# Carnegie

#### **COMMISSIONED RESEARCH**

**NEWS FLASH** 

31 March 2025 Sweden Energy & Utility Research analysts: Örjan Rödén

# **Eolus**

Share price: SEK53.1

Fair value range: SEK87.0–127.0

# Extending financing to handle the current market backdrop

#### What is new?

Eolus has announced a major refinancing package. Eolus has mandated DNB Markets to arrange a series of fixed-income investor meetings to investigate the possibility of issuing EUR-denominated senior unsecured floating rate green bonds, with an expected maturity of four years. A capital markets transaction may, subject to market conditions, follow. The financing will also, given a successful bond issue, refinance the group's existing debt, and contain a bridge facility, a super senior revolving credit facility and a commitment for a construction facility. Eolus has also announced a green financing framework to support the package. DNB, which is the sole bookrunner of the package, has recently acquired Carnegie Investment Bank.

#### What does it mean?

The renewable developer industry has changed over recent years. The earlier asset-light RTB-model (ready-to-build) has been increasingly challenging to pursue. Higher uncertainty over future electricity prices, inflation, interest rates and other relevant parameters for renewable energy projects have increased project lead-times and amplified the need to adjust the sales process according to the markets' appetite for projects in different stages. A strong balance sheet is therefore needed. Eolus, with its project-related business model, will most likely find it challenging to finance bank debt at a competitive cost of capital, therefore needs to strengthen its balance sheet from other sources. Green bonds offer an attractive balance of capital costs and financial flexibility, in our view.

#### What do we do?

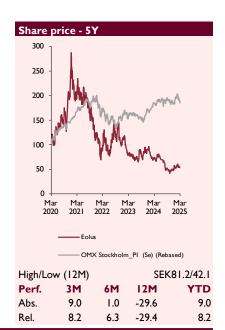
We leave our estimates and fair value unchanged.

### **Upcoming events**

Q1 Report: 14 May 2025
 AGM 2025: 15 May 2025
 Q2 Report: 26 Aug 2025

24.9
132
1,323
726
79
2,128
83.5%
35
Medium Risk
December
31 Mar 2025 10:26

Key figures (SEK)	2024	2025e	2026e	202/e
Sales (m)	885	3,698	1,754	2,142
EBITDA (m)	300	477	293	481
EBIT (m)	290	465	281	469
EPS	6.22	14.8	8.86	14.9
EPS adj.	6.22	14.8	8.86	14.9
DPS	2.25	2.75	3.25	3.75
Sales growth Y/Y	-63%	318%	-53%	22%
EPS adj. growth Y/Y	-73%	138%	-40%	68%
EBIT margin	32.8%	12.6%	16.0%	21.9%
P/E adj.	8.5	3.6	6.0	3.6
EV/EBIT	11.5	4.6	4.3	1.9
EV/EBITA	11.5	4.6	4.3	1.9
EV/EBITDA	11.1	4.5	4.1	1.8
P/BV	0.8	0.7	0.6	0.5
Dividend yield	4.2%	5.2%	6.1%	7.1%
FCF yield	-129.5%	98.1%	70.6%	28.7%
Equity/Total Assets	38.3%	56.4%	62.0%	63.7%
ROCE	9.0%	12.8%	8.8%	13.6%
ROE adj.	9.8%	20.2%	10.7%	16.3%
Net IB debt/EBITDA	6.8	1.5	-0.7	-1.1



Source: Carnegie Research, FactSet, Millistream & company data

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