

# Relais Group

## Company report

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✓ Inderes corporate customer

This report is a summary translation of the report “Kannattavuus oikeenee odotuksiamme nopeammin” published on 11/10/2022 at 11:30 pm

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# Profitability improves faster than we expected

The Q3 figures reported by Relais yesterday were better than we expected, as the company's profitability improved faster than we anticipated after the softness earlier in the year and exceeded our estimate. Considering this we made positive changes to our estimates for both 2022 and 2023. We find the valuation of the share attractive. Thus, we reiterate our Buy recommendation and raise our target price to EUR 13.5 (previously EUR 13.0).

## Q3 report was better than we expected

In Q3, Relais' net sales grew by 10% to EUR 64.8 million, which was exactly in line with our estimate. Net sales growth was driven by acquisitions, especially in the repair and maintenance business, whereas net sales of wholesale that primarily developed organically was roughly in line with the comparison period. With the rise in prices, this is likely to mean lower volumes, which was expected considering the strong comparison period and changed operating landscape. In Q3, Relais generated an EBITA of EUR 7.7 million, which exceeded our EUR 5.9 million estimate clearly. This corresponds to a good EBITA margin of 11.9%, which was a relief after the beginning of the year and especially the Q2 profitability pressures. Profitability decreased from the comparison period, which is natural due to the change in net sales distribution. Q3 profitability was supported by the impact of price increases on the margins of wholesale operations and the corrective measures taken in maintenance and repair businesses have also started to bite.

## Our 2022 and 2023 estimates improved

Relais has not provided numerical guidance for 2022. We did not revise our short-term estimates for 2022 after the report but due to the stronger than expected Q3 report our 2022 EBITA estimate increased by 7%. We made positive adjustments to our 2023 estimates that reflects our expectations concerning profitability that started improving quicker than we anticipated. We anticipate that organic net sales will fall slightly in H1'23, as we expect that the fall in volumes resulting from a change in purchasing behavior due to high inflation will not be fully offset by price increases. Thus, our expectation of 2% net sales growth in 2023 is based on inorganic growth. We do, however, expect profitability to recover faster than previously anticipated, which is why we believe the company will reach the 2021 performance level already in 2023. Thanks to the increase in profitability estimates, our EBITA estimate for 2023 increased by 7%.

## The valuation is moderate in both absolute and relative terms

Adjusted P/E ratios for 2022 and 2023 based on our estimates are 15x and 12x, while the corresponding EV/EBITA ratios are 14x and 12.5x. With this year's moderate result, we feel the valuation multiples are reasonable, while the 2023 multiples are already attractive and, in our view, do not price the value creation potential of inorganic growth almost at all. With our updated estimates, Relais is valued at a small discount compared to its peer companies with similar businesses, but compared to the peer group of serial consolidators, the share is valued at a clear discount. In our opinion, Relais' justified valuation level can be found in the middle ground of these peer groups, and thus the relative valuation also supports our view of the upside in the valuation.

## Recommendation

**Buy**

(previous Buy)

**EUR 13.50**

(previous EUR 13.00)

**Share price:**

10.95



## Key figures

	2021	2022e	2023e	2024e
<b>Revenue</b>	237.8	260.9	265.2	275.8
<b>growth-%</b>	84%	10%	2%	4%
<b>EBIT adj.</b>	25.7	23.5	25.8	29.3
<b>EBIT-% adj.</b>	10.8 %	9.0 %	9.7 %	10.6 %
<b>Net Income</b>	14.4	10.0	13.4	16.4
<b>EPS (adj.)</b>	0.95	0.74	0.93	1.10
<b>P/E (adj.)</b>	27.3	14.8	11.8	9.9
<b>P/B</b>	4.6	1.8	1.7	1.6
<b>Dividend yield-%</b>	1.4 %	2.7 %	2.9 %	3.1 %
<b>EV/EBITA</b>	23.6	14.2	12.5	10.5
<b>EV/EBITDA</b>	16.9	9.1	8.2	7.2
<b>EV/S</b>	2.6	1.3	1.2	1.1

