

RELAIS



Interim Management Statement
January–September 2022

Company release 10 November 2022, 9 a.m. EET

RELAIS GROUP PLC INTERIM MANAGEMENT STATEMENT January–September 2022 (unaudited)

Q3/2022: A STABLE QUARTER

Unless stated otherwise, figures in parentheses refer to the corresponding period of the previous year.

JULY–SEPTEMBER 2022 IN BRIEF

- Net sales totalled EUR 64.8 million (July– September 2021: 58.7), +10.3% change
- EBITDA was EUR 11.1 (10.5) million, 17.1% (17.9%) of net sales, +5.8% change
- Comparable EBITDA was EUR 11.3 (10.8) million, 17.5% (18.4%) of net sales, +4.9% change
- EBITA was EUR 7.7 (8.0) million, 11.9% (13.6%) of net sales, -3.8% change
- Comparable EBITA was EUR 7.9 (8.3) million, 12.3% (14.1%) of net sales, -4.3% change
- EBIT was EUR 6.8 (7.3) million, 10.5% (12.4%) of net sales, -6.5% change
- Comparable EBIT was EUR 7.1 (7.6) million, 10.9% (12.9%) of net sales, -6.9% change
- Comparable earnings per share excluding amortization of acquisitions (undiluted) was EUR 0.27 (0.31) *)
- Net cash flow from operations, MEUR 6,4 (-0.6) improved clearly from previous year
- The development of the EUR/SEK exchange rate during the review period had a negative impact on the Group's EBITA. At comparable exchange rates, EBITA during the review period would have been approximately EUR 0.2 million higher than reported

*) The average undiluted number of shares Jul–Sep 2022 was 18,132,308 and Jul–Sep 2021 17,941,433

JANUARY–SEPTEMBER 2022 IN BRIEF

- Net sales totalled EUR 185.5 million (January–September 2021: 164.3), +12.9% change
- EBITDA was EUR 26.5 (25.0) million, 14.3% (15.2%) of net sales, +6.2% change
- Comparable EBITDA was EUR 27.6 (26.9) million, 14.9% (16.4%) of net sales, +2.7% change
- EBITA was EUR 16.8 (17.7) million, 9.1% (10.8%) of net sales, -5.2% change
- Comparable EBITA was EUR 17.9 (19.6) million, 9.7% (12.0%) of net sales, -8.8% change
- EBIT was EUR 14.3 (15.8) million, 7.7% (9.6%) of net sales, -9.1% change
- Comparable EBIT was EUR 15.5 (17.7) million, 8.3% (10.8%) of net sales, -12.7% change
- Comparable earnings per share excluding amortization of acquisitions (undiluted) was EUR 0.55 (0.75) *)
- The development of the EUR/SEK exchange rate during the review period had a negative effect on the Group's EBITA. At comparable exchange rates, EBITA during the review period would have been approximately EUR 0.5 million higher than reported
- The AGM of 13 April 2022 decided on a dividend of 0.36 (0.30) EUR per share to be paid for FY2021
- On 25 October 2022, the company decided on transition to IFRS

*) The average undiluted number of shares Jan–Sep 2022 was 18,024,511 and Jan–Sep 2021 17,562,625.

KEY FIGURES

EUR thousand unless stated otherwise	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Net sales	64,780	58,741	185,498	164,283	237,830
Gross profit	28,777	24,832	83,544	67,785	99,588
EBITDA	11,071	10,495	26,505	24,963	36,005
EBITDA margin, %	17.1%	17.9%	14.3%	15.2%	15.1%
EBITA	7,684	7,990	16,797	17,710	25,727
EBITA margin, %	11.9%	13.6%	9.1%	10.8%	10.8%
Operating profit	6,818	7,292	14,340	15,772	23,042
Operating profit margin, %	10.5%	12.4%	7.7%	9.6%	9.7%
Profit (loss) for the period	3,691	4,562	6,341	9,219	14,377
Profit (loss) for the period margin, %	5.7%	4.1%	3.4%	5.6%	6%
Comparable profit (loss) excluding amortisation of goodwill	4,810	5,564	9,911	13,085	19,665
Comparable profit (loss) excluding amortisation of goodwill margin, %	7.4%	9.5%	5.3%	8%	8.3%
Return on equity (ROE)	-	-	8.2%	13.7%	15.5%
Equity ratio	31.8%	33.7%	31.8%	33.7%	33.6%
Net gearing	97.2%	81.4%	97.2%	81.4%	81.2%
Earnings per share, basic (EUR)	0.21	0.26	0.35	0.52	0.81
Earnings per share, diluted (EUR)	0.20	0.25	0.34	0.50	0.78
Comparable earnings per share, basic (EUR)	0.22	0.27	0.41	0.63	0.96
Comparable earnings per share, diluted (EUR)	0.21	0.26	0.40	0.61	0.92
Comparable earnings per share excluding amortisation of acquisitions, basic (EUR)	0.27	0.31	0.55	0.75	1.11
Comparable earnings per share excluding amortisation of acquisitions, diluted (EUR)	0.26	0.30	0.53	0.71	1.06
Personnel at the end of the period, FTE	998	848	998	848	950

***) The average undiluted number of shares Jan–Sep 2022 was 18,024,511 and Jan–Sep 2021 17,562,625. The average diluted number of shares Jan–Sep 2022 was 18,752,469 and Jan–Sep 2021 18,399,424.

