

14 August 2025

Commissioned research: Relais Group Oyj – Q2 largely in line with expectations - market demand starting to improve in H2

Marketing material commissioned by Relais Group Oyj

Relais Q2 adjusted EBITA of EUR 7.6m was up 3% y/y and came 2% above LSEG Data & Analytics consensus of EUR 7.5m. Organic sales growth was -2% y/y in Q2 (in line with our expectation), weighted down by a softer market conditions. Net sales were EUR 82.9m (+12% y/y), 5% above consensus expectations and supported by acquisitions. Gross margin came 120bp below consensus expectations while it was up 140bp y/y to 49.1%, likely burdened to some extent by slightly softer repair and maintenance. Operating cash flow declined owing to mild winter impact on net working capital and was EUR -0.2m (EUR 9.5m a year ago) which combined with acquisition of Team Verksted took leverage to 4.4x. Relais does not give short-term outlook for 2025 but notes cautious positive signs of demand improvement for H2. On initial take, we expect consensus to make minor positive estimate revisions.

RELAIS: DEVIATION TABLE

	Actual	NDA est.	Deviation	Consensus	Deviation	Actual	Actual	Actual	Actual
EURm	Q2 2025	Q2 2025E	vs. actual	Q2 2025E	vs. actual	Q1 2025	q/q	Q2 2024	y/y
Sales	82.9	81.4	1 2%	78.8	4 5%	82.8	0%	74.3	12%
Gross profit	40.7	40.7	0.0 0%	40	1.1 3%	41.1	-1%	35.4	
Gross margin	49.1%	50.0%	-0.9pp	50.3%	-1.2pp	49.6%	-0.5pp	47.7%	1.4pp
Adj. EBITA	7.6	7.4	0.1 2%	7.5	0.1 2%	9.2	-18%	7.3	3%
Adj. EBITA margin	9.1%	9.1%	0.0pp	9.5%	-0.3pp	11.1%	-2.0pp	9.9%	-0.7pp
EBITA	7.2	7.1	0.1 1%	7.5	-0.3 -3%	9.0	-20%	7.3	-1%
EBITA margin	8.7%	8.8%	-0.1pp	9.5%	-0.8pp	10.8%	-2.1pp	9.8%	-1.2pp
EBIT	6.3	6.3	-0.1 -1%	6.1	0.2 3%	8.1	-23%	6.6	-5%
EBIT margin	7.6%	7.8%	-0.2pp	7.7%	-0.2pp	9.8%	-2.3pp	8.9%	-1.3pp
PTP	1.6	4.7	-3.1 -66%	4.6	-3.0 -65%	7.5	-79%	4.9	-67%
EPS	0.08	0.19	-0.11 -57%	0.18	-0.10 -54%	0.31		0.17	
Sales split									
Equipment	14.8	12.6	2.3 18%			15.7	-5%	13.1	14%
Lighting	11.6	11.8	-0.2 -1%			15.4	-25%	11.2	3%
Spare parts	24.0	23.0	1.0 4%			22.0	9%	23.6	2%
Repair and maintenance	31.7	33.5	-1.8 -5%			29.1	9%	25.6	24%
Other	0.8	0.6	0.2 36%			0.6	43%	0.8	n.m.

Source: Company data and Nordea estimates

Q2 organic growth was -2% y/y in a softer market

- Q2 net sales were EUR 82.9m, 5% above LSEG Data & Analytics consensus. Organic growth was -2% y/y in Q2 (+8% in 2024) against tough comps owing to cold winter in 2024. In addition, market environment was somewhat softer during Q2. We had anticipated -2% organic growth in Q2. Looking into mix, Repair and Maintenance sales came below our estimate while Equipment beat and Lighting and Spare Parts were largely in line our expectations. Organic growth remained slightly positive in Scandinavia (+1% y/y) while in Finland and Baltics organic growth remained in a negative territory (-4% y/y).
- Adjusted EBITA of EUR 7.6m was largely in line with expectations. Q2 adjusted EBITA margin of 9.1% was down 0.7 pp y/y and 30bp below consensus expectations. Gross margin of 49.1%, up 140bp y/y and 120bp below consensus, likely wighted down by slightly softer Repair and Maintenance.
- EPS of EUR 0.08 came clearly below consensus of EUR 0.18, largely explained by FX, we believe. Net financial expenses were EUR 2.8m below our estimate, burdened by EUR 2.1m negative FX impact.

- Operating cash flow of EUR -0.2m was clearly down from EUR 9.5m a year ago, explained by net working capital following the warm winter. Leverage is up at 4.4x driven by acquisition of Team Verksted and related IFRS16 lease liabilities. We note the company has 18 months bridge financing for the acquisitions and the company aims to partially or in full refinance the bridge financing facility with equity-like or equity capital market financing.

We expect consensus to make only minor revisions to its estimates

Relais does not provide short-term numeric guidance. Prior to the Q2 report, LSEG Data & Analytics consensus pencil in 18% sales growth growth in 2025E, driven by acquisitions. We expect consensus to make only minor positive revisions to its estimates following the Q2 report. Shares have been relatively strong since end of June, up 14%.

Relais will arrange a webcast at 10:00 EET, accessible through following link: [Relais Q2 earnings webcast](#)

SUMMARY TABLE - KEY FIGURES

EURm	2021	2022	2023	2024	2025E	2026E	2027E
Total revenue	238	261	284	323	387	451	465
EBITDA (adj.)	38.6	39.4	43.8	52.5	61.1	75.0	79.4
EBIT (adj.)	25.6	22.5	25.4	33.6	39.1	50.5	54.6
EBIT (adj.) margin	10.8%	8.62%	8.95%	10.4%	10.1%	11.2%	11.7%
EPS (adj. EUR)	0.91	0.69	0.75	1.02	1.30	1.65	1.89
EPS (adj.) growth	134%	-24.2%	8.76%	36.5%	27.5%	26.9%	14.2%
DPS (ord. EUR)	0.36	0.40	0.44	0.48	0.52	0.60	0.70
EV/Sales	2.66	1.28	1.42	1.21	1.49	1.25	1.17
EV/EBIT (adj.)	24.6	14.9	15.8	11.6	14.8	11.2	9.93
P/E (adj.)	29.0	14.8	18.1	13.0	13.0	10.2	8.96
P/BV	4.82	1.84	2.29	2.12	2.39	2.06	1.77
Dividend yield (ord.)	1.37%	3.92%	3.26%	3.61%	3.08%	3.55%	4.14%
FCF yield before A&D, lease-adj.	0.50%	7.46%	5.19%	6.43%	-13.0%	6.37%	11.2%
Net debt	140	143	149	140	259	249	224
Net debt/EBITDA	3.88	3.91	3.43	2.70	4.29	3.31	2.82
ROIC	11.5%	7.04%	7.72%	10.0%	9.61%	10.4%	11.0%

Source: Company data and Nordea estimates

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Completion date: 14/08/2025 08:52 CEST

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