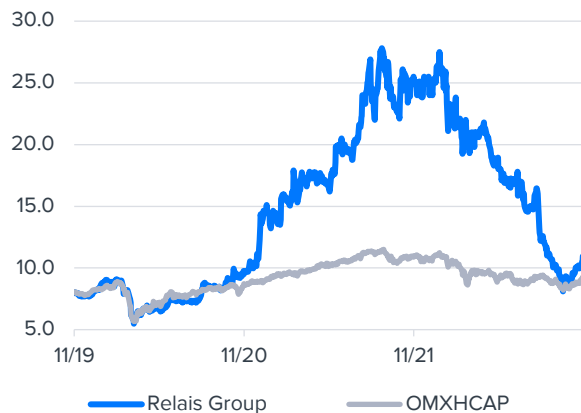
Source: Inderes

**Guidance**

(Unchanged)

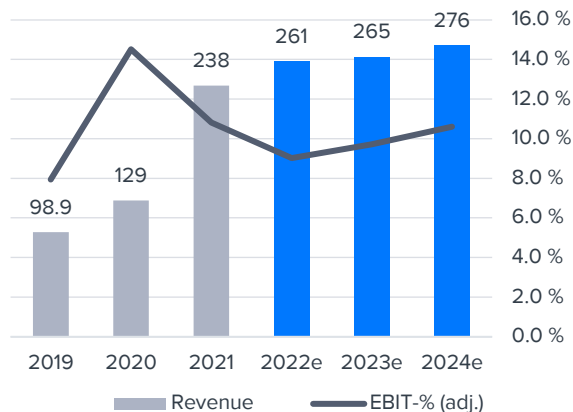
Relais does not provide numeric guidance for the 2022 financial year

## Share price



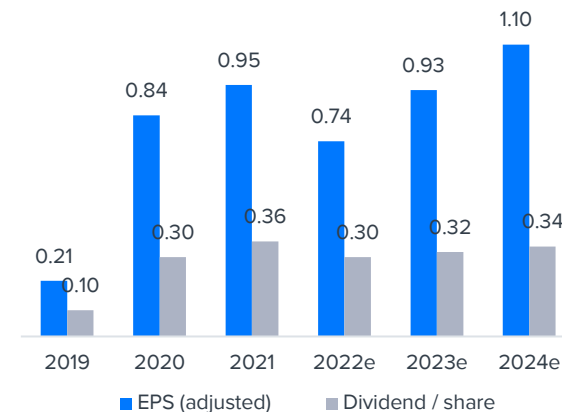
Source: Millstream Market Data AB

## Revenue and EBIT %



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
- Upward pressure in costs caused by high inflation

Valuation	2022e	2023e	2024e
Share price	11.0	11.0	11.0
Number of shares, millions	18.1	18.2	18.3
Market cap	199	199	199
EV	335	321	308
P/E (adj.)	14.8	11.8	9.9
P/E	19.8	14.9	12.2
P/B	1.8	1.7	1.6
P/S	0.8	0.7	0.7
EV/Sales	1.3	1.2	1.1
EV/EBITDA	9.1	8.2	7.2
EV/EBITA	14.2	12.5	10.5
Payout ratio (%)	54.2 %	43.6 %	38.0 %
Dividend yield-%	2.7 %	2.9 %	3.1 %

Source: Inderes

# Estimates

Estimates	Q3'21	Q3'22	Q3'22e	Q3'22e	Consensus		Difference (%)	2022e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low	High	Act. vs. inderes	Inderes
Revenue	58.7	64.8	64.8				0%	261
EBITDA	10.5	11.1	9.3				19%	36.6
EBITA	7.6	7.7	5.9				30%	23.5
PTP	6.1	5.1	3.0				70%	14.1
EPS (adj.)	0.27	0.25	0.22				14%	0.74
Revenue growth-%	79.5 %	10.3 %	10.3 %				0 pp	9.7 %
EBITA-%	12.9 %	11.9 %	9.1%				2.8 pp	9.0 %

