

Strong Q1 beat our expectations

Enersense's Q1 net sales and profitability beat our expectations. Net sales amounted to EUR 52.4m (Evli EUR 44.5m) and adj. EBITDA was EUR 1.7m (Evli EUR 0.5m). Enersense also announced that it has concluded negotiations on a new financing package.

- Net sales in Q1 amounted to EUR 52.4m, beating our estimates (Evli EUR 44.5m).
- Adjusted EBITDA also exceeded our expectations and was EUR 1.7m (Evli EUR 0.5m).
- Order backlog at the end of the first quarter amounted to EUR 319m, growing by 9% from EUR 292m at the end of 2020.
- **Guidance reiterated:** Enersense expects net sales to be EUR 215-245 million in 2021. EBITDA excluding non-recurring costs related to integration is estimated to be EUR 12-15 million in 2021.
- Enersense also announced that it has concluded negotiations on a new financing package. The company will replace the existing EUR 12.7 million short-term financing facilities with two senior loans, totaling EUR 12m. Each senior loan amounts to EUR 6m and will mature in 2026. Enersense also replaces a part of its previous bank guarantee facilities with the new bank guarantee facilities. Enersense has bank guarantee facilities totaling EUR 36.9m and invoice financing facilities totaling EUR 41.5m.

| Rating | | | | BUY |
|---|--------|-------|----------|-----------------------|
| Q1/21 | Actual | Evli | Year ago | Q4/20 |
| Net sales | 52.4 | 44.5 | | 66.0 |
| Adj. EBITDA | 1.7 | 0.5 | | 3.5 |
| EBIT | -1.3 | -2.5 | | -0.9 |
| EPS | -0.26 | -0.29 | | -0.01 |
| Deviation | Actual | Evli | Year ago | Q4/20 |
| Net sales | | 18 % | | -21 % |
| Operative EBITA | | 222 % | | -52 % |
| EBIT | | -47 % | | 45 % |
| EPS | | -10 % | | 2097 % |
| Share price, EUR (Last trading day's closing price) | | | | 9.54 |
| Target price, EUR | | | | 9.7 |
| Latest change in recommendation | | | | 17-Mar-21 |
| Latest report on company | | | | 17-Mar-21 |
| Research paid by issuer: | | | | YES |
| No. of shares outstanding, '000's | | | | 11,623 |
| No. of shares fully diluted, '000's | | | | 11,623 |
| Market cap, EURm | | | | 111 |
| Free float, % | | | | 60.6 |
| Exchange rate | | | | - |
| Reuters code | | | | ESENSE.HE |
| Bloomberg code | | | | ESENSE FH |
| Average daily volume, EURm | | | | - |
| Next interim report | | | | 04-May-21 |
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BUY HOLD SELL

PRE-REPORT KEY FIGURES

| | Sales EURm | EBIT EURm | EBIT % | FCF EURm | EPS EUR | P/E (x) | EV/Sales (x) | EV/EBIT (x) | FCF yield % | DPS EUR |
|--------------------------|---------------|--------------|-----------|-------------|-------------------------|------------|-----------------|-----------------------|----------------|------------|
| 2019 | 58.1 | -1.9 | -3.3% | -2.6 | -0.36 | -4.3 | 0.2 | -6.0 | