

03 November 2022

Commissioned research: Taaleri – New flagship “dark green” fund announced – targets EUR 700m in commitments

Marketing material commissioned by Taaleri

Taaleri announced today its new flagship fund, SolarWind III, in line with earlier communication. The fund will be classified as an Article 9 “Dark Green” fund and it targets 10% net IRR over its 10-year term. Taaleri expects first closing early 2023. The fund will be seeded with 25-35 development projects, of which 17 have been acquired to date. If these projects were all to reach ready-to-build status during the fund’s investment period, they would represent 3 GW of installed electricity generating capacity and require EUR 930m in fund and co-investor equity to construct. In addition, Taaleri has exclusivity on a further 15 development projects. According to the company, target markets and strategic partners remain the same as with SolarWind II. We note that seed projects should secure the company a good traction with its new flagship fund, and given additional interest towards renewable energy, we believe fund raising could be faster than with SolarWind II. The current flagship fund, SolarWind II, is over 90% committed. We have anticipated EUR 200m of commitments during 2023E and EUR 600m by 2025E. Announcement is in line with our expectations, while given the current demand for renewable energy investments, there could be upside to our forecast of EUR 600m total commitments. Taaleri will report its Q3 tomorrow on 4 November and we expect to hear more about progress with its seed projects and target size for the first closing. For Q3, we are expecting EUR 16.5m EBIT from segments (including EUR 14m gain from Ficolo exit), while Refinitiv consensus stands at EUR 14m. We note that there is high uncertainty related to Garantia’s investment portfolio fair value changes (70% in fixed income products). We have a fair value range of EUR 11.1-12.5 per Taaleri share.

SUMMARY TABLE - KEY FIGURES

EURm	2019	2020	2021	2022E	2023E	2024E
Total revenue	67	69	73	66	70	71
EBITDA (adj)	23	24	32	28	31	31
EBIT (adj)	21	21	32	27	30	31
EBIT (adj) margin	30.8%	30.3%	43.6%	40.1%	43.8%	43.1%
EPS (adj, EUR)	0.41	0.46	4.81	0.75	0.89	0.89
EPS (adj) growth	n.a.	11.8%	947.1%	-84.5%	18.6%	0.3%
DPS (ord, EUR)	0.16	1.32	0.40	0.40	0.50	0.55
EV/Sales	4.1	3.8	3.8	3.5	3.4	3.1
EV/EBIT (adj)	13.4	12.4	8.6	8.6	7.7	7.3
P/E (adj)	20.5	17.7	2.3	12.6	10.7	10.6
P/BV	1.9	1.7	1.4	1.3	1.3	1.3
Dividend yield (ord)	1.9%	16.3%	3.6%	4.2%	5.3%	5.8%
FCF Yield bef A&D, lease adj	3.0%	0.0%	40.3%	12.5%	8.9%	9.1%
Net debt	38	32	-44	-38	-33	-45
Net debt/EBITDA	1.6	1.4	-1.4	-1.4	-1.1	-1.4
ROIC after tax	14.8%	7.4%	10.5%	8.6%	9.9%	10.0%

Source: Company data and Nordea estimates

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