

RELAIS GROUP

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INDERES CORPORATE CUSTOMER

COMPANY REPORT



Wheels likely to continue rolling along familiar tracks

Now that Relais' equity-based financing solution is secured, the focus shifts to the appointment of a new CEO, which is expected to occur soon, as well as updated financial targets and strategy. While we estimate that the company's strategy and value creation model will remain unchanged, we believe that the new financial targets will measure value creation more directly than before. We reiterate our target price of EUR 18.5 for this moderately valued stock and our Buy recommendation.

Hybrid bond issuance added to our estimates

Relais recently announced the issuance of a 50 MEUR hybrid bond, the proceeds of which will be used primarily to repay the bridge loan taken out in connection with the TVH acquisition. The fixed interest rate of the hybrid bond is set at 7.875% for the next four years, and after the interest adjustment day (09'2029), the interest rate will float. We have included the hybrid loan in our estimates, and we have also reviewed depreciation levels for the coming years after the company published pro forma figures reflecting the more precise effects of the completed acquisitions on Relais' balance sheet. Reflecting these estimate changes, our adjusted earnings per share estimates for the coming years decreased by 4-7%.

Leverage at a moderate level

According to our estimates, with the hybrid bond, Relais' net debt (based on Q2'25 figures and excluding IFRS16 liabilities) will decrease to around 110 MEUR, taking into account the Wetteri acquisition, which is also included in our estimates already. This corresponds to around 2.4x of our 2026 EBITA estimate, which is a rather moderate level. Thus, the continuously strengthening financial position through cash flow enables complementary add-on acquisitions even in the short term. However, we estimate that the company will focus on strategy work and integrating the already-announced acquisitions in the short term.

Familiar themes and new targets in strategy

Relais' business model for value creation, and thus its current strategy, has largely relied on acquisitions in the Nordic countries and developing its owned businesses. We expect the new strategy to follow this same concept because there is still room for the company to grow in the Nordic countries and its current operations provide a solid foundation for additional acquisitions. Therefore, we do not expect any fundamental changes to the company's strategy. Instead, we believe financial targets will be based on metrics examining value creation and growth rate rather than absolute revenue or earnings metrics. These could include, for example, metrics measuring return on capital or relative annual (earnings) growth. We believe that the board's intention is for the company to appoint a new CEO to replace Ekholm, who is retiring in the spring, before finalizing the strategy and objectives. We anticipate that the CEO selection process, which has been ongoing since spring, will conclude in the near future.

Valuation is moderate on multiple measures

According to our forecasts, the adjusted P/E ratios for 2025-2026 are about 13x and 11x, and the corresponding adjusted EV/EBITA multiples are 11x and 10x. In our view, the valuation multiples for next year, which fully reflect the acquisitions made and are therefore more relevant, are quite reasonable and have upside, considering Relais' business operations quality and the company's track record in capital allocation. Relatively, Relais is valued roughly in line with companies engaged in similar operational businesses, whereas compared to serial acquirers, the valuation is at a significant discount. In our opinion, Relais' justified valuation lies somewhere between these two peer groups. Thus, relative valuation supports our view of a moderate valuation level, as does our cash flow model, which is above the current share price.

Recommendation

Accumulate

(was Accumulate)

Target price:

EUR 18.50

(was EUR 18.50)

Share price:

EUR 16.50

Business risk



Valuation risk



| | 2024 | 2025e | 2026e | 2027e |
|------------------|--------|--------|--------|--------|
| Revenue | 322.6 | 382.2 | 440.8 | 454.0 |
| growth-% | 13% | 18% | 15% | 3% |
| EBIT adj. | 36.1 | 38.9 | 45.6 | 47.1 |
| EBIT-% adj. | 11.2 % | 10.2 % | 10.3 % | 10.4 % |
| Net Income | 18.5 | 18.7 | 23.4 | 25.1 |
| EPS (adj.) | 1.21 | 1.27 | 1.49 | 1.57 |
| P/E (adj.) | 11.4 | 13.0 | 11.1 | 10.5 |
| P/B | 2.1 | 1.7 | 1.6 | 1.5 |
| Dividend yield-% | 3.6 % | 3.2 % | 3.3 % | 3.5 % |
| EV/EBIT (adj.) | 10.8 | 13.0 | 10.9 | 10.3 |
| EV/EBITDA | 7.5 | 8.6 | 7.4 | 7.0 |
| EV/S | 1.2 | 1.3 | 1.1 | 1.1 |

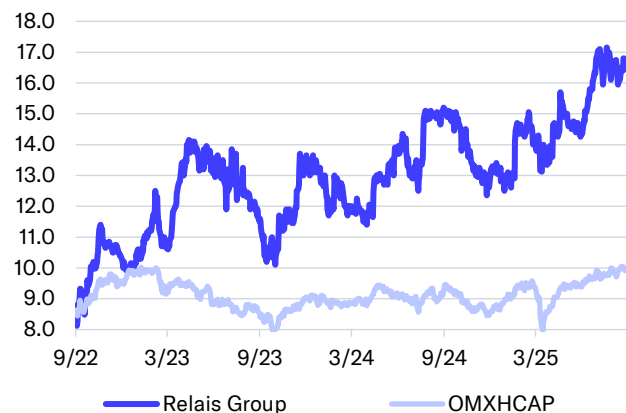
Source: Inderes

Guidance

(Unchanged)

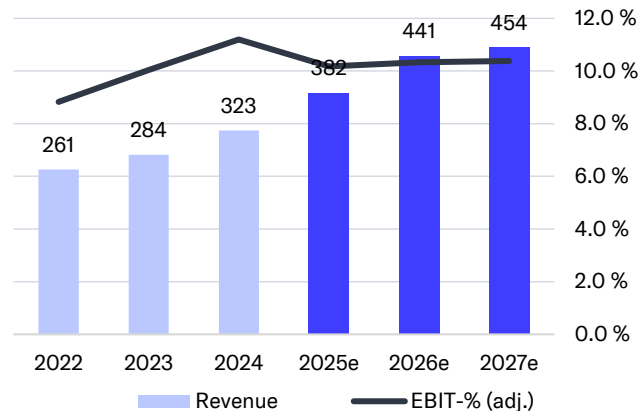
Relais Group does not provide a numeric guidance for the financial year 2025. The company has a long-term financial target published on February 3, 2023, according to which it aims to reach a proforma comparable EBITA of 50 MEUR by the end of the year 2025.