2022 OUTLOOK AND LONG-TERM FINANCIAL TARGET

The Company does not provide a numeric guidance for financial year 2022. The company aims to reach pro forma net sales of 500 MEUR by the end of year 2026.

CEO ARNI EKHOLM COMMENTS QUARTER 3/2022:

“Relais Group sales developed positively during the third quarter and clearly exceeded the same period last year as the turnover grew with 10,3%. The turnover increase with comparable exchange rates was 12%. In addition, the profitability and cash flow improved clearly compared to the first half of the year. The development of the Scandinavian units was very strong, supported by the acquisitions especially in the repair and maintenance sector. The general market conditions in Scandinavia were clearly more positive than in the Finnish-Baltic markets. The turnover and profitability of the Finnish-Baltic business was on a lower level than last year, reflecting the general market development according to our own estimate.

Looking at the wholesale operations of the Group, we managed to reach the last year's turnover level with comparable exchange rates. The Scandinavian wholesale units reached a turnover growth of 8% during the quarter, supported by the positive local market development and the acquisition of Trucnik AB in Sweden. The turnover of the Finnish-Baltic wholesale operations declined with 8% as a result of the negative local market development. We have been able to move the inflation-related price increase pressure sufficiently to the product prices. This has enabled the stability of the gross margin levels within the wholesale operations.

The Group's repair and maintenance operations grew strongly driven by the acquisitions made in the Swedish market. STS Sydhamnens Trailer Service AB and Skeppsbrons Jönköping AB have strengthened Relais Group's position considerably as the biggest independent repair and maintenance operator for commercial vehicles in the Nordic region. The operational efficiency measures taken in Raskone Oy during the first half of the year started to give a positive effect in the profitability during the quarter. In addition, the changes made in the salary setting of the mechanics contributed positively to the recruitment and retainment of the workshop personnel of Raskone. The demand situation in all the Group's repair and maintenance companies was solid and the capacity utilization level grew clearly.

The sales of vehicle lighting products was stable reaching the last year's level, mainly due to several new product launches and the strong performance of Strands Group in the export markets. As a whole, the vehicle lighting season sales started somewhat later than during earlier years owing to the market uncertainty caused by the general economic situation. The uncertain demand situation is prevalent especially in Finland and in product segments directed to consumers. Supported by the implemented price increases, the gross margins of lighting products have largely remained on last year's levels. Also the sales of spare parts was on a stable level and in line with last year. The gross margins were on the same level as last year, due to successfully implemented price increases.

As we told in connection with the publishing of H1/2022 results, we have initiated several actions aiming at increasing the operating efficiency of the Group. We have started a program within the Finnish wholesale operations targeting at lowering the level of net working capital and increasing the efficiency of the pricing process. The program is advancing according to plan. We expect the level of net working capital is to go down during Q4 and the optimization of the pricing process is expected to increase the profitability during next year. In addition to this, all Group companies have increased the amount of different commercial activities to minimize the effects of the uncertain demand situation caused by the general market conditions.

When assessing our business outlook for the remainder of this year various external factors emerge, all of which are outside our circle of influence. The consequences of Russia's war on Ukraine cause great uncertainty in the demand situation of the markets. In addition, the steep increase of energy prices and general cost of living, the unstable geopolitical situation and its negative impact on the economy make it very challenging to estimate the market situation for the coming quarter. As before, the Company is not giving a numeric guidance of the rest of the year.

Looking at the factors within our circle of influence, we are well positioned to develop our business favorably also during the last quarter of the year 2022. Our ability to deliver lighting products during the ongoing season is good and we will launch a number of new products to the market also this year. We have been able to solve several challenges that faced our repair and maintenance business earlier this year. The demand situation in that business area looks stable. We believe that a possible economic recession may even increase the demand for reasonably priced spare parts and repair and maintenance services. We will also continue the active processing of corporate acquisitions over the coming year, and we expect target company valuations to decline to a more moderate level than before. This lays a good foundation for carrying out acquisitions and the implementation of our strategy also moving forward.

In this connection, I want to take the opportunity to express my warmest thanks to our skilled staff for a robust performance during this quarter. The almost thousand Relais Group-professionals in six countries work very hard to serve our customers even better every day."

STRATEGY

Relais' strategy is based on three key elements, which together also form a platform for the company's profitable growth in the future:

- Relais aims to continue growing at an average pace exceeding the market growth, which is supported by targeted synergies, e.g. cross-sales between the existing and acquired entities.
- Relais aims to grow through acquisitions by actively consolidating the Nordic vehicle aftermarket.
- Relais constantly strives to develop the operational efficiency of its business operations.

