

RELAIS GROUP

1/8/2026 10:20 am EET

This is a translated version of "Koneisto toimittaa ja kauppa käy" report, published on 1/8/2026



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INDERES CORPORATE CUSTOMER
COMPANY REPORT



M&A machine running smoothly

Relais was active on the M&A front in late 2025, when the company announced three acquisitions. Reflecting the small size of the acquisitions, the estimate changes for the coming years remained minor. We believe these arrangements and the overall activity level in 2025 indicate that Relais has succeeded in diversifying its M&A expertise within the Group. This is critical for the company's strategy execution and value creation in the long run. With the stock's valuation being moderate, we reiterate our Accumulate recommendation and a target price of EUR 19.0.

M&A machine running smoothly

Relais announced three acquisitions in December 2025, bringing the total number of acquisitions for 2025 to seven. As the Group's size grows, the impact of individual arrangements on Relais' figures continuously decreases, making the organization's ability to execute an ever-increasing number of M&A plays critical. Thus, the decentralization of capital reallocation and M&A expertise within the organization is very important, as the ability of individuals to execute transactions is not scalable, and increasing the size of acquisition targets is not sensible, in our view. Relais' activity last year and our understanding of the development of its M&A process suggest that the company has succeeded in decentralizing its M&A expertise within the Group. The continuation of this development is crucial for the effective implementation of the strategy and for Relais' value creation in the long term.

The acquisitions complement maintenance and repair services as well as product businesses

Of the add-on acquisitions in Q4, both [TJ Fordonsservice](#) and [LBP acquisitions](#) strengthen Relais' maintenance and repair services in Sweden, while [Qpax](#) strengthens Relais' product offering. In our view, the latest arrangement, in particular,

provides a channel for capital reallocation to organic growth as well, as Qpax, with the platform provided by Relais, has the prerequisites for geographical expansion. Similarly, in maintenance and repair service arrangements, value creation emphasizes the valuation of the arrangement and the development of service points, as their growth opportunities are typically more limited.

Acquisitions factored into forecasts

We included the acquisitions in our forecasts, but due to the size and timing of the targets, they had little impact on the Q4'25 figures. Against this backdrop, forecast changes for the coming years also remained moderate, as our revenue forecasts for 2026-2027 increased by 1% and our corresponding earnings forecasts increased by 1-3%.

Valuation is reasonable

Relais' 2026e P/E and EV/EBITA multiples, which fully account for already completed acquisitions and are thus more relevant, are 11x and just over 10x. We believe these are reasonable and offer upside potential, considering Relais' operational businesses and historical track record in capital allocation. Based on current year estimates, Relais is valued roughly in line with companies operating similar businesses, while the valuation is at a significant discount compared to serial consolidators. In our opinion, Relais' justified valuation is found in the middle ground of these two peer groups. Thus, from a peer valuation perspective, we feel like the current valuation level does not assign value to the value creation through capital allocation. Thus, we believe the share price allows investors to join Relais' growth story at an attractive valuation.

Recommendation

Accumulate

(was Accumulate)

Business risk



Target price:

19.00 EUR

(was EUR 19.00)

Share price:

17.00 EUR

Valuation risk



| | 2024 | 2025e | 2026e | 2027e |
|--------------------|--------|--------|--------|--------|
| Revenue | 322.6 | 387.2 | 450.2 | 463.8 |
| growth-% | 13% | 20% | 16% | 3% |
| EBIT adj. | 36.1 | 39.1 | 48.6 | 50.5 |
| EBIT-% adj. | 11.2 % | 10.1 % | 10.8 % | 10.9 % |
| Net income | 18.5 | 18.0 | 25.3 | 26.5 |
| EPS (adj.) | 1.21 | 1.35 | 1.59 | 1.65 |

| | | | | |
|-------------------------|-------|-------|-------|-------|
| P/E (adj.) | 11.4 | 12.6 | 10.7 | 10.3 |
| P/B | 2.1 | 1.8 | 1.6 | 1.5 |
| Dividend yield-% | 3.6 % | 3.1 % | 3.2 % | 3.4 % |
| EV/EBIT (adj.) | 10.8 | 14.3 | 11.4 | 10.8 |
| EV/EBITDA | 7.5 | 9.5 | 7.9 | 7.5 |
| EV/S | 1.2 | 1.4 | 1.2 | 1.2 |

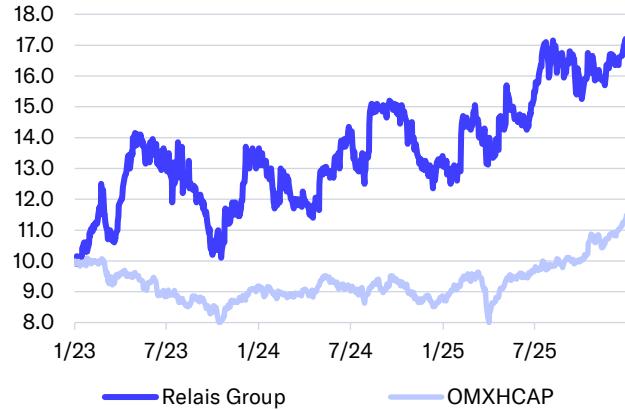
Source: Inderes

Guidance

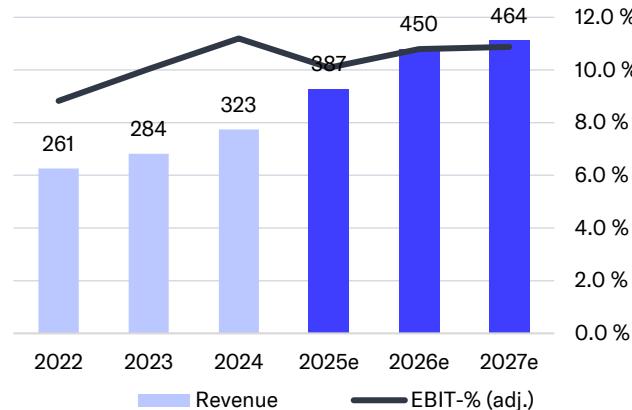
(Unchanged)

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.

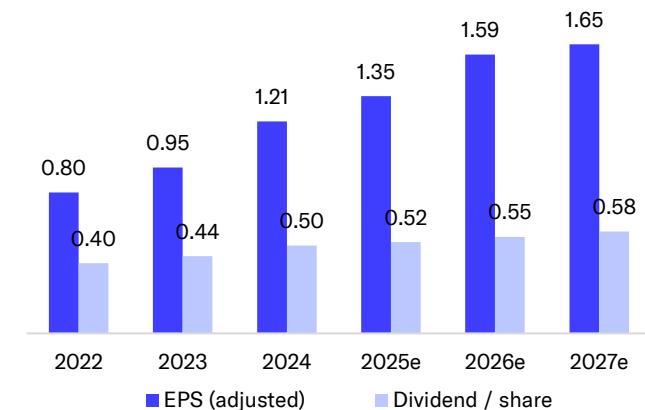
Share price



Revenue and EBIT-% (adj.)



