

Focus is on the outlook

Duell publishes its Q1/2025 (9/24–11/24) business review on 16th of January. Given that Q1 of Duell's fiscal year is typically slow due to seasonal factors, our attention is on any potential remarks regarding market activity and future outlook.

Mixed signals from the end-markets

Snowmobiling is a smaller category for Duell, yet important in the seasonally quiet first quarter. We anticipate that the delayed winter in the Nordics has slightly affected demand in Q1, but the impact should be minimal. Motorcycling is Duell's largest category by net sales. While Duell distributes motorcycling parts and accessories, the registrations give an indication of the market activity. The registrations of motorcycles increased during the first eleven months of 2024 in Sweden yet declined in Finland. Consumer confidence has improved in both Finland and Sweden y/y yet is still at relatively low levels especially in Finland. In Europe, the new motorcycle registrations in five of the largest markets (France, Germany, Italy, Spain and UK) increased slightly during the first nine months of 2024. While the total grew, the number of registrations declined in markets important for Duell (France, UK and Germany). Overall, the search statistics across the largest Nordic powersports aftermarket webstores indicate decreased interest y/y during the second half of the year 2024.

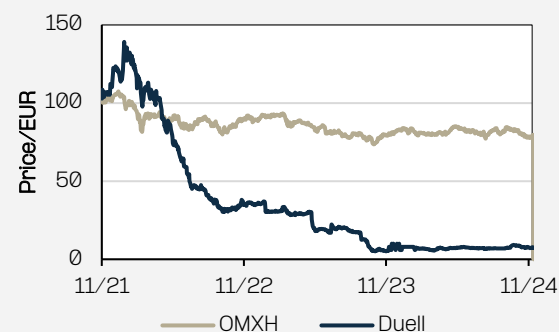
Expecting growth to continue in Europe

We keep our estimates largely unchanged for FY 2025. We have revised our estimates downwards for coming years to reflect a more cautious outlook. Duell gave relatively broad guidance for 2025E as was expected due to the low visibility. The company expects organic net sales with comparable currencies to be at the same level or higher than the previous year and adjusted EBITA to improve from last year's level. We estimate net sales of EUR 128m (EUR 125m) and adj. EBITA of 7.4m (EUR 6.2m) with a margin of 5.8% (5.0%). We expect growth to materialize during H2 largely due to easier comparable growth figures especially in Q3. In the first quarter, we anticipate stable sales overall, with projected growth in Europe and a slight decline in sales in the Nordic region. In terms of profitability, we estimate adj. EBITA of EUR 0.5m (Q1/24 EUR 0.3m), a slight improvement y/y.

Bar is set relatively low

We maintain our TP at EUR 9.0 and reiterate our BUY recommendation. While the market seems to continue to challenge in 2025, we see the company's fundamentals largely intact. Our target price indicates 9–6x adj. EV/EBIT based on our estimates for 2025–2026E.

Rating ++ Buy



Share price, EUR (Last trading day's closing price)	6.70
Target price, EUR	9.0
Latest change in recommendation	28-Mar-24
Latest report on company	10-Oct-24
Research paid by issuer:	YES
No. of shares outstanding, '000's	5 161
No. of shares fully diluted, '000's	5 161
Market cap, EURm	35
Free float, %	
Exchange rate	1.0
Reuters code	DUELL.HE
Bloomberg code	DUELL FH
Average daily volume, EUR	
Next interim report	16-Jan-25
Web site	investors.duell.eu
Analyst	Atte Jortikka
E-mail	atte.jortikka@evli.com
Telephone	+358 400 543 725

++ BUY ◻ HOLD ◻ SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2023	118.8	1.0	0.9%	4.8	-1.58	-12.7	0.5	56.2	18.8%	
2024	124.7	0.8	0.7%	-5.1	-0.51	77.6	0.5	66.9	-13.8%	
2025E	127.7	4.6	3.6%	3.1	0.36	18.7	0.4	11.1	9.0%	0.11
2026E	132.7	6.8	5.1%	3.3	0.76	8.8	0.4	7.2	9.5%	0.23
2027E	136.6	8.1	5.9%	5.2	0.99	6.8	0.3	5.5	15.2%	0.30