Source: Inderes

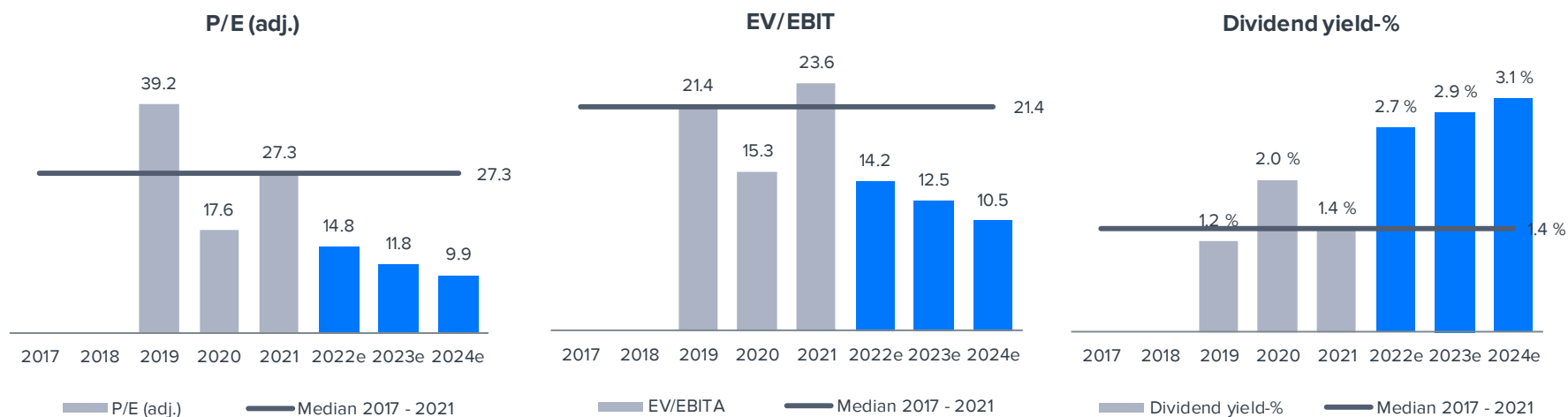
Estimate revisions	2022e	2022e	Change	2023e	2023e	Change	2024e	2024e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Revenue	261	261	0%	265	265	0%	276	276	0%
EBITDA	34.8	36.6	5%	37.4	39.2	5%	42.5	42.5	0%
EBIT (exc. NRIs)	21.9	23.5	7%	24.2	25.8	7%	29.3	29.3	0%
EBIT	18.4	20.2	10%	20.4	22.2	9%	25.5	25.5	0%
PTP	12.9	14.1	10%	14.8	16.7	12%	20.4	20.5	0%
EPS (excl. NRIs)	0.71	0.74	4%	0.86	0.93	8%	1.10	1.10	0%
DPS	0.30	0.30	0%	0.32	0.32	0%	0.34	0.34	0%

Source: Inderes

# Valuation table

Valuation	2017	2018	2019	2020	2021	2022e	2023e	2024e	2025e
Share price			8.25	14.7	26.0	11.0	11.0	11.0	11.0
Number of shares, millions			16.2	17.4	17.9	18.1	18.2	18.3	18.4
Market cap			134	256	466	199	199	199	199
EV			168	285	608	335	321	308	296
P/E (adj.)			39.2	17.6	27.3	14.8	11.8	9.9	9.6
P/E			>100	36.9	32.5	19.8	14.9	12.2	11.2
P/B			2.1	3.6	4.6	1.8	1.7	1.6	1.4
P/S			1.4	2.0	2.0	0.8	0.7	0.7	0.7
EV/Sales			1.7	2.2	2.6	1.3	1.2	1.1	1.0
EV/EBITDA			12.6	14.9	16.9	9.1	8.2	7.2	6.8
EV/EBITA			21.4	15.3	23.6	14.2	12.5	10.5	9.9
Payout ratio (%)			421.1%	75.3%	44.9%	54.2%	43.6%	38.0%	36.7%
Dividend yield-%			1.2%	2.0%	1.4%	2.7%	2.9%	3.1%	3.3%