EPS and dividend



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 | 17.00 | 17.00 | 17.00 |
| Number of shares, millions | 18.2 | 18.3 | 18.4 |
| Market cap | 309 | 312 | 313 |
| EV | 560 | 556 | 543 |
| P/E (adj.) | 12.6 | 10.7 | 10.3 |
| P/E | 17.9 | 14.1 | 13.4 |
| P/B | 1.8 | 1.6 | 1.5 |
| P/S | 0.8 | 0.7 | 0.7 |
| EV/Sales | 1.4 | 1.2 | 1.2 |
| EV/EBITDA | 9.5 | 7.9 | 7.5 |
| EV/EBIT (adj.) | 14.3 | 11.4 | 10.8 |
| Payout ratio (%) | 52.5 % | 39.9 % | 40.2 % |
| Dividend yield-% | 3.1 % | 3.2 % | 3.4 % |

Source: Inderes

Acquisitions factored into forecasts

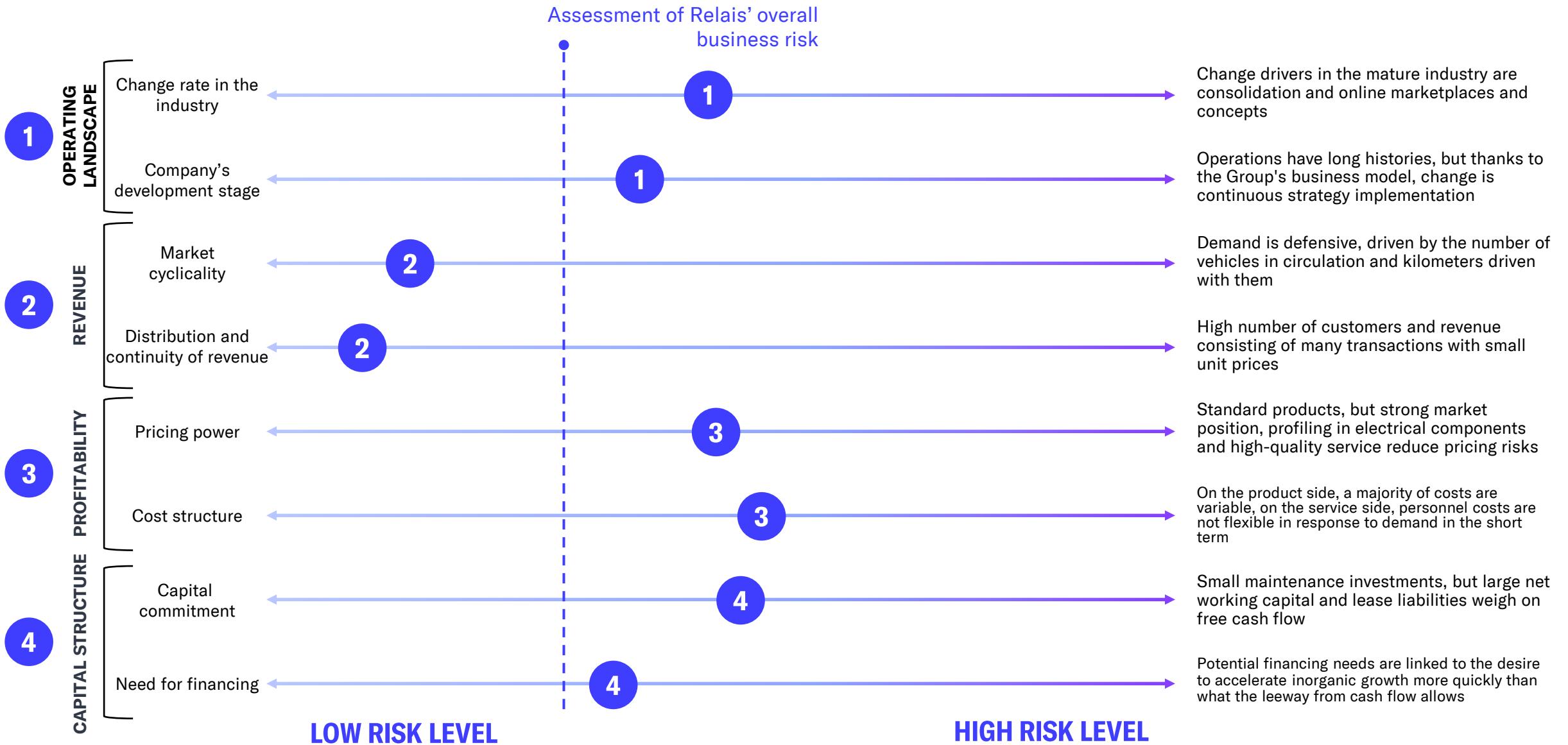
Estimate revisions

- We included the latest three acquisitions in our forecasts
- Only TJ Fordonsservice was reflected in the 2025 figures, but given the small size of the acquired company, its impact on the full-year estimates was practically negligible
- The forecast changes for 2026-2027 reflect the inclusion of all three acquisitions in the forecasts, although the LBP acquisition was only included in the forecasts from February onwards
- In calculating the estimated number of shares to be used as payment in the LBP acquisition, we have used the current market price of the share, although the final share price will be determined based on the price during the 20 days preceding the closing date of the transaction
- The impact of the LBP transaction on the number of shares will be specified in the near future, but the portion payable in shares is small (11 MSEK or ~1 MEUR) relative to Relais's value (+300 MEUR), so the final number of shares will not materially differ from what is currently forecast

| Estimate revisions MEUR / EUR | 2025e | 2025 | Change | 2026e | 2026e | Change | 2027e | 2027e | Change |
|----------------------------------|-------|------|--------|-------|-------|--------|-------|-------|--------|
| | Old | New | % | Old | New | % | Old | New | % |
| Revenue | 387 | 387 | 0% | 445 | 450 | 1% | 459 | 464 | 1% |
| EBITDA | 58.8 | 58.8 | 0% | 69.4 | 70.5 | 2% | 71.3 | 72.8 | 2% |
| EBIT (exc. NRIs) | 39.0 | 39.1 | 0% | 47.8 | 48.6 | 2% | 49.7 | 50.5 | 2% |
| EBIT | 33.7 | 33.8 | 0% | 40.8 | 41.6 | 2% | 42.7 | 43.5 | 2% |
| PTP | 23.4 | 23.5 | 0% | 32.0 | 32.8 | 3% | 34.1 | 34.6 | 1% |
| EPS (excl. NRIs) | 1.35 | 1.35 | 0% | 1.54 | 1.59 | 3% | 1.62 | 1.65 | 2% |
| 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 reasonable

Moderate valuation multiples

The numerous acquisitions already made by Relais will only be fully reflected in the current year's results, so we no longer consider the 2025 earnings-based valuation multiples to be particularly relevant. Based on 2026 forecasts, the EV/EBITA multiple adjusted for the IFRS16 impact is around 10x, and the corresponding adjusted P/E multiple is around 11x. We consider these reasonable for the current businesses, with slight upside potential.

