



RESULTS UPDATE

Capital Goods

Fair value: EUR16.2–19.5

Share price: EUR15.2

Relais Group

Solid Q1; 2025 growth to be propelled by M&A – review

Research analysts:

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Relais' Q1 report was a relief after we had trimmed our estimates ahead of the results due to warm winter conditions that we expected could have hampered demand. Relais performed slightly better than we expected and with two solid acquisitions announced after Q1, the company is steadily progressing towards its 2025 EBITA target. Our updated fair value range is EUR16.2–19.5 (EUR13.8–17.1).

2025–27e EPS up by 3–4% driven by lower net financials. Our estimate revisions are driven by lower net financials and higher gross margins in both segments, partly offset by higher opex.

Decisive steps to reach EBITA target, but we think leverage is on the high side. As a sector specialist and acquisition platform in the vehicle aftermarket in the Nordics, Relais aims to deliver strong earnings growth through organic sales growth, M&A and efficiency improvements in its portfolio. It aims for pro-forma EBITA of EUR50m by the end of 2025, implying a 30% CAGR for 2022–25e. Thanks to solid profit generation and cash flow, Relais lowered its net debt/EBITDA to 2.7x at YE 2024. Relais has recently renegotiated its financing and announced two new acquisitions to be consolidated by the end of Q2(25), which would raise our 2025e EBITA by more than 20%. With the company's ambition to continue to expand, we think investors should be prepared for Relais contemplating measures to strengthen its balance sheet, e.g. issuing equity or equity-like instruments.

Clear discount to our peer group. On EV/EBITA(25e) and P/E(25e), Relais trades at a 30–50% discount to our primary peer group consisting of Nordic compounders (excluding the proven ones). With the recently announced M&A yet to be consolidated into our numbers, the company is getting closer to its 2025 EBITA target, so we think the discount is large and partly reflects uncertainties as to how Relais will finance near-term larger M&A and how it will lower its leverage.

Changes in this report			
	From	To	Chg
EPS adj. 2025e	1.24	1.28	+4%
EPS adj. 2026e	1.36	1.41	+3%
EPS adj. 2027e	1.48	1.54	+4%
Upcoming events			
Key facts			
No. shares (m)		18.7	
Market cap. (USDm)		317	
Market cap. (EURm)		284	
Net IB Debt. (EURm)		133	
Adjustments (EURm)		1	
EV (2025e) (EURm)		418	
Free float		48.8%	
Avg. daily vol. ('000)		4	
BBG		RELAIS FH	
Fiscal year end		December	
Share price as of (CET)	13 May 2025	17:29	

Key figures (EUR)		2024	2025e	2026e	2027e
Sales (m)		323	329	339	349
EBITDA (m)		52	53	56	59
EBIT (m)		33	33	36	39
EPS		0.97	1.08	1.22	1.35
EPS adj.		1.18	1.28	1.41	1.54
DPS		0.50	0.34	0.38	0.42
Sales growth Y/Y		13%	2%	3%	3%
EPS adj. growth Y/Y		26%	8%	10%	10%
EBIT margin		10.2%	10.1%	10.7%	11.3%
P/E adj.		12.9	11.9	10.8	9.9
EV/EBIT		11.8	12.5	11.0	9.7
EV/EBITA		10.8	11.3	10.0	8.9
EV/EBITDA		7.5	7.8	7.1	6.5
P/BV		2.4	2.2	2.0	1.7
Dividend yield		3.3%	2.2%	2.5%	2.8%
FCF yield		3.9%	7.0%	9.2%	10.0%
Equity/Total Assets		35.6%	37.2%	39.6%	42.0%
ROCE		10.8%	11.0%	11.5%	11.8%
ROE adj.		19.4%	19.5%	19.2%	18.7%
Net IB debt/EBITDA		2.7	2.5	2.1	1.7

Share price – 5-year

— Relais Group
— OMX Helsinki CAP_PI (Fi) (Rebased)

High/Low (12M)		EUR15.2/12.4			
Perf.	3M	6M	12M	YTD	
Abs.	7.80	10.95	18.29	14.29	
Rel.	8.22	4.30	18.73	6.22	

Source: DNB Carnegie (estimates), FactSet, Infront & company data

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Equity story

Near term: within 12M

As a sector specialist and acquisition platform in the vehicle aftermarket in the Nordics and Baltics, Relais aims to deliver strong earnings growth through organic sales growth, M&A, and efficiency improvements in its portfolio. It aims for pro-forma EBITA of EUR50m by YE(25), implying a 30% CAGR(22–25). We do not include potential upcoming M&A in our forecasts, so to reach its target pro-forma EBITA, we calculate that Relais would have to acquire sales of EUR90m–120m to add EBITA of ~EUR10m on top of our adjusted EBITA(25e). At YE(24), Relais' net debt/EBITDA was 2.7x, which we find high side for making larger acquisitions. Therefore, we would not be surprised if Relais were to consider measures to strengthen its M&A headroom.

Long term outlook: 5Y+

Longer-term, we think the vehicle aftermarket will continue to consolidate, favouring well-managed, larger international players like Relais. Supported by solid cash generation, Relais has the capacity to combine sales and earnings growth with an annually growing dividend.

Key risks:

- The largest upside potential stems from stronger than expected underlying demand in Relais' home markets, larger operational efficiency gains, successful acquisitions that expand Relais' target market and faster than expected organic growth.
- The main downside risks are a weakening economic environment or geopolitical shocks or pandemics that impact demand negatively, increasing competitive pressures, supply chain constraints that affect delivery times and tie up NWC, shortages of e.g. vehicle mechanics, or low capacity utilisation. Unsuccessful M&A would also weigh on Relais' potential to meet its targets.

Company description

Founded in 2010, Relais Group is a consolidator in the vehicle aftermarket in the Nordic and Baltic countries. During the past five years, the company has made around 15 acquisitions and more than tripled its turnover. In 2023, Relais had sales of EUR284m and an EBITA margin of 10%. Relais was listed on Nasdaq First North Growth Market in 2019 and moved to the official list of Nasdaq Helsinki in 2022.

Key industry drivers

- Fundamental transportation needs; the number of vehicles and technological innovations; vehicle stock and age; vehicle utilisation; and the introduction of new vehicles.