Source: Inderes



# Peer group valuation

Peer group valuation Company	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
	MEUR	MEUR	2022e	2023e	2022e	2023e	2022e	2023e	2022e	2023e	2022e	2023e	2022e
Inter Cars SA	1205	1653	7.6	6.9	6.7	6.2	0.5	0.5	7.8	6.9	0.4	0.4	1.5
Advance Auto Parts Inc	10512	11556	10.8	10.1	8.5	8.0	1.0	1.0	13.5	12.1	3.2	3.4	3.3
Duell	52	89	12.7	11.9	9.4	8.5	0.7	0.7	16.9	10.1	2.0	3.0	1.6
Auto Partner SA	356	426	7.1	5.6	6.5	5.2	0.7	0.6	10.7	9.1	1.2	1.2	2.1
Genuine Parts Co	25074	27681	17.4	15.8	13.7	13.1	1.3	1.2	21.8	20.8	2.0	2.3	6.6
Uni-Select Inc	1347	1693	16.7	12.4	9.4	8.9	1.0	0.9	18.3	16.8			
LKQ Corp	13920	16119	10.6	10.4	9.2	9.2	1.3	1.3	13.4	12.6	2.0	2.3	2.6
O'Reilly Automotive Inc	51710	56001	19.2	17.9	17.2	16.0	3.9	3.7	25.3	22.3			
Autozone Inc	46654	52805	16.5	16.1	14.5	14.0	3.3	3.1	21.4	19.9			
Bapcor Ltd	1467	1802	14.0	12.6	9.8	8.9	1.5	1.4	17.6	16.2	3.1	3.4	2.1
Mekonomen AB	592	1079	11.9	10.5	7.0	6.5	0.8	0.8	10.1	9.1	3.1	3.3	1.2
<b>Relais Group (Inderes)</b>	<b>199</b>	<b>335</b>	<b>14.2</b>	<b>12.5</b>	<b>9.1</b>	<b>8.2</b>	<b>1.3</b>	<b>1.2</b>	<b>14.8</b>	<b>11.8</b>	<b>2.7</b>	<b>2.9</b>	<b>1.8</b>
<b>Average</b>			<b>13.1</b>	<b>11.8</b>	<b>10.2</b>	<b>9.5</b>	<b>1.5</b>	<b>1.4</b>	<b>16.1</b>	<b>14.2</b>	<b>2.1</b>	<b>2.4</b>	<b>2.6</b>
<b>Median</b>			<b>12.7</b>	<b>11.9</b>	<b>9.4</b>	<b>8.9</b>	<b>1.0</b>	<b>1.0</b>	<b>16.9</b>	<b>12.6</b>	<b>2.0</b>	<b>2.6</b>	<b>2.1</b>
<b>Diff-% to median</b>			<b>12%</b>	<b>5%</b>	<b>-2%</b>	<b>-8%</b>	<b>24%</b>	<b>20%</b>	<b>-12%</b>	<b>-7%</b>	<b>38%</b>	<b>12%</b>	<b>-13%</b>