Share price



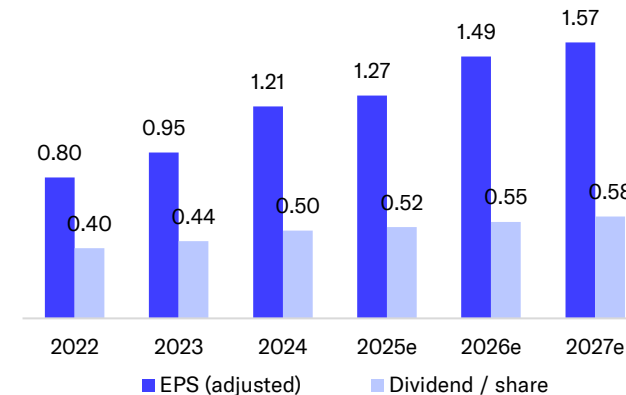
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- The stable and defensive market over time is huge relative to Relais' size class
- Plenty of room for consolidation on the fragmented vehicle aftermarket
- Serial consolidator business model's value creation potential and growth strategy is quite good
- Mutual sales synergies of the owned businesses support growth preconditions

Risk factors

- Working capital commitment in the wholesale business slows down cash flow
- Typical risks associated with acquisitions
- Long-term risks associated with limited pricing power and competitive situation
- Low liquidity of the stock

| Valuation | 2025e | 2026e | 2027e |
|----------------------------|--------|--------|--------|
| Share price | 16.50 | 16.50 | 16.50 |
| Number of shares, millions | 18.2 | 18.3 | 18.4 |
| Market cap | 300 | 302 | 303 |
| EV | 504 | 496 | 484 |
| P/E (adj.) | 13.0 | 11.1 | 10.5 |
| P/E | 16.8 | 14.9 | 13.9 |
| P/B | 1.7 | 1.6 | 1.5 |
| P/S | 0.8 | 0.7 | 0.7 |
| EV/Sales | 1.3 | 1.1 | 1.1 |
| EV/EBITDA | 8.6 | 7.4 | 7.0 |
| EV/EBIT (adj.) | 13.0 | 10.9 | 10.3 |
| Payout ratio (%) | 50.7 % | 43.0 % | 42.4 % |
| Dividend yield-% | 3.2 % | 3.3 % | 3.5 % |

Source: Inderes

Strategy features familiar themes and new targets

Changes in depreciation estimates, hybrid bond included in projections

We have included the hybrid loan to be issued in the coming days in our estimates. This reduced our adjusted EPS forecasts for the coming years because our previous forecasts included corresponding financing in the form of debt at a lower interest rate. In the same context, we reviewed the M&A-related depreciation in the coming years, as the company published pro forma figures for 2024 and H1 of 2025.

We believe the new strategy includes some familiar themes

In connection with its Q2'25 report, Relais announced that it would publish a new strategy and financial targets later this year. In its current strategy, which will remain in effect briefly, the company has sought to create value by focusing on acquisitions, synergies between its owned

businesses, and operational efficiency. In practice, the company has focused on consolidating the Nordic vehicle aftermarket, which we believe will continue to be its playing field in the future as well. With its current repair workshop operations in Finland, Sweden, and Norway, the company has three platforms offering good opportunities to reallocate capital to targeted (add-on) acquisitions. Additionally, we believe there is also room on the product side for geographical expansion and selective acquisitions that expand the product offering.

We estimate that economic targets will expand to include additional indicators

The company's financial target set for the end of the current year is tied to an absolute (comparable pro forma) EBITA level. In our view, targets linked to absolute top- or bottom-line levels are not ideal, as achieving or failing to achieve them does not reflect business value creation and therefore does not serve as a measure of it.

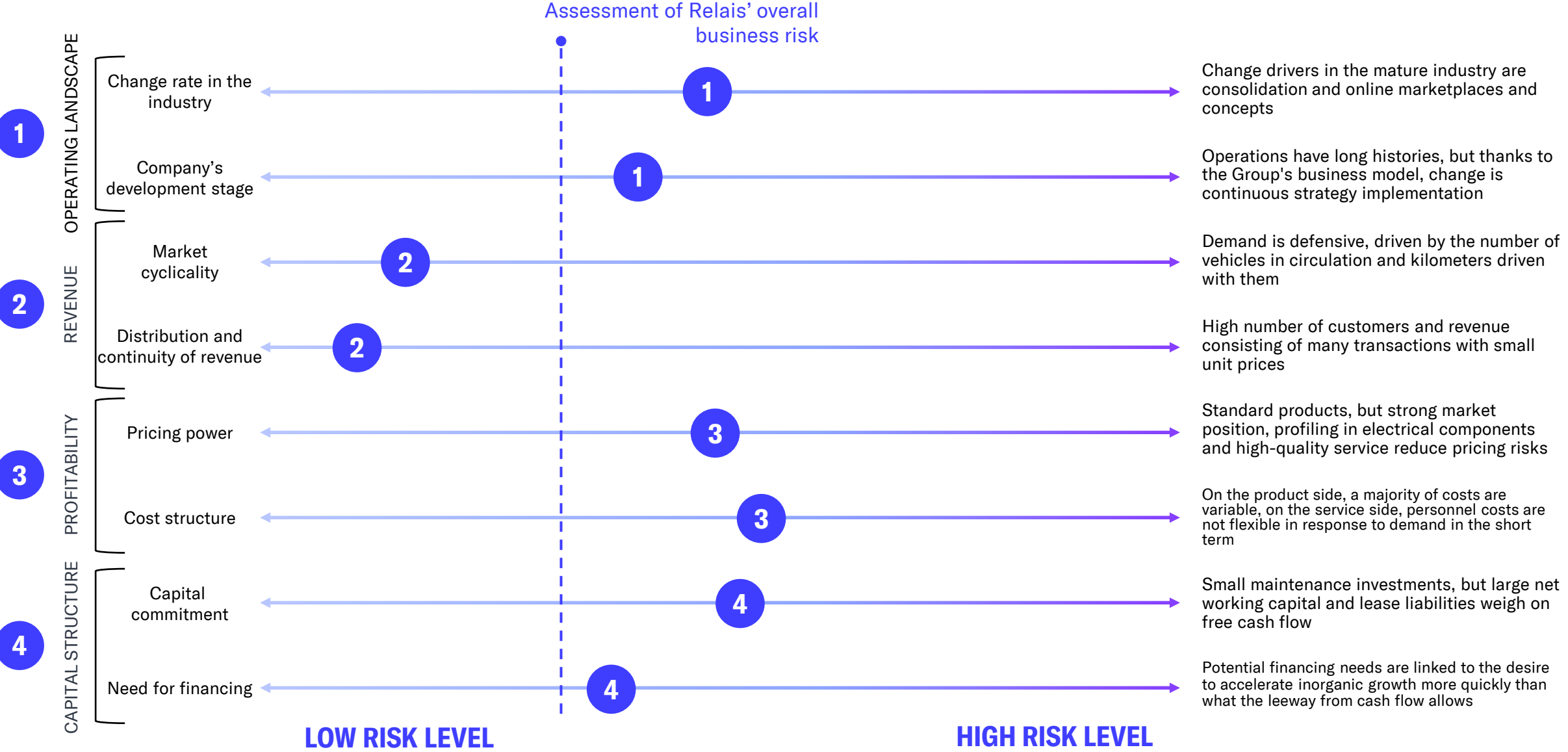
Although Relais has a strong history of creating value, even with this type of target setting, we believe that the new targets will set the level for Relais' return on capital (ROIC/ROCE-%). Furthermore, we believe the company will continue communicating its growth ambitions through its targets, so we expect some kind of relative growth target for revenue and/or earnings to be announced.