Industry outlook

- The vehicle aftermarket in the Nordics and Baltics is characterised by its moderate growth and defensiveness
- Consolidation driven by scale benefits from sourcing and technological investments.

Largest shareholders, capital

Ajanta / Ari Salmivuori	32.2%
Nordic Industry Developme	16.6%
Evli Mutual Fund Company	6.1%

Cyclicality

Cyclicality: Yes
Mid

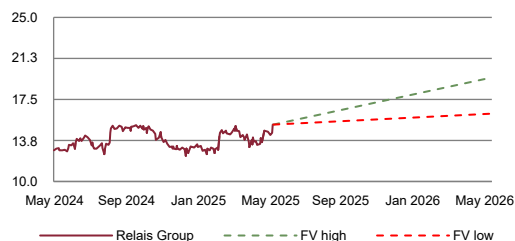
Key peers

We benchmark Relais against two peer groups: 1) a group of Nordic compounders, excluding the proven ones, and 2) a group consisting of international vehicle service and parts companies.

Valuation and methodology

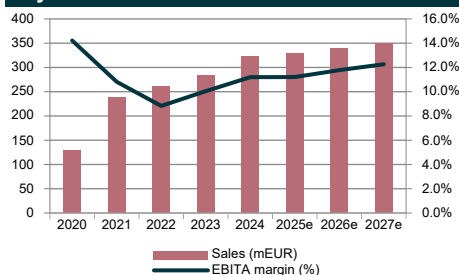
Our fair value range for Relais is EUR16.2–19.5 per share. Our range is based on a combination of a relative valuation using two peer groups and a discounted cash flow analysis. We apply a slight discount to the Nordic compounder peers (excluding the group of proven acquirers) on EV/EBITA(25e) and adj. P/E(25e) given Relais's higher leverage. We assign lesser weight to the group consisting of international vehicle service and parts companies due to their substantially larger size and lower profitability.

Fair value range 12M

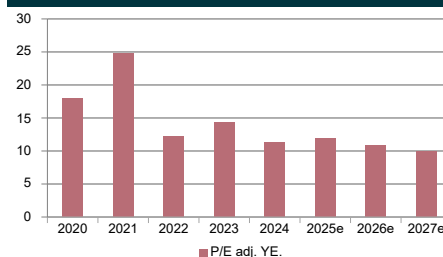


FV high (DCF): We think a pure DCF-based valuation could become relevant over time if Relais strengthens its track record of steadily growing sales and earnings and shows it can continue to expand its business by M&A.
FV low (peers): Muted organic sales and earnings growth combined with little M&A-driven growth would imply a continued clear discount to our peer group consisting of Nordic compounders and international vehicle service and parts companies.