FINANCIAL REVIEW 1 JANUARY–30 SEPTEMBER 2022

Financial result

EBITDA for the period was EUR 26.5 (25.0) million or 14.3% (15.2%) of net sales, up by 6.3% in year-on-year comparison. The comparable EBITDA was EUR 27.6 (26.9) million or 14.9 (16.4) %, up by 2.7%.

The increasing proportion of commercial vehicle repair and maintenance business led to a shift in the cost structure. While gross margin was higher partially due to business mix, the total sales growth was insufficient to compensate for the increase in costs below gross margin, the increase in net sales did not lead to a corresponding increase in EBITDA. The increase in personnel and other operating expenses was mainly driven by acquisitions while cost development in other respects was moderate.

EBITA for the period was EUR 16.8 (17.7) million or 9.1 (10.8) % of net sales, down by -5.2%. Comparable EBITA was EUR 17.9 (19.6) million or 9.7 (12.0) % of net sales, down by -8.8%.

Operating profit for the period was EUR 14.3 (15.8) million or 7.7 (9.6) % of net sales, down by -9.1%. Comparable operating profit was EUR 15.5 (17.7) million or 8.3 (10.8) % of net sales, down by -12.7%.

The profit for the period was EUR 6.3 (9.2) million or 3.4 (5.6) % of net sales, down by -39.1%. The comparable profit for the period was EUR 7.5 (11.1) million or 4.0 (6.8) % of net sales, down by -33.1%. In addition to the development of the business, the decrease in profit for the review period was caused by increased financial expenses from acquisition loans and leasing liabilities related to acquisitions, as well as the effect of exchange rate differences on SEK-denominated loans.

When calculating comparable alternative performance measures, transaction costs and certain additional purchase price items of company acquisitions as well as listing costs are eliminated as items affecting comparability. These items, related to the implementation of the company's strategy, can be significant and vary significantly between reporting periods. Therefore, the comparable alternative performance measures calculated in this way are considered to better describe the Group's profitability and business performance.

Balance sheet, financing, and investments

The Group's balance-sheet total at the end of the review period on 30 September 2022 amounted to EUR 318.8 (295.9) million. The Group's equity was EUR 101.3 (99.6) million and its net debt excluding leasing liabilities at the end of the period was EUR 98.4 (81.1) million. Net gearing excluding leasing liabilities was 97.2% (81.4%), and the equity ratio was 31.8% (33.7%). Cash assets at the end of the review period were EUR 12.5 (19.9) million. The changes in the consolidated balance sheet key figures arose mainly from acquisitions, dividend distribution and changes in net working capital.

The maturity of the Group's senior financing agreement was extended by one year until the end of May 2024. At the same time the financing limits included in the agreement were raised. The maximum financial exposure under the restated financing agreement is EUR 133.7 million, consisting of a maximum of EUR 101.7 million in acquisition financing, EUR 25 million in uncommitted senior facilities agreement and an RCF limit of EUR 7 million. At the end of the review period, the undrawn portion of the uncommitted senior facilities was EUR 15.5 million and of RCF limit EUR 1.3 million.

Cash flow from operations was EUR 11.6 (5.3) million. Cash flow was significantly burdened by working capital tied up for advanced and increased product purchases during the first and second quarters. During Q3, the growth in net working capital stopped and started to decline towards the end of the quarter, turning the cash flow from operations clearly positive.

Cash flow used in investing activities was EUR -10.8 (-45.8) million, including additional consideration for STS Sydhamnens Trailer Service AB shares, cash consideration for Skeppsbrons Jönköping AB shares and cash consideration for SEC Scandinavia A/S and TD Tunga Delar Sverige AB minority shares. Investments of EUR -1.2 million in machinery and equipment mainly for repair workshop business were also included.

Cash flow from financing activities was EUR 0.1 (25.9) million. The amount of new acquisition loans drawn down from the existing facility during the review period was approximately EUR 16.5 million. A drawdown of EUR 3.5 million from the RCF facility was made during the review period and repaid in October. Repayments and interest payments on the loans were made in accordance with the repayment program. A total of EUR 6.5 million in dividends was paid out.

CHANGES IN THE GROUP STRUCTURE

On 24 May 2022, Relais completed the acquisition of the shares of Skeppsbrons Jönköping AB announced on 5 May 2022.

Skeppsbrons is a highly profitable and professionally managed heavy commercial vehicle repair and maintenance workshop in Jönköping, Sweden. It was established in 1984 and employs 37 professionals. Skeppsbrons is a multibrand workshop for heavy commercial vehicles and is also a certified service partner for MAN, Iveco and DAF. Skeppsbrons is specialized in the repair and maintenance of trucks, buses, trailers, cooling systems and lifts. The company also has a special competence in customizing heavy military vehicles for the defense sector.

