijer Ref Ab (Publ)	1.9	1.8	1.7	15.1	13.9	12.7	18.9	17.4	15.7	31.2	27.5	24.4
Bufab Ab (Publ)	2.4	2.3	2.2	15.6	13.9	12.2	19.8	17.6	16.3	24.8	21.0	19.0
Indutrade Ab	3.3	3.1	2.9	18.9	17.3	15.9	26.3	23.6	21.2	34.7	30.2	27.3
Lagercrantz Group Ab	5.5	5.0	4.7	25.6	23.1	20.8	35.9	31.8	29.4	49.8	42.1	38.0
Lifco Ab (Publ)	6.4	5.9	5.3	25.7	23.9	21.7	33.7	30.9	28.2	47.1	42.8	38.3
Sdiptech Ab (Publ)	2.4	2.2	2.1	10.0	9.3	8.6	14.1	12.8	11.8	19.1	15.5	13.6
Volati Ab	1.6	1.5	1.4	11.7	10.0	9.1	19.0	16.0	15.0	22.4	17.6	16.0
<b>Compounders average</b>	3.2	3.0	2.8	17.4	16.0	14.6	29.4	21.9	20.0	33.2	28.7	25.7
<b>Compounders median</b>	2.4	2.2	2.1	15.3	13.9	12.5	23.1	20.3	18.0	31.2	27.6	25.3
<b>Total average</b>	2.4	2.2	2.2	14.0	12.7	11.9	22.0	17.2	16.2	26.0	22.0	19.6
<b>Total median</b>	1.9	1.9	1.9	14.1	12.6	11.8	18.1	15.5	15.0	23.6	17.9	17.4
<b>Total average (70%/30%)</b>	2.1	1.9	1.9	12.7	11.4	10.6	19.1	15.4	14.3	23.1	18.8	16.7
<b>Total median (70%/30%)</b>	1.2	1.1	1.1	10.3	9.1	8.5	16.2	14.2	13.3	23.9	17.5	15.1
<b>Relais (Nordea)</b>	1.3	1.1	1.0	8.1	6.6	5.9	12.4	9.7	8.5	10.6	8.7	7.6
<b>difference to weighted median</b>	8%	-3%	-5%	-21%	-28%	-31%	-23%	-31%	-36%	-55%	-50%	-50%

Source: LSEG Data & Analytics (as of 12 May 2025) and Nordea estimates

### EV/EBITDA-based valuation of EUR 18.4-22.4 per share

Based on our EUR 75m EBITDA estimate for 2026 and an accepted valuation multiple range of 7.5-8.5x (midpoint: 8x), we arrive at a fair value range of EUR 18.4-22.4 per share for Relais. In addition to auto parts peers, we believe that one should look at Swedish compounders when valuing Relais. Using a 70% weight for the auto parts peer group and a 30% weight for the compounder peer group, the median EV/EBITDA would be 8.5x for 2026E.

### P/E-based valuation of EUR 18.7-22.8 per share

Using a EUR 1.66 EPS estimate for 2026, we arrive at a fair value range of EUR 18.7-22.8 per share using P/E multiples of 11.3-13.8x (midpoint: 12.5x). Using a 70% weight for the auto parts peer group and a 30% weight for the compounder peer group, the median P/E would be 13.3x for 2026E.

### DCF-based valuation of EUR 19.0-23.3 per share

In our DCF model, we value Relais based on the current business, assuming no additional value-adding acquisitions. We also assume a sales CAGR of 5.4% for 2025-30, followed by a 2.5% CAGR in perpetuity, meaning that organic growth is roughly the same as the average rate of inflation. We also assume that Relais will gradually improve its profitability level and maintain an adjusted EBIT margin of 12.5% in the long run. We use a 4% cost of debt in our DCF model. We also assign a long-term equity weight of 60%.

#### WACC COMPONENTS

WACC components	
Risk-free interest rate	3.5%
Market risk premium	4.0%
Forward looking asset beta	nm
Beta debt	0.1
Forward looking equity beta	1.8-2.2
Cost of equity	10.8-12.3%
Cost of debt	4.0%
Tax-rate used in WACC	21%
Equity weight	60%
<b>WACC</b>	<b>7.7-8.7%</b>

Source: Nordea estimates

#### DCF VALUATION (EUR)

DCF value	Value	Per share
NPV FCFF	485-566	25.6-29.8
(Net debt)	-140	-7.4
Market value of associates	0	0.0
(Market value of minorities)	0	0.0
Surplus values	0	0.0
(Market value preference shares)	0	0.0
Share based adjustments	0	0.0
Other adjustments	0	0.0
Time value	16	0.8
<b>DCF Value</b>	<b>361-441</b>	<b>19-23.3</b>