Market cap, EURm	35	Gearing 2025E, %	30.8%	CAGR EPS 2024–27, %	121.2%
Net debt 2025E, EURm	16	Price/book 2025	0.6	CAGR Sales 2024–27, %	3.1%
Enterprise value, EURm	51	Dividend yield 2025E, %	1.6%	ROE 2025E, %	3.5%
Total assets 2025E, EURm	87	Tax rate 2025E, %	19.7%	ROCE 2025E, %	5.9%
Goodwill 2025E, EURm	16	Equity ratio 2025E, %	61.4%	PEG, P/E 25/CAGR	0.4

All the important disclosures can be found on the last pages of this report.

Table 1: Estimate summary

	Q1/'24	Q2/'24	Q3/'24	Q4/'24	2 024	Q1/'25E	Q2/'25E	Q3/'25E	Q4/'25E	2025E	2026E	2027E
Total Net sales	27.0	28.2	37.9	31.6	124.7	27.5	27.8	39.6	32.8	127.7	132.7	136.6
<i>y/y %</i>	4.7%	10.2%	0.6%	5.8%	4.9%	1.6%	-1.4%	4.5%	4.0%	2.4%	3.9%	3.0%
EBITA	(0.5)	(0.7)	2.9	1.9	3.6	0.5	1.3	3.6	1.9	7.4	9.6	10.9
<i>EBITA %</i>	-1.7%	-2.6%	7.7%	6.0%	2.9%	1.8%	4.7%	9.2%	5.9%	5.8%	7.2%	8.0%
EBIT	(1.1)	(1.4)	2.2	1.2	0.8	(0.2)	0.6	3.0	1.2	4.6	6.8	8.1
<i>EBIT %</i>	-4.2%	-5.1%	5.9%	3.7%	0.7%	-0.7%	2.2%	7.5%	3.8%	3.6%	5.1%	5.9%
Adj. EBITA	0.3	1.4	3.2	1.4	6.2	0.5	1.3	3.6	1.9	7.4	9.6	10.9
<i>Adj. EBITA %</i>	1.0%	4.9%	8.4%	4.3%	5.0%	1.8%	4.7%	9.2%	5.9%	5.8%	7.2%	8.0%
Adj. EBIT	(0.4)	0.7	2.5	0.7	3.4	(0.2)	0.6	3.0	1.2	4.6	6.8	8.1
<i>Adj. EBIT %</i>	-1.5%	2.4%	6.6%	2.1%	2.7%	-0.7%	2.2%	7.5%	3.8%	3.6%	5.1%	5.9%

Table 2: Peer group

Peer group	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E		
		25	26	27	25	26	27	25	26	27
Relais Group	238	7.7x	7.3x	6.9x	11.8x	10.9x	10.0x	12.0x	10.4x	9.4x
Pierce Group	51	3.9x	2.9x	2.4x	12.7x	6.0x	4.1x	16.5x	10.6x	7.5x
Auto Partner SA	603				10.2x	8.3x	7.0x			
Delticom	33	5.7x	5.0x	4.4x	11.7x	9.3x	7.9x	8.3x	5.0x	4.0x
Halfords Group	347	3.3x	3.4x	3.2x	13.0x	13.9x	11.5x	12.8x	13.3x	10.2x
Inter Cars	1786	8.0x	6.9x	6.3x	9.6x	8.4x	7.7x	10.2x	8.4x	7.5x
MEKO	653	5.9x	5.7x	5.5x	11.8x	10.1x	9.1x	10.3x	8.8x	8.6x
Oponeo pl	163	9.5x	8.7x	7.6x	11.8x	10.8x	9.5x	12.7x	11.5x	10.5x
Peer Group Average	484	6.3x	5.7x	5.2x	11.6x	9.7x	8.4x	11.8x	9.7x	8.2x
Peer Group Median	292	5.9x	5.7x	5.5x	11.8x	9.7x	8.5x	12.0x	10.4x	8.6x
Duell (Evli est.)*	36	6.1x	4.6x	3.7x	6.9x	5.1x	4.1x	7.5x	5.1x	4.4x