Skeppsbrons Net Sales for the year 2021 was approximately 75.7 MSEK and the adjusted EBITDA was approximately 14.6 MSEK.

On 5 May 2022 Relais acquired the remaining 30 percent of shares in SEC Scandinavia A/S and 4.75 percent of shares in TD Tunga Delar Sverige AB from the minority shareholders. The purchase price of the remaining shares paid in cash was DKK 3.0 million for the shares of SEC Scandinavia A/S and SEK 26.4 million for the additional consideration and shares of TD Tunga Delar Sverige AB.

The 70 percent majority stake in SEC Scandinavia A/S and 95.25 percent stake in TD Tunga Delar Sverige AB had been acquired by Relais in 2020.

MAJOR EVENTS AFTER THE REVIEW PERIOD

On 25 October Relais announced that the company is transitioning to IFRS reporting starting from 1 January 2020.

INVITATION TO THE WEBCAST

Relais Group's CEO Arni Ekholm and CFO Pekka Raatikainen will present the result to the media, investors and analysts at a webcast on 10 November 2022 from 10:00 am EET. The webcast can be followed at: <https://relais.videosync.fi/2022-q3-results>.

Presentation material and video will be available on the company's website at <https://relais.fi/en/investors/> after the event.

ACCOUNTING PRINCIPLES OF THE INTERIM MANAGEMENT STATEMENT

The figures in the Interim management statement are unaudited and have been prepared in accordance with the International Financial Reporting Standards (IFRS) valid at the time of the release. The report is not

prepared in accordance with IAS34. The impact of COVID-19 pandemic and the Ukrainian war have been taken into account in applying the accounting principles.

COMPARABILITY OF FINANCIAL INFORMATION

Relais Group acquired Raskone Oy on 29 January 2021, Lumise Oy on 31 March 2021, Sydhamnens Trailer Service AB on 18 November 2021 and Trucknik Reservdelar AB on 16 December 2021.

The 2021 reference data in this Interim Management Statement does not include the figures for the companies acquired from the period preceding the commencement of their consolidation in 2021.

Relais Group acquired the shares of Skeppsbrons Jönköping AB on 24 May 2022. The 2021 reference data in this Half-year Report does not include the figures for Skeppsbron's.

Relais Group Plc

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Relais Group

Relais Group is a leading consolidator and acquisition platform on the vehicle aftermarket in the Nordic and Baltic countries. We have a sector focus in vehicle life cycle enhancement and related services. We also serve as a growth platform for the companies we own.

We are a profitable company seeking strong growth. We carry out targeted acquisitions in line with our growth strategy and want to be an active player in the consolidation of the aftermarket in our area of operation. Our acquisitions are targeted at companies having a good strategic fit with our group companies.

Our net sales in 2021 was EUR 237.8 (2020: 128.9) million. During 2021, we completed a total of six acquisitions. We employ approximately 1,000 professionals in six different countries. The Relais Group share is listed on Nasdaq Helsinki Ltd's Nasdaq First North Growth Market Finland with the stock symbol RELAIS.

www.relais.fi

TABLE SECTION, 1 January–30 September, 2022

CONSOLIDATED INCOME STATEMENT

EUR thousand	Jul-Aug 2022	Jul-Aug 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Net sales	64,780	58,741	185,498	164,283	237,830
Other operating income	599	540	2,012	2,135	3,074
Materials and services	-36,003	-33,021	-101,954	-96,498	-138,242
Employee benefit expenses	-12,216	-10,834	-40,403	-31,948	-46,945
Depreciation, amortisation and impairments	-4,252	-3,203	-12,165	-9,191	-12,963
Other operating expenses	-6,089	-4,931	-18,648	-13,009	-19,712
Operating profit	6,818	7,292	14,340	15,772	23,042
Financial income	908	305	3,541	720	1,222
Financial expenses	-2,639	-1,503	-8,362	-4,088	-5,794
Net financial expenses	-1,731	-1,198	-4,820	-3,368	-4,572
Profit before income taxes	5,087	6,094	9,519	12,404	18,470
Income taxes	-1,396	-1,532	-3,179	-3,185	-4,093
Profit for the financial year	3,691	4,562	6,341	9,219	14,377
Profit for the financial year attributable to					
Owners of the parent company	3,691	4,562	6,338	9,197	14,347
Minority interest	0	1	2	22	30
Earnings per share					
Basic earnings per share, euro	0.21	0.26	0.35	0.52	0.81
Diluted earnings per share, euro	0.20	0.25	0.34	0.50	0.78
CONSOLIDATED COMPREHENSIVE INCOME STATEMENT					
EUR thousand	Jul-Aug 2022	Jul-Aug 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Profit for the financial year	3,691	4,562	6,341	9,219	14,377
Other comprehensive income					
Items that may be subsequently reclassified to profit or loss					
Foreign currency translation difference	-911	-1,827	-3,214	-347	-620
Total other comprehensive income for the financial year	-911	-1,827	-3,214	-347	-620
Total comprehensive income for the financial year	2,780	2,735	3,127	8,873	13,757
Total comprehensive income attributable to					
Owners of the parent company	2,781	2,736	3,134	8,854	13,734
Non-controlling interests	-2	-1	-7	18	23