Source: Nordea estimates

#### DCF ASSUMPTIONS

Averages and assumptions	2025-30	2031-35	2036-40	2041-45	2046-50	2051-55	Sust.
Sales growth, CAGR	5.4%	2.5%	2.5%	2.5%	2.5%	2.5%	
EBIT-margin, excluding associates	12.1%	12.5%	12.5%	12.5%	12.5%	5.5%	
Capex/depreciation, x	1.3	1.0	1.0	1.0	1.0	1.0	
Capex/sales	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	
NWC/sales	21%	21%	21%	21%	21%	21%	
FCFF, CAGR	-189.8%	1.3%	2.5%	2.5%	2.5%	-16.1%	2.5%

Source: Nordea estimates

### DCF valuation sensitivity

To test the robustness of our base-case scenario, we perform a sensitivity analysis by varying our EBIT margin, sales growth and WACC assumptions. The DCF-derived fair value is especially sensitive to WACC assumptions, implying that changes in the company's risk profile could significantly impact the fair value in either direction.

When we use sensitivities of  $\pm 0.5$ pp for WACC,  $\pm 0.5$ pp for sales growth and  $\pm 0.5$ pp for the EBIT margin, our DCF model yields a value range of EUR 17.9-25.0 per share.

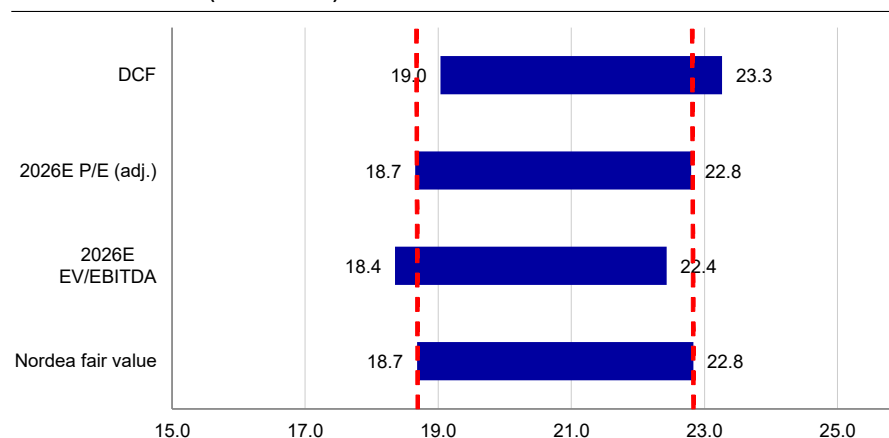
**SENSITIVITY OF OUR DCF MODEL (EUR/SHARE)**

		WACC				
		7.2%	7.7%	8.2%	8.7%	9.2%
EBIT margin change	+1.0pp	33.5	26.3	23.5	21.0	18.8
	+0.5pp	28.1	25.0	22.3	20.0	17.9
		26.6	23.7	21.2	18.9	17.0
	-0.5pp	25.1	22.4	20.0	17.9	16.1
	-1.0pp	23.6	21.0	18.8	16.9	15.1
		WACC				
		7.2%	7.7%	8.2%	8.7%	9.2%
Sales growth change	+1.0pp	29.5	26.1	23.2	20.7	18.6
	+0.5pp	28.0	24.8	22.1	19.8	17.8
		26.6	23.7	21.2	18.9	17.0
	-0.5pp	25.4	22.6	20.2	18.1	16.3
	-1.0pp	24.2	21.6	19.4	17.4	15.6
		Sales growth change				
		-1.0pp	-0.5pp		+0.5pp	+1.0pp
EBIT margin change	+1.0pp	21.4	22.4	23.5	24.6	25.9
	+0.5pp	20.4	21.3	22.3	23.4	24.6
		19.4	20.2	21.2	22.1	23.2
	-0.5pp	18.3	19.1	20.0	20.9	21.9
	-1.0pp	17.3	18.0	18.8	19.7	20.6

Source: Nordea estimates

**Valuation conclusion**

Assuming that Relais can deliver revenue growth and an operating profit margin in line with our expectations, we estimate a fair value range of EUR 18.7-22.8 per share based on our different valuation approaches. This range is represented by the red lines in the chart below.