Duell prem./disc. to peer median 3 % -19 % -33 % -41 % -48 % -52 % -38 % -51 % -49 %

Source FactSet, Evli Research

**Duell's figures adjusted for goodwill depreciation and non-recurring items.*

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	6.70 PV of Free Cash Flow	39 Long-term growth, %	2.0 % Risk-free interest rate, %
DCF share value	9.98 PV of Horizon value	32 WACC, %	10.2 % Market risk premium, %
Share price potential, %	48.9 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %
Maximum value	10.9 Marketable securities	9 Minimum WACC, %	9.7 % Equity beta coefficient
Minimum value	9.2 Debt – dividend	-29 Maximum WACC, %	10.7 % Target debt ratio, %
Horizon value, %	44.8 % Value of stock	51 No. of shares, Mn	5.2 Effective tax rate, %

DCF valuation, EURm	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	TERMINAL
Net sales	125	128	133	137	141	143	146	149	152	155	158	162
Sales growth (%)	4.9%	2.4%	3.9%	2.9%	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Operating income (EBIT)	1	5	7	8	9	9	10	10	10	10	10	11
Operating income margin %	0.7%	3.6%	5.1%	5.9%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
+ Depreciation+amort.	4	4	3	3	3	3	4	3	3	3	1	1
EBITDA	5	8	10	11	12	13	13	13	12	11	11	
- Paid taxes	-2	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2
- Change in NWC	-5	-1	-2	-2	-2	-1	-1	-1	-1	-2	-2	-2
NWC / Sales, %	38.9%	39.2%	39.6%	39.8%	40.1%	40.3%	40.5%	40.7%	40.8%	41.0%	41.2%	
+ Change in other liabs	0											
- Operative CAPEX	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
opCAPEX / Sales, %	1.0%	0.8%	0.8%	0.8%	0.8%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	
- Acquisitions												
+ Divestments												
- Other items												
= FCFF	-3	4	4	6	7	8	8	8	8	7	7	84
= Discounted FCF		4	3	5	5	5	5	4	4	3	3	32
= DFCF min WACC		4	3	5	5	5	5	4	4	3	3	35
= DFCF max WACC		4	3	4	5	5	4	4	4	3	2	29

Sensitivity analysis, EUR

		Terminal WACC				
		8.19 %	9.19 %	10.19 %	11.19 %	12.19 %
Terminal EBIT-%	4.50 %	9.76	8.25	7.08	6.12	5.34
	5.50 %	12.07	10.06	8.53	7.31	6.31
	6.50 %	14.37	11.87	9.98	8.49	7.29
	7.50 %	16.68	13.69	11.43	9.67	8.26
	8.50 %	18.98	15.50	12.88	10.85	9.24