CONSOLIDATED BALANCE SHEET

EUR thousand	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets	14,467	14,089	15,066
Goodwill	116,972	108,380	116,630
Tangible assets	4,462	3,996	4,897
Right-of-use assets	53,627	50,760	54,143
Deferred tax assets	882	856	798
Other non-current assets	438	85	85
Total non-current assets	190,849	178,167	191,619
Current assets			
Inventories	77,038	65,547	73,352
Current tax receivables	1,693	1,234	2,588
Trade and other receivables	36,696	31,079	31,170
Cash at bank and in hand	12,525	19,863	11,803
Total current assets	127,951	117,723	118,912
Total assets	318,800	295,890	310,531

CONSOLIDATED BALANCE SHEET

EUR thousand	30 Sep 2022	30 Sep 2021	31 Dec 2021
EQUITY			
Share capital	80	80	80
Reserve for invested unrestricted equity	74,125	71,500	71,436
Translation differences	-4,836	-1,362	-1,632
Retained earnings	31,930	29,084	34,232
Equity attributable to owners of the parent company	101,299	99,301	104,117
Non-controlling interests	0	332	337
Total equity	101,299	99,633	104,455
LIABILITIES			
Non-current liabilities			
Loans from financial institutions	100,025	94,599	90,537
Lease liabilities	43,257	41,963	44,284
Other non-current financial liabilities	0	3,163	1,609
Other non-current liabilities	61	348	650
Deferred tax liabilities	5,911	5,947	6,179
Total non-current liabilities	149,254	146,021	143,259
Current liabilities			
Loans from financial institutions	10,731	6,379	6,042
Lease liabilities	11,555	9,370	10,641
Current tax liabilities	3,320	2,881	4,305
Trade and other payables	42,642	31,607	41,830
Total current liabilities	68,248	50,237	62,818
Total liabilities	217,501	196,257	206,076
Total equity and liabilities	318,800	295,890	310,531

CONSOLIDATED CASH FLOW STATEMENT

EUR thousand	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Cash flows from operating activities					
Profit for the financial year	3,691	4,562	6,341	9,219	14,377
Adjustments:					
Depreciation, amortisation and impairment losses	4,252	3,203	12,165	9,191	12,963
Financial income and expenses	1,325	1,095	3,274	2,999	3,889
Unrealised foreign exchange gains and losses	398	103	1,547	369	683
Income tax expense	1,396	1,532	3,179	3,185	4,093
Other adjustments	92	754	329	1,962	2,467
Cash flows before change in net working capital	11,154	11,249	26,834	26,925	38,472
Change in net working capital:					
Change in trade and other receivables (increase (-) / decrease (+))	-6,055	-5,003	-5,384	-5,313	-1,317
Change in inventories (increase (-) / decrease (+))	-967	-4,361	-4,062	-9,595	-14,814
Change in trade and other payables (increase (+) / decrease (-))	3,745	-922	394	-1,098	-1,293
Cash flows before finance items	7,878	963	17,781	10,919	21,048
Interest paid	-356	-753	-2,176	-2,455	-3,465
Interest received	23	17	64	41	67
Other financial items	-114	-144	-247	-260	-404
Dividends received	0	0	5	0	0
Income taxes paid	-1,184	-722	-3,866	-2,975	-4,052
Net cash from operating activities (A)	6,246	-640	11,561	5,270	13,194
Cash flows from investing activities					
Acquisition of intangible and tangible assets	-396	-396	-1,242	-1,567	-2,482
Proceeds from sale of tangible and intangible assets	-31	11	178	11	197
Acquisition of subsidiaries, net of cash acquired	-819	-3	-9,739	44,212	-52,872
Net cash used in investing activities (B)	-1,246	-388	-10,803	45,768	-55,157
Cash flows from financing activities					
Proceeds from current loans and borrowings	3,510	4,497	3,510	4,497	4,500
Repayment of current loans and borrowings	22	-6,189	-13	-6,189	-6,569
Proceeds from non-current loans and borrowings	0	300	16,500	40,735	40,735
Repayment of non-current loans and borrowings	-24	1,022	-3,347	-3,020	-6,743
Dividends paid	0	0	-6,459	-5,189	-5,189
Repayment of lease liabilities	-2,713	-2,181	-7,793	-5,896	-8,306
Acquisition of non-controlling interest	11	0	-2,512	0	0
Proceeds from shares subscriptions based on share options	0	0	207	915	915
Net cash from financing activities (C)	806	-2,551	92	25,853	19,343
Net cash from (used in) operating, investing and financing activities (A+B+C)	5,806	-3,578	850	14,644	-22,620
Net increase (decrease) in cash and cash equivalents	5,806	-3,578	850	14,644	-22,620
Cash and cash equivalents, opening amount	6,835	23,771	11,803	34,669	34,669
Effects of exchange rate fluctuations on cash held	-115	-330	-128	-162	-245
Cash and cash equivalents	12,526	19,862	12,525	19,862	11,803