We believe Relais' value creation opportunities consist of two components, in line with its business model. These are the existing businesses, while the value creation potential of the acquisition strategy is another component. We consider the current valuation for the existing businesses alone to be reasonable, and thus, the current valuation does not imply any expectations for value creation from capital reallocation. Thus, we believe the current valuation offers an attractive entry point for additional purchases into 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. Based on key earnings multiples for 2026,

Relais is valued slightly below the median of its peer group, which consists of companies operating in the international vehicle 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 almost 45% using valuation multiples for the coming years. In our view, Relais should be valued at a discount to 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.

Cash flow model at target price level

Our DCF model indicates a share value of EUR 19.0. 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. Thus, our DCF model suggests that the current valuation of the stock does not include expectations of value creation from future arrangements. Considering the above, we believe the current share price offers a good opportunity to jump on board Relais' acquisition-driven growth strategy.

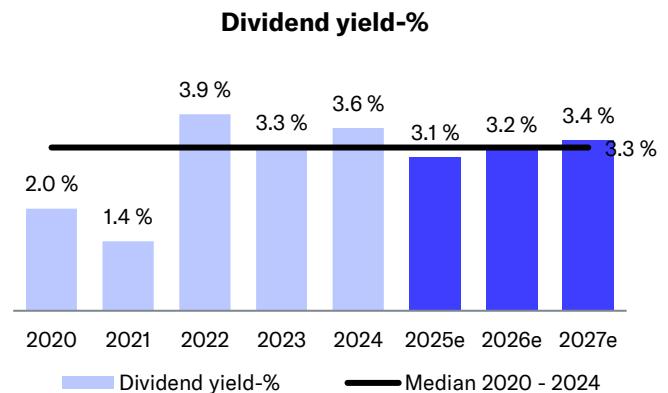
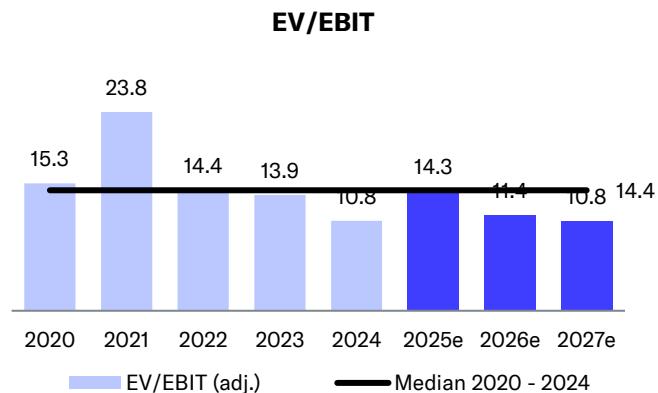
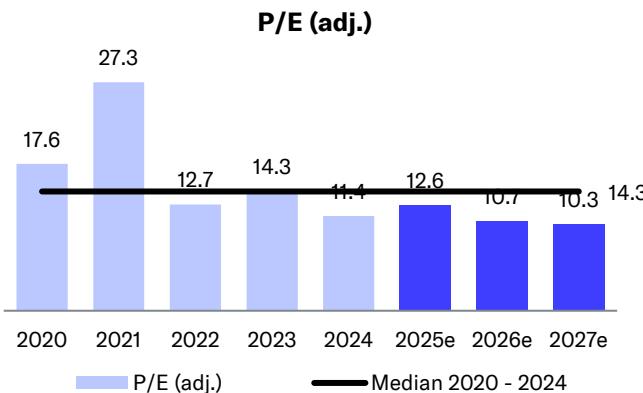
| Valuation | 2025e | 2026e | 2027e |
|----------------------------|--------|--------|--------|
| Share price | 17.00 | 17.00 | 17.00 |
| Number of shares, millions | 18.2 | 18.3 | 18.4 |
| Market cap | 309 | 312 | 313 |
| EV | 560 | 556 | 543 |
| P/E (adj.) | 12.6 | 10.7 | 10.3 |
| P/E | 17.9 | 14.1 | 13.4 |
| P/B | 1.8 | 1.6 | 1.5 |
| P/S | 0.8 | 0.7 | 0.7 |
| EV/Sales | 1.4 | 1.2 | 1.2 |
| EV/EBITDA | 9.5 | 7.9 | 7.5 |
| EV/EBIT (adj.) | 14.3 | 11.4 | 10.8 |
| Payout ratio (%) | 52.5 % | 39.9 % | 40.2 % |
| Dividend yield-% | 3.1 % | 3.2 % | 3.4 % |

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 | 17.00 | 17.00 | 17.00 | 17.00 |
| Number of shares, millions | 17.4 | 17.9 | 18.1 | 18.1 | 18.1 | 18.2 | 18.3 | 18.4 | 18.5 |
| Market cap | 256 | 466 | 185 | 245 | 248 | 309 | 312 | 313 | 314 |
| EV | 285 | 613 | 332 | 396 | 390 | 560 | 556 | 543 | 529 |
| P/E (adj.) | 17.6 | 27.3 | 12.7 | 14.3 | 11.4 | 12.6 | 10.7 | 10.3 | 9.9 |
| P/E | 36.9 | 32.5 | 18.4 | 17.8 | 13.4 | 17.9 | 14.1 | 13.4 | 12.7 |
| P/B | 3.6 | 4.5 | 1.8 | 2.2 | 2.1 | 1.8 | 1.6 | 1.5 | 1.5 |
| 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 | 1.4 | 1.2 | 1.2 | 1.1 |
| EV/EBITDA | 14.9 | 17.0 | 9.1 | 9.1 | 7.5 | 9.5 | 7.9 | 7.5 | 7.2 |
| EV/EBIT (adj.) | 15.3 | 23.8 | 14.4 | 13.9 | 10.8 | 14.3 | 11.4 | 10.8 | 10.4 |
| Payout ratio (%) | 75.3 % | 44.9 % | 72.3 % | 58.1 % | 48.9 % | 52.5 % | 39.9 % | 40.2 % | 39.7 % |
| Dividend yield-% | 2.0 % | 1.4 % | 3.9 % | 3.3 % | 3.6 % | 3.1 % | 3.2 % | 3.4 % | 3.5 % |