INTERIM FIGURES

EVLI ESTIMATES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Net sales	27.0	28.2	37.9	31.6	124.7	27.5	27.8	39.6	32.8	127.7	132.7	136.6
EBITDA	-0.2	-0.6	3.2	2.1	4.6	0.8	1.6	3.9	2.2	8.4	9.7	11.2
<i>EBITDA margin (%)</i>	-0.7%	-2.0%	8.4%	6.8%	3.7%	2.8%	5.7%	9.8%	6.7%	6.6%	7.3%	8.2%
EBIT	-1.1	-1.4	2.2	1.2	0.8	-0.2	0.6	3.0	1.2	4.6	6.8	8.1
<i>EBIT margin (%)</i>	-4.3%	-5.1%	5.9%	3.7%	0.7%	-0.7%	2.2%	7.5%	3.8%	3.6%	5.1%	5.9%
Net financial items	-0.7	-0.8	-0.9	-0.1	-2.5	-0.4	-0.4	-0.4	-0.4	-1.6	-1.1	-1.0
Pre-tax profit	-1.8	-2.2	1.3	1.1	-1.7	-0.6	0.2	2.6	0.8	3.0	5.6	7.1
Tax	-0.1	-0.1	-0.2	-0.5	-1.0		-0.2	-0.6	-0.3	-1.1	-1.7	-2.0
<i>Tax rate (%)</i>	-10.8%	-8.1%	9.9%	28.5%	86.0%		20.0%	20.0%	20.0%	19.7%	20.0%	20.0%
Net profit	-2.0	-2.4	1.1	0.6	-2.6	-0.6	0.0	1.9	0.5	1.8	3.9	5.1
EPS	-0.38	-0.46	0.22	0.11	-0.51	-0.12	0.00	0.37	0.10	0.36	0.76	0.99
EPS adj. (diluted)	-0.24	-0.05	0.27	0.11	0.09	-0.12	0.00	0.37	0.10	0.36	0.76	0.99
Dividend per share										0.11	0.23	0.30
SALES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Nordics	15.1	15.7	19.5	15.9	66.2	14.9	15.9	20.3	16.4	67.5	69.5	70.9
Europe	11.9	12.5	18.4	15.7	58.5	12.5	11.8	19.3	16.5	60.2	63.2	65.7
Total	27.0	28.2	37.9	31.6	124.7	27.5	27.8	39.6	32.8	127.7	132.7	136.6
SALES GROWTH, Y/Y %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Nordics	-5.7%	-3.8%	-10.8%	4.9%	-4.6%	-1.0%	1.6%	4.0%	3.0%	2.0%	3.0%	2.0%
Europe	22.4%	35.0%	16.4%	6.6%	18.1%	5.0%	-5.0%	5.0%	5.0%	2.9%	5.0%	4.0%
Total	4.9%	10.2%	0.6%	5.7%	4.9%	1.7%	-1.4%	4.5%	4.0%	2.4%	3.9%	2.9%
EBIT, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Group	-1.1	-1.4	2.2	1.2	0.8	-0.2	0.6	3.0	1.2	4.6	6.8	8.1
Total	-1.1	-1.4	2.2	1.2	0.8	-0.2	0.6	3.0	1.2	4.6	6.8	8.1
EBIT margin %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Group	-100.0%	-100.0%	100.0%	100.0%	100.0%	-100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total	-4.3%	-5.1%	5.9%	3.7%	0.7%	-0.7%	2.2%	7.5%	3.8%	3.6%	5.1%	5.9%

INCOME STATEMENT, EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales		76.8	124.0	118.8	124.7	127.7	132.7	136.6
<i>Sales growth (%)</i>			61.5%	-4.2%	4.9%	2.4%	3.9%	2.9%
EBITDA		8.3	7.4	4.1	4.6	8.4	9.7	11.2
<i>EBITDA margin (%)</i>		10.8%	5.9%	3.4%	3.7%	6.6%	7.3%	8.2%
Depreciation		-1.0	-0.7	-0.9	-0.9	-1.0	-0.2	-0.4
EBITA		7.3	6.7	3.2	3.6	7.4	9.5	10.9
Goodwill amortization / writedown			-1.7	-2.2	-2.8	-2.8	-2.8	-2.8
EBIT		7.3	4.9	1.0	0.8	4.6	6.8	8.1
<i>EBIT margin (%)</i>		9.5%	4.0%	0.9%	0.7%	3.6%	5.1%	5.9%
Reported EBIT		7.3	4.9	1.0	0.8	4.6	6.8	8.1
<i>EBIT margin (reported) (%)</i>		9.5%	4.0%	0.9%	0.7%	3.6%	5.1%	5.9%
Net financials		-2.7	-1.9	-3.4	-2.5	-1.6	-1.1	-1.0
Pre-tax profit		4.6	3.0	-2.4	-1.7	3.0	5.6	7.1
Taxes		-1.2	-1.1	-0.4	-1.0	-1.1	-1.7	-2.0
Minority shares								
Net profit		3.3	1.9	-2.8	-2.6	1.8	3.9	5.1
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	1	2	2	4	4	4	5	5
Goodwill		14	16	21	19	16	14	11
Right of use assets								
Inventory	29	35	48	50	45	46	48	49
Receivables	16	16	25	18	17	17	18	18
Liquid funds	3	3	4	2	9	4	4	5
Total assets	48	69	95	95	94	87	88	89
Liabilities								
Shareholders' equity	11	11	32	37	52	53	57	61
Minority interest								
Convertible								
Lease liabilities								
Deferred taxes	0	0	0	0				
Interest bearing debt	41	41	49	34	29	20	18	15
Non-interest bearing current liabilities								
Other interest-free debt	17	17	15	24	13	13	13	13
Total liabilities	69	69	95	95	94	87	88	89
CASH FLOW, EURm								
+ EBITDA		8	7	4	5	8	10	11
- Net financial items		-3	-2	-3	-3	-2	-1	-1
- Taxes	0	-1	-1	0	-1	-1	-2	-2
- Increase in Net Working Capital	-28	-6	-24	14	-5	-1	-2	-2
+/- Other								
= Cash flow from operations	-28	-2	-20	15	-4	4	4	6
- Capex	-1	-16	-6	-10	-1	-1	-1	-1
- Acquisitions								
+ Divestments								
= Free cash flow	-29	-17	-25	5	-5	3	3	5
+/- New issues/buybacks	11	-3	19	8	17			
- Paid dividend						1	1	2
+/- Other	21	21	7	-14	-5	-9	-3	-3
Change in cash	3		1	-2	7	-5	0	1