CHANGES IN THE GROUP'S EQUITY

EUR thousand	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Equity 1.1.2022	80	71,436	-1,632	34,233	104,118	337	104,455
Comprehensive income							
Profit (loss) for the period	0	0	0	6,338	6,338	2	6,341
Change in translation differences	0	0	-3,205	0	-3,205	-9	-3,214
Total comprehensive income for the financial year	0	0	-3,205	6,338	3,134	-7	3,127
Transactions with owners of the parent company							
Share issue	0	2,482	0	0	2,482	0	2,482
Shares subscribed by using option rights	0	207	0	0	207	0	207
Acquisition of non-controlling interest	0	0	0	-2,182	-2,182	-330	-2,513
Dividend distribution	0	0	0	-6,459	-6,459	0	-6,459
Total transactions with owners of the parent company	0	2,689	0	-8,641	-5,952	-330	-6,283
Equity 30.9.2022	80	74,125	-4,836	31,930	101,299	0	101,299

EUR thousand	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Equity 1.1.2021	80	56,226	-1,019	25,075	80,362	314	80,676
Comprehensive income							
Profit (loss) for the period	0	0	0	9,197	9,197	22	9,219
Change in translation differences			-343		-343	-4	-347
Total comprehensive income for the financial year	0	0	-343	9,197	8,854	18	8,873
Transactions with owners of the parent company							
Share issue	0	15,274	0		15,274	0	15,274
Dividend distribution				-5,189	-5,189		-5,189
Total transactions with owners of the parent company	0	15,274	0	-5,189	10,085	0	10,085
Equity 30.9.2021	80	71,500	-1,362	29,083	99,301	332	99,634

EUR thousand	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Equity 1.1.2021	80	56,226	-1,019	25,075	80,362	314	80,676
Comprehensive income							
Profit (loss) for the period	0	0	0	14,347	14,347	30	14,377
Change in translation differences	0	0	-612	0	-612	-8	-620
Total comprehensive income for the financial year	0	0	-612	14,347	13,734	23	13,757
Transactions with owners of the parent company							
Share issue	0	14,296	0	0	14,296	0	14,296
Shares subscribed by using option rights	0	915	0	0	915	0	915
Dividend distribution	0	0	0	-5,189	-5,189	0	-5,189
Total transactions with owners of the parent company	0	15,210	0	-5,189	10,022	0	10,022
Equity 31.12.2021	80	71,436	-1,632	34,233	104,118	337	104,455

ACCOUNTING PRINCIPLES OF THE INTERIM MANAGEMENT STATEMENT

The figures in the Interim management statement are unaudited and have been prepared in accordance with the International Financial Reporting Standards (IFRS) valid at the time of the release. The report is not prepared in accordance with IAS34. The impact of COVID-19 pandemic and the Ukrainian war have been taken into account in applying the accounting principles.

SEASONALITY

The seasonality of the group's business has an impact on the demand for Relais' services, which in turn affects its net sales, net operating profit, and cash flows. Variation in seasonal temperatures, such as warm summers and cold winters, can have an effect on the demand for batteries, starter motors, and chargers as well as the need for vehicle air conditioning and heating. Furthermore, the demand for lighting products, such as LEDs and auxiliary lights, typically grows in the fall and winter months. Due to seasonal changes, Relais typically produces greater Net sales in the second half of the year.

DISAGGREGATION OF NET SALES

EUR thousand	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Equipment	7,278	7,883	23,614	23,890	33,222
Lighting	17,005	17,531	40,132	39,338	61,892
Spare parts	18,571	18,521	58,976	59,382	80,062
Repair and maintenance	21,117	14,472	61,928	40,605	60,039
Other	810	334	848	1,068	2,616
Total	64,780	58,740	185,498	164,283	237,830

EUR thousand	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Finland	82,532	85,880	123,475
Sweden	78,412	59,685	88,262
Estonia	3,391	3,233	4,796
Norway	4,471	4,602	6,412
Other countries	16,692	10,883	14,885
Total	185,498	164,283	237,830

EARNINGS PER SHARE

EUR	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Earnings per share, basic	0.21	0.26	0.35	0.52
Earnings per share, diluted	0.20	0.25	0.34	0.50
Comparable earnings per share, basic	0.22	0.27	0.41	0.63
Comparable earnings per share excluding amortization on goodwill, basic	0.27	0.31	0.55	0.75
Comparable earnings per share, diluted	0.21	0.26	0.40	0.61
Comparable earnings per share excluding amortization on goodwill, diluted	0.26	0.30	0.53	0.71