# Income statement

Income statement	2020	Q1'21	Q2'21	Q3'21	Q4'21	2021	Q1'22	Q2'22	Q3'22	Q4'22e	2022e	2023e	2024e	2025e
<b>Revenue</b>	<b>128.9</b>	<b>53.5</b>	<b>52.1</b>	<b>58.7</b>	<b>73.5</b>	<b>238</b>	<b>62.1</b>	<b>58.6</b>	<b>64.8</b>	<b>75.4</b>	<b>261</b>	<b>265</b>	<b>276</b>	<b>284</b>
Relais Group	129	53.5	52.1	58.7	73.5	238	62.1	58.6	64.8	75.4	261	265	276	284
<b>EBITDA</b>	<b>19.1</b>	<b>7.5</b>	<b>7.0</b>	<b>10.5</b>	<b>11.0</b>	<b>36.0</b>	<b>8.9</b>	<b>6.6</b>	<b>11.1</b>	<b>10.1</b>	<b>36.6</b>	<b>39.2</b>	<b>42.5</b>	<b>43.3</b>
Depreciation	-8.0	-2.4	-3.6	-3.2	-3.8	-13.0	-3.9	-4.0	-4.3	-4.3	-16.5	-17.1	-17.1	-16.3
<b>EBITA</b>	<b>18.7</b>	<b>6.1</b>	<b>4.0</b>	<b>7.6</b>	<b>8.0</b>	<b>25.7</b>	<b>5.7</b>	<b>3.4</b>	<b>7.7</b>	<b>6.7</b>	<b>23.5</b>	<b>25.8</b>	<b>29.3</b>	<b>30.0</b>
<b>EBIT</b>	<b>11.1</b>	<b>5.1</b>	<b>3.4</b>	<b>7.3</b>	<b>7.3</b>	<b>23.0</b>	<b>5.0</b>	<b>2.6</b>	<b>6.8</b>	<b>5.8</b>	<b>20.2</b>	<b>22.2</b>	<b>25.5</b>	<b>27.0</b>
Net financial items	-0.7	-1.6	-0.5	-1.2	-1.2	-4.6	-1.2	-1.9	-1.7	-1.2	-6.0	-5.5	-5.0	-4.5
<b>PTP</b>	<b>10.4</b>	<b>3.5</b>	<b>2.8</b>	<b>6.1</b>	<b>6.1</b>	<b>18.5</b>	<b>3.8</b>	<b>0.7</b>	<b>5.1</b>	<b>4.6</b>	<b>14.1</b>	<b>16.7</b>	<b>20.5</b>	<b>22.5</b>
Taxes	-3.4	-0.9	-0.7	-1.5	-0.9	-4.1	-1.1	-0.7	-1.4	-0.9	-4.1	-3.3	-4.1	-4.5
Minority interest	-0.1	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
<b>Net earnings</b>	<b>6.9</b>	<b>2.6</b>	<b>2.1</b>	<b>4.5</b>	<b>5.2</b>	<b>14.4</b>	<b>2.7</b>	<b>0.0</b>	<b>3.7</b>	<b>3.7</b>	<b>10.0</b>	<b>13.4</b>	<b>16.4</b>	<b>18.0</b>
<b>EPS (adj.)</b>	<b>0.84</b>	<b>0.20</b>	<b>0.15</b>	<b>0.27</b>	<b>0.33</b>	<b>0.95</b>	<b>0.19</b>	<b>0.05</b>	<b>0.25</b>	<b>0.25</b>	<b>0.74</b>	<b>0.93</b>	<b>1.10</b>	<b>1.14</b>
<b>EPS (rep.)</b>	<b>0.40</b>	<b>0.14</b>	<b>0.12</b>	<b>0.25</b>	<b>0.29</b>	<b>0.80</b>	<b>0.15</b>	<b>0.00</b>	<b>0.20</b>	<b>0.20</b>	<b>0.55</b>	<b>0.73</b>	<b>0.90</b>	<b>0.98</b>

Key figures	2020	Q1'21	Q2'21	Q3'21	Q4'21	2021	Q1'22	Q2'22	Q3'22	Q4'22e	2022e	2023e	2024e	2025e
<b>Revenue growth-%</b>	30.3 %	79.7 %	78.3 %	79.5 %	97.5 %	84.5 %	16.2 %	12.5 %	10.3 %	2.5 %	9.7 %	1.6 %	4.0 %	3.0 %
<b>EBITA growth-%</b>	138.2 %	357.1 %	71.3 %	111.0 %	-29.8 %	37.5 %	-6.3 %	-15.0 %	1.1 %	-16.3 %	-8.6 %	9.6 %	13.5 %	2.6 %
<b>EBITDA-%</b>	14.8 %	14.0 %	13.4 %	17.9 %	15.0 %	15.1 %	14.3 %	11.2 %	17.1 %	13.4 %	14.0 %	14.8 %	15.4 %	15.2 %
<b>EBITA-%</b>	14.5 %	11.5 %	7.6 %	12.9 %	10.9 %	10.8 %	9.2 %	5.8 %	11.8 %	8.9 %	9.0 %	9.7 %	10.6 %	10.6 %
<b>Net earnings-%</b>	5.4 %	4.8 %	4.0 %	7.7 %	7.0 %	6.0 %	4.3 %	0.0 %	5.7 %	4.9 %	3.8 %	5.0 %	5.9 %	6.3 %