**VALUATION RANGE (EUR/SHARE)**

Source: Nordea estimates

# Detailed estimates

## DETAILED QUARTERLY ESTIMATES (EURm; EPS IN EUR)

EURm	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25E	Q3 25E	Q4 25E
<b>Net sales</b>	<b>69</b>	<b>64</b>	<b>70</b>	<b>81</b>	<b>83</b>	<b>74</b>	<b>75</b>	<b>91</b>	<b>83</b>	<b>78</b>	<b>104</b>	<b>120</b>
Sales growth	11%	9%	8%	8%	20%	16%	7%	12%	0%	6%	39%	32%
of which organic	5%	10%	5%	1%	12%	5%	-3%	9%	-4%	2%	3%	4%
of which FX	-3%	-5%	-5%	-2%	0%	0%	0%	-1%	-1%	3%	2%	2%
of which structural	9%	4%	9%	9%	9%	11%	10%	12%	5%	1%	34%	26%
Other operating income	0.6	0.7	0.5	0.8	0.6	1.1	0.5	0.6	0.5	0.9	0.9	0.9
Materials and services	-37	-35	-38	-46	-45	-39	-39	-49	-42	-39	-52	-62
<b>Gross profit</b>	<b>32.1</b>	<b>29.3</b>	<b>32.3</b>	<b>35.3</b>	<b>38.2</b>	<b>35.4</b>	<b>36.0</b>	<b>41.6</b>	<b>41.1</b>	<b>39.2</b>	<b>52.5</b>	<b>57.5</b>
Gross margin %	46.5%	45.7%	45.9%	43.6%	46.2%	47.7%	48.1%	45.9%	49.6%	50.0%	50.3%	48.0%
Staff costs	-14	-15	-14	-16	-17	-17	-17	-19	-20	-19	-24	-28
Other operating costs	-7	-7	-7	-8	-8	-8	-7	-9	-9	-10	-11	-12
<b>EBITDA</b>	<b>11.1</b>	<b>8.6</b>	<b>12.1</b>	<b>11.7</b>	<b>13.5</b>	<b>11.1</b>	<b>13.0</b>	<b>14.3</b>	<b>13.0</b>	<b>11.7</b>	<b>17.9</b>	<b>19.3</b>
EBITDA margin %	16.1%	13.4%	17.3%	14.5%	16.3%	14.9%	17.4%	15.8%	15.7%	14.9%	17.2%	16.1%
D&A	-4.5	-4.6	-4.6	-4.8	-4.5	-4.5	-4.6	-5.3	-4.9	-4.9	-6.0	-6.1
of which depreciations	-3.6	-3.8	-3.7	-3.9	-3.8	-3.8	-3.9	-4.3	-4.0	-4.1	-5.2	-5.2
of which amortizations	-0.9	-0.8	-0.8	-0.8	-0.7	-0.7	-0.7	-1.0	-0.8	-0.8	-0.8	-0.9
<b>EBITA</b>	<b>7.5</b>	<b>4.8</b>	<b>8.4</b>	<b>7.8</b>	<b>9.7</b>	<b>7.3</b>	<b>9.1</b>	<b>10.0</b>	<b>9.0</b>	<b>7.6</b>	<b>12.8</b>	<b>14.1</b>
<b>NRI</b>	<b>-0.1</b>	<b>0.0</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.6</b>	<b>-0.2</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Adj. EBITA</b>	<b>7.6</b>	<b>4.8</b>	<b>8.6</b>	<b>7.8</b>	<b>9.7</b>	<b>7.3</b>	<b>9.2</b>	<b>10.6</b>	<b>9.2</b>	<b>7.8</b>	<b>12.8</b>	<b>14.1</b>
Adj. EBITA margin %	11.0%	7.5%	12.2%	9.6%	11.7%	9.9%	12.2%	11.7%	11.1%	10.0%	12.2%	11.8%
-growth y/y	23%	27%	8%	-1%	27%	52%	7%	36%	-5%	7%	39%	33%
<b>EBIT</b>	<b>6.6</b>	<b>4.0</b>	<b>7.6</b>	<b>7.0</b>	<b>9.0</b>	<b>6.6</b>	<b>8.4</b>	<b>9.0</b>	<b>8.1</b>	<b>6.8</b>	<b>11.9</b>	<b>13.2</b>
EBIT margin %	9.6%	6.2%	10.8%	8.6%	10.8%	8.9%	11.2%	10.0%	9.8%	8.6%	11.4%	11.0%
Net financials	-2.2	-2.8	-1.6	-0.9	-3.1	-1.7	-1.9	-2.5	-0.6	-1.6	-2.3	-2.3
PTP	4.5	1.1	6.0	6.1	5.8	4.9	6.5	6.5	7.5	5.2	9.6	10.9
Tax	-1.6	-1.0	-1.7	0.2	-2.0	-1.6	-1.9	0.2	-1.6	-1.3	-2.3	-2.6
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.2
<b>Net profit for equity</b>	<b>2.9</b>	<b>0.2</b>	<b>4.3</b>	<b>6.3</b>	<b>3.9</b>	<b>3.3</b>	<b>4.6</b>	<b>6.7</b>	<b>5.9</b>	<b>3.9</b>	<b>7.2</b>	<b>8.1</b>
Net profit	2.9	0.2	4.3	6.3	3.9	3.3	4.6	6.7	5.9	3.9	7.3	8.3
EPS (undiluted)	0.16	0.01	0.24	0.35	0.21	0.18	0.26	0.37	0.32	0.21	0.40	0.45