Source: Inderes



Peer group valuation

| Peer group valuation | Market cap | EV | EV/EBIT | | EV/EBITDA | | EV/S | | P/E | | Dividend yield-% | P/B |
|-------------------------------|------------|------------|-------------|-------------|------------|------------|-------------|------------|-------------|-------------|------------------|------------|
| Company | MEUR | MEUR | 2025e | 2026e | 2025e | 2026e | 2025e | 2026e | 2025e | 2026e | 2025e | 2026e |
| Inter Cars SA | 2086 | 2925 | 10.6 | 9.5 | 8.8 | 7.9 | 0.6 | 0.5 | 11.5 | 10.5 | 0.2 | 0.3 |
| Advance Auto Parts Inc | 2117 | 2319 | 13.2 | 8.4 | 5.7 | 4.6 | 0.3 | 0.3 | 22.7 | 15.3 | 2.4 | 2.5 |
| Duell | 16 | 36 | 18.2 | 18.7 | 6.8 | 6.1 | 0.3 | 0.3 | 11.7 | | | 0.3 |
| Auto Partner SA | 576 | 682 | 10.3 | 9.4 | 8.5 | 7.8 | 0.7 | 0.6 | 12.4 | 12.4 | 1.1 | 1.1 |
| Genuine Parts Co | 14585 | 18287 | 14.0 | 12.1 | 10.6 | 9.7 | 0.9 | 0.9 | 16.1 | 14.6 | 3.4 | 3.5 |
| LKQ Corp | 6834 | 10139 | 9.7 | 9.4 | 7.7 | 7.5 | 0.9 | 0.9 | 10.1 | 9.7 | 3.9 | 3.8 |
| O'Reilly Automotive Inc | 65604 | 70489 | 23.8 | 21.9 | 20.7 | 19.2 | 4.6 | 4.3 | 30.5 | 27.5 | | |
| Autozone Inc | 47028 | 54159 | 17.2 | 17.5 | 14.8 | 14.6 | 3.3 | 3.1 | 22.6 | 22.4 | | |
| Bapcor Ltd | 408 | 816 | 9.0 | 13.9 | 5.6 | 7.1 | 0.7 | 0.7 | 8.4 | 16.6 | 55.6 | 3.2 |
| Mekonomen AB | 388 | 948 | 14.5 | 10.1 | 6.4 | 5.1 | 0.6 | 0.5 | 12.8 | 6.9 | 2.9 | 4.4 |
| Relais Group (Inderes) | 309 | 560 | 14.3 | 11.4 | 9.5 | 7.9 | 1.4 | 1.2 | 12.6 | 10.7 | 3.1 | 3.2 |
| Average | | | 14.1 | 13.1 | 9.6 | 9.0 | 1.3 | 1.2 | 16.3 | 14.8 | 9.9 | 2.7 |
| Median | | | 13.6 | 11.1 | 8.1 | 7.6 | 0.7 | 0.7 | 12.8 | 13.5 | 2.9 | 3.2 |
| Diff-% to median | | | 5% | 3% | 18% | 4% | 111% | 84% | -1% | -20% | 7% | 1% |
| | | | | | | | | | | | | 49% |

Peer group valuation

| Peer group valuation Company | Market cap MEUR | EV MEUR | EV/EBIT | | EV/EBITDA | | EV/Sales | | P/E | | Dividend yield-% | P/B |
|---------------------------------|--------------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------------|-------------|
| | | | 2025e | 2026e | 2025e | 2026e | 2025e | 2026e | 2025e | 2026e | 2025e | 2025e |
| Relais Group OYJ | 296 | 522 | 14.6 | 11.7 | 8.8 | 7.3 | 1.4 | 1.2 | 14.8 | 11.9 | 3.2 | 3.6 |
| Indutrade AB | 7920 | 8672 | 20.5 | 18.5 | 15.2 | 13.9 | 2.7 | 2.5 | 27.3 | 24.1 | 1.4 | 1.5 |
| Bergman & Beving AB | 770 | 953 | 26.5 | 21.8 | 13.7 | 12.5 | 2.1 | 2.0 | 30.5 | 26.3 | 1.3 | 1.6 |
| Momentum Group AB | 697 | 763 | 24.2 | 21.6 | 16.1 | 14.6 | 2.4 | 2.2 | 32.7 | 29.5 | 1.1 | 1.2 |
| Bufab AB | 1720 | 1992 | 18.5 | 16.9 | 14.4 | 13.4 | 2.4 | 2.3 | 24.0 | 20.9 | 1.4 | 1.6 |
| Addtech AB | 8037 | 8580 | 29.6 | 26.8 | 22.8 | 21.1 | 4.0 | 3.7 | 38.6 | 34.3 | 1.1 | 1.2 |
| Beijer Ref AB | 6963 | 7801 | 19.9 | 18.1 | 16.0 | 14.8 | 2.1 | 2.0 | 26.2 | 23.5 | 1.1 | 1.2 |
| Beijer Alma AB | 1622 | 1885 | 16.4 | 15.6 | 12.7 | 11.9 | 2.4 | 2.3 | 21.1 | 19.6 | 1.4 | 1.6 |
| Lifco AB (publ) | 13235 | 14198 | 25.5 | 23.5 | 19.7 | 18.2 | 5.0 | 4.7 | 35.5 | 32.3 | 0.9 | 1.0 |
| Lagercrantz Group AB | 3962 | 4387 | 28.4 | 25.8 | 21.2 | 19.5 | 4.5 | 4.2 | 36.3 | 32.0 | 1.2 | 1.3 |
| Volati AB | 877 | 1149 | 14.2 | 12.8 | 10.5 | 9.6 | 1.4 | 1.3 | 17.4 | 14.7 | 1.2 | 1.4 |
| Boreo | 43 | 105 | 14.1 | 12.4 | 7.8 | 7.3 | 0.6 | 0.6 | 24.4 | 14.7 | 0.7 | 1.7 |
| AddLife AB | 1714 | 2153 | 23.2 | 21.0 | 13.0 | 12.2 | 2.1 | 2.0 | 25.8 | 24.4 | 1.1 | 1.3 |
| Addnode Group AB (publ) | 1180 | 1358 | 19.2 | 17.1 | 12.1 | 11.4 | 2.3 | 2.2 | 24.9 | 21.8 | 1.4 | 1.7 |
| Instalco AB | 630 | 980 | 12.2 | 10.5 | 7.5 | 6.8 | 0.7 | 0.7 | 10.8 | 8.8 | 3.0 | 4.0 |
| Seafire AB (publ) | 33 | 52 | 12.4 | 10.0 | 6.1 | 5.6 | 0.6 | 0.6 | 10.9 | 9.5 | | 0.6 |
| Sdipotech AB (publ) | 664 | 664 | 7.6 | 7.0 | 5.5 | 5.1 | 1.3 | 1.3 | 13.6 | 12.0 | | 1.4 |
| Fasadgruppen Group AB (publ) | 152 | 356 | 7.1 | 6.4 | 5.5 | 5.1 | 0.7 | 0.7 | 4.7 | 4.0 | | 3.3 |
| Berner Industrier | 155 | 166 | 17.2 | 16.2 | 12.3 | 11.8 | 1.7 | 1.6 | 22.2 | 21.1 | 1.3 | 1.4 |
| Relais Group (Inderes) | 309 | 560 | 14.3 | 11.4 | 9.5 | 7.9 | 1.4 | 1.2 | 12.6 | 10.7 | 3.1 | 3.2 |
| Average | | | 19.0 | 17.0 | 13.2 | 12.2 | 2.3 | 2.1 | 23.7 | 21.1 | 1.3 | 1.7 |
| Median | | | 19.2 | 17.1 | 13.0 | 12.2 | 2.1 | 2.0 | 24.9 | 21.8 | 1.2 | 1.4 |
| Diff-% to median | | | -25% | -33% | -27% | -35% | -31% | -38% | -49% | -51% | 149% | 128% |
| | | | | | | | | | | | | -64% |