Source: Inderes

# Balance sheet

Assets	2020	2021	2022e	2023e	2024e
<b>Non-current assets</b>	<b>59.7</b>	<b>189</b>	<b>186</b>	<b>183</b>	<b>179</b>
Goodwill	58.2	114	114	114	114
Intangible assets	0.5	15.1	11.7	7.8	4.0
Tangible assets	0.7	59.0	60.1	60.2	60.3
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.1	0.1	0.1	0.1	0.1
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	0.3	0.8	0.0	0.0	0.0
<b>Current assets</b>	<b>94.9</b>	<b>119</b>	<b>117</b>	<b>115</b>	<b>120</b>
Inventories	44.3	73.4	78.3	76.9	77.2
Other current assets	2.9	0.0	0.0	0.0	0.0
Receivables	13.1	33.8	30.5	30.0	31.2
Cash and equivalents	34.7	11.8	7.8	8.1	11.5
<b>Balance sheet total</b>	<b>155</b>	<b>308</b>	<b>303</b>	<b>298</b>	<b>299</b>

Source: Inderes

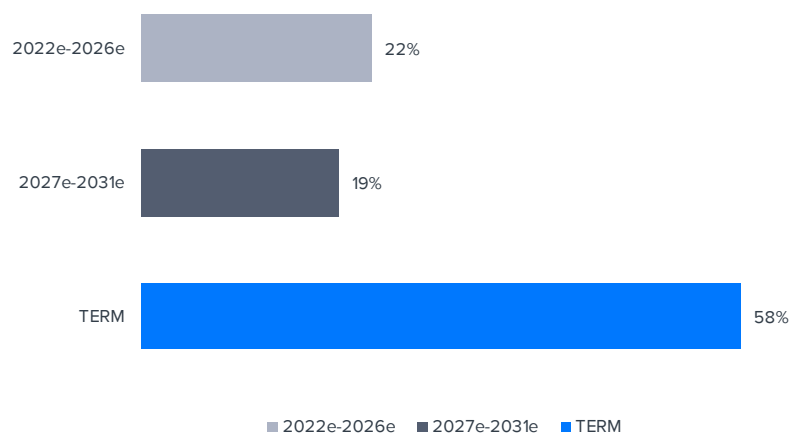
Liabilities & equity	2020	2021	2022e	2023e	2024e
<b>Equity</b>	<b>72.3</b>	<b>102</b>	<b>109</b>	<b>117</b>	<b>127</b>
Share capital	0.1	0.1	1.4	1.4	1.4
Retained earnings	15.6	34.2	37.8	45.7	56.3
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	56.2	67.7	69.3	69.3	69.3
Minorities	0.3	0.3	0.4	0.4	0.4
<b>Non-current liabilities</b>	<b>61.1</b>	<b>143</b>	<b>145</b>	<b>135</b>	<b>125</b>
Deferred tax liabilities	2.8	6.2	3.3	3.3	3.3
Provisions	0.2	0.0	0.0	0.0	0.0
Long term debt	58.0	135	140	130	120
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.1	2.3	1.6	1.6	1.6
<b>Current liabilities</b>	<b>21.2</b>	<b>62.8</b>	<b>49.2</b>	<b>45.9</b>	<b>46.6</b>
Short term debt	5.0	16.7	3.6	0.0	0.0
Payables	8.6	46.1	17.0	17.2	17.9
Other current liabilities	7.6	0.0	28.6	28.6	28.6
<b>Balance sheet total</b>	<b>155</b>	<b>308</b>	<b>303</b>	<b>298</b>	<b>299</b>