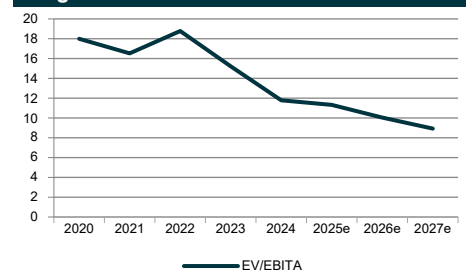
Key metrics



PE 12-months forward



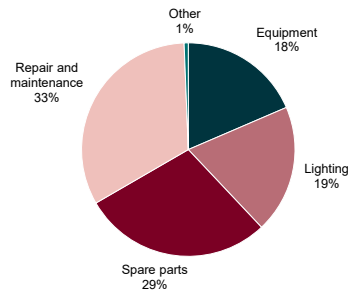
Long-term valuation trend



Source: DNB Carnegie (estimates) & company data

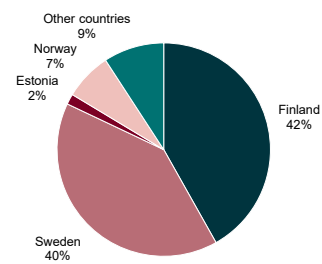
Key charts

Relais - sales split 2024



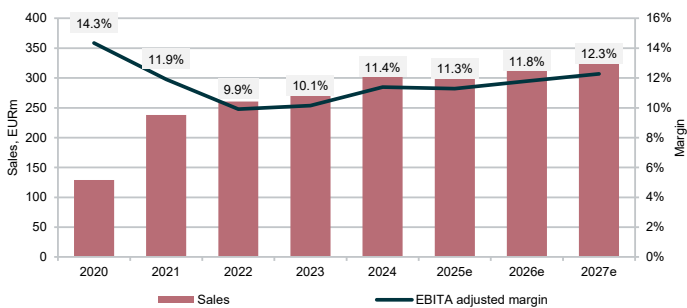
Source: DNB Carnegie, Relais

Relais - sales by country, 2024



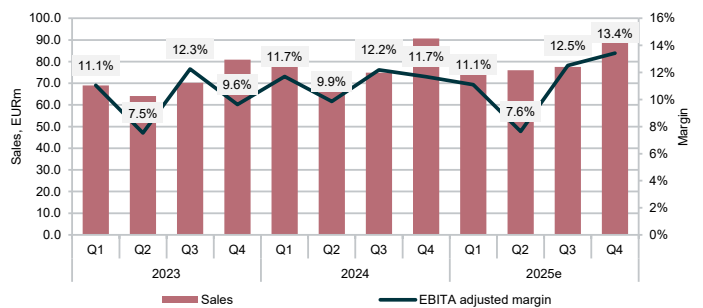
Source: DNB Carnegie, Relais

Relais - sales and margin profile



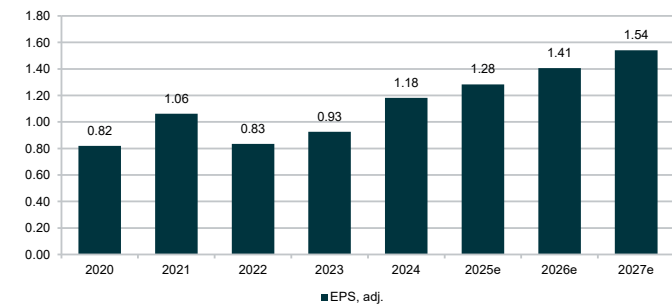
Source: DNB Carnegie, Relais

Relais - quarterly sales and margin trend



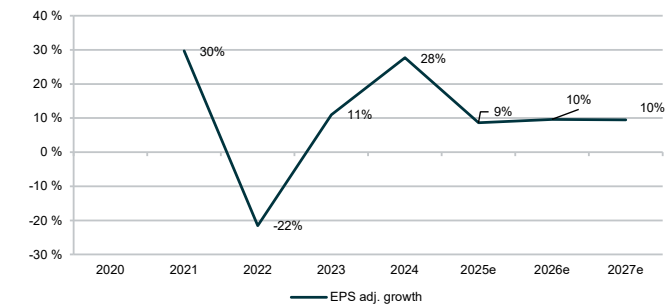
Source: DNB Carnegie, Relais

Relais - EPS adj. EUR



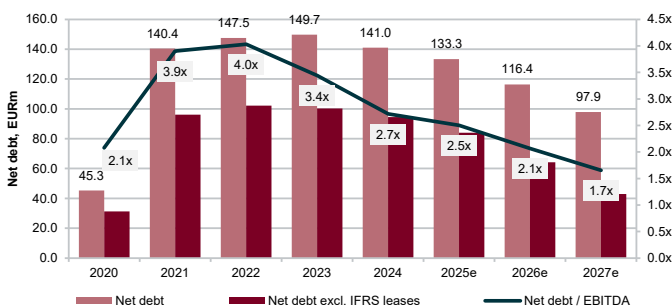
Source: DNB Carnegie, Relais

Relais - EPS adj. change Y/Y



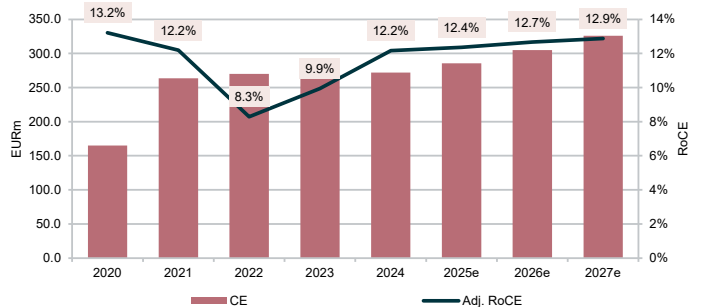
Source: DNB Carnegie, Relais

Relais - net debt and leverage ratio



Source: DNB Carnegie, Relais

Relais - CE and adj. RoCE



Source: Carnegie Research, Relais

Q1 highlights

Relais' Q1 sales and earnings were a slight relief to us and the market. However, we had cut estimates ahead of the results, so Relais' results were less bad than we feared. Sales were flat Y/Y at EUR83m, close to our estimate and FactSet consensus. Sales were stronger than we expected in Spare parts and Lighting, whereas the Equipment business suffered from warmer weather conditions in Finland and the Baltics. Encouragingly, the on-line business in Finland continued to improve slightly after several weak years.

The gross margin was 49.6%, up by more than 3%-points Y/Y, and above our assumption, explained by a more favourable business mix, even though the company said gross margin improved in both businesses (Commercial Vehicle Repair and Maintenance, and Technical Wholesales and Products). Relais has highlighted the growing importance of its private label products; the share of total sales (excluding the own brands in the Lighting business) is still small, but sales are growing supported by recent acquisitions. Adjusted EBITA was EUR9.2m, 7% above our estimate.

Outlook and guidance

Relais typically does not provide numeric guidance for the financial year, but it said that the demand outlook is stable and assumes that 2025 will turn out to be a "normal" business year". During the results call, Relais said the business environment was unchanged compared to the end of 2024.

The company reiterated its long-term financial target, which is to reach pro-forma comparable EBITA of EUR50m by YE(25), which requires solid organic growth and M&A.

Relais's financial target* & dividend policy

	Target	2023	2024	2025e	2026e	2027e
Sales	No target	284.3	322.6	329.4	339.3	349.4
	- implied sales growth Y/Y	9%	13%	2%	3%	3%
Pro-forma EBITA	EUR50m by YE(25)	28.9	36.7	37.2	40.0	42.9
	- implied EBITA growth Y/Y	12%	27%	1%	8%	7%
	- implied EBITA margin	10.1%	11.4%	11.3%	11.8%	12.3%
Dividends	Annual pay-out ratio >30% **	59%	52%	31%	31%	31%
	- implied DPS	0.44	0.50	0.34	0.38	0.42
	- implied DPS change Y/Y	10%	14%	-32%	12%	11%

** of the average comparable EPS over a business cycle, taking into account the company's M&A opportunities and financing needs

* Target set in March 2023

Source: DNB Carnegie (estimates) & company

During 2024, Relais closed two acquisitions and announced two additional acquisitions in Q2(25). Once the acquisitions of the Norwegian Team Verksted and Belgian Matro Group have been consolidated into our estimates, Relais should add ~EUR9m in EBITA, bringing the pro-forma EBITA in 2025e to ~EUR46m, up by ~24% compared to our current estimate of EUR37m. According to Relais, it has several ongoing discussions with potential acquisition candidates and aims to accelerate the pace of acquisitions in 2025.

Estimates and revisions

Relais - key data

	Current estimates				Previous estimates			Change		
	2024	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
(EURm)										
Sales	322.6	329.4	339.3	349.4	328.8	338.6	348.7	0%	0%	0%
Gross profit	151.2	163.8	169.0	174.4	154.2	159.1	164.2	6%	6%	6%
EBITA	36.1	36.9	40.0	42.9	36.1	38.8	41.4	2%	3%	3%
EBITA adjusted	36.7	37.2	40.0	42.9	36.1	38.8	41.4	3%	3%	3%
Net profit	18.5	20.3	22.8	25.3	19.5	21.8	24.0	4%	4%	5%
EPS, adj. EUR	1.18	1.28	1.41	1.54	1.24	1.36	1.48	4%	3%	4%
Sales growth Y/Y	13.5%	2.1%	3.0%	3.0%	1.9%	3.0%	3.0%	0.2%	0.0%	0.0%
EBITA adj. growth Y/Y	27.3%	1.2%	7.5%	7.3%	-1.8%	7.6%	6.7%	3.0%	-0.1%	0.5%
EPS Y/Y	35.2%	9.7%	12.3%	11.0%	5.6%	11.6%	10.4%	4.1%	0.7%	0.6%
Gross margin	46.9%	49.7%	49.8%	49.9%	46.9%	47.0%	47.1%	2.8%	2.8%	2.8%
EBITA adj. margin	11.4%	11.3%	11.8%	12.3%	11.0%	11.5%	11.9%	0.3%	0.3%	0.4%
Net debt, EURm	141.0	133.4	116.5	97.9	133.8	117.7	100.3	0%	-1%	-2%
Net debt / EBITDA	2.7x	2.5x	2.1x	1.7x	2.6x	2.1x	1.7x	0.0x	-0.1x	-0.1x