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap			26	37	35	35	35
Net debt (excl. convertibles)	39	45	32	20	16	14	10
Enterprise value	39	45	58	56	51	48	44
Sales	77	124	119	125	128	133	137
EBITDA	8	7	4	5	8	10	11
EBIT	7	5	1	1	5	7	8
Pre-tax	5	3	-2	-2	3	6	7
Earnings	3	2	-3	-3	2	4	5
Equity book value (excl. minorities)	11	32	37	52	53	57	61
Valuation multiple	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	0.5	0.4	0.5	0.5	0.4	0.4	0.3
EV/EBITDA	4.6	6.0	14.1	12.3	6.1	5.0	3.9
EV/EBITA	5.3	6.7	18.0	15.6	6.9	5.1	4.1
EV/EBIT	5.3	9.1	56.2	66.9	11.1	7.2	5.5
EV/OCF	-24.9	-2.3	4.0	-14.5	12.2	11.0	7.0
EV/FCF	-2.5	-1.9	7.6	-18.2	11.6	11.5	7.3
P/FCFR			0.3	0.0	11.1	10.5	6.6
P/E			-12.7	77.6	18.7	8.8	6.8
P/BV			0.7	0.7	0.6	0.6	0.6
Target EV/EBITDA					7.5	6.2	5.0
Target EV/EBIT					13.7	8.9	7.0
Target EV/FCFF					20.2	18.3	10.7
Target P/BV					0.9	0.8	0.8
Target P/E, diluted					25.1	11.8	9.1
Per share measures	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares (million)		150	180	5.18	5.16	5.16	5.16
Number of shares (diluted, million)		150	180	5.18	5.16	5.16	5.16
EPS		1.29	-1.58	-0.51	0.36	0.76	0.99
Operating cash flow per share		-13.08	8.09	-0.75	0.81	0.85	1.23
Free cash flow per share		-16.83	2.68	-0.98	0.60	0.64	1.02
Book value per share		21.24	20.45	9.96	10.37	11.02	11.78
Dividend per share					0.11	0.23	0.30
Dividend payout ratio, %					30.0%	30.0%	30.0%
Dividend yield, %					1.6%	3.4%	4.4%
FCF yield, %			18.8%	-13.8%	9.0%	9.5%	15.2%
Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE	31.7%	9.1%	-8.3%	-5.9%	3.5%	7.1%	8.7%
ROCE	14.0%	7.4%	1.4%	1.1%	5.9%	9.1%	10.7%
Financial ratios	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales	45.5%	38.6%	41.7%	36.1%	36.1%	36.1%	36.1%
Receivables as % of sales	20.8%	20.1%	15.4%	13.5%	13.5%	13.5%	13.5%
Non-int. bearing liabilities as % of sales							
NWC/sales, %	44.2%	46.8%	36.7%	38.9%	39.2%	39.6%	39.8%
Operative CAPEX/Sales, %	20.7%	4.5%	8.2%	1.0%	0.8%	0.8%	0.8%
CAPEX/sales (incl. acquisitions), %	20.7%	4.5%	8.2%	1.0%	0.8%	0.8%	0.8%
FCFF/EBITDA	-1.9	-3.2	1.9	-0.7	0.5	0.4	0.5
Net Debt/EBITDA, book-weighted	4.6	6.0	7.8	4.3	2.0	1.4	0.9
Debt/equity, market-weighted			1.3	0.8	0.6	0.5	0.4
Equity ratio, book-weighted	0.2	0.3	0.4	0.5	0.6	0.6	0.7
Gearing, %	367.7%	139.9%	86.8%	37.9%	30.8%	24.1%	15.9%