Income statement

| Income statement | 2023 | Q1'24 | Q2'24 | Q3'24 | Q4'24 | 2024 | Q1'25 | Q2'25 | Q3'25 | Q4'25e | 2025e | 2026e | 2027e | 2028e |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Revenue | 284 | 82.8 | 74.3 | 74.9 | 90.7 | 323 | 82.8 | 82.9 | 101 | 120 | 387 | 450 | 464 | 473 |
| Tekninen tukkukauppa ja tuotteet | 192 | 56.9 | 48.7 | 49.5 | 62.0 | 217 | 53.7 | 51.2 | 59.8 | 72.8 | 238 | 263 | 271 | 276 |
| Korjaamo- ja huoltotoiminnot | 91.9 | 25.9 | 25.6 | 25.4 | 28.7 | 106 | 29.1 | 31.7 | 41.3 | 47.6 | 150 | 188 | 193 | 197 |
| EBITDA | 43.5 | 13.5 | 11.1 | 13.0 | 14.3 | 51.9 | 13.0 | 11.8 | 14.4 | 19.7 | 58.8 | 70.5 | 72.8 | 73.1 |
| Depreciation | -18.4 | -4.5 | -4.5 | -4.6 | -5.3 | -18.9 | -4.9 | -5.5 | -7.3 | -7.3 | -25.0 | -28.9 | -29.3 | -29.4 |
| EBIT (excl. NRI) | 28.6 | 9.7 | 7.3 | 9.1 | 10.0 | 36.1 | 9.0 | 7.2 | 8.8 | 14.1 | 39.1 | 48.6 | 50.5 | 50.6 |
| EBIT | 25.1 | 9.0 | 6.6 | 8.4 | 9.0 | 33.0 | 8.1 | 6.3 | 7.1 | 12.3 | 33.8 | 41.6 | 43.5 | 43.6 |
| Relais Group | 25.1 | 9.0 | 6.6 | 8.4 | 9.0 | 33.0 | 8.1 | 6.3 | 7.1 | 12.3 | 33.8 | 41.6 | 43.5 | 43.6 |
| Net financial items | -7.4 | -3.1 | -1.7 | -1.9 | -2.5 | -9.2 | -0.6 | -4.4 | -2.7 | -2.6 | -10.3 | -8.8 | -8.9 | -7.3 |
| PTP | 17.7 | 5.8 | 4.9 | 6.5 | 6.5 | 23.8 | 7.5 | 1.9 | 4.4 | 9.7 | 23.5 | 32.8 | 34.6 | 36.3 |
| Taxes | -4.0 | -2.0 | -1.6 | -1.9 | 0.2 | -5.2 | -1.6 | -0.4 | -1.0 | -2.1 | -5.2 | -7.1 | -7.4 | -7.8 |
| Minority interest | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | -0.1 | -0.2 | -0.3 | -0.5 | -0.6 | -0.6 |
| Net earnings | 13.7 | 3.9 | 3.3 | 4.6 | 6.7 | 18.5 | 5.9 | 1.5 | 3.3 | 7.4 | 18.0 | 25.3 | 26.5 | 27.9 |
| EPS (adj.) | 0.95 | 0.25 | 0.22 | 0.30 | 0.44 | 1.21 | 0.38 | 0.15 | 0.37 | 0.46 | 1.35 | 1.59 | 1.65 | 1.71 |
| EPS (rep.) | 0.76 | 0.21 | 0.18 | 0.26 | 0.37 | 1.02 | 0.32 | 0.08 | 0.18 | 0.36 | 0.95 | 1.21 | 1.27 | 1.33 |
| Key figures | 2023 | Q1'24 | Q2'24 | Q3'24 | Q4'24 | 2024 | Q1'25 | Q2'25 | Q3'25 | Q4'25e | 2025e | 2026e | 2027e | 2028e |
| Revenue growth-% | 9.0 % | 20.0 % | 15.8 % | 6.6 % | 12.0 % | 13.5 % | 0.1 % | 11.6 % | 34.9 % | 32.8 % | 20.0 % | 16.3 % | 3.0 % | 2.0 % |
| Adjusted EBIT growth-% | 24.1 % | 28.4 % | 52.2 % | 8.9 % | 27.8 % | 26.5 % | -7.4 % | -1.5 % | -3.4 % | 40.6 % | 8.1 % | 24.5 % | 3.8 % | 0.3 % |
| EBITDA-% | 15.3 % | 16.3 % | 14.9 % | 17.4 % | 15.8 % | 16.1 % | 15.7 % | 14.2 % | 14.2 % | 16.3 % | 15.2 % | 15.7 % | 15.7 % | 15.4 % |
| Adjusted EBIT-% | 10.0 % | 11.7 % | 9.8 % | 12.2 % | 11.0 % | 11.2 % | 10.8 % | 8.7 % | 8.7 % | 11.7 % | 10.1 % | 10.8 % | 10.9 % | 10.7 % |
| Net earnings-% | 4.8 % | 4.7 % | 4.4 % | 6.2 % | 7.4 % | 5.7 % | 7.1 % | 1.8 % | 3.3 % | 6.1 % | 4.7 % | 5.6 % | 5.7 % | 5.9 % |

Source: Inderes

Huom. liikevoitto ilman kertaerää on yhtiön raportoima EBITA

Balance sheet

| Assets | 2023 | 2024 | 2025e | 2026e | 2027e |
|----------------------------|------------|------------|------------|------------|------------|
| Non-current assets | 204 | 196 | 299 | 299 | 295 |
| Goodwill | 120 | 120 | 152 | 153 | 153 |
| Intangible assets | 13.1 | 12.0 | 35.8 | 31.0 | 26.3 |
| Tangible assets | 65.8 | 61.7 | 110 | 113 | 113 |
| 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 | 165 | 185 | 190 |
| Inventories | 74.1 | 83.7 | 101 | 110 | 114 |
| Other current assets | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Receivables | 41.4 | 40.6 | 54.2 | 63.0 | 64.5 |
| Cash and equivalents | 9.7 | 9.6 | 9.7 | 11.3 | 11.6 |
| Balance sheet total | 329 | 330 | 463 | 483 | 484 |