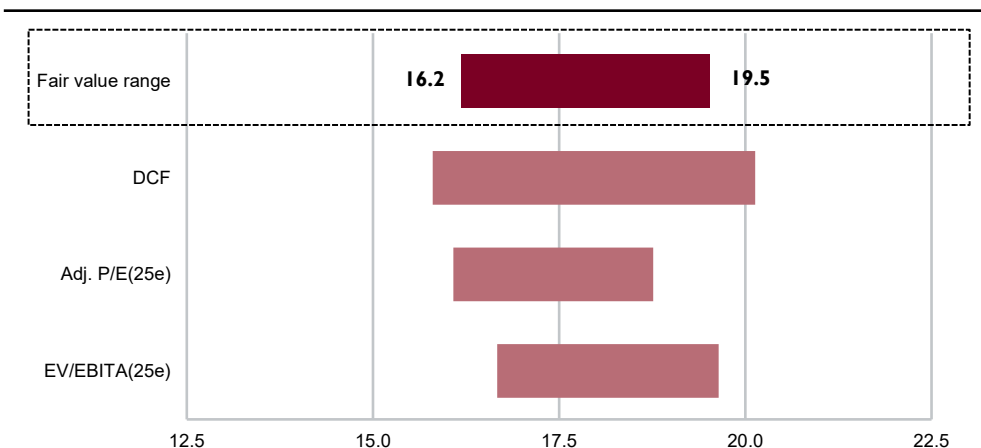
Source: DNB Carnegie (estimates) & company

Valuation and risks

We adjust our fair value range for Relais to EUR16.2–19.5 (13.8–17.1), reflecting our estimate hikes and higher peer group valuation.

Our range is based on a combination of a relative valuation and a discounted cash flow analysis, where we apply the average of the low ends and high ends for our respective methods. We apply a discount to the Nordic compounder peers (excluding the group of proven acquirers) on EV/EBITA(25e) and adj. P/E(25e) given Relais' higher leverage. We assign lesser weight to the group consisting of international vehicle service and parts companies due to their substantially larger size and lower profitability. Our DCF model indicates a fair value range of EUR15.8–20.1 (15.4–19.5) per share.

Relais fair value range, EUR



Source: DNB Carnegie

DCF assumptions - Summary	2025e	2026e	2027e	4-5	Average year			Terminal
					6-10	11-15	16-20	period
Total sales growth	2.1%	3.0%	3.0%	3.0%	3.0%	1.5%	1.5%	1.5%
EBITDA margin	16.2%	16.6%	16.9%	16.9%	16.9%	16.9%	16.9%	16.9%
Depreciation % of sales	-5.0%	-4.8%	-4.7%	-4.7%	-4.7%	-4.7%	-4.7%	-4.7%
EBITA margin	11.2%	11.8%	12.3%	12.3%	12.3%	12.3%	12.3%	12.3%
Amortisations % of sales	-1.1%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	0.0%
EBIT margin	10.1%	10.7%	11.3%	11.3%	11.3%	11.3%	11.3%	11.3%
Capex % of sales	-5.2%	-5.0%	-4.9%	-4.9%	-4.9%	-4.9%	-4.9%	-4.9%
Paid tax rate	-22.0%	-22.0%	-22.0%	-22.0%	-22.0%	-22.0%	-22.0%	-22.0%
NWC to sales	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%	23.3%
Valuation	(curr.)m	Per share		WACC assumptions				
EV (discounted FCF)	471	25.2		Risk free interest rate				4.0%
- Net debt (2024)	-141	-7.5		Debt risk premium				2.0%
+ Associates	0	0.0		Equity risk premium				4.0%
- Minority interest	0	0.0		Equity beta				1.23
- Outstanding warrants	0	0.0		Cost of Equity				8.9%
Other debt adjustments	0	0.0		Tax rate				22.0%
ESG penalty	0	0.0		After tax cost of debt				4.7%
Equity value at YE (24)	330	17.6		Equity weight				90%
Time adjustment	10	0.6		WACC				8.5%
Dividend	-9	-0.5						
Current equity value	331	17.7						

Source: DNB Carnegie

Fair value sensitivity based on terminal growth and WACC

		WACC						
		7.0%	7.5%	8.0%	8.5%	9.0%	9.5%	10.0%
Terminal growth	0.0%	23.1	20.8	18.8	17.0	15.5	14.1	12.8
	0.5%	23.6	21.2	19.1	17.2	15.6	14.2	12.9
	1.0%	24.2	21.6	19.4	17.5	15.8	14.3	13.0
	1.5%	24.8	22.1	19.7	17.7	16.0	14.5	13.2
	2.0%	25.6	22.6	20.1	18.0	16.2	14.7	13.3
	2.5%	26.5	23.3	20.6	18.4	16.5	14.8	13.4
	3.0%	27.7	24.1	21.2	18.8	16.8	15.1	13.6