Source: Company data and Nordea estimates

**DETAILED ANNUAL ESTIMATES (EURm; DPS AND EPS IN EUR)**

EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
<b>Net sales</b>	<b>129</b>	<b>238</b>	<b>261</b>	<b>284</b>	<b>323</b>	<b>386</b>	<b>447</b>	<b>460</b>
Sales growth	30%	84%	10%	9%	13%	20%	16%	3%
of which organic	3%	9%	-4%	5%	6%	1%	4%	3%
of which FX	1%	2%	-2%	-4%	-1%	2%	0%	0%
of which structural	27%	74%	15%	8%	10%	17%	12%	0%
Other operating income	1.0	3.1	2.8	2.7	2.8	3.0	3.1	3.2
Materials and services	-84	-138	-143	-155	-171	-195	-226	-232
<b>Gross profit</b>	<b>45.0</b>	<b>99.6</b>	<b>117.2</b>	<b>128.9</b>	<b>151.2</b>	<b>190.4</b>	<b>221.0</b>	<b>228.1</b>
Gross margin %	34.9%	41.9%	45.0%	45.4%	46.9%	49.4%	49.5%	49.6%
Staff costs	-17	-47	-55	-59	-70	-91	-105	-107
Other operating costs	-10	-20	-28	-29	-32	-41	-45	-45
<b>EBITDA</b>	<b>19.1</b>	<b>36.0</b>	<b>36.6</b>	<b>43.5</b>	<b>51.9</b>	<b>61.9</b>	<b>75.0</b>	<b>79.3</b>
EBITDA margin %	14.8%	15.1%	14.0%	15.3%	16.1%	16.1%	16.8%	17.2%
D&A	-8.0	-13.0	-16.9	-18.4	-18.9	-21.9	-24.3	-24.6
of which depreciations	-0.4	-10.3	-13.6	-15.0	-15.7	-18.5	-20.9	-21.1
of which amortizations	-7.6	-2.7	-3.3	-3.4	-3.1	-3.3	-3.4	-3.5
EBITA	18.7	25.7	23.0	28.5	36.1	43.4	54.1	58.2
NRI	0.0	-2.6	-2.8	-0.3	-0.6	-0.4	0.0	0.0
<b>Adj. EBITA</b>	<b>18.7</b>	<b>28.3</b>	<b>25.8</b>	<b>28.8</b>	<b>36.8</b>	<b>43.9</b>	<b>54.1</b>	<b>58.2</b>
Adj. EBITA margin %	14.5%	11.9%	9.9%	10.1%	11.4%	11.4%	12.1%	12.7%
-growth y/y	44%	56%	-12%	12%	28%	19%	23%	8%
<b>EBIT</b>	<b>11.1</b>	<b>23.0</b>	<b>19.6</b>	<b>25.1</b>	<b>33.0</b>	<b>40.1</b>	<b>50.7</b>	<b>54.7</b>
EBIT margin %	8.6%	9.7%	7.5%	8.8%	10.2%	10.4%	11.3%	11.9%
Net financials	-0.7	-4.6	-6.5	-7.4	-9.2	-6.8	-9.8	-8.2
PTP	10.4	18.5	13.2	17.7	23.8	33.2	40.9	46.5
Tax	-3.4	-4.1	-3.1	-4.0	-5.2	-7.9	-9.3	-10.5
Minority interest	-0.1	0.0	0.0	0.0	0.0	-0.3	-0.5	-0.5
<b>Net profit for equity</b>	<b>6.9</b>	<b>14.3</b>	<b>10.1</b>	<b>13.7</b>	<b>18.5</b>	<b>25.1</b>	<b>31.1</b>	<b>35.5</b>
Net profit	7.0	14.4	10.1	13.7	18.5	25.4	31.6	36.0
EPS (undiluted)	0.41	0.80	0.56	0.76	1.02	1.39	1.72	1.96
DPS	0.30	0.36	0.40	0.44	0.48	0.52	0.60	0.70

Note: According to IFRS accounting from 2021 onwards, 2020 according to the Finnish Accounting Standard

Source: Company data and Nordea estimates

# Risk factors

Below, we list the main risk factors that we find relevant for Relais Group. The purpose of this is not to provide a comprehensive picture of all the risks that the company may face, but instead to highlight those that we find the most relevant. The main risks we identify relate to the general economy in the Nordics, car spare parts sales and the vehicle service business. After the COVID-19 pandemic, the company is facing a tougher environment for B2C, mainly due to lower consumer confidence and high inflation.