In line with the company's business model's capital allocation priorities, we would not be surprised if the company maintained its current or similar dividend policy, which promises a moderate dividend relative to results and thus signals that reallocating capital to business operations is a higher priority.

| Estimate revisions | 2025e | 2025 | Change | 2026e | 2026e | Change | 2027e | 2027e | Change |
|--------------------|-------|------|--------|-------|-------|--------|-------|-------|--------|
| MEUR / EUR | Old | New | % | Old | New | % | Old | New | % |
| Revenue | 382 | 382 | 0% | 441 | 441 | 0% | 454 | 454 | 0% |
| EBITDA | 58.6 | 58.6 | 0% | 67.2 | 67.2 | 0% | 68.7 | 68.7 | 0% |
| EBIT (exc. NRIs) | 38.9 | 38.9 | 0% | 45.6 | 45.6 | 0% | 47.1 | 47.1 | 0% |
| EBIT | 35.2 | 33.6 | -4% | 41.7 | 38.6 | -7% | 43.4 | 40.1 | -8% |
| PTP | 26.0 | 24.4 | -6% | 32.6 | 31.0 | -5% | 35.0 | 33.1 | -5% |
| EPS (excl. NRIs) | 1.29 | 1.27 | -2% | 1.57 | 1.49 | -5% | 1.65 | 1.57 | -5% |
| DPS | 0.52 | 0.52 | 0% | 0.55 | 0.55 | 0% | 0.58 | 0.58 | 0% |

Source: Inderes

Risk profile of the business model



Investment profile

- 1 Good historical track record in allocating capital to growth
- 2 Significant growth potential in the target market and accumulated experience in M&A
- 3 Flexible cost structure and mainly stable performance history
- 4 Business model consumes funds through working capital and lease obligations, limiting the amount of capital that can be reallocated
- 5 In the long run, the expected return is determined by the success of the capital reallocation

Potential

- Demand drivers are not susceptible to cyclical fluctuations, so demand is defensive
- If Relais is a successful serial consolidator it has good preconditions to generate ROI that exceeds the cost of equity
- In a large and fragmented market, the number of potential acquisition targets is huge
- Relatively flexible cost structure

Risks

- The business requires significant inventories that tie up working capital and depress cash flow
- Usual risks associated with the implementation of an inorganic growth strategy
- No identifiable sources of strong and sustainable competitive advantages in the business
- Low liquidity of the share

Valuation is moderate on multiple measures

Next year's multiples are not demanding

Acquisitions of significant size that Relais has already made have been fully reflected in the current year's balance sheet, while their impact on earnings will only be fully reflected in next year's earnings projections. Therefore, we believe the 2026 valuation multiples are a more relevant benchmark. Based on 2026 estimates, the EV/EBITA multiple is just over 10x and the corresponding P/E multiple is just over 11x. We believe these multiples are justified for current business operations.

As far as we can tell, the value creation potential of Relais, in line with its business model, consists of two components: These are the existing businesses while the value creation potential of the acquisition strategy is another component. We consider the current valuation to be justified based on current operations alone, and therefore the current valuation does not set any expectations for value creation through capital reallocation. Thus, in our view, the current valuation offers an attractive opportunity for additional purchases in Relais' long-term growth story.

Relative valuation supports upside

We apply two peer groups to Relais, one of which consists of companies operating with a similar business model and the other of so-called serial consolidators. The business models of the latter peer group rely especially on value creation through active capital reallocation, which is especially based on successful acquisitions. In our view, it is relevant to compare Relais's valuation to both of these peer groups on a relative basis, as a valuation based solely on operational business does not, in our view, give credit to the company's historical track record of capital allocation

capabilities. Relais is in practice valued in line with the median of key near-term earnings-based valuation multiples of a peer group consisting of international companies operating in the automotive aftermarket. In absolute terms, we believe this peer group is fairly valued, and we believe Relais' valuation is reasonable. Compared to a peer group of serial consolidators, the share is valued at a discount of just above 50% using valuation multiples for the coming years. In our view, Relais should be valued at a discount to its peer group of serial consolidators, as the group has experienced more rapid value creation in recent years, as can be seen in their on average higher returns on capital. In addition, we believe that the valuation multiples of serial consolidators are quite high. We believe Relais should be valued in between its peer groups, so the relative valuation supports our view on the share's upside.

DCF slightly below target price

Our DCF model indicates a share value of EUR 17.5. In our view, the cash flow model is well suited for valuing Relais's existing business due to its stable nature, but it does not measure the value creation of capital reallocation. We believe that our cash flow model indicates that the current share valuation does not include expectations of value creation from future arrangements, whereas Relais' historical track record, in our view, to some extent supports relying on this.

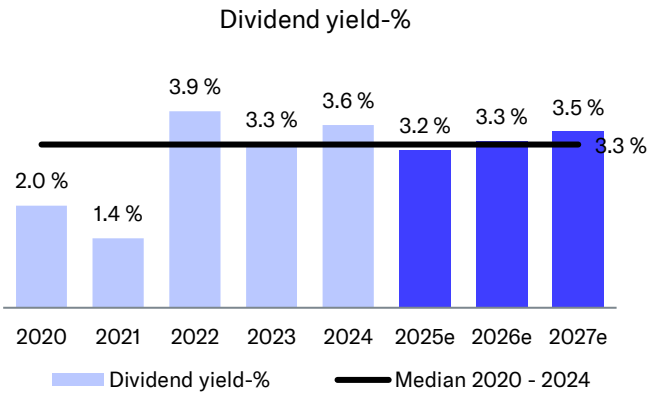
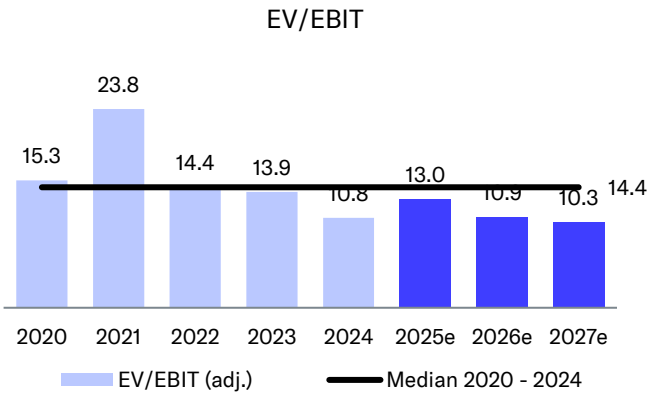
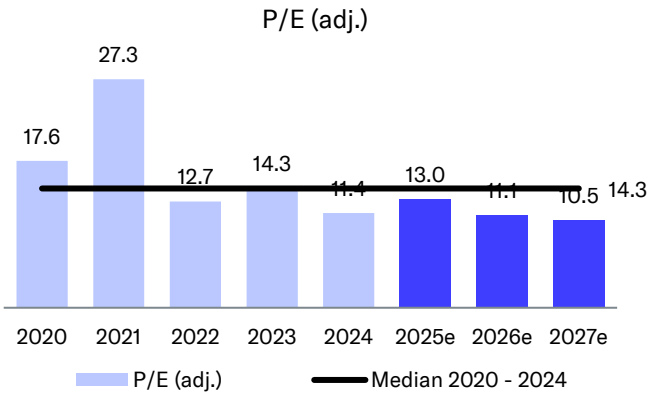
| Valuation | 2025e | 2026e | 2027e |
|----------------------------|--------|--------|--------|
| Share price | 16.50 | 16.50 | 16.50 |
| Number of shares, millions | 18.2 | 18.3 | 18.4 |
| Market cap | 300 | 302 | 303 |
| EV | 504 | 496 | 484 |
| P/E (adj.) | 13.0 | 11.1 | 10.5 |
| P/E | 16.8 | 14.9 | 13.9 |
| P/B | 1.7 | 1.6 | 1.5 |
| P/S | 0.8 | 0.7 | 0.7 |
| EV/Sales | 1.3 | 1.1 | 1.1 |
| EV/EBITDA | 8.6 | 7.4 | 7.0 |
| EV/EBIT (adj.) | 13.0 | 10.9 | 10.3 |
| Payout ratio (%) | 50.7 % | 43.0 % | 42.4 % |
| Dividend yield-% | 3.2 % | 3.3 % | 3.5 % |