Source: DNB Carnegie

Relais - Peer group valuation

Company	Mkt cap EURm	Perf (%) YTD	EV/S (x)		EV/EBITA (x)		P/E adj. (x)		Sales growth		EBITA margin		ROCE		PBV		Yield 2025e	
			2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	FCF	Div.
Nordic compounders																		
Addlife	2,028	37%	2.5	2.3	21.2	18.9	26.0	22.6	4%	6%	11.7%	12.1%	8%	9%	4.0	3.8	4%	1%
Addtech 1)	8,398	16%	4.4	4.1	29.3	26.8	37.9	34.5	3%	6%	15.0%	15.3%	20%	22%	11.2	9.7	2%	1%
Beijer Alma	1,037	30%	2.0	1.9	14.6	12.7	19.0	16.7	5%	3%	14.0%	14.9%	12%	13%	2.7	2.4	5%	2%
Beijer Ref 2)	6,796	-6%	2.3	2.2	21.7	19.7	29.3	26.4	6%	5%	10.7%	11.0%	10%	11%	3.0	2.8	4%	1%
Bufab 2)	1,505	-1%	2.4	2.2	18.4	16.4	23.2	20.4	2%	5%	12.8%	13.3%	13%	14%	3.7	3.4	6%	1%
Idun Industrier	289	25%	2.4	2.3	16.7	15.7	28.9	27.6	4%	4%	14.2%	14.4%	11%	13%	6.6	6.1	4%	0%
Indutrade 1)	9,362	2%	3.3	3.1	22.9	21.0	29.3	27.0	1%	5%	14.4%	14.7%	13%	14%	5.5	5.0	3%	1%
Lagercrantz 1)	4,431	16%	5.2	4.9	29.2	27.3	36.2	33.5	9%	4%	17.9%	18.1%	18%	19%	10.6	9.2	2%	1%
Lifco 1)	15,685	26%	6.7	6.3	29.5	27.2	37.7	34.9	9%	5%	22.8%	23.1%	16%	18%	8.7	7.6	3%	1%
NCAB 2)	779	-30%	2.4	2.2	21.0	18.4	27.2	23.4	4%	5%	11.5%	12.3%	12%	15%	5.0	4.7	4%	2%
Norva24 2)	614	38%	2.1	1.9	18.0	16.0	24.6	21.5	8%	5%	11.6%	12.0%	9%	10%	2.8	2.5	3%	0%
Relais Group 2)	275	17%	1.3	1.2	11.6	10.4	12.3	11.2	2%	3%	11.0%	11.5%	11%	11%	2.2	2.0	7%	2%
Sdiptech	785	-2%	2.4	2.2	12.3	11.3	14.5	12.5	4%	4%	19.6%	19.7%	9%	10%	1.9	1.7	5%	0%
Storskogen	1,581	-3%	0.9	0.8	9.2	8.2	9.5	8.6	-3%	3%	9.7%	10.1%	7%	8%	0.9	0.9	10%	1%
Volati	914	29%	1.5	1.4	15.3	12.8	20.1	16.4	14%	4%	9.7%	10.8%	11%	13%	6.6	5.3	3%	1%
Total median	1,505	16%	2.4	2.2	18.4	16.4	26.0	22.6	4%	5%	12.8%	13.3%	11%	13%	4.0	3.8	4%	1%
Median of proven compounders		16%	4.8	4.5	29.3	27.0	36.9	34.0	6%	5%	16.5%	16.7%	17%	19%	9.6	8.4	3%	1%
Median excl. proven compounders		17%	2.3	2.2	16.7	15.7	23.2	20.4	4%	4%	11.6%	12.1%	11%	11%	3.0	2.8	4%	1%
Median of sector specialist compounders		-3%	2.3	2.2	19.7	17.4	25.9	22.5	5%	5%	11.5%	12.1%	11%	12%	3.4	3.1	4%	1%
1) proven compounders; 2) sector specialists																		
International vehicle service and parts companies																		
Inter Cars	1,939	11%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	12%	12%	5.6%	5.3%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Advance Auto Parts	1,781	-29%	0.5	0.5	-96.8	-276.4	21.3	11.9	-7%	1%	-0.5%	-0.2%	3%	4%	0.9	0.9	-3%	3%
Genuine Parts Co.	15,069	5%	0.9	0.8	13.1	11.9	15.5	14.1	3%	4%	6.5%	6.9%	14%	14%	3.5	3.2	5%	3%
LKQ	9,732	15%	1.0	1.0	10.1	9.5	11.7	10.8	-1%	3%	10.3%	10.2%	12%	13%	1.6	1.5	8%	n.a.
Meko	669	-4%	0.6	0.5	8.3	6.5	10.0	8.8	5%	3%	6.7%	7.2%	9%	11%	1.1	n.a.	14%	4%
Duell	34	-4%	0.4	0.4	6.4	5.2	8.1	7.1	4%	4%	6.2%	6.8%	6%	8%	0.6	0.6	7%	2%
Auto Partner	663	9%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	19%	6.9%	6.9%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Median	1,781	5%	0.6	0.5	8.3	6.5	11.7	10.8	3%	4%	6.5%	6.9%	9%	11%	1.1	1.2	7%	3%
Total median	1,505	10%	2.2	2.1	16.0	14.3	22.3	18.6	4%	4%	11.2%	11.7%	11%	13%	3.2	3.2	4%	1%

Source: DNB Carnegie, FactSet

Table and data updated on:

13-May-25

Risks

The largest upside potential stems from stronger than expected underlying demand in Relais' home markets, larger operational efficiency gains, successful acquisitions that expand Relais' target market and faster-than-expected organic growth. The main downside risks are a weakening economic environment or geopolitical shocks or pandemics that impact demand negatively, increasing competitive pressures, supply chain constraints that affect delivery times and tie up NWC, shortages of e.g. vehicle mechanics, or low capacity utilisation. Unsuccessful M&A and high leverage would also weigh on Relais' potential to meet its targets

