

26 April 2024

## Commissioned research: Enersense – Full-year guidance unchanged

*Marketing material commissioned by Enersense*

Net sales was 3% above Nordea's estimate in Q1. The company's EBITDA was EUR 4.5m compared to our expectation of EUR 3.0m in Q1. Sales gains from completed wind power projects were the main reason for a good performance. The order backlog was EUR 445m which is slightly under our expectation. The order backlog declined by 3% q/q and 15% y/y. Political strikes did not have any meaningful impact for the company's operations in Q1. The net result was EUR -5.5m in Q1 leading reported equity ratio to be 22.8%. Financiers approved a lower limit for the equity ratio covenant in Q1. Enersense is negotiating with financiers to further specify the covenant level for the full year 2024. Full year guidance was unchanged.

### Net sales and EBITDA were above our expectations in Q1

- Enersense's Q1 net sales of EUR 98.1m was above Nordea's forecast of EUR 95.6m in Q1.
- Industry and Power segments grew more than we expected in Q1 but net sales in the Connectivity segment was below our forecast.
- EBITDA in the Industry segment was below Nordea's forecast in Q1.
- The offshore business was weaker than expected in Q1. The offshore business could reach positive EBITDA by the end of 2024.
- Cash flow from operations was EUR 0.6m in Q1 (Q1 2023: EUR -15.7m).
- Net gearing was 84% at end of March.

### Outlook

- Net sales is guided to EUR 365-435m (unchanged).
- Consensus (LSEG) for net sales has been EUR 395m.
- EBITDA is guided to EUR 15-25m (unchanged).
- Consensus for EBITDA is EUR 20.3m (2023: EUR 15.1m).
- Market consensus for clean EPS for 2024 has been EUR -0.11.

## SUMMARY TABLE - KEY FIGURES

| EURm                         | 2021   | 2022    | 2023   | 2024E | 2025E  | 2026E |
|------------------------------|--------|---------|--------|-------|--------|-------|
| Total revenue                | 239    | 282     | 363    | 396   | 416    | 436   |
| EBITDA (adj)                 | 19     | 14      | 15     | 21    | 23     | 24    |
| EBIT (adj)                   | 9      | 5       | 5      | 11    | 13     | 14    |
| EBIT (adj) margin            | 3.9%   | 1.7%    | 1.4%   | 2.9%  | 3.1%   | 3.2%  |
| EPS (adj, EUR)               | 0.49   | -0.48   | -0.55  | -0.01 | 0.03   | 0.04  |
| EPS (adj) growth             | 50.9%  | -197.3% | -15.6% | 97.6% | 338.2% | 37.4% |
| DPS (ord, EUR)               | 0.10   | 0.10    | 0.10   | 0.10  | 0.10   | 0.10  |
| EV/Sales                     | 0.4    | 0.4     | 0.3    | 0.3   | 0.2    | 0.2   |
| EV/EBIT (adj)                | 10.0   | 21.6    | 20.6   | 9.1   | 8.0    | 7.6   |
| P/E (adj)                    | 13.9   | n.m.    | n.m.   | n.m.  | n.m.   | 90.5  |
| P/BV                         | 1.9    | 1.5     | 1.4    | 1.3   | 1.3    | 1.4   |
| Dividend yield (ord)         | 1.5%   | 1.8%    | 2.3%   | 2.5%  | 2.5%   | 2.5%  |
| FCF Yield bef A&D, lease adj | -13.2% | -12.8%  | -36.7% | 1.0%  | 1.3%   | 1.4%  |
| Net debt                     | 1      | 12      | 37     | 37    | 38     | 39    |
| Net debt/EBITDA              | 0.1    | 1.0     | 2.5    | 1.8   | 1.7    | 1.6   |
| ROIC after tax               | 18.4%  | 6.1%    | 5.1%   | 10.4% | 12.0%  | 12.8% |

Source: Company data and Nordea estimates

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