Source: Inderes

Valuation table

| Valuation | 2020 | 2021 | 2022 | 2023 | 2024 | 2025e | 2026e | 2027e | 2028e |
|----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Share price | 14.7 | 26.0 | 10.2 | 13.5 | 13.7 | 16.50 | 16.50 | 16.50 | 16.50 |
| Number of shares, millions | 17.4 | 17.9 | 18.1 | 18.1 | 18.1 | 18.2 | 18.3 | 18.4 | 18.4 |
| Market cap | 256 | 466 | 185 | 245 | 248 | 300 | 302 | 303 | 304 |
| EV | 285 | 613 | 332 | 396 | 390 | 504 | 496 | 484 | 472 |
| P/E (adj.) | 17.6 | 27.3 | 12.7 | 14.3 | 11.4 | 13.0 | 11.1 | 10.5 | 10.2 |
| P/E | 36.9 | 32.5 | 18.4 | 17.8 | 13.4 | 16.8 | 14.9 | 13.9 | 13.3 |
| P/B | 3.6 | 4.5 | 1.8 | 2.2 | 2.1 | 1.7 | 1.6 | 1.5 | 1.4 |
| P/S | 2.0 | 2.0 | 0.7 | 0.9 | 0.8 | 0.8 | 0.7 | 0.7 | 0.7 |
| EV/Sales | 2.2 | 2.6 | 1.3 | 1.4 | 1.2 | 1.3 | 1.1 | 1.1 | 1.0 |
| EV/EBITDA | 14.9 | 17.0 | 9.1 | 9.1 | 7.5 | 8.6 | 7.4 | 7.0 | 6.7 |
| EV/EBIT (adj.) | 15.3 | 23.8 | 14.4 | 13.9 | 10.8 | 13.0 | 10.9 | 10.3 | 9.9 |
| Payout ratio (%) | 75.3 % | 44.9 % | 72.3 % | 58.1 % | 48.9 % | 50.7 % | 43.0 % | 42.4 % | 42.5 % |
| Dividend yield-% | 2.0 % | 1.4 % | 3.9 % | 3.3 % | 3.6 % | 3.2 % | 3.3 % | 3.5 % | 3.6 % |

Source: Inderes



The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation (1/2)

| Peer group valuation Company | Market cap MEUR | EV MEUR | EV/EBIT | | EV/EBITDA | | EV/S | | P/E | | Dividend yield-% | | P/B |
|---------------------------------|--------------------|------------|---------|-------|-----------|-------|-------|-------|-------|-------|------------------|-------|-------|
| | | | 2025e | 2026e | 2025e | 2026e | 2025e | 2026e | 2025e | 2026e | 2025e | 2026e | 2025e |
| Inter Cars SA | 1890 | 2638 | 9.3 | 8.3 | 7.8 | 6.9 | 0.5 | 0.5 | 9.5 | 8.3 | 0.3 | 0.3 | 1.3 |
| Advance Auto Parts Inc | 3057 | 3171 | 19.4 | 12.0 | 8.4 | 6.6 | 0.4 | 0.4 | 34.3 | 21.4 | 1.7 | 1.7 | 1.7 |
| Duell | 22 | 44 | 22.0 | 14.7 | 8.3 | 6.3 | 0.4 | 0.3 | | 47.8 | | | 0.4 |
| Auto Partner SA | 594 | 684 | 8.9 | 7.4 | 7.9 | 6.6 | 0.6 | 0.5 | 12.1 | 10.2 | 1.0 | 1.0 | 1.8 |
| Genuine Parts Co | 16349 | 20050 | 14.5 | 13.3 | 11.6 | 10.8 | 1.0 | 1.0 | 18.0 | 16.4 | 3.0 | 3.1 | 4.0 |
| LKQ Corp | 6628 | 10152 | 8.9 | 8.4 | 7.5 | 7.1 | 0.9 | 0.8 | 9.7 | 8.9 | 4.3 | 4.6 | 1.2 |
| O'Reilly Automotive Inc | 74611 | 79379 | 27.1 | 24.9 | 23.7 | 22.0 | 5.3 | 5.0 | 35.2 | 31.3 | | | |
| Autozone Inc | 58203 | 65481 | 21.0 | 19.7 | 18.1 | 16.9 | 4.1 | 3.8 | 28.0 | 24.9 | | | |
| Bapcor Ltd | 606 | 1003 | 11.4 | 11.4 | 7.0 | 7.0 | 0.9 | 0.9 | 12.8 | 12.8 | 36.4 | 4.4 | 1.2 |
| Mekonomen AB | 423 | 1053 | 13.1 | 10.1 | 6.8 | 5.6 | 0.6 | 0.6 | 11.9 | 7.0 | 4.1 | 4.8 | 0.7 |
| Relais Group (Inderes) | 300 | 504 | 13.0 | 10.9 | 8.6 | 7.4 | 1.3 | 1.1 | 13.0 | 11.1 | 3.2 | 3.3 | 1.7 |
| Average | | | 15.6 | 13.0 | 10.7 | 9.6 | 1.5 | 1.4 | 19.1 | 18.9 | 7.2 | 2.8 | 1.5 |
| Median | | | 13.8 | 11.7 | 8.1 | 7.0 | 0.7 | 0.7 | 12.8 | 14.6 | 3.0 | 3.1 | 1.3 |
| Diff-% to median | | | -6% | -7% | 6% | 6% | 78% | 56% | 1% | -24% | 6% | 8% | 35% |

Peer group valuation (2/2)

