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Company Comment	Services	Finland	28 January 2025
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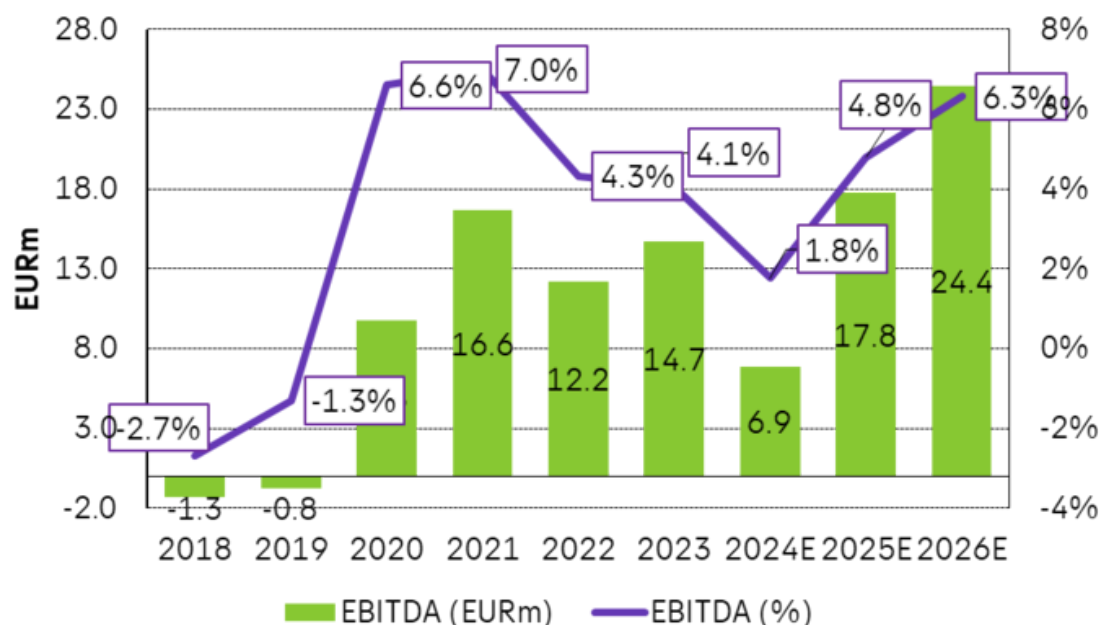
## Technical EBITDA guidance upgrade

**According to preliminary information, FY/24 revenue is expected to be EUR 413-416m (previously 385-410m). FY/24 EBITDA is guided to be EUR 14-16m, of which EUR 10.1m relates to the termination of the wind power project agreement. As a result of the termination, Enersense is booking a EUR 10.1m write-down. Excl. the impact of the termination, EBITDA is guided at EUR 4-6m (previously 4-8m; SEBe 6.9m).**

## Core business performing well

Enersense's previous full-year 2024 EBITDA guidance was EUR 4-8m, but the company has since announced the divestment of its wind power development business. Enersense also had a wind power project development cooperation agreement in place with Valorem, which is now terminated, based on our understanding and the release. We assume that this termination has triggered a non-cash EUR 10.1m gain in EBITDA and EUR 10.1m write-down, offsetting the impact on EBIT. Excluding the impact of the termination, Enersense's FY/24 EBITDA is now guided to be EUR 4-6m, while our comparable EBITDA estimate is at EUR 6.9m. However, Enersense expects its adjusted EBITDA in the core business to be in the range of EUR 19-21m (previously EUR 17-21m). Enersense's non-core business includes EV charging solutions, offshore, and renewable development businesses. FY/24 revenue guidance is upgraded, thanks to better-than-expected development of several projects at the end of the year. We believe that the warm weather has helped the company to execute projects.

Basically, the new guidance indicates that the core business is performing better-than-expected, but we think this is more related to the current weather conditions, as mentioned. On the other hand, non-core businesses are generating more losses than we had expected. This highlights the urgency to solve the future of these operations sooner rather than later. We believe Enersense is trying to divest its EV charging solutions and offshore businesses during 2025, but the company has to start to think about terminating these operations at some point if it cannot find buyers.

**SEB's reported group EBITDA estimates before the guidance change**

Source: SEB

**Key figures**

(EURm)	2023	2024E	2025E	2026E
Revenues (m)	363	389	370	387
Adj. EBIT	5	(3)	8	14
PTP (m)	(9)	(16)	(4)	8
EPS	(0.54)	(1.02)	(0.18)	0.37
EPS (adjusted)	(0.54)	(1.02)	(0.18)	0.37
DPS	0.10	0.00	0.00	0.10
Revenue growth (%)	35.6	7.0	(4.8)	4.5
EPS growth (%)	n.a.	n.a.	n.a.	n.a.
Operating margin (%)	1.4	(0.8)	2.1	3.7
Adj. EBIT margin (%)	1.4	n.m	2.1	3.7
ROCE (%)	4.9	(3.6)	9.6	17.6
Net Debt/EBITDA (x)	2.5	6.3	2.8	1.6
PER (adjusted)	(8.1)	(2.7)	(15.4)	7.5
Dividend yield (%)	2.3	0.0	0.0	3.7
Free Cash Flow Yield (%)	(37.8)	(25.0)	(12.4)	23.2
P/BV (x)	1.4	1.3	1.5	1.2
EV/EBIT (x)	20.7	(27.4)	12.3	5.8
EV/Sales (x)	0.30	0.23	0.25	0.22

Source: SEB



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