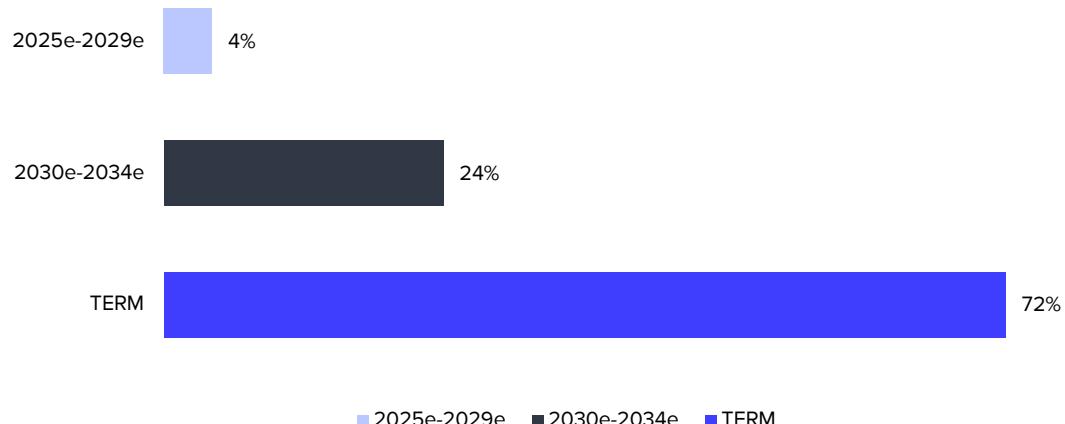
Source: Inderes

| Liabilities & equity | 2023 | 2024 | 2025e | 2026e | 2027e |
|--------------------------------|-------------|-------------|------------|------------|------------|
| Equity | 111 | 118 | 226 | 240 | 253 |
| Share capital | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Retained earnings | 42.0 | 52.3 | 60.5 | 73.1 | 86.4 |
| Hybrid bonds | 0.0 | 0.0 | 50.0 | 50.0 | 50.0 |
| Revaluation reserve | 0.0 | 0.0 | 50.0 | 50.0 | 50.0 |
| Other equity | 68.5 | 65.2 | 65.2 | 66.2 | 66.2 |
| Minorities | 0.0 | 0.0 | 0.5 | 0.5 | 0.5 |
| 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 | 103 | 119 | 117 |
| Interest bearing debt | 21.8 | 19.6 | 29.4 | 34.8 | 30.6 |
| Payables | 46.8 | 53.7 | 69.7 | 80.6 | 82.6 |
| Other current liabilities | 5.7 | 4.0 | 4.0 | 4.0 | 4.0 |
| Balance sheet total | 329 | 330 | 463 | 483 | 484 |

DCF calculation

| DCF model | 2024 | 2025e | 2026e | 2027e | 2028e | 2029e | 2030e | 2031e | 2032e | 2033e | 2034e | TERM |
|---|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------|
| Revenue growth-% | 13.5 % | 20.0 % | 16.3 % | 3.0 % | 2.0 % | 3.0 % | 3.0 % | 2.8 % | 2.7 % | 2.5 % | 2.0 % | 2.0 % |
| EBIT-% | 10.2 % | 8.7 % | 9.2 % | 9.4 % | 9.2 % | 10.5 % | 10.5 % | 10.5 % | 10.5 % | 10.2 % | 10.2 % | 10.2 % |
| EBIT (operating profit) | 33.0 | 33.8 | 41.6 | 43.5 | 43.6 | 51.2 | 52.7 | 54.2 | 55.6 | 55.4 | 56.5 | |
| + Depreciation | 18.9 | 25.0 | 28.9 | 29.3 | 29.4 | 28.4 | 27.8 | 28.0 | 27.9 | 28.0 | 28.1 | |
| - Paid taxes | -4.0 | -5.2 | -7.1 | -7.4 | -7.8 | -9.5 | -9.8 | -10.1 | -10.5 | -10.4 | -10.6 | |
| - Tax, financial expenses | -2.0 | -2.3 | -1.9 | -1.9 | -1.6 | -1.5 | -1.5 | -1.5 | -1.5 | -1.5 | -1.5 | |
| + 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 | -14.6 | -7.6 | -2.8 | -1.9 | -2.9 | -3.0 | -2.9 | -2.9 | -2.7 | -2.2 | |
| Operating cash flow | 42.3 | 36.8 | 54.0 | 60.6 | 61.8 | 65.6 | 66.2 | 67.6 | 68.7 | 68.7 | 70.2 | |
| + 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 | -128 | -28.8 | -25.3 | -26.3 | -26.4 | -27.5 | -27.6 | -28.1 | -28.4 | -30.6 | |
| Free operating cash flow | 28.5 | -90.8 | 25.3 | 35.4 | 35.5 | 39.2 | 38.7 | 40.1 | 40.6 | 40.3 | 39.6 | |
| +/- 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 | -90.8 | 25.3 | 35.4 | 35.5 | 39.2 | 38.7 | 40.1 | 40.6 | 40.3 | 39.6 | 701 |
| Discounted FCFF | -90.9 | 23.5 | 30.5 | 28.4 | 29.1 | 26.7 | 25.6 | 24.1 | 22.2 | 20.2 | 358 | |
| Sum of FCFF present value | 497 | 588 | 565 | 534 | 506 | 477 | 450 | 425 | 400 | 378 | 358 | |
| Enterprise value DCF | 497 | | | | | | | | | | | |
| - Interest bearing debt | -151 | | | | | | | | | | | |
| + Cash and cash equivalents | 9.6 | | | | | | | | | | | |
| -Minorities | -0.9 | | | | | | | | | | | |
| -Dividend/capital return | -9.1 | | | | | | | | | | | |
| Equity value DCF | 346 | | | | | | | | | | | |
| Equity value DCF per share | 19.0 | | | | | | | | | | | |