| Peer group valuation | Market cap | EV | EV/EBIT | | EV/EBITDA | | EV/S | | P/E | | Dividend yield-% | | P/B |
|------------------------------|------------|-------|---------|-------|-----------|-------|-------|-------|-------|-------|------------------|-------|-------|
| Yhtiö | MEUR | MEUR | 2025e | 2026e | 2025e | 2026e | 2025e | 2026e | 2025e | 2026e | 2025e | 2026e | 2025e |
| Relais Group OYJ | 307 | 533 | 14.9 | 11.7 | 9.0 | 7.4 | 1.4 | 1.2 | 15.7 | 12.3 | 3.1 | 3.4 | 2.4 |
| Indutrade AB | 7605 | 8382 | 22.5 | 20.5 | 16.7 | 15.5 | 2.9 | 2.7 | 29.2 | 26.0 | 1.4 | 1.5 | 4.7 |
| Bergman & Beving AB | 858 | 1044 | 26.3 | 28.4 | 15.9 | 15.8 | 2.3 | 2.3 | 37.7 | 38.3 | 1.2 | 1.2 | 4.1 |
| Momentum Group AB | 727 | 795 | 29.8 | 26.1 | 19.4 | 17.4 | 2.8 | 2.5 | 40.1 | 34.8 | 0.9 | 1.1 | 9.5 |
| Bufab AB | 1663 | 1954 | 21.9 | 19.3 | 16.9 | 15.2 | 2.6 | 2.5 | 29.4 | 24.7 | 1.2 | 1.3 | 4.3 |
| Addtech AB | 8012 | 8508 | 34.2 | 29.9 | 25.7 | 22.6 | 4.3 | 3.9 | 46.2 | 38.8 | 1.0 | 1.1 | 11.4 |
| Beijer Ref AB | 7157 | 8078 | 22.6 | 20.8 | 18.1 | 16.8 | 2.3 | 2.2 | 30.9 | 27.2 | 1.0 | 1.1 | 3.1 |
| Beijer Alma AB | 1431 | 1728 | 18.2 | 16.2 | 13.4 | 12.2 | 2.5 | 2.3 | 22.3 | 20.0 | 1.6 | 1.7 | 3.2 |
| Lifco AB (publ) | 12579 | 13507 | 29.2 | 26.3 | 22.1 | 20.1 | 5.4 | 5.0 | 42.9 | 37.9 | 0.8 | 0.9 | 7.2 |
| Lagercrantz Group AB | 4174 | 4531 | 34.7 | 30.8 | 24.6 | 22.7 | 5.3 | 4.8 | 45.1 | 39.7 | 1.0 | 1.1 | 10.7 |
| Volati AB | 888 | 1168 | 17.9 | 14.7 | 13.1 | 10.8 | 1.5 | 1.4 | 21.8 | 15.7 | 0.7 | 1.1 | 3.6 |
| Boreo | 51 | 112 | 16.0 | 13.2 | 9.7 | 8.6 | 0.7 | 0.7 | 17.4 | 11.1 | | | 1.2 |
| AddLife AB | 2097 | 2531 | 33.5 | 28.0 | 17.1 | 15.6 | 2.7 | 2.5 | 53.3 | 37.3 | 0.7 | 0.9 | 4.1 |
| Addnode Group AB (publ) | 1371 | 1475 | 27.0 | 22.8 | 16.6 | 14.8 | 2.8 | 2.7 | 38.4 | 31.0 | 1.1 | 1.1 | 5.5 |
| Instalco AB | 688 | 1087 | 17.2 | 12.9 | 9.8 | 8.1 | 0.9 | 0.8 | 16.1 | 11.6 | 2.3 | 2.7 | 2.1 |
| Seafire AB (publ) | 26 | 44 | 19.6 | 10.9 | 6.4 | 5.4 | 0.5 | 0.5 | 13.4 | 8.8 | | | 0.5 |
| Sdiptech AB (publ) | 621 | 621 | 7.9 | 7.2 | 5.5 | 5.1 | 1.3 | 1.2 | 18.4 | 12.5 | | | 1.4 |
| Fasadgruppen Group AB (publ) | 179 | 383 | 8.6 | 6.9 | 5.3 | 5.6 | 0.8 | 0.7 | 6.6 | 4.5 | 4.9 | 6.5 | 0.7 |
| Berner Industrier | 111 | 125 | 15.6 | 14.3 | 10.8 | 10.4 | 1.3 | 1.2 | 20.8 | 18.8 | 2.4 | 2.7 | 4.5 |
| Relais Group (Inderes) | 300 | 504 | 13.0 | 10.9 | 8.6 | 7.4 | 1.3 | 1.1 | 13.0 | 11.1 | 3.2 | 3.3 | 1.7 |
| Average | | | 22.7 | 19.8 | 15.1 | 13.8 | 2.5 | 2.3 | 30.2 | 25.1 | 1.5 | 1.7 | 4.7 |
| Median | | | 22.5 | 20.5 | 16.6 | 15.2 | 2.5 | 2.3 | 29.4 | 26.0 | 1.1 | 1.1 | 4.1 |
| Diff-% to median | | | -42% | -47% | -48% | -51% | -47% | -52% | -56% | -57% | 187% | 192% | -59% |

Source: Refinitiv/Inderes. NB! The market value used by Inderes does not take into consideration treasury shares.

Income statement

| Income statement | 2023 | Q1'24 | Q2'24 | Q3'24 | Q4'24 | 2024 | Q1'25 | Q2'25 | Q3'25e | Q4'25e | 2025e | 2026e | 2027e | 2028e |
|----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|-------|-------|-------|-------|
| Revenue | 284 | 82.8 | 74.3 | 74.9 | 90.7 | 323 | 82.8 | 82.9 | 97.4 | 119 | 382 | 441 | 454 | 463 |
| Technical Wholesale and Products | 192 | 56.9 | 48.7 | 49.5 | 62.0 | 217 | 53.7 | 51.2 | 56.7 | 71.6 | 233 | 256 | 264 | 269 |
| Maintenance | 91.9 | 25.9 | 25.6 | 25.4 | 28.7 | 106 | 29.1 | 31.7 | 40.7 | 47.5 | 149 | 184 | 190 | 194 |
| EBITDA | 43.5 | 13.5 | 11.1 | 13.0 | 14.3 | 51.9 | 13.0 | 11.8 | 15.9 | 18.0 | 58.6 | 67.2 | 68.7 | 69.9 |
| Depreciation | -18.4 | -4.5 | -4.5 | -4.6 | -5.3 | -18.9 | -4.9 | -5.5 | -7.3 | -7.3 | -24.9 | -28.6 | -28.6 | -29.1 |
| EBIT (excl. NRI) | 28.6 | 9.7 | 7.3 | 9.1 | 10.0 | 36.1 | 9.0 | 7.2 | 10.4 | 12.4 | 38.9 | 45.6 | 47.1 | 47.8 |
| EBIT | 25.1 | 9.0 | 6.6 | 8.4 | 9.0 | 33.0 | 8.1 | 6.3 | 8.6 | 10.6 | 33.6 | 38.6 | 40.1 | 40.8 |
| Relais Group | 25.1 | 9.0 | 6.6 | 8.4 | 9.0 | 33.0 | 8.1 | 6.3 | 8.6 | 10.6 | 33.6 | 38.6 | 40.1 | 40.8 |
| Net financial items | -7.4 | -3.1 | -1.7 | -1.9 | -2.5 | -9.2 | -0.6 | -4.4 | -2.1 | -2.1 | -9.2 | -7.6 | -7.0 | -6.5 |
| PTP | 17.7 | 5.8 | 4.9 | 6.5 | 6.5 | 23.8 | 7.5 | 1.9 | 6.5 | 8.5 | 24.4 | 31.0 | 33.1 | 34.3 |
| Taxes | -4.0 | -2.0 | -1.6 | -1.9 | 0.2 | -5.2 | -1.6 | -0.4 | -1.4 | -1.9 | -5.4 | -6.7 | -7.1 | -7.4 |
| Minority interest | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -0.2 | -0.2 | -0.4 | -0.9 | -0.9 | -0.9 |
| Net earnings | 13.7 | 3.9 | 3.3 | 4.6 | 6.7 | 18.5 | 5.9 | 1.5 | 4.9 | 6.4 | 18.7 | 23.4 | 25.1 | 26.0 |
| EPS (adj.) | 0.95 | 0.25 | 0.22 | 0.30 | 0.44 | 1.21 | 0.37 | 0.13 | 0.36 | 0.41 | 1.27 | 1.49 | 1.57 | 1.62 |
| EPS (rep.) | 0.76 | 0.21 | 0.18 | 0.26 | 0.37 | 1.02 | 0.32 | 0.08 | 0.27 | 0.31 | 0.98 | 1.11 | 1.19 | 1.24 |

| Key figures | 2023 | Q1'24 | Q2'24 | Q3'24 | Q4'24 | 2024 | Q1'25 | Q2'25 | Q3'25e | Q4'25e | 2025e | 2026e | 2027e | 2028e |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Revenue growth-% | 9.0 % | 20.0 % | 15.8 % | 6.6 % | 12.0 % | 13.5 % | 0.1 % | 11.6 % | 30.1 % | 31.3 % | 18.5 % | 15.3 % | 3.0 % | 2.0 % |
| Adjusted EBIT growth-% | 24.1 % | 28.4 % | 52.2 % | 8.9 % | 27.8 % | 26.5 % | -7.4 % | -1.5 % | 13.4 % | 23.6 % | 7.6 % | 17.2 % | 3.4 % | 1.4 % |
| EBITDA-% | 15.3 % | 16.3 % | 14.9 % | 17.4 % | 15.8 % | 16.1 % | 15.7 % | 14.2 % | 16.3 % | 15.1 % | 15.3 % | 15.2 % | 15.1 % | 15.1 % |
| Adjusted EBIT-% | 10.0 % | 11.7 % | 9.8 % | 12.2 % | 11.0 % | 11.2 % | 10.8 % | 8.7 % | 10.6 % | 10.4 % | 10.2 % | 10.3 % | 10.4 % | 10.3 % |
| Net earnings-% | 4.8 % | 4.7 % | 4.4 % | 6.2 % | 7.4 % | 5.7 % | 7.1 % | 1.8 % | 5.0 % | 5.4 % | 4.9 % | 5.3 % | 5.5 % | 5.6 % |