# DCF calculation

DCF model	2021	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	TERM
Revenue growth-%	84.5 %	9.7 %	1.6 %	4.0 %	3.0 %	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %	2.0 %	2.0 %
EBIT-%	9.7 %	7.7 %	8.4 %	9.2 %	9.5 %	11.5 %	11.5 %	11.5 %	11.3 %	11.2 %	11.2 %	11.2 %
<b>EBIT (operating profit)</b>	<b>23.0</b>	<b>20.2</b>	<b>22.2</b>	<b>25.5</b>	<b>27.0</b>	<b>33.5</b>	<b>34.3</b>	<b>35.2</b>	<b>35.4</b>	<b>36.0</b>	<b>36.7</b>	
+ Depreciation	13.0	16.5	17.1	17.1	16.3	14.3	13.3	14.0	13.9	14.1	14.1	
- Paid taxes	-1.2	-6.2	-3.3	-4.1	-4.5	-5.9	-6.1	-6.3	-6.4	-6.5	-6.6	
- Tax, financial expenses	-1.0	-1.7	-1.1	-1.0	-0.9	-0.8	-0.7	-0.7	-0.7	-0.7	-0.7	
+ 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	-17.0	-2.2	2.2	-0.8	-2.7	-2.3	-2.4	-2.4	-2.5	-2.6	-2.1	
<b>Operating cash flow</b>	<b>16.8</b>	<b>26.5</b>	<b>37.0</b>	<b>36.6</b>	<b>35.2</b>	<b>38.8</b>	<b>38.4</b>	<b>39.7</b>	<b>39.7</b>	<b>40.3</b>	<b>41.3</b>	
+ Change in other long-term liabilities	2.0	-0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-142.2	-14.1	-13.3	-13.4	-13.4	-13.5	-13.5	-13.5	-13.6	-14.0	-14.1	
<b>Free operating cash flow</b>	<b>-123</b>	<b>11.6</b>	<b>23.7</b>	<b>23.2</b>	<b>21.8</b>	<b>25.3</b>	<b>24.9</b>	<b>26.2</b>	<b>26.1</b>	<b>26.3</b>	<b>27.2</b>	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-123.5	11.6	23.7	23.2	21.8	25.3	24.9	26.2	26.1	26.3	27.2	464
<b>Discounted FCFF</b>		<b>11.5</b>	<b>21.7</b>	<b>19.7</b>	<b>17.1</b>	<b>18.4</b>	<b>16.8</b>	<b>16.3</b>	<b>15.1</b>	<b>14.1</b>	<b>13.5</b>	<b>230</b>
Sum of FCFF present value		395	383	361	342	325	306	289	273	258	244	230
<b>Enterprise value DCF</b>		<b>395</b>										
- Interesting bearing debt		-152										
+ Cash and cash equivalents		11.8										
-Minorities		-0.7										
-Dividend/capital return		-6.5										
<b>Equity value DCF</b>		<b>248</b>										
<b>Equity value DCF per share</b>		<b>13.7</b>										

Cash flow distribution



## Wacc

Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E))	25.0 %
Cost of debt	4.5 %
Equity Beta	1.25
Market risk premium	4.75%
Liquidity premium	1.00%
Risk free interest rate	2.5 %
<b>Cost of equity</b>	<b>9.4 %</b>
<b>Weighted average cost of capital (WACC)</b>	<b>8.0 %</b>