Interim figures

Relais P&L

	Q1(24)	Q2(24)	Q3(24)	Q4(24)	Q1(25)	Q2(25e)	Q3(25e)	Q4(25e)	2021	2022	2023	2024	2025e	2026e	2027e
EURm															
Sales	82.8	74.3	74.9	90.7	82.8	76.1	77.6	93.0	237.8	260.7	284.3	322.6	329.4	339.3	349.4
Material and services	-44.6	-38.9	-38.9	-49.1	-41.7	-38.3	-38.8	-46.8	-138.2	-143.5	-155.3	-171.4	-165.6	-170.2	-175.0
Gross profit	38.2	35.4	36.0	41.6	41.1	37.7	38.8	46.2	99.6	117.2	128.9	151.2	163.8	169.0	174.4
Employee expenses	-16.9	-17.0	-16.7	-19.2	-19.8	-20.0	-19.7	-19.9	-46.9	-55.0	-59.1	-69.8	-79.4	-81.1	-83.1
Other operating income & expenses	-7.7	-7.3	-6.4	-8.1	-8.3	-8.1	-6.6	-8.1	-16.6	-25.6	-26.3	-29.5	-31.2	-31.7	-32.2
- of which NRI	0.0	0.0	0.0	-0.6	-0.2	0.0	0.0	0.0	-2.6	-2.8	-0.3	-0.6	-0.2	0.0	0.0
EBITDA	13.5	11.1	13.0	14.3	13.0	9.6	12.5	18.1	36.0	36.6	43.5	51.9	53.3	56.3	59.2
Depreciation	-3.8	-3.8	-3.9	-4.3	-4.0	-4.1	-4.1	-4.1	-10.3	-13.6	-15.0	-15.7	-16.3	-16.3	-16.3
EBITA	9.7	7.3	9.1	10.0	9.0	5.5	8.4	14.0	25.7	23.0	28.6	36.1	36.9	40.0	42.9
Amortisations of acquisitions	-0.7	-0.7	-0.7	-1.0	-0.8	-0.9	-0.9	-0.9	-2.7	-3.3	-3.4	-3.1	-3.5	-3.5	-3.5
EBIT	9.0	6.6	8.4	9.0	8.1	4.6	7.5	13.1	23.0	19.7	25.1	33.0	33.4	36.4	39.3
Net financial items	-3.1	-1.7	-1.9	-2.5	-0.6	-2.2	-2.3	-2.3	-4.6	-6.5	-7.4	-9.2	-7.4	-7.3	-7.0
PTP	5.8	4.9	6.5	6.5	7.5	2.4	5.2	10.8	18.5	13.1	17.7	23.8	26.0	29.2	32.4
Tax	-2.0	-1.6	-1.9	0.2	-1.6	-0.5	-1.2	-2.4	-4.1	-3.1	-4.0	-5.2	-5.7	-6.4	-7.1
Net profit	3.9	3.3	4.6	6.7	5.9	1.9	4.1	8.4	14.4	10.0	13.7	18.5	20.3	22.8	25.3
Minorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit to parent company	3.9	3.3	4.6	6.7	5.9	1.9	4.1	8.4	14.3	10.0	13.7	18.5	20.3	22.8	25.3
Shares, weighted avg., million	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7	17.9	18.6	18.8	18.7	18.7	18.7	18.7
EPS adjusted (diluted)	0.35	0.30	0.39	0.43	0.46	0.15	0.27	0.50	1.06	0.83	0.93	1.18	1.28	1.41	1.54
Growth Y/Y (%)	Q1(24)	Q2(24)	Q3(24)	Q4(24)	Q1(25)	Q2(25e)	Q3(25e)	Q4(25e)	2021	2022	2023	2024	2025e	2026e	2027e
Sales	20.0%	15.8%	6.6%	12.0%	0.1%	2.4%	3.6%	2.6%	84.4%	9.6%	9.0%	13.5%	2.1%	3.0%	3.0%
EBITDA	21.7%	28.8%	7.4%	21.8%	-3.7%	-12.9%	-3.7%	26.7%	64.9%	1.6%	19.0%	19.1%	2.7%	5.7%	5.2%
EBIT	34.9%	65.8%	11.1%	29.6%	-9.1%	-29.7%	-10.4%	45.1%	29.1%	-14.6%	27.8%	31.2%	1.3%	9.1%	8.0%
EPS Y/Y	15.3%	79.0%	8.9%	11.0%	29.3%	-23.5%	-29.7%	41.7%	2.2%	-32.7%	35.8%	35.2%	9.7%	12.3%	11.0%
Profitability (%)	Q1(24)	Q2(24)	Q3(24)	Q4(24)	Q1(25)	Q2(25e)	Q3(25e)	Q4(25e)	2021	2022	2023	2024	2025e	2026e	2027e
Gross margin	46.2%	47.7%	48.1%	45.9%	49.6%	49.6%	50.0%	49.6%	41.9%	45.0%	45.4%	46.9%	49.7%	49.8%	49.9%
EBITA margin	11.7%	9.8%	12.2%	11.0%	10.8%	7.3%	10.9%	15.1%	10.8%	8.8%	10.0%	11.2%	11.2%	11.8%	12.3%
EBIT margin	10.8%	8.9%	11.2%	10.0%	9.8%	6.1%	9.7%	14.1%	9.7%	7.5%	8.8%	10.2%	10.1%	10.7%	11.3%
Adjusted numbers, EURm	Q1(24)	Q2(24)	Q3(24)	Q4(24)	Q1(25)	Q2(25e)	Q3(25e)	Q4(25e)	2021	2022	2023	2024	2025e	2026e	2027e
Adj. EBITA	9.7	7.3	9.1	10.6	9.2	5.5	8.4	14.0	28.3	25.8	28.9	36.7	37.2	40.0	42.9
Adj. EBIT	9.0	6.6	8.4	9.6	8.4	4.6	7.5	13.1	25.6	22.5	25.4	33.6	33.6	36.4	39.3
Adj. net profit	6.6	5.6	7.3	8.1	8.5	2.8	5.0	9.3	19.1	15.5	17.4	22.1	23.9	26.3	28.8
Adj. EBITA margin	11.7%	9.9%	12.2%	11.7%	11.1%	7.3%	10.9%	15.1%	11.9%	9.9%	10.1%	11.4%	11.3%	11.8%	12.3%
Adj. EBIT margin	10.8%	8.9%	11.2%	10.6%	10.1%	6.1%	9.7%	14.1%	10.8%	8.6%	9.0%	10.4%	10.2%	10.7%	11.3%

Source: DNB Carnegie (estimates) & company

Sales by product line

	Q1(24)	Q2(24)	Q3(24)	Q4(24)	Q1(25)	Q2(25e)	Q3(25e)	Q4(25e)	2021	2022	2023	2024	2025e	2026e	2027e
EURm															
Equipment	17.2	13.1	12.1	17.4	15.7	13.4	12.6	17.9	33.2	33.1	48.4	59.8	59.7	61.5	63.3
Lighting	14.8	11.2	14.9	21.8	15.4	11.6	15.5	22.4	61.9	62.1	59.8	62.7	64.9	66.8	68.8
Spare parts	24.4	23.6	22.3	22.2	22.0	22.4	23.0	22.8	80.1	78.9	83.2	92.5	90.3	93.0	95.8
Repair and maintenance	25.9	25.6	25.4	28.7	29.1	28.4	26.2	29.5	60.0	85.6	91.9	105.6	113.2	116.6	120.1
Other	0.5	0.8	0.1	0.6	0.6	0.3	0.3	0.3	2.6	1.0	0.8	2.0	1.3	1.3	1.3
Total	82.8	74.3	74.9	90.7	82.8	76.1	77.6	93.0	237.8	260.7	284.3	322.6	329.4	339.3	349.4
Y/Y change (%)	Q1(24)	Q2(24)	Q3(24)	Q4(24)	Q1(25)	Q2(25e)	Q3(25e)	Q4(25e)	2021	2022	2023	2024	2025e	2026e	2027e
Equipment	83%	34%	-9%	9%	-9%	3%	4%	3%	33%	0%	46%	23%	0%	3%	3%
Lighting	0%	14%	-5%	12%	4%	3%	4%	3%	107%	0%	-4%	5%	4%	3%	3%
Spare parts	27%	13%	8%	-1%	-10%	-5%	3%	3%	11%	-1%	5%	11%	-2%	3%	3%
Repair and maintenance	5%	12%	19%	24%	12%	11%	3%	3%	n.m.	43%	7%	15%	7%	3%	3%
Other	n.m.	n.m.	n.m.	n.m.	15%	-68%	140%	-61%	24%	-62%	-16%	142%	-35%	0%	0%
Total	20%	16%	7%	12%	0%	2%	4%	3%	84%	10%	9%	13%	2%	3%	3%

Source: DNB Carnegie (estimates) & company

Financial statements										
Profit & loss (EURm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	72	99	129	238	261	284	323	329	339	349
COGS	-48	-66	-84	-138	-143	-155	-171	-166	-170	-175
Gross profit	24	33	45	100	117	129	151	164	169	174
Other income & costs	-16	-20	-23	-64	-81	-85	-99	-111	-113	-115
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
EBITDA	9	13	22	36	37	44	52	53	56	59
Depreciation PPE	0	0	0	-1	-2	-2	-2	-2	-2	-2
Depreciation lease assets	0	0	-3	-9	-12	-13	-14	-14	-14	-14
Amortisation development costs	0	0	0	0	0	0	0	0	0	0
Amortisation other intangibles	0	0	0	0	0	0	0	0	0	0
Impairments / writedowns	0	0	0	0	0	0	0	0	0	0
EBITA	8	13	18	26	23	29	36	37	40	43
Amortization acquisition related	-3	-5	0	-3	-3	-3	-3	-4	-4	-4
Impairment acquisition related	0	0	0	0	0	0	0	0	0	0
EBIT	6	8	18	23	20	25	33	33	36	39
Share in ass. operations and JV	0	0	0	0	0	0	0	0	0	0
Net financial items	-1	-5	-2	-5	-7	-7	-10	-7	-7	-7
of which interest income/expenses	-1	-5	-3	-2	-3	-6	-6	-5	-4	-4
of which interest on lease liabilities	0	0	0	-1	-2	-2	-2	-2	-2	-2
of which other items	0	0	1	-1	-2	0	-2	-1	-1	-1
Pre-tax profit	5	3	16	18	13	18	23	26	29	32
Taxes	-2	-2	-3	-4	-3	-4	-5	-6	-6	-7
Post-tax minorities interest	0	0	0	0	0	0	0	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Net profit	3	1	13	14	10	14	18	20	23	25
Adjusted EBITDA	9	17	22	39	39	44	52	53	56	59
Adjusted EBITA	8	16	18	28	26	29	37	37	40	43
Adjusted EBIT	6	11	18	26	23	25	34	34	36	39
Adjusted net profit	6	6	14	19	16	18	22	24	26	29
Sales growth Y/Y	19.9%	36.6%	30.4%	84.4%	9.6%	9.0%	13.5%	2.1%	3.0%	3.0%
EBITDA growth Y/Y	4.7%	52.8%	63.7%	64.9%	1.6%	19.0%	19.1%	2.7%	5.7%	5.2%
EBITA growth Y/Y	3.8%	54.6%	41.3%	40.3%	-10.5%	24.1%	26.5%	2.2%	8.2%	7.3%
EBIT growth Y/Y	-6.8%	37.3%	127.2%	29.1%	-14.6%	27.8%	31.2%	1.3%	9.1%	8.0%
EBITDA margin	12.0%	13.5%	16.9%	15.1%	14.0%	15.3%	16.1%	16.2%	16.6%	16.9%
EBITA margin	11.6%	13.1%	14.2%	10.8%	8.8%	10.0%	11.2%	11.2%	11.8%	12.3%
EBIT margin	7.9%	7.9%	13.8%	9.7%	7.5%	8.8%	10.2%	10.1%	10.7%	11.3%
Tax rate	31.4%	76.5%	18.9%	22.2%	23.7%	21.1%	22.3%	22.0%	22.0%	22.0%
Cash flow (EURm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	9	13	22	36	37	44	52	53	56	59
Paid taxes	-2	-2	-3	-4	-3	-4	-5	-6	-6	-7
Change in NWC	-3	-19	10	-23	0	-4	-4	-6	-2	-2
Non cash adjustments	-1	9	-9	5	-5	-6	-8	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0	0	0
Total operating activities	3	2	19	13	29	31	35	41	48	50
Capex tangible assets	0	0	0	-2	-2	-4	-3	-3	-3	-3
Capitalised development costs	0	0	0	0	0	0	0	0	0	0
Capex - other intangible assets	0	0	0	0	0	0	0	0	0	0
Acquisitions/divestments	-1	-65	-9	-53	-15	-4	-4	0	0	0
Other non-cash adjustments	0	0	0	0	0	0	0	0	0	0
Total investing activities	-1	-64	-9	-55	-16	-8	-7	-3	-3	-3
Net financial items	-1	-5	-2	-5	-7	-7	-10	-7	-7	-7
Lease payments	0	0	-3	-8	-11	-12	-13	-13	-13	-13
Dividend paid and received	0	0	-2	-5	-6	-7	-8	-9	-6	-7
Share issues & buybacks	0	48	0	1	0	0	-1	0	0	0
Change in bank debt	-2	42	-1	32	9	-8	-5	0	0	0
Other cash flow items	1	0	0	0	-2	0	0	0	0	0
Total financing activities	-1	85	-7	16	-16	-33	-35	-28	-25	-25
Operating cash flow	3	2	19	13	29	31	35	41	48	50
Free cash flow	2	-4	15	-1	11	9	11	20	26	28
Net cash flow	1	22	3	-26	-3	-10	-8	10	20	21
Change in net IB debt	3	-21	2	-60	-14	-5	-5	8	17	19
Capex / Sales	0.3%	0.4%	0.2%	1.0%	0.6%	1.4%	0.9%	0.9%	0.9%	0.9%
NWC / Sales	43.6%	42.8%	36.5%	22.7%	25.1%	23.6%	21.6%	22.4%	22.9%	22.9%

Source: DNB Carnegie (estimates) & company data

Financial statements, cont.