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021
Number of outstanding shares at the end of the period	18 132 308	17 941 433	18 132 308	16 820 000
Weighted average number of shares, basic	18 132 308	17 941 433	18 024 511	16 820 000
Weighted average number of shares, diluted	18 787 677	18 690 040	18 752 469	17 531 466

GROUP KEY FIGURES

EUR thousand unless stated otherwise	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Net Sales	64,780	58,741	185,498	164,283	237,830
Net sales growth, %	10.3%	-	12.9%	-	84.4%
Gross profit	28,777	25,720	83,544	67,785	99,588
Gross margin, %	44.4%	43.8%	45.0%	41.3%	41.9%
EBITDA	11,071	10,495	26,505	24,963	36,005
EBITDA margin, %	17.1%	17.9%	14.3%	15.2%	15.1%
Comparable EBITDA	11,324	10,798	27,618	26,891	38,607
Comparable EBITDA, %	17.5%	18.4%	14.9%	16.4%	16.2%
EBITA	7,684	7,990	16,797	17,710	25,727
EBITA margin, %	11.9%	13.6%	9.1%	10.8%	10.8%
Comparable EBITA	7,937	8,293	17,910	19,638	28,330
Comparable EBITA, %	12.3%	14.1%	9.7%	12.0%	11.9%
Operating profit	6,818	7,292	14,340	15,772	23,042
Operating profit margin, %	10.5%	12.4%	7.7%	9.6%	9.7%
Comparable operating profit	7,071	7,595	15,453	17,700	25,645
Comparable operating profit, %	10.9%	12.9%	8.3%	10.8%	10.8%
Profit (loss) for the period	3,691	4,562	6,341	9,219	14,377
Profit (loss) for the period margin, %	5.7%	4.1%	3.4%	5.6%	6.0%
Comparable profit (loss)	3,944	4,865	7,453	11,147	16,980
Comparable profit (loss) margin, %	6.1%	8.3%	4.0%	6.8%	7.1%
Comparable profit (loss) excluding amortisation of acquisitions	4,810	5,564	9,911	13,085	19,665
Comparable profit (loss) excluding amortisation of acquisitions margin, %	7.4%	9.5%	5.3%	8.0%	8.3%
Items affecting comparability included in profit (loss) for the period	253	303	1,113	1,928	2,603
Net working capital	69,685	63,640	69,685	63,640	61,009
Inventories	77,038	65,547	77,038	65,547	73,352
Free cash flow	4,407	-1,932	7,653	2,598	9,056
Cash conversion	39.8%	-18.4%	28.9%	10.4%	25.2%
Net Debt excl. leasing Liabilities	98,449	81,115	98,449	81,115	84,775
Net Debt (excl. Leasing Liabilities) to EBITDA, rolling	2.62	2.63	2.62	2.63	2.35
Net gearing excl. leasing Liabilities	97.2%	81.4%	97.2%	81.4%	81.2%
Equity ratio	31.8%	33.7%	31.8%	33.7%	33.6%
Return on investment (ROI)	-	-	9.1%	10.7%	11.6%
Return on equity (ROE)	-	-	8.2%	13.7%	15.5%
Return on assets (ROA)	-	-	7.6%	9.2%	9.8%
Earnings per share, basic (EUR)	0.21	0.26	0.35	0.52	0.81
Earnings per share, diluted (EUR)	0.20	0.25	0.34	0.50	0.78
Comparable earnings per share, basic (EUR)	0.22	0.27	0.41	0.63	0.96
Comparable earnings per share, diluted (EUR)	0.21	0.26	0.40	0.61	0.92

Comparable earnings per share excluding amortisation of acquisitions, basic (EUR)	0.27	0.31	0.55	0.75	1.11
Comparable earnings per share excluding amortisation of acquisitions, diluted (EUR)	0.26	0.30	0.53	0.71	1.06
Average number of employees	1,011	857	995	777	812
Personnel at the end of the period, FTE	998	848	998	848	950