Source: Inderes

NB! EBIT excluding NRI is the company's reported EBITA

Balance sheet

| Assets | 2023 | 2024 | 2025e | 2026e | 2027e |
|--------------------------|------|------|-------|-------|-------|
| Non-current assets | 204 | 196 | 298 | 294 | 290 |
| Goodwill | 120 | 120 | 152 | 152 | 152 |
| Intangible assets | 13.1 | 12.0 | 35.8 | 31.0 | 26.3 |
| Tangible assets | 65.8 | 61.7 | 108 | 109 | 111 |
| Associated companies | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other investments | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other non-current assets | 0.9 | 0.9 | 0.1 | 0.1 | 0.1 |
| Deferred tax assets | 4.0 | 1.6 | 1.6 | 1.6 | 1.6 |
| Current assets | 125 | 134 | 169 | 184 | 191 |
| Inventories | 74.1 | 83.7 | 99.4 | 108 | 111 |
| Other current assets | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Receivables | 41.4 | 40.6 | 53.5 | 61.7 | 63.1 |
| Cash and equivalents | 9.7 | 9.6 | 16.3 | 14.3 | 16.7 |
| Balance sheet total | 329 | 330 | 467 | 478 | 481 |

Source: Inderes

| Liabilities & equity | 2023 | 2024 | 2025e | 2026e | 2027e |
|-----------------------------|------|------|-------|-------|-------|
| Equity | 111 | 118 | 185 | 196 | 207 |
| Share capital | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Retained earnings | 42.0 | 52.3 | 61.1 | 71.9 | 83.7 |
| Hybrid bonds | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Revaluation reserve | 0.0 | 0.0 | 50.0 | 50.0 | 50.0 |
| Other equity | 68.5 | 65.2 | 65.2 | 65.2 | 65.2 |
| Minorities | 0.0 | 0.0 | 8.5 | 8.5 | 8.5 |
| Non-current liabilities | 144 | 135 | 184 | 174 | 164 |
| Deferred tax liabilities | 5.2 | 4.0 | 4.0 | 4.0 | 4.0 |
| Provisions | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Interest bearing debt | 139 | 131 | 180 | 170 | 160 |
| Convertibles | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other long term liabilities | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| Current liabilities | 74.3 | 77.3 | 97.8 | 108 | 110 |
| Interest bearing debt | 21.8 | 19.6 | 25.0 | 25.0 | 25.0 |
| Payables | 46.8 | 53.7 | 68.8 | 78.9 | 80.8 |
| Other current liabilities | 5.7 | 4.0 | 4.0 | 4.0 | 4.0 |
| Balance sheet total | 329 | 330 | 467 | 478 | 481 |

DCF-calculation

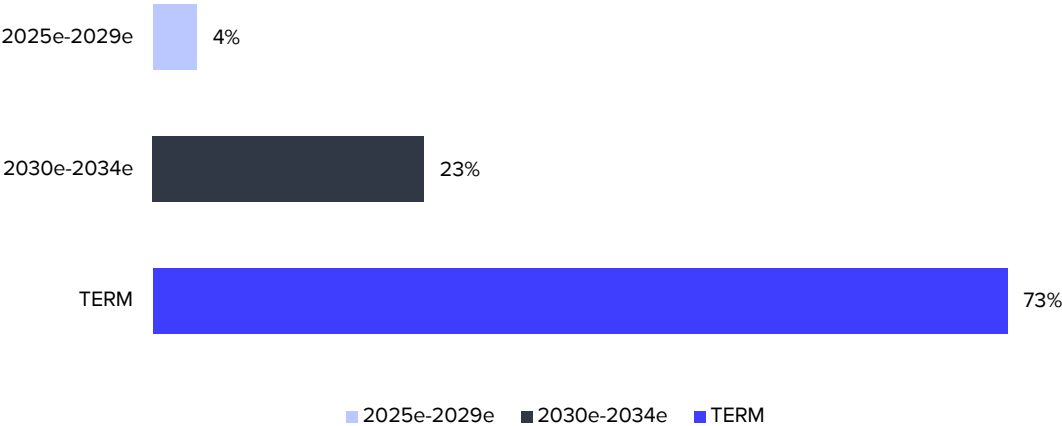
| DCF model | 2024 | 2025e | 2026e | 2027e | 2028e | 2029e | 2030e | 2031e | 2032e | 2033e | 2034e | TERM |
|---|--------|--------|--------|-------|-------|--------|--------|--------|--------|--------|--------|--------|
| Revenue growth-% | 13.5 % | 18.5 % | 15.3 % | 3.0 % | 2.0 % | 3.0 % | 3.0 % | 2.8 % | 2.7 % | 2.5 % | 2.0 % | 2.0 % |
| EBIT-% | 10.2 % | 8.8 % | 8.7 % | 8.8 % | 8.8 % | 10.5 % | 10.5 % | 10.6 % | 10.7 % | 10.4 % | 10.4 % | 10.4 % |
| EBIT (operating profit) | 33.0 | 33.6 | 38.6 | 40.1 | 40.8 | 50.1 | 51.6 | 53.5 | 55.5 | 55.3 | 56.4 | |
| + Depreciation | 18.9 | 24.9 | 28.6 | 28.6 | 29.1 | 27.9 | 27.4 | 27.7 | 27.7 | 27.8 | 27.9 | |
| - Paid taxes | -4.0 | -5.4 | -6.7 | -7.1 | -7.4 | -9.5 | -9.8 | -10.2 | -10.6 | -10.6 | -10.8 | |
| - Tax, financial expenses | -2.0 | -2.0 | -1.6 | -1.5 | -1.4 | -1.3 | -1.3 | -1.3 | -1.3 | -1.3 | -1.3 | |
| + Tax, financial income | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| - Change in working capital | -3.5 | -13.5 | -6.7 | -2.7 | -1.9 | -2.9 | -2.9 | -2.8 | -2.8 | -2.7 | -2.2 | |
| Operating cash flow | 42.3 | 37.7 | 52.2 | 57.4 | 59.2 | 64.3 | 65.0 | 66.9 | 68.4 | 68.5 | 70.0 | |
| + Change in other long-term liabilities | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| - Gross CAPEX | -13.7 | -126 | -24.7 | -25.3 | -26.3 | -26.4 | -27.5 | -27.6 | -28.1 | -28.4 | -28.8 | |
| Free operating cash flow | 28.5 | -88.5 | 27.5 | 32.1 | 32.9 | 37.9 | 37.5 | 39.3 | 40.3 | 40.1 | 41.2 | |
| +/- Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| FCFF | 28.5 | -88.5 | 27.5 | 32.1 | 32.9 | 37.9 | 37.5 | 39.3 | 40.3 | 40.1 | 41.2 | 728 |
| Discounted FCFF | | -86.8 | 25.0 | 27.1 | 25.8 | 27.6 | 25.3 | 24.6 | 23.4 | 21.6 | 20.6 | 364 |
| Sum of FCFF present value | | 498 | 585 | 560 | 533 | 507 | 480 | 454 | 430 | 406 | 385 | 364 |
| Enterprise value DCF | | 498 | | | | | | | | | | |
| - Interest bearing debt | | -151 | | | | | | | | | | |
| + Cash and cash equivalents | | 9.6 | | | | | | | | | | |
| -Minorities | | -14.5 | | | | | | | | | | |
| -Dividend/capital return | | -9.1 | | | | | | | | | | |
| Equity value DCF | | 333 | | | | | | | | | | |
| Equity value DCF per share | | 18.5 | | | | | | | | | | |