Balance sheet (EURm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Acquired intangible assets	5	54	66	117	118	120	120	117	113	110
Other fixed intangible assets	0	1	3	15	15	13	12	12	12	12
Capitalised development	0	0	0	0	0	0	0	0	0	0
Tangible assets	1	1	1	5	4	5	6	6	7	8
Lease assets	0	0	17	54	56	61	56	56	56	56
Other IB assets (1)	0	-1	1	1	0	0	0	0	0	0
Other non-IB assets	0	0	0	0	1	1	1	1	1	1
Fixed assets	6	54	88	192	194	200	195	192	189	186
Inventories (2)	29	43	45	73	68	74	84	85	88	91
Receivables (2)	8	15	16	31	33	41	41	46	47	49
Prepaid exp. & other NWC items (2)	0	0	0	0	0	0	0	0	0	0
IB current assets (1)	0	0	0	0	0	0	0	0	0	0
Other current assets	3	0	0	3	4	4	2	2	2	2
Cash & cash equivalents (1)	2	30	35	12	14	10	10	20	40	61
Current assets	42	88	95	119	119	129	136	153	177	202
Total assets	48	142	183	311	313	329	330	345	366	389
Shareholders' equity	17	64	80	104	104	111	118	129	145	163
Minorities	1	0	0	0	0	0	0	0	0	0
Other equity	0	0	0	0	0	0	0	0	0	0
Total equity	17	64	81	104	104	111	118	129	145	163
Deferred tax	0	2	3	6	6	5	4	4	4	4
LT IB debt (1)	14	60	58	92	97	89	85	85	85	85
Other IB provisions (1)	0	0	0	0	0	0	0	0	0	0
Lease liabilities	0	0	14	44	45	49	46	49	52	55
Other non-IB liabilities	2	0	0	1	0	0	0	0	0	0
LT liabilities	16	62	76	143	148	144	135	138	141	144
ST IB debt (1)	6	5	8	17	19	21	20	20	20	20
Payables (2)	4	7	18	39	35	47	54	55	56	58
Accrued exp. & other NWC items (2)	0	0	0	0	0	0	0	0	0	0
Other ST non-IB liabilities	5	6	0	7	7	7	4	4	4	4
Liabilities - assets held for sale	0	0	0	0	0	0	0	0	0	0
Current liabilities	15	18	26	63	61	74	77	78	80	82
Total equity and liabilities	48	143	183	311	313	329	330	345	366	389
Net IB debt (=1)	17	35	45	140	148	150	141	133	116	98
Net working capital (NWC) (=2)	33	52	42	66	65	69	71	77	79	81
Capital employed (CE)	37	130	165	264	270	275	272	286	305	326
Capital invested (CI)	39	107	129	256	259	268	264	268	267	267
Equity / Total assets	36%	45%	44%	34%	33%	34%	36%	37%	40%	42%
Net IB debt / EBITDA	2.0	2.7	2.1	3.9	4.0	3.4	2.7	2.5	2.1	1.7
Per share data (EUR)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Adj. no. of shares in issue YE (m)	9.06	16.21	17.40	18.48	18.76	18.81	18.68	18.68	18.68	18.68
Diluted no. of Shares YE (m)	9.06	16.21	17.40	18.48	18.76	18.81	18.68	18.68	18.68	18.68
EPS	0.73	0.05	0.78	0.80	0.54	0.74	0.97	1.08	1.22	1.35
EPS adj.	1.32	0.51	0.82	1.06	0.83	0.94	1.18	1.28	1.41	1.54
CEPS	1.40	0.48	0.87	1.13	0.92	1.17	1.38	1.55	1.68	1.82
DPS	0.00	0.10	0.30	0.36	0.40	0.44	0.50	0.34	0.38	0.42
BVPS	1.82	3.93	4.62	5.63	5.54	5.88	6.29	6.88	7.76	8.73
Performance measures	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
ROE	24.4%	1.5%	18.3%	15.6%	9.6%	13.0%	15.9%	16.5%	16.6%	16.4%
Adj. ROCE pre-tax	23.3%	19.5%	13.2%	12.2%	8.3%	9.9%	12.2%	12.3%	12.7%	12.9%
Adj. ROIC after-tax	14.9%	5.2%	12.7%	11.4%	7.7%	8.6%	10.7%	10.9%	11.7%	12.5%
Valuation	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
FCF yield	0.8%	-1.4%	5.2%	-0.3%	3.9%	3.1%	3.9%	7.0%	9.2%	10.0%
Dividend yield YE	na	1.2%	2.0%	1.4%	3.9%	3.3%	3.8%	2.2%	2.5%	2.8%
Dividend payout ratio	0.0%	213.5%	38.3%	45.0%	74.3%	59.2%	51.6%	31.4%	31.2%	31.1%
Dividend + buy backs yield YE	na	1.3%	2.0%	1.3%	3.8%	3.1%	4.2%	2.2%	2.5%	2.8%
EV/Sales YE	na	1.72	2.34	2.64	1.30	1.42	1.21	1.27	1.18	1.10
EV/EBITDA YE	na	12.7	13.8	17.4	9.3	9.3	7.5	7.8	7.1	6.5
EV/EBITA YE	na	13.1	16.5	24.4	14.8	14.2	10.8	11.3	10.0	8.9
EV/EBITA adj. YE	na	10.5	16.3	22.1	13.1	14.0	10.6	11.3	10.0	8.9
EV/EBIT YE	na	21.6	16.9	27.2	17.3	16.1	11.8	12.5	11.0	9.7
P/E YE	na	>50	18.8	32.9	18.9	18.2	13.7	14.0	12.5	11.2
P/E adj. YE	na	16.1	17.9	24.8	12.2	14.4	11.3	11.9	10.8	9.9
P/BV YE	na	2.10	3.18	4.67	1.84	2.29	2.11	2.21	1.96	1.74
Share price YE (EUR)		8.25	14.7	26.3	10.2	13.5	13.3	15.2		

Source: DNB Carnegie (estimates) & company data

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