A sluggish economy could negatively affect car service and spare parts sales	<p><b>General economy</b></p> <p>The car service industry is to some extent dependent on the general economy. In times of strong economic activity, people are more inclined to spend money on car service and upgrades. Typically, unemployment rates decrease at such times, which also increases consumers' disposable income.</p> <p>The outlook for Nordic economies has suffered from geopolitical tensions. If people start cutting back on car service spending and/or postpone servicing their cars, Relais could see a negative impact on its sales and earnings. After recent acquisitions, Relais is also more dependent on commercial vehicles and related services, which could be affected if economic activity deteriorates. Recent additions to the service business should improve business predictability, albeit with lower seasonality.</p>
Competitors consolidating the market could hamper Relais' growth prospects	<p><b>Increasing competition</b></p> <p>The auto parts market is still very fragmented. If other players take a more active role in market consolidation, this could hurt the sales prospects for Relais and profitability if competitors become more aggressive on pricing.</p>
Disturbances by suppliers may affect product availability	<p><b>Dependence on suppliers</b></p> <p>As Relais imports its goods and does not produce spare parts or equipment itself, the company could be severely affected if its suppliers cannot deliver products as agreed or if the quality of products decreases significantly.</p> <p>The COVID-19 pandemic created supply-side problems and extra freight costs, which have not been fully resolved yet. A prolonged situation could hamper demand for Relais' spare parts and equipment.</p>
If not executed well, high M&A activity may increase costs	<p><b>Risks related to expansion</b></p> <p>Relais' ambitions to grow quickly do not come without costs, investments and risks. M&amp;A could increase costs temporarily, but also in the long term if acquisitions fail or integration is executed poorly. Hence, it is important for the company to maintain good cost control and clear M&amp;A execution plans, so as not to hamper earnings.</p>
Key employees leaving could lead to the loss of clients	<p><b>Dependence on key employees</b></p> <p>Relais depends heavily on the efforts of its management team and the board of directors. These key persons have substantial knowledge of running listed companies as well as broad sector knowledge. Should these people leave, it could take some time to find replacements. If key employees join a competitor or start a competing business, this could significantly hamper Relais' business, leading to the loss of clients or even suppliers. Also, because Relais does not fully integrate acquired companies, its dependence on acquired key employees is high. Should Relais fail to incentivise employees in the acquired companies, this could directly impact sales and earnings.</p>
A share issue could dilute current shareholders' ownership	<p><b>Financial position</b></p> <p>Relais has high growth ambitions, hence we do not rule out the need for additional equity to support future M&amp;A activity. An equity issue could dilute the current shareholders' ownership.</p>



A significant writedown of goodwill could worsen its financial position

### **Substantial amount of intangible assets**

Due to M&A, Relais has accumulated significant goodwill on its balance sheet. If a future test shows a considerable decline in the value of goodwill, this could have a huge impact on the balance sheet and earnings. A weakening balance sheet could limit the potential for new financing and thus have a negative impact on future M&A and operations.

Tech failures could put Relais in a disadvantageous position

### **IT systems**

Relais depends on its IT systems, and any disruption to these could affect the company's daily business, costs and reputation. Slow adoption of or adaptation to new technology could leave Relais in a disadvantageous position versus its competitors.

# Reported numbers and forecasts

## INCOME STATEMENT

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
<b>Total revenue</b>	<b>60</b>	<b>72</b>	<b>99</b>	<b>129</b>	<b>238</b>	<b>261</b>	<b>284</b>	<b>323</b>	<b>386</b>	<b>447</b>	<b>460</b>
Revenue growth	2.6%	19.9%	36.6%	30.3%	84.5%	9.6%	9.0%	13.5%	19.5%	15.8%	3.0%
of which organic	-0.8%	9.5%	2.0%	3.0%	9.1%	-4.1%	5.0%	5.8%	1.3%	3.5%	3.0%
of which FX	0.0%	0.0%	-1.1%	0.7%	1.5%	-2.0%	-3.7%	-0.5%	1.5%	0.0%	0.0%
EBITDA	8	9	13	19	36	37	44	52	62	75	79
Depreciation and impairments PPE	0	0	0	0	-10	-14	-15	-16	-19	-21	-21
of which leased assets	0	0	0	0	-7	-9	-13	-13	-16	-18	-18
EBITA	8	8	13	19	26	23	29	36	43	54	58
Amortisation and impairments	-2	-3	-5	-8	-3	-3	-3	-3	-3	-3	-3
EBIT	6	6	8	11	23	20	25	33	40	51	55
of which associates	0	0	0	0	0	0	0	0	0	0	0
Associates excluded from EBIT	0	0	0	0	0	0	0	0	0	0	0
Net financials	-1	-1	-5	-1	-5	-6	-7	-9	-7	-10	-8
of which lease interest	0	0	0	0	0	0	0	0	0	0	0
Changes in value, net	0	0	0	0	0	0	0	0	0	0	0
<b>Pre-tax profit</b>	<b>5</b>	<b>5</b>	<b>2</b>	<b>10</b>	<b>18</b>	<b>13</b>	<b>18</b>	<b>24</b>	<b>33</b>	<b>41</b>	<b>46</b>
Reported taxes	-1	-2	-2	-3	-4	-3	-4	-5	-8	-9	-10
Net profit from continued operations	4	3	1	7	14	10	14	19	25	32	36
Discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0	0	0	-1	-1
Net profit to equity	4	3	0	7	14	10	14	19	25	31	35
<b>EPS, EUR</b>	<b>0.42</b>	<b>0.34</b>	<b>0.03</b>	<b>0.39</b>	<b>0.77</b>	<b>0.54</b>	<b>0.73</b>	<b>0.99</b>	<b>1.34</b>	<b>1.66</b>	<b>1.89</b>
DPS, EUR	0.00	0.00	0.10	0.30	0.36	0.40	0.44	0.48	0.52	0.60	0.70
of which ordinary	0.00	0.00	0.10	0.30	0.36	0.40	0.44	0.48	0.52	0.60	0.70
of which extraordinary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## Profit margin in percent