WACC

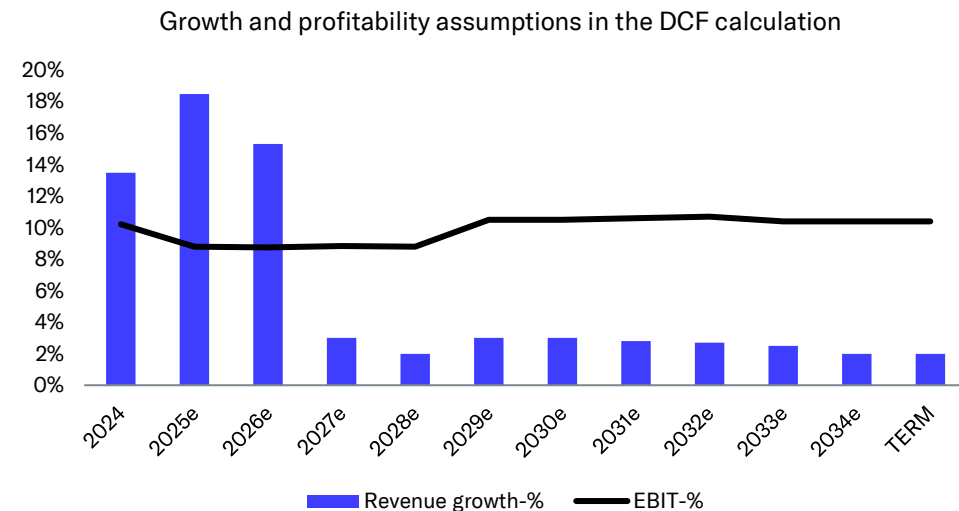
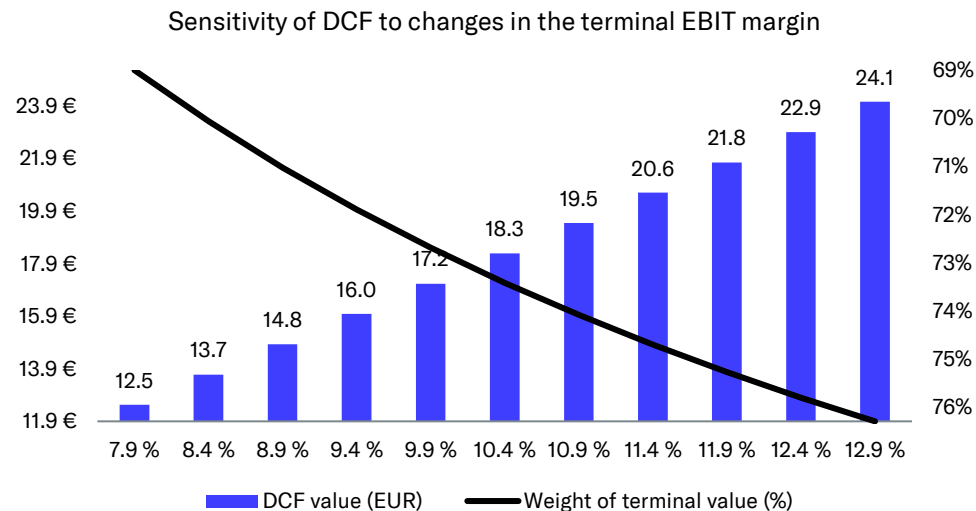
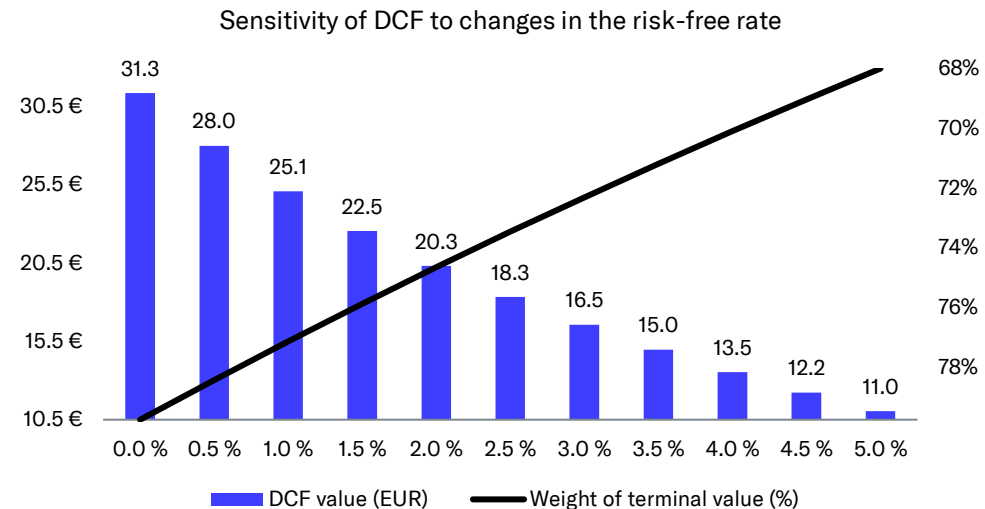
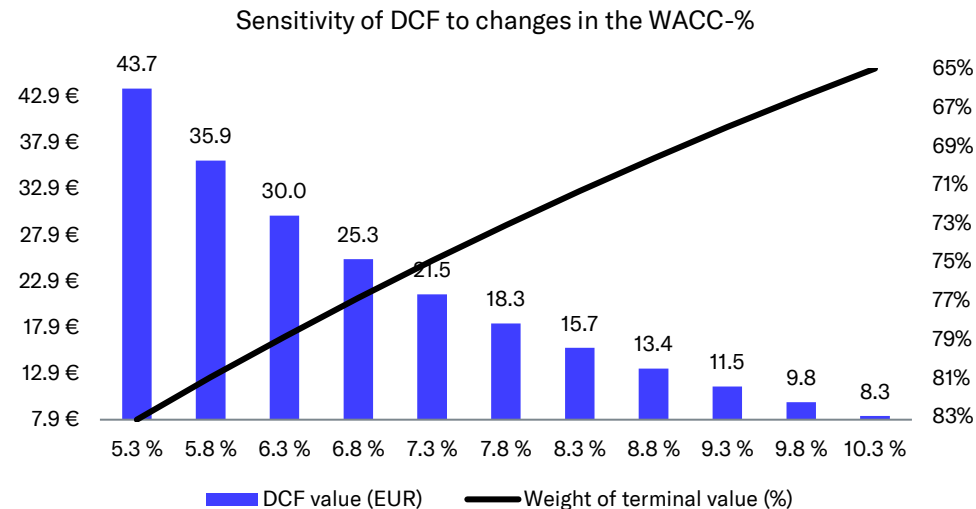
| | |
|---|--------|
| Tax-% (WACC) | 21.5 % |
| Target debt ratio (D/(D+E)) | 35.0 % |
| Cost of debt | 5.0 % |
| Equity Beta | 1.3 |
| Market risk premium | 4.75% |
| Liquidity premium | 1.4 % |
| Risk free interest rate | 2.5 % |
| Cost of equity | 9.8 % |
| Weighted average cost of capital (WACC) | 7.8 % |

