

In line with our estimates

Duell reported Q4 net sales at EUR 31.6m, just surpassing our forecast of EUR 31.3m, while adjusted EBITA reached EUR 1.4m, slightly higher than our prediction of EUR 1.3m. The performance in the Nordics was stronger than expected while the other Europe developed slower than we had estimated.

- Duell's Q4 net sales grew 5.8% y/y to EUR 31.6m (EUR 29.9m in Q4/23, EUR 31.3m Evli).
- Net sales in the Nordics amounted to EUR 15.9m (EUR 15.2m in Q4/23, EUR 14.4m Evli), in Rest of Europe net sales stood at EUR 15.7m (EUR 14.7m in Q4/23, EUR 16.9m Evli).
- Adj. EBITA in Q4 amounted to EUR 1.4m (EUR 0.2m in Q4/23, EUR 1.3m Evli). The company's gross margin improved y/y as expected.
- Net debt was at EUR 19.6m at the end of the fiscal year, above our estimate of roughly EUR 16m yet at a substantially lower level compared to EUR 38.2m at the end of FY 2023. The conditions for the covenants were met at the end of the fiscal year.
- **Guidance 2025:** Organic net sales with comparable currencies will be at the same level or higher than previous year. Adjusted EBITA to improve from last year's level.
- As anticipated, the company issued broad guidance, yet, unlike the FY 2024 guidance, Duell now includes organic net sales outlook.
- In addition to the earnings release, the company announced that it starts change negotiations to improve efficiency, the aim of the efficiency measures is to achieve annual cost savings of approximately EUR 1m, mainly in the FY 2025.
- Duell also plans a reverse split, which requires a resolution of the general meeting.

Rating + BUY				
	Q4/24	Actual	Evli	Q4/23
Revenue		31.6	31.3	29.9
<i>Nordics</i>		15.9	14.4	15.2
<i>Europe</i>		15.7	16.9	14.7
Adj. EBITA		1.4	1.3	0.2
<i>Adj. EBITA margin</i>		4.2 %	4.2 %	0.8 %
Source: Duell, Evli Research				
Share price, EUR (Last trading day's closing price)				0.04
Target price, EUR				0.04
Latest change in recommendation				28-Mar-24
Latest report on company				1-Oct-24
Research paid by issuer:				YES
No. of shares outstanding, '000's				1,033,976
No. of shares fully diluted, '000's				1,033,976
Market cap, EURm				40
Free float, %				0.0
Exchange rate EUR				1.000
Reuters code				DUELL.HE
Bloomberg code				DUELL.FH
Average daily volume, EURm				0.1
Next interim report				09-Oct-24
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+ BUY ◻ HOLD - SELL

PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2022	124.0	4.9	4.0%	-25.2	0.01	0.0	0.4	9.1	0.0	0.00
2023	118.8	1.0	0.9%	-1.5	-0.01	-12.7	0.5	62.3	-5.7	0.00
2024E	124.4	0.3	0.2%	1.8	0.00	-352.8	0.5	208.6	4.5	0.00
2025E	129.3	5.1	4.0%	1.8	0.00	16.3	0.4	10.7	4.5	0.00
2026E	134.4	8.2	6.1%	4.6	0.01	7.7	0.4	6.2	11.4	0.00

Market cap, EURm	40	BV per share 2024E, EUR	30.3	CAGR EPS 2023-26, %	0.0
Net debt 2024E, EURm	16	Price/book 2024E	0.7	CAGR sales 2023-26, %	4.2
Enterprise value, EURm	56	Dividend yield 2024E, %	0.0	ROE 2024E, %	-7.1
Total assets 2024E, EURm	94	Tax rate 2024E, %	-3,096.6	ROCE 2024E, %	0.4
Goodwill 2024E, EURm	20	Equity ratio 2024E, %	57.2	PEG, P/E 24/CAGR	0.0

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

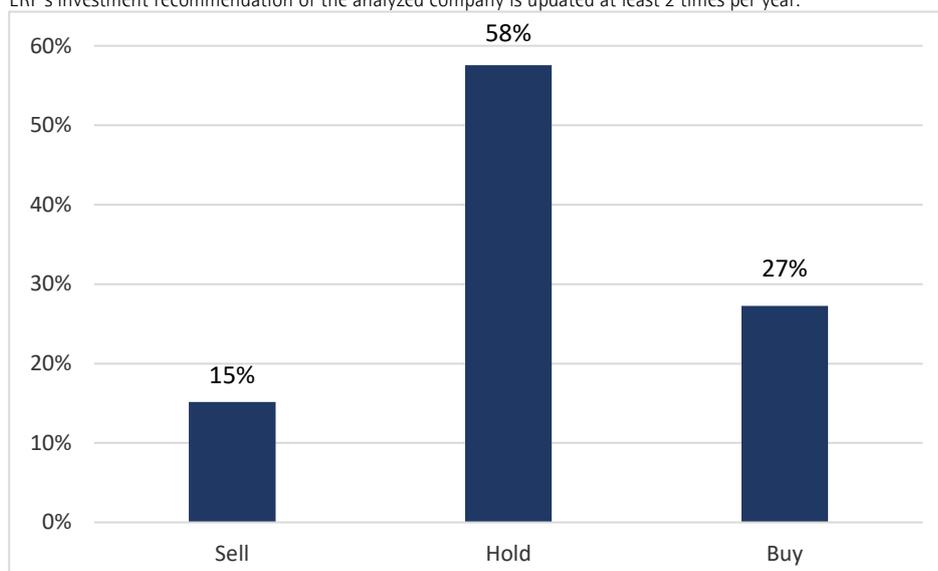
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Investment recommendations are defined as follows:

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 in 11th of May 2020. If recommendation is not given, it is not mentioned here.

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

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