ACCOUNTING PRINCIPLES FOR KEY FIGURES

Key figure	Definition
EBITA ¹	Operating profit + amortization of acquisitions
Comparable EBITA ¹	Operating profit + amortization of acquisitions + items affecting comparability included in EBITA for the period
EBITDA ¹	Operating profit + depreciation, amortization, and impairments
Comparable EBITDA ¹	Operating profit + depreciation, amortization, and impairments+ items affecting comparability included in EBITDA for the period
Comparable operating profit ¹	Operating profit + items affecting comparability included in Operating profit for the period
Gross profit	Net sales - materials and services
Gross margin	Gross profit/net sales *100
Items affecting comparability	Listing expenses + transaction costs of acquisitions+ contingent consideration costs of acquisitions + other non-recurring expenses + tax impact of items affecting comparability
Comparable profit (loss) for the period ¹	Profit (loss) for the period + items affecting comparability included in profit (loss) for the period
Comparable profit (loss) for the period excluding amortization of acquisitions ¹	Profit (loss) for the period + items affecting comparability included in profit (loss) for the period + amortization of acquisitions
Comparable earnings per share, basic	Comparable profit (loss) / weighted average number of shares outstanding during the period
Comparable earnings per share, diluted	Comparable profit (loss) / weighted average number of shares outstanding during the period + dilutive potential shares
Comparable earnings per share excluding amortization of acquisitions, basic	Comparable profit (loss) excluding amortization of acquisitions / weighted average number of shares outstanding during the period
Comparable earnings per share excluding amortization of acquisitions, diluted	Comparable profit (loss) excluding amortization of acquisitions / weighted average number of shares outstanding during the period + dilutive potential shares
Earnings per share, basic	Profit (loss) for the period / weighted average number of shares outstanding during the period
Earnings per share, diluted	Profit (loss) for the period / weighted average number of shares outstanding during the period + dilutive potential shares

Net working capital	Inventories + short-term trade receivables + other receivables + prepaid expenses and accrued income - trade payables - other current liabilities - accrued expenses and deferred income
Net debt excluding leasing liabilities	Loans from financial institutions + other loans + capital loans – loan receivables – receivables from Group companies – subscribed capital unpaid – cash at bank and in hand
Net debt excl. leasing liabilities to comparable EBITDA	Net debt excl. leasing liabilities / last twelve month's comparable EBITDA
Net gearing excl. leasing liabilities	Net debt excl. leasing liabilities / Equity + minority interest
Equity ratio	Equity + minority interest / Equity and liabilities, total
Return on investment (ROI)	(Operating profit + other interest and financial income - listing expenses (periodical figures have been annualized) / (Equity + minority interest + loans from financial institutions + other loans + capital loans + convertible bonds, average)
Return on equity (ROE)	Profit (loss) for the period + minority interest, (periodical figures have been annualized) / (Equity + minority interest, average)
Return on assets (ROA)	(Operating profit + other interest financial income - listing expenses (periodical figures have been annualized) / (Total assets, average) ¹ Key measure margin, % has been calculated by dividing the measure with net sales and multiplying by 100.

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

In thousand euros unless stated otherwise	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Net sales	64,780	58,741	185,498	164,283	237,830
Materials and services	-36,003	-33,021	-101,954	-96,498	-138,242
Gross profit	28,777	25,720	83,544	67,785	99,588
Gross margin, %	44.4%	43.8%	45%	41.3%	41.9%
Operating profit	6,818	7,292	14,340	15,772	23,042
Items affecting comparability included in profit (loss) for the period					
Listing expenses	181	0	421	0	119
Transaction costs of acquisitions	70	0	70	1,321	1,574
Contingent consideration costs of acquisitions	1	303	621	606	910
Items affecting comparability included in profit (loss) for the period	253	303	1,113	1,928	2,603
Comparable operating profit	7,071	7,595	15,453	17,700	25,645
Depreciation, amortization and impairments	4,252	3,203	12,165	9,191	12,963
EBITDA	11,071	10,495	26,505	24,963	36,005
EBITDA margin, %	17.1%	17.9%	14.3%	15.2%	15.1%
Items affecting comparability included in profit (loss) for the period	253	303	1,113	1,928	2,603
Comparable EBITDA	11,324	10,798	27,618	26,891	38,607
Operating profit	6,818	7,292	14,340	15,772	23,042
Amortisation of acquisitions	866	699	2,457	1,938	2,685
EBITA	7,684	7,990	16,797	17,710	25,727
EBITA margin, %	11.9%	13.6%	9.1%	10.8%	10.8%
Items affecting comparability included in profit (loss) for the period	253	303	1,113	1,928	2,603
Comparable EBITA	7,937	8,293	17,910	19,638	28,330
Profit (loss) for the period	3,691	4,562	6,341	9,219	14,377
Comparable profit (loss)	3,944	4,865	7,453	11,147	16,980
Comparable profit (loss) margin, %	6.1%	8.3%	4%	6.8%	7.1%
Amortisation of acquisitions	866	699	2,457	1,938	2,685
Comparable profit (loss) excluding amortisation of acquisitions	4,810	5,564	9,911	13,085	19,665
Comparable profit (loss) excluding amortisation of acquisitions margin, %	7.4%	9.5%	5.3%	8.0%	8.3%
Operating cash flow before working capital changes	11,154	11,249	26,834	26,925	38,472
Repayment of lease liabilities	-2,713	-2,181	-7,793	-5,896	-8,306
Interest expenses on leases	-361	-318	-1,093	-858	-1,205

Change in working capital	-3,277	-10,286	-9,053	-16,006	-17,424
Purchase of tangible and intangible assets	-396	-396	-1,242	-1,567	-2,482
Free cash flow	4,407	-1,932	7,653	2,598	9,056
Cash conversion to EBITDA	39.8%	-18.4%	28.9%	10.4%	25.2%