Source: Inderes

Cash flow distribution



DCF sensitivity calculations and key assumptions in graphs



Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

| Income statement | 2022 | 2023 | 2024 | 2025e | 2026e | Per share data | 2022 | 2023 | 2024 | 2025e | 2026e |
|---------------------------|-------|-------|-------|--------|-------|--------------------------|---------|---------|---------|---------|--------|
| Revenue | 260.7 | 284.3 | 322.6 | 382.2 | 440.8 | EPS (reported) | 0.55 | 0.76 | 1.02 | 0.98 | 1.11 |
| EBITDA | 36.6 | 43.5 | 51.9 | 58.6 | 67.2 | EPS (adj.) | 0.80 | 0.95 | 1.21 | 1.27 | 1.49 |
| EBIT | 19.7 | 25.1 | 33.0 | 33.6 | 38.6 | OCF / share | 1.64 | 1.82 | 2.33 | 2.07 | 2.85 |
| PTP | 13.1 | 17.7 | 23.8 | 24.4 | 31.0 | OFCF / share | 0.72 | 0.50 | 1.57 | -4.86 | 1.50 |
| Net Income | 10.0 | 13.7 | 18.5 | 18.7 | 23.4 | Book value / share | 5.73 | 6.10 | 6.49 | 9.69 | 10.24 |
| Extraordinary items | -3.3 | -3.4 | -3.1 | -5.2 | -7.0 | Dividend / share | 0.40 | 0.44 | 0.50 | 0.52 | 0.55 |
| Balance sheet | 2022 | 2023 | 2024 | 2025e | 2026e | Growth and profitability | 2022 | 2023 | 2024 | 2025e | 2026e |
| Balance sheet total | 312.8 | 329.1 | 330.2 | 466.7 | 477.6 | Revenue growth-% | 10% | 9% | 13% | 18% | 15% |
| Equity capital | 103.9 | 110.7 | 117.6 | 184.9 | 195.7 | EBITDA growth-% | 2% | 19% | 19% | 13% | 15% |
| Goodwill | 118.2 | 120.1 | 120.1 | 151.8 | 151.8 | EBIT (adj.) growth-% | -11% | 24% | 27% | 8% | 17% |
| Net debt | 147.2 | 151.0 | 141.3 | 188.7 | 180.7 | EPS (adj.) growth-% | -16% | 18% | 28% | 5% | 17% |
| Cash flow | 2022 | 2023 | 2024 | 2025e | 2026e | EBITDA-% | 14.0 % | 15.3 % | 16.1 % | 15.3 % | 15.2 % |
| EBITDA | 36.6 | 43.5 | 51.9 | 58.6 | 67.2 | EBIT (adj.)-% | 8.8 % | 10.0 % | 11.2 % | 10.2 % | 10.3 % |
| Change in working capital | -1.8 | -0.3 | -3.5 | -13.5 | -6.7 | EBIT-% | 7.5 % | 8.8 % | 10.2 % | 8.8 % | 8.7 % |
| Operating cash flow | 29.8 | 33.0 | 42.3 | 37.7 | 52.2 | ROE-% | 9.6 % | 12.8 % | 16.2 % | 12.7 % | 12.9 % |
| CAPEX | -16.1 | -24.1 | -13.7 | -126.2 | -24.7 | ROI-% | 7.5 % | 9.4 % | 12.2 % | 10.2 % | 9.9 % |
| Free cash flow | 13.1 | 9.0 | 28.5 | -88.5 | 27.5 | Equity ratio | 33.2 % | 33.6 % | 35.6 % | 39.6 % | 41.0 % |
| Valuation multiples | 2022 | 2023 | 2024 | 2025e | 2026e | Gearing | 141.7 % | 136.5 % | 120.1 % | 102.1 % | 92.4 % |
| EV/S | 1.3 | 1.4 | 1.2 | 1.3 | 1.1 | | | | | | |
| EV/EBITDA | 9.1 | 9.1 | 7.5 | 8.6 | 7.4 | | | | | | |
| EV/EBIT (adj.) | 14.4 | 13.9 | 10.8 | 13.0 | 10.9 | | | | | | |
| P/E (adj.) | 12.7 | 14.3 | 11.4 | 13.0 | 11.1 | | | | | | |
| P/B | 1.8 | 2.2 | 2.1 | 1.7 | 1.6 | | | | | | |
| Dividend-% | 3.9 % | 3.3 % | 3.6 % | 3.2 % | 3.3 % | | | | | | |

Source: Inderes

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| | |
|------------|--|
| Buy | The 12-month risk-adjusted expected shareholder return of the share is very attractive |
| Accumulate | The 12-month risk-adjusted expected shareholder return of the share is attractive |
| Reduce | The 12-month risk-adjusted expected shareholder return of the share is weak |
| Sell | The 12-month risk-adjusted expected shareholder return of the share is very weak |

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Recommendation history (>12 mo)

| Date | Recommendation | Target | Share price |
|------------|----------------|---------|-------------|
| 4/4/2022 | Accumulate | 24.00 € | 21.00 € |
| 5/13/2022 | Accumulate | 20.00 € | 18.00 € |
| 8/9/2022 | Accumulate | 14.50 € | 13.25 € |
| 8/12/2022 | Accumulate | 14.00 € | 12.20 € |
| 11/9/2022 | Buy | 13.00 € | 10.45 € |
| 11/11/2022 | Buy | 13.50 € | 10.95 € |
| 3/1/2023 | Accumulate | 13.50 € | 11.50 € |
| 3/3/2023 | Accumulate | 13.50 € | 12.50 € |
| 5/5/2023 | Accumulate | 15.50 € | 14.00 € |
| 5/30/2023 | Accumulate | 15.50 € | 13.15 € |
| 8/11/2023 | Accumulate | 15.50 € | 13.15 € |
| 11/3/2023 | Buy | 15.50 € | 11.35 € |
| 3/7/2024 | Buy | 15.00 € | 12.65 € |
| 5/9/2024 | Buy | 15.00 € | 12.50 € |
| 6/5/2024 | Buy | 15.00 € | 12.70 € |
| 8/15/2024 | Accumulate | 16.50 € | 14.45 € |
| 11/8/2024 | Accumulate | 16.50 € | 14.50 € |
| 2/14/2025 | Buy | 16.50 € | 14.10 € |
| 4/8/2025 | Buy | 16.50 € | 13.12 € |
| 5/6/2025 | Accumulate | 17.00 € | 14.45 € |
| 5/14/2025 | Accumulate | 17.00 € | 15.20 € |
| 6/19/2025 | Accumulate | 17.00 € | 14.40 € |
| 8/12/2025 | Accumulate | 18.50 € | 16.55 € |
| 8/15/2025 | Accumulate | 18.50 € | 17.15 € |
| 9/25/2025 | Accumulate | 18.50 € | 16.50 € |



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