EBITDA	13.8%	12.1%	13.5%	14.8%	15.1%	14.0%	15.3%	16.1%	16.1%	16.8%	17.2%
EBITA	13.4%	11.6%	13.1%	14.5%	10.8%	8.8%	10.0%	11.2%	11.3%	12.1%	12.7%
EBIT	10.2%	7.9%	7.9%	8.6%	9.7%	7.5%	8.8%	10.2%	10.4%	11.3%	11.9%

## Adjusted earnings

EBITDA (adj)	8	9	13	19	39	39	44	52	62	75	79
EBITA (adj)	8	8	13	19	28	26	29	37	44	54	58
EBIT (adj)	6	6	8	11	26	22	25	34	41	51	55
EPS (adj, EUR)	0.42	0.34	0.29	0.39	0.91	0.69	0.75	1.02	1.36	1.66	1.89

## Adjusted profit margins in percent

EBITDA (adj)	13.8%	12.1%	13.5%	14.8%	16.2%	15.1%	15.4%	16.3%	16.2%	16.8%	17.2%
EBITA (adj)	13.4%	11.6%	13.1%	14.5%	11.9%	9.9%	10.1%	11.4%	11.4%	12.1%	12.7%
EBIT (adj)	10.2%	7.9%	7.9%	8.6%	10.8%	8.6%	9.0%	10.4%	10.5%	11.3%	11.9%

## Performance metrics

CAGR last 5 years											
Net revenue	14.3%	17.8%	18.7%	19.0%	32.2%	34.0%	31.4%	26.7%	24.5%	13.4%	12.0%
EBITDA	n.m.	n.m.	n.m.	n.m.	32.1%	34.4%	37.9%	31.2%	26.5%	15.8%	16.7%
EBIT	n.a.	n.a.	n.a.	n.a.	27.5%	26.2%	34.5%	33.2%	29.3%	17.1%	22.7%
EPS	n.a.	n.a.	n.a.	n.a.	28.6%	5.2%	16.5%	99.4%	28.1%	16.7%	28.7%
DPS	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	36.9%	11.6%	10.8%	11.8%
Average last 5 years											
Average EBIT margin	n.a.	n.a.	n.a.	9.0%	9.0%	8.4%	8.6%	9.1%	9.5%	9.9%	10.7%
Average EBITDA margin	7.0%	9.0%	11.4%	13.9%	14.3%	14.2%	14.7%	15.2%	15.4%	15.8%	16.4%

## VALUATION RATIOS - ADJUSTED EARNINGS

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
P/E (adj)	n.a.	n.a.	28.0	37.9	29.0	14.8	18.1	13.0	11.2	9.2	8.0
EV/EBITDA (adj)	n.a.	n.a.	10.2	15.3	16.4	8.5	9.2	7.4	8.5	6.9	6.2
EV/EBITA (adj)	n.a.	n.a.	10.5	15.6	22.3	13.0	14.0	10.6	12.1	9.6	8.5
EV/EBIT (adj)	n.a.	n.a.	17.3	26.3	24.6	14.9	15.8	11.6	13.1	10.2	9.0

