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## Commissioned research: Enersense – Focus is set to core service operations

Marketing material commissioned by Enersense

The company changed its strategy and abandons its plans to build 600MW of own wind power capacity. Moreover, onshore wind development projects will be sold. Enersense has a total of ~5GW in onshore wind power projects in the development portfolio and one of the key issues in the future is the possible divestment price of these projects. The company could also divest its offshore and EV operations to concentrate core service operations. The high interest rate environment has delayed many projects in charging, onshore wind and in offshore operations leading to a renewal of the strategy. The company's offshore business has been (EBITDA) loss making. The EV charging business has also burdened profitability. The company's underlying core service operations reported EUR 20m EBITDA in last year. We have forecasted EUR 19m EBITDA for 2024 including all operations. Enersense has also launched an efficiency program to support profitability and is looking for a new CEO. Moreover, the company made an agreement with its financing providers on EUR 10m senior unsecured revolving credit facility, leading to changes in covenants. A change in the strategy will reduce company specific risks, improve financial position but also lower growth expectations in the medium-term.

### SUMMARY TABLE - KEY FIGURES

| EURm                         | 2021   | 2022    | 2023   | 2024E | 2025E  | 2026E |
|------------------------------|--------|---------|--------|-------|--------|-------|
| Total revenue                | 239    | 282     | 363    | 402   | 426    | 449   |
| EBITDA (adj)                 | 19     | 14      | 15     | 19    | 21     | 22    |
| EBIT (adj)                   | 9      | 5       | 5      | 8     | 10     | 11    |
| EBIT (adj) margin            | 3.9%   | 1.7%    | 1.4%   | 2.0%  | 2.3%   | 2.4%  |
| EPS (adj, EUR)               | 0.49   | -0.48   | -0.55  | -0.30 | 0.10   | 0.14  |
| EPS (adj) growth             | 50.9%  | -197.3% | -15.6% | 46.7% | 134.9% | 35.6% |
| DPS (ord, EUR)               | 0.10   | 0.10    | 0.10   | 0.10  | 0.10   | 0.10  |
| EV/Sales                     | 0.4    | 0.4     | 0.3    | 0.2   | 0.2    | 0.2   |
| EV/EBIT (adj)                | 10.0   | 21.6    | 20.6   | 9.9   | 7.9    | 7.0   |
| P/E (adj)                    | 13.9   | n.m.    | n.m.   | n.m.  | 22.9   | 16.9  |
| P/BV                         | 1.9    | 1.5     | 1.4    | 0.9   | 0.9    | 0.8   |
| Dividend yield (ord)         | 1.5%   | 1.8%    | 2.3%   | 4.2%  | 4.2%   | 4.2%  |
| FCF Yield bef A&D, lease adj | -13.2% | -12.8%  | -36.7% | -0.9% | 5.9%   | 5.4%  |
| Net debt                     | 1      | 12      | 37     | 38    | 38     | 37    |
| Net debt/EBITDA              | 0.1    | 1.0     | 2.5    | 2.1   | 1.8    | 1.7   |
| ROIC after tax               | 18.4%  | 6.1%    | 5.1%   | 7.4%  | 9.5%   | 10.6% |

Source: Company data and Nordea estimates

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