COMPANY DESCRIPTION: Duell, a Finnish distribution company, operates within the European powersports aftermarket. Founded in 1983 by Tom and Stefan Nylund, the company is headquartered in Mustasaari, Finland, and has established warehouses and sales offices throughout Europe. Its primary warehouses are situated in Mustasaari, Finland, and Tranås, Sweden, while additional warehouses are located in the Netherlands, United Kingdom, Finland (Tampere) and France. During FY 2024, 53% of Duell's sales came from the Nordics and while the rest of the Europe accounted for 47%. Approximately 80% of the sales were generated through the distribution of third-party products, while the remaining 20% came from the distribution of Duell's own brand products, which are designed by Duell but manufactured in Asia.

INVESTMENT CASE: After a period of strong performance in 2021 and the early months of 2022, the European powersports aftermarket saw a slowdown towards the end of 2022 and into 2023. The market dynamics are largely influenced by the number of registered powersports vehicles and the willingness of consumers to spend on aftermarket products and accessories. While a steady demand remained for essential parts, the sector as a whole slowed down significantly in 2023. The downturn impacted Duell's financial results, with a 4% drop in net sales for the fiscal year 2023, and the adjusted EBITA margin declining to 3.9%, a decrease from the previous year's 7.0%. The combination of a weak operational performance and a burdened balance sheet, exacerbated by elevated inventory levels, led the company to complete a rights issue in December 2023. In 2024, the company's net sales grew 4.9% despite the challenging market while organic net sales were flat. Especially the Nordic market remained challenging while the company grew faster in Europe. Adjusted EBITA improved to EUR 6.2m (EUR 4.6m) and the adjusted EBITA margin to 5.0% (3.9%). After the challenging period, Duell is making progress with its turnaround despite a tough market, and the overall risk has been reduced thanks to balance sheet deleveraging.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Hartwall Capital Oy Ab	1 566 316	10.494	30.4 %
Sponsor Capital Oy	526 085	3.525	10.2 %
Keskinäinen Työeläkevakuutusyhtiö Varma	238 517	1.598	4.6 %
Säästöpankki Fonder	226 377	1.517	4.4 %
Danske Invest Finnish Equity Fund	141 834	0.950	2.7 %
Erikoissijoitusrahasto Aktia Mikro Markka	118 605	0.795	2.3 %
Keskinäinen Työeläkevakuutusyhtiö Elo	108 800	0.729	2.1 %
Twin Engine Oy	85 000	0.570	1.6 %
Evli Finland Select Fund	67 500	0.452	1.3 %
Jarkko Ämmälä	66 055	0.443	1.3 %
Ten largest	3 145 089	21.072	60.9 %
Residual	2 015 485	13.504	39.1 %
Total	5 160 574	34.576	100%

EARNINGS CALENDAR

January 16, 2025	Q1 report
April 10, 2025	Q2 report
July 03, 2025	Q3 report
October 16, 2025	FY 2025 Results

OTHER EVENTS

COMPANY MISCELLANEOUS

CEO: Magnus Miemois	Kauppatie 19, 65610 Mustasaari
CFO: Caj Malmsten	Tel: +358 40 674 5257
IR: Pellervo Hämäläinen	

