

4 December 2024

## Commissioned research: Enersense – Full-year 2024 net sales guidance midpoint was upgraded by 5%

*Marketing material commissioned by Enersense*

The company upgraded its 2024 net sales guidance midpoint by 5% on December 4. Full year EBITDA guidance remained unchanged. New revenue guidance is EUR 385-410m compared to Nordea's estimate of EUR 404m. Our net sales forecast is now 2% above guidance midpoint (previously 7% above). Reported EBITDA 2024 is guided to EUR 4-8m (Nordea estimate EUR 8m). Enersense renewed its strategy in June and could divest its three growth engines, which are EV chargers, offshore platforms and onshore development portfolio. The equity story is now more related to upcoming divestment prices, as well as the sustainable growth and profitability of the service operations in the long term, rather than for revenue growth in 2024. Adjusted EBITDA in the continuing core businesses is guided to be EUR 17-21m in 2024.

### The narrative is shifting towards possible divestments

We believe a divestment of the wind power development portfolio could happen in near future. The value of its wind power development portfolio could turn out to be remarkable compared to Enersense's market cap of EUR 43m. Successful divestments of non-core assets would also alter the balance sheet. In a negative scenario, willingness to build new onshore wind power in Finland could be modest, and the divestment price will be under EUR 18.5m, which Enersense paid in 2021. A possible divestment will likely alter valuation multiples, which is why current P/E and EV/EBIT do not represent all of the information. If net sales were EUR 300m, with an EBIT margin of 3.5%, zero debt and zero interest expenses, we calculate that EPS could be EUR 0.51. We expect Enersense to release new financial targets soon after possible divestments.

## SUMMARY TABLE - KEY FIGURES

| EURm                         | 2021   | 2022    | 2023   | 2024E | 2025E  | 2026E |
|------------------------------|--------|---------|--------|-------|--------|-------|
| Total revenue                | 239    | 282     | 363    | 404   | 420    | 440   |
| EBITDA (adj)                 | 19     | 14      | 15     | 15    | 22     | 23    |
| EBIT (adj)                   | 9      | 5       | 5      | 5     | 11     | 12    |
| EBIT (adj) margin            | 3.9%   | 1.7%    | 1.4%   | 1.3%  | 2.7%   | 2.8%  |
| EPS (adj, EUR)               | 0.49   | -0.48   | -0.55  | -0.53 | 0.13   | 0.19  |
| EPS (adj) growth             | 50.9%  | -197.3% | -15.6% | 5.1%  | 123.8% | 50.6% |
| DPS (ord, EUR)               | 0.10   | 0.10    | 0.00   | 0.00  | 0.00   | 0.00  |
| EV/Sales                     | 0.4    | 0.4     | 0.3    | 0.2   | 0.2    | 0.1   |
| EV/EBIT (adj)                | 10.0   | 21.6    | 20.6   | 13.1  | 5.9    | 5.2   |
| P/E (adj)                    | 13.9   | n.m.    | n.m.   | n.m.  | 18.9   | 12.5  |
| P/BV                         | 1.9    | 1.5     | 1.4    | 1.1   | 1.0    | 0.9   |
| Dividend yield (ord)         | 1.5%   | 1.8%    | 0.0%   | 0.0%  | 0.0%   | 0.0%  |
| FCF Yield bef A&D, lease adj | -13.2% | -12.8%  | -36.7% | 24.5% | 1.1%   | 3.7%  |
| Net debt                     | 1      | 12      | 37     | 27    | 26     | 25    |
| Net debt/EBITDA              | 0.1    | 1.0     | 2.5    | 3.4   | 1.2    | 1.1   |
| ROIC after tax               | 18.4%  | 6.1%    | 5.1%   | 5.4%  | 14.2%  | 15.4% |

Source: Company data and Nordea estimates

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