## VALUATION RATIOS - REPORTED EARNINGS

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
P/E	n.a.	n.a.	n.m.	37.9	34.3	19.0	18.5	13.5	11.4	9.2	8.0
EV/Sales	n.a.	n.a.	1.37	2.26	2.66	1.28	1.42	1.21	1.37	1.16	1.07
EV/EBITDA	n.a.	n.a.	10.2	15.3	17.5	9.1	9.3	7.5	8.5	6.9	6.2
EV/EBITA	n.a.	n.a.	10.5	15.6	24.5	14.6	14.1	10.8	12.2	9.6	8.5
EV/EBIT	n.a.	n.a.	17.3	26.3	27.4	17.0	16.0	11.8	13.2	10.2	9.0
Dividend yield (ord.)	n.a.	n.a.	1.2%	2.0%	1.4%	3.9%	3.3%	3.6%	3.4%	3.9%	4.6%
FCF yield	n.a.	n.a.	-61.8%	2.8%	-10.2%	6.6%	8.9%	11.1%	-8.4%	13.7%	18.8%
FCF Yield bef A&D, lease adj	n.a.	n.a.	1.4%	6.0%	0.5%	7.5%	5.2%	6.5%	-13.9%	7.4%	12.5%
Payout ratio	0.0%	0.0%	33.9%	77.4%	39.7%	58.2%	58.9%	47.0%	38.3%	36.2%	37.0%

Source: Company data and Nordea estimates

**BALANCE SHEET**

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
Intangible assets	7	5	54	59	130	133	133	132	144	140	137
of which R&D	0	0	0	0	0	0	0	0	0	0	0
of which other intangibles	0	0	1	0	15	15	13	12	27	27	27
of which goodwill	7	5	54	58	114	118	120	120	117	113	110
Tangible assets	0	0	0	0	59	57	66	62	139	140	140
of which leased assets	0	0	0	0	54	52	61	56	93	93	93
Shares associates	0	0	0	0	0	0	0	0	0	0	0
Interest bearing assets	0	0	0	0	0	0	0	0	0	0	0
Deferred tax assets	0	0	0	0	1	1	1	1	1	1	1
Other non-IB non-current assets	0	0	0	0	0	0	0	0	0	0	0
Other non-current assets	0	0	0	0	0	0	0	0	0	0	0
Total non-current assets	7	5	54	59	189	191	200	195	283	281	278
Inventory	27	29	43	44	73	68	74	84	100	116	119
Accounts receivable	8	8	12	13	34	33	41	41	49	56	58
Short-term leased assets	0	0	0	0	0	0	0	0	18	18	18
Other current assets	1	2	3	3	0	4	4	2	2	2	2
Cash and bank	2	2	30	35	12	14	10	10	11	8	13
Total current assets	37	42	88	95	119	119	129	136	179	200	210
Assets held for sale	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Total assets</b>	<b>44</b>	<b>47</b>	<b>142</b>	<b>154</b>	<b>308</b>	<b>309</b>	<b>329</b>	<b>330</b>	<b>463</b>	<b>481</b>	<b>488</b>
Shareholders equity	11	17	64	72	102	104	111	118	134	156	180
Of which preferred stocks	0	0	0	0	0	0	0	0	0	0	0
Of which equity part of hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Minority interest	3	1	0	0	0	0	0	0	0	1	1
Total Equity	14	17	64	72	102	104	111	118	134	156	182
Deferred tax	0	0	2	3	6	6	5	4	4	4	4
Long term interest bearing debt	11	14	59	58	91	96	89	84	134	119	99
Pension provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term provisions	0	0	0	0	0	0	0	0	0	0	0
Other long-term liabilities	0	2	0	0	2	1	2	1	1	1	1
Non-current lease debt	0	0	0	0	44	42	49	46	96	96	96
Convertible debt	0	0	0	0	0	0	0	0	0	0	0
Shareholder debt	0	0	0	0	0	0	0	0	0	0	0
Hybrid debt	0	0	0	0	0	0	0	0	0	0	0
Total non-current liabilities	12	16	62	61	143	144	145	135	235	220	199
Short-term provisions	0	0	0	0	0	0	0	0	0	0	0
Accounts payable	4	4	7	9	46	35	47	54	64	74	77
Current lease debt	0	0	0	0	11	12	14	13	18	18	18
Other current liabilities	4	5	6	8	0	7	6	4	5	6	6
Short term interest bearing debt	12	6	5	5	6	7	7	7	7	7	7
Total current liabilities	19	15	18	21	63	61	73	77	94	105	107
Liabilities for assets held for sale	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and equity</b>	<b>45</b>	<b>48</b>	<b>143</b>	<b>155</b>	<b>308</b>	<b>309</b>	<b>329</b>	<b>330</b>	<b>463</b>	<b>481</b>	<b>488</b>
<b>Balance sheet and debt metrics</b>											
Net debt	22	18	35	28	140	143	149	140	243	232	207
of which lease debt	0	0	0	0	55	53	63	59	114	114	114
Working capital	28	31	46	44	61	63	67	68	81	94	97
Invested capital	35	36	100	103	250	254	267	263	365	375	375
Capital employed	37	37	128	135	254	260	270	267	389	396	401
ROE	44.7%	22.7%	1.0%	10.2%	16.5%	9.8%	12.8%	16.2%	19.9%	21.5%	21.1%
ROIC	14.2%	12.7%	9.1%	8.6%	11.5%	7.0%	7.7%	10.0%	10.2%	10.8%	11.5%
ROCE	17.9%	15.7%	9.6%	10.1%	13.8%	10.6%	10.1%	13.5%	15.1%	13.4%	14.2%
Net debt/EBITDA	2.6	2.0	2.6	1.5	3.9	3.9	3.4	2.7	3.9	3.1	2.6
Interest coverage	7.1	6.0	1.5	4.6	4.2	2.2	3.0	3.0	3.1	4.5	5.5
Equity ratio	23.8%	34.7%	44.5%	46.5%	33.1%	33.6%	33.6%	35.6%	29.0%	32.4%	36.9%
Net gearing	152.2%	102.0%	54.3%	39.1%	136.5%	137.4%	135.0%	119.3%	181.2%	148.0%	113.9%