Cash flow distribution

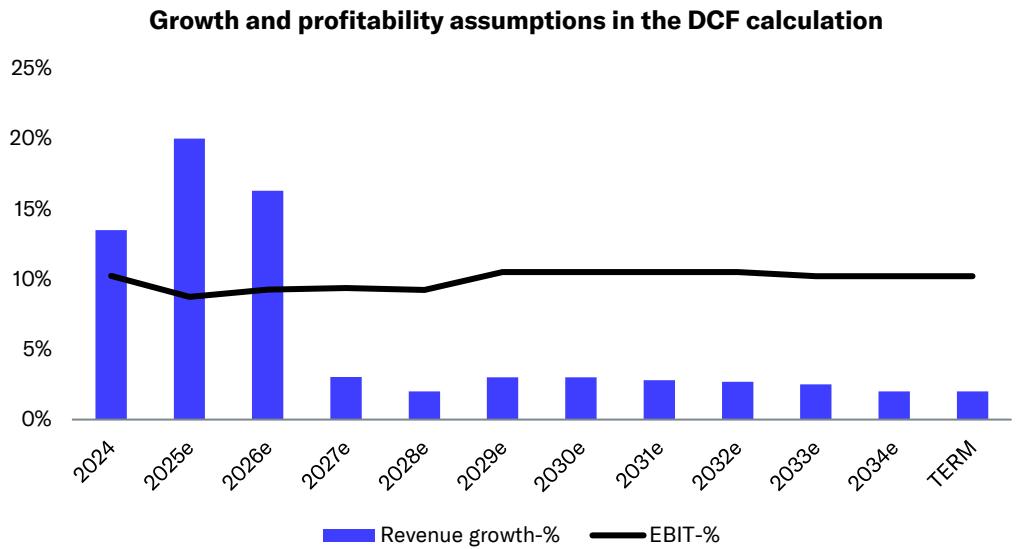
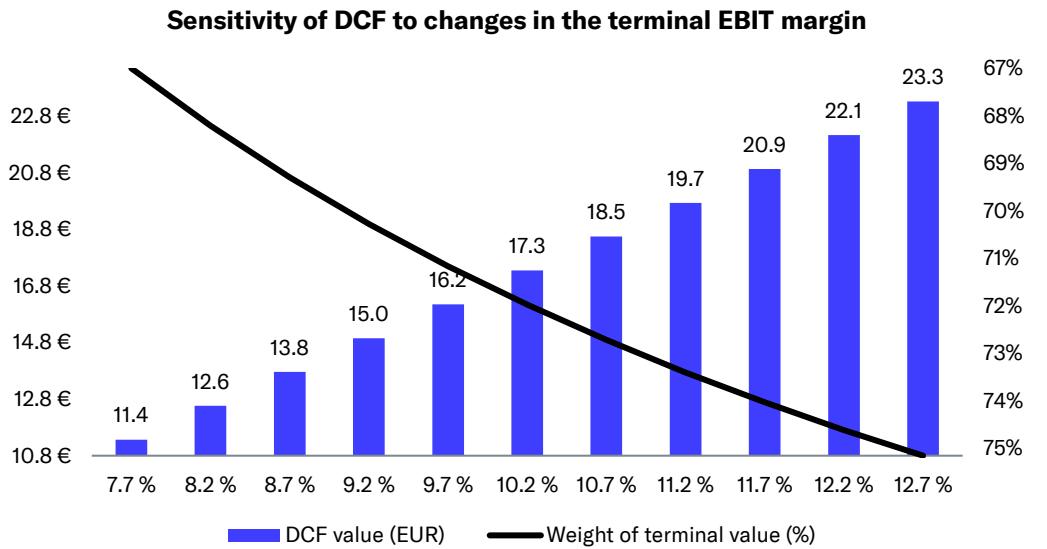
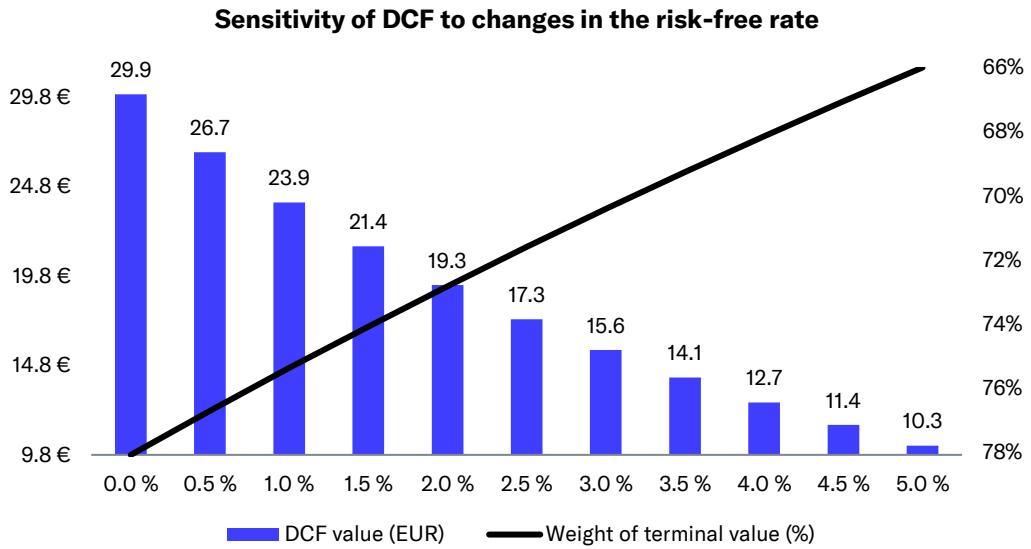
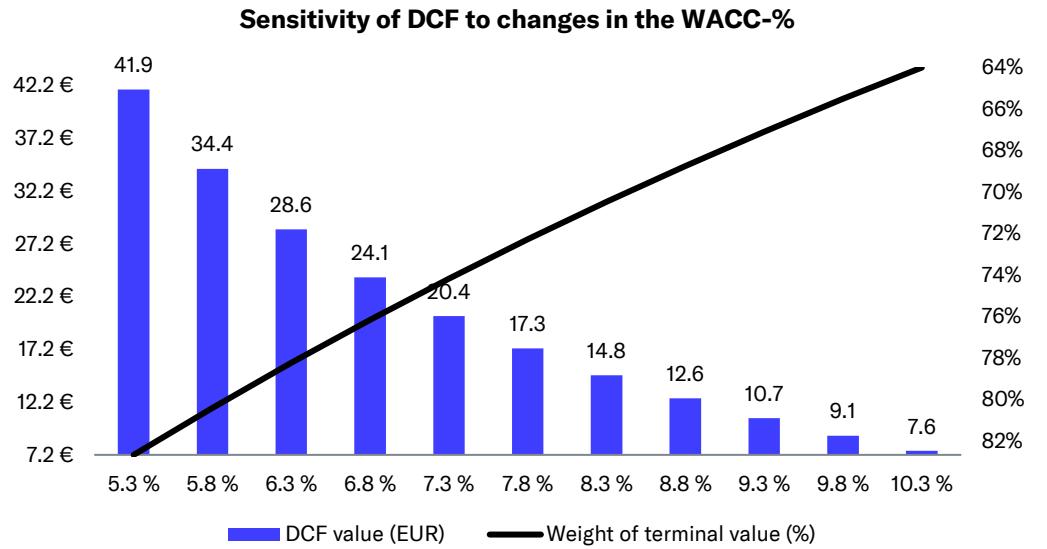


WACC

| | |
|--|--------------|
| 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