DEFINITIONS

P/E $\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS $\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV $\frac{\text{Price per share}}{\text{Shareholder's equity} + \text{taxed provisions per share}}$	DPS Dividend for the financial period per share
Market cap Price per share * Number of shares	OCF (Operating cash flow) EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value) Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow) Operating cash flow – Operative CAPEX – acquisitions + divestments
EV/Sales $\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, % $\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX / Sales $\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT $\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital Current assets – current liabilities
Net debt Interest bearing debt – financial assets	Capital employed / Share $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets Balance sheet total	Gearing $\frac{\text{Net debt}}{\text{Equity}}$
Div yield, % $\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, % $\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, % $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, % $\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, % $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, % Cumulative annual growth rate = Average growth rate per year
ROE, % $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	

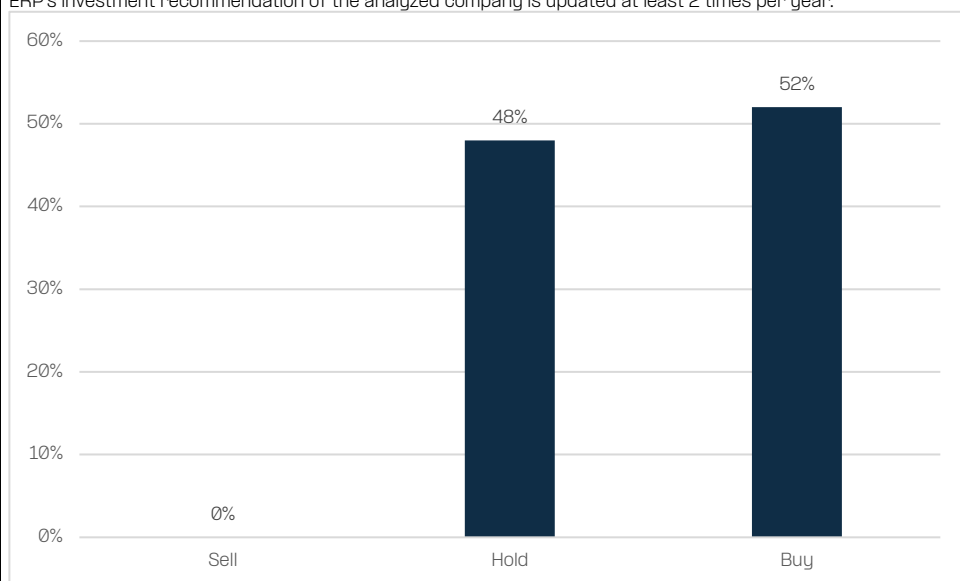
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 - (+10) %	HOLD
> 10 %	BUY

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The graph above shows the distribution of ERP's recommendations of companies under coverage on the 23rd of October, 2024. If recommendation is not given, it is not mentioned here.

Name(s) of the analyst(s): Atte Jortikka

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Contact information**SALES, TRADING AND RESEARCH****Equity Sales & Trading**

Joachim Dannberg (head)	+358 9 4766 9123
Aleksi Jalava	+358 9 4766 9123
Pasi Väisänen	+358 9 4766 9123

Evli Investment Solutions

Johannes Asuja	+358 9 4766 9205
----------------	------------------

Equity Research

Jerker Salokivi (head)	+358 9 4766 9149
Joonas Ilvonen	+358 44 430 9071
Atte Jortikka	+358 40 054 3725
Atte Pitkälampi	+358 44 047 6597

EVLI

EVLI PLC
Aleksanterinkatu 19 A
P.O. Box 1081
FIN-00101 Helsinki, FINLAND
Phone +358 9 476 690
Internet www.evli.com
E-mail first.name.lastname@evli.com

**EVLI PLC,
STOCKHOLMSFILIAL**
Regeringsgatan 67 P.O. Box 16354
SE-103 26 Stockholm
Sverige
stockholm@evli.com
Tel +46 (0)8 407 8000