Source: Company data and Nordea estimates

**CASH FLOW STATEMENT**

EURm	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E	2027E
<b>EBITDA (adj) for associates</b>	<b>8</b>	<b>9</b>	<b>13</b>	<b>19</b>	<b>36</b>	<b>37</b>	<b>44</b>	<b>52</b>	<b>62</b>	<b>75</b>	<b>79</b>
Paid taxes	0	-2	-2	-3	-5	-3	-4	-5	-8	-9	-10
Net financials	0	-1	-6	-1	-3	-4	-7	-9	-7	-10	-8
Change in provisions	0	0	0	0	0	0	0	0	0	0	0
Change in other LT non-IB	-3	2	-2	0	1	-1	1	-1	0	0	0
Cash flow to/from associates	0	0	0	0	0	0	0	0	0	0	0
Dividends paid to minorities	0	0	0	0	0	0	0	0	0	0	0
Other adj to reconcile to cash flow	-6	-2	1	0	-5	1	0	2	0	0	0
<b>Funds from operations (FFO)</b>	<b>0</b>	<b>6</b>	<b>5</b>	<b>15</b>	<b>24</b>	<b>29</b>	<b>33</b>	<b>39</b>	<b>47</b>	<b>56</b>	<b>61</b>
Change in NWC	0	-2	-3	1	-12	0	-2	-4	-13	-13	-3
<b>Cash flow from operations (CFO)</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>16</b>	<b>12</b>	<b>29</b>	<b>31</b>	<b>35</b>	<b>34</b>	<b>43</b>	<b>58</b>
Capital expenditure	0	0	0	0	-2	-2	-4	-3	-4	-4	-4
<b>Free cash flow before A&amp;D</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>16</b>	<b>9</b>	<b>27</b>	<b>27</b>	<b>32</b>	<b>30</b>	<b>39</b>	<b>53</b>
Proceeds from sale of assets	0	0	1	1	0	0	0	0	0	0	0
Acquisitions	0	-1	-65	-9	-60	-15	-4	-5	-54	0	0
Free cash flow	0	2	-63	7	-50	13	23	28	-24	39	53
Free cash flow bef A&D, lease adj	0	3	1	16	2	14	13	16	-40	21	36
Dividends paid	0	0	0	-2	-5	-6	-7	-8	-9	-9	-11
Equity issues / buybacks	0	0	44	0	1	0	0	-1	0	0	0
Net change in debt	0	0	42	-1	32	9	-8	-5	50	-15	-20
Other financing adjustments	0	0	0	0	0	0	0	0	-16	-18	-18
Other non-cash adjustments	1	-2	4	1	0	-14	-12	-13	0	0	0
Change in cash	1	1	27	5	-23	2	-4	0	1	-3	5
<b>Cash flow metrics</b>											
Capex/D&A	0.0%	6.9%	7.3%	2.5%	17.6%	10.2%	22.1%	15.2%	16.1%	16.7%	17.3%
Capex/Sales	0.0%	0.3%	0.4%	0.2%	1.0%	0.7%	1.4%	0.9%	0.9%	0.9%	0.9%
<b>Key information</b>											
Share price year end (/current)	n.a.	n.a.	8	15	26	10	14	13	15	15	15
Market cap.	n.a.	n.a.	101	263	492	192	253	250	285	285	285
Enterprise value	n.a.	n.a.	136	292	632	334	403	390	529	518	493
Diluted no. of shares, year-end (m)	9.1	9.1	12.3	17.9	18.7	18.8	18.8	18.8	18.8	18.8	18.8

Source: Company data and Nordea estimates

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**Completion Date**

14 May 2025, 00:15 CET

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