Source: Inderes

# Summary

Income statement	2019	2020	2021	2022e	2023e	Per share data	2019	2020	2021	2022e	2023e
Revenue	98.9	128.9	237.8	<b>260.9</b>	<b>265.2</b>	EPS (reported)	0.02	0.40	0.80	<b>0.55</b>	<b>0.73</b>
EBITDA	13.3	19.1	36.0	<b>36.6</b>	<b>39.2</b>	EPS (adj.)	0.21	0.84	0.95	<b>0.74</b>	<b>0.93</b>
EBIT	7.9	11.1	23.0	<b>20.2</b>	<b>22.2</b>	OCF / share	-0.19	1.17	0.94	<b>1.46</b>	<b>2.03</b>
PTP	2.5	10.4	18.5	<b>14.1</b>	<b>16.7</b>	FCF / share	-3.66	0.46	-6.88	<b>0.64</b>	<b>1.30</b>
Net Income	0.4	6.9	14.4	<b>10.0</b>	<b>13.4</b>	Book value / share	3.93	4.13	5.68	<b>5.98</b>	<b>6.39</b>
Extraordinary items	0.0	-7.6	-2.7	<b>-3.4</b>	<b>-3.6</b>	Dividend / share	0.10	0.30	0.36	<b>0.30</b>	<b>0.32</b>
Balance sheet	2019	2020	2021	2022e	2023e	Growth and profitability	2019	2020	2021	2022e	2023e
Balance sheet total	143.0	154.6	308.4	<b>303.0</b>	<b>297.6</b>	Revenue growth-%	37%	30%	84%	<b>10%</b>	<b>2%</b>
Equity capital	63.7	72.3	102.3	<b>108.9</b>	<b>116.8</b>	EBITDA growth-%	53%	43%	88%	<b>2%</b>	<b>7%</b>
Goodwill	53.7	58.2	114.5	<b>114.5</b>	<b>114.5</b>	EBIT (adj.) growth-%	37%	138%	38%	<b>-9%</b>	<b>10%</b>
Net debt	34.5	28.3	139.7	<b>135.8</b>	<b>121.9</b>	EPS (adj.) growth-%	-99%	298%	14%	<b>-22%</b>	<b>26%</b>
Cash flow	2019	2020	2021	2022e	2023e	EBITDA-%	13.5 %	14.8 %	15.1 %	<b>14.0 %</b>	<b>14.8 %</b>
EBITDA	13.3	19.1	36.0	<b>36.6</b>	<b>39.2</b>	EBIT (adj.)-%	7.9 %	14.5 %	10.8 %	<b>9.0 %</b>	<b>9.7 %</b>
Change in working capital	-15.1	1.3	-17.0	<b>-2.2</b>	<b>2.2</b>	EBIT-%	7.9 %	8.6 %	9.7 %	<b>7.7 %</b>	<b>8.4 %</b>
Operating cash flow	-3.1	20.3	16.8	<b>26.5</b>	<b>37.0</b>	ROE-%	1.0 %	10.2 %	16.5 %	<b>9.5 %</b>	<b>11.9 %</b>
CAPEX	-54.7	-12.4	-142.2	<b>-14.1</b>	<b>-13.3</b>	ROI-%	9.6 %	8.4 %	11.8 %	<b>8.0 %</b>	<b>8.9 %</b>
Free cash flow	-59.4	8.1	-123.5	<b>11.6</b>	<b>23.7</b>	Equity ratio	44.5 %	46.7 %	33.2 %	<b>35.9 %</b>	<b>39.3 %</b>
Valuation multiples	2019	2020	2021	2022e	2023e	Gearing	54.2 %	39.2 %	136.5 %	<b>124.7 %</b>	<b>104.3 %</b>
EV/S	1.7	2.2	2.6	<b>1.3</b>	<b>1.2</b>						
EV/EBITDA (adj.)	12.6	14.9	16.9	<b>9.1</b>	<b>8.2</b>						
EV/EBIT (adj.)	21.4	15.3	23.6	<b>14.2</b>	<b>12.5</b>						
P/E (adj.)	39.2	17.6	27.3	<b>14.8</b>	<b>11.8</b>						
P/B	2.1	3.6	4.6	<b>1.8</b>	<b>1.7</b>						
Dividend-%	1.2 %	2.0 %	1.4 %	<b>2.7 %</b>	<b>2.9 %</b>						

Source: Inderes

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Sell The 12-month risk-adjusted expected shareholder return of the share is very weak

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Date	Recommendation	Target price	Share price
18-10-19	Buy	9.00 €	7.35 €
24-02-20	Accumulate	9.00 €	8.37 €
28-02-20	Accumulate	9.00 €	8.25 €
27-03-20	Accumulate	7.00 €	6.51 €
10-08-20	Accumulate	8.50 €	7.80 €
17-08-20	Accumulate	9.50 €	8.68 €
08-12-20	Accumulate	12.00 €	10.15 €
15-12-20	Accumulate	13.00 €	12.25 €
05-01-21	Reduce	13.70 €	14.20 €
01-02-21	Reduce	16.50 €	15.60 €
26-02-21	Reduce	17.50 €	17.90 €
01-04-21	Reduce	18.00 €	17.80 €
13-08-21	Reduce	24.00 €	24.50 €
15-10-21	Reduce	25.00 €	25.30 €
05-11-21	Reduce	26.00 €	25.20 €
04-03-22	Accumulate	24.00 €	22.00 €
Analyst changes			
04-04-22	Accumulate	24.00 €	21.00 €
13-05-22	Accumulate	20.00 €	18.00 €
09-08-22	Accumulate	14.50 €	13.25 €
12-08-22	Accumulate	14.00 €	12.20 €
09-11-22	Buy	13.00 €	10.45 €
11-11-22	Buy	13.50 €	10.95 €



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