DCF sensitivity calculations and key assumptions in graphs



Summary

| Income statement | 2022 | 2023 | 2024 | 2025e | 2026e | Per share data | 2022 | 2023 | 2024 | 2025e | 2026e |
|----------------------------------|-------|-------|-------|---------------|--------------|-----------------------------|---------|---------|---------|----------------|----------------|
| Revenue | 260.7 | 284.3 | 322.6 | 387.2 | 450.2 | EPS (reported) | 0.55 | 0.76 | 1.02 | 0.95 | 1.21 |
| EBITDA | 36.6 | 43.5 | 51.9 | 58.8 | 70.5 | EPS (adj.) | 0.80 | 0.95 | 1.21 | 1.35 | 1.59 |
| EBIT | 19.7 | 25.1 | 33.0 | 33.8 | 41.6 | OCF / share | 1.64 | 1.82 | 2.33 | 2.02 | 2.95 |
| PTP | 13.1 | 17.7 | 23.8 | 23.5 | 32.8 | OFCF / share | 0.72 | 0.50 | 1.57 | -4.99 | 1.38 |
| Net Income | 10.0 | 13.7 | 18.5 | 18.0 | 25.3 | Book value / share | 5.73 | 6.10 | 6.49 | 12.40 | 13.05 |
| 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 | 463.4 | 483.3 | Revenue growth-% | 10% | 9% | 13% | 20% | 16% |
| Equity capital | 103.9 | 110.7 | 117.6 | 226.3 | 239.9 | EBITDA growth-% | 2% | 19% | 19% | 13% | 20% |
| Goodwill | 118.2 | 120.1 | 120.1 | 151.8 | 153.3 | EBIT (adj.) growth-% | -11% | 24% | 27% | 8% | 24% |
| Net debt | 147.2 | 151.0 | 141.3 | 199.8 | 193.5 | EPS (adj.) growth-% | -16% | 18% | 28% | 12% | 18% |
| Cash flow | 2022 | 2023 | 2024 | 2025e | 2026e | EBITDA-% | 14.0 % | 15.3 % | 16.1 % | 15.2 % | 15.7 % |
| EBITDA | 36.6 | 43.5 | 51.9 | 58.8 | 70.5 | EBIT (adj.)-% | 8.8 % | 10.0 % | 11.2 % | 10.1 % | 10.8 % |
| Change in working capital | -1.8 | -0.3 | -3.5 | -14.6 | -7.6 | EBIT-% | 7.5 % | 8.8 % | 10.2 % | 8.7 % | 9.2 % |
| Operating cash flow | 29.8 | 33.0 | 42.3 | 36.8 | 54.0 | ROE-% | 9.6 % | 12.8 % | 16.2 % | 12.3 % | 13.8 % |
| CAPEX | -16.1 | -24.1 | -13.7 | -127.6 | -28.8 | ROI-% | 7.5 % | 9.4 % | 12.2 % | 10.3 % | 10.7 % |
| Free cash flow | 13.1 | 9.0 | 28.5 | -90.8 | 25.3 | Equity ratio | 33.2 % | 33.6 % | 35.6 % | 38.0 % | 39.3 % |
| Valuation multiples | 2022 | 2023 | 2024 | 2025e | 2026e | Gearing | 141.7 % | 136.5 % | 120.1 % | 113.3 % | 101.9 % |
| EV/S | 1.3 | 1.4 | 1.2 | 1.4 | 1.2 | | | | | | |
| EV/EBITDA | 9.1 | 9.1 | 7.5 | 9.5 | 7.9 | | | | | | |
| EV/EBIT (adj.) | 14.4 | 13.9 | 10.8 | 14.3 | 11.4 | | | | | | |
| P/E (adj.) | 12.7 | 14.3 | 11.4 | 12.6 | 10.7 | | | | | | |
| P/B | 1.8 | 2.2 | 2.1 | 1.8 | 1.6 | | | | | | |
| Dividend-% | 3.9 % | 3.3 % | 3.6 % | 3.1 % | 3.2 % | | | | | | |

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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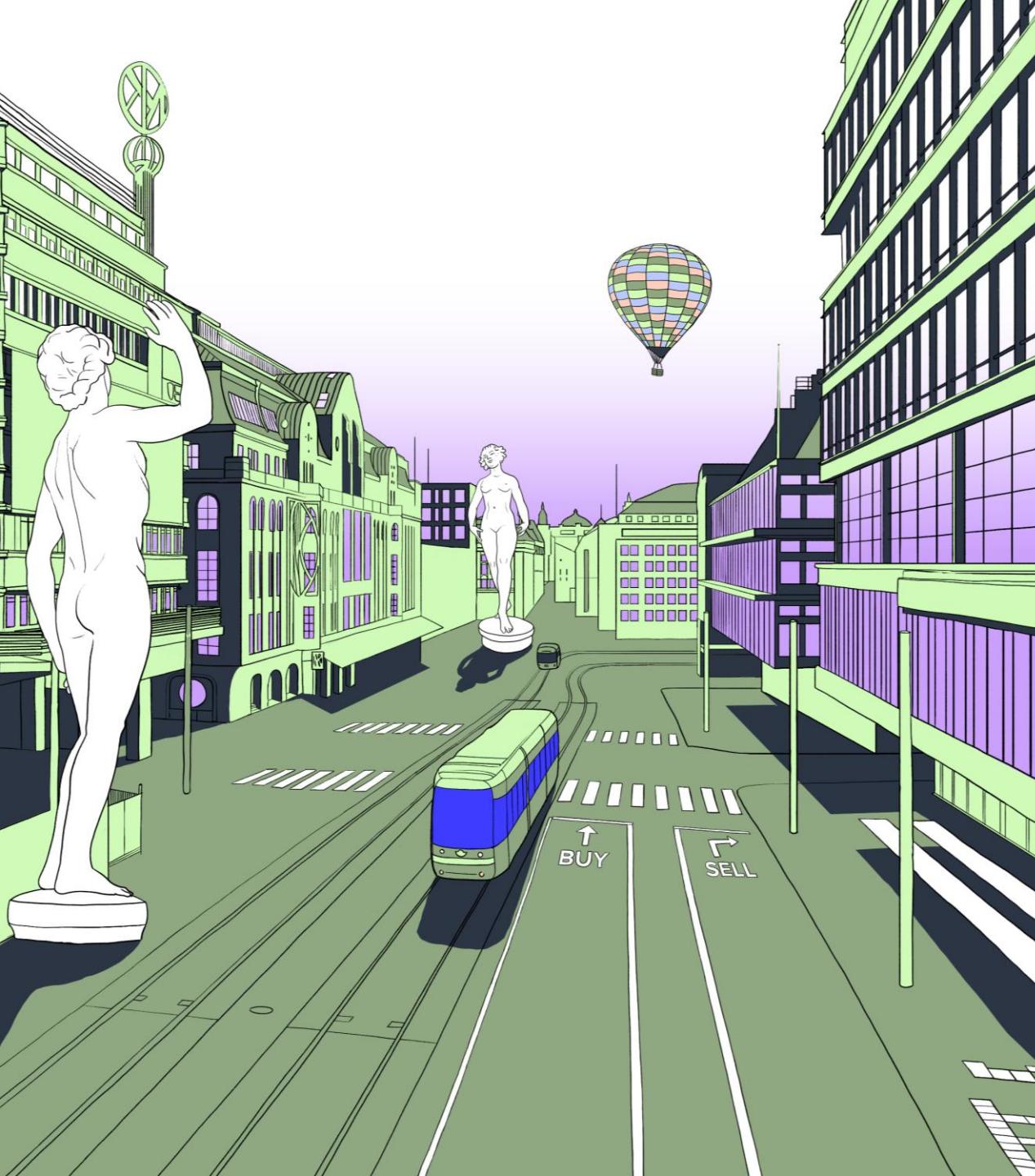
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Recommendation history (>12 mo)

| 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 € |
| 10/23/2025 | Accumulate | 19.00 € | 16.75 € |
| 1/8/2025 | Accumulate | 19.00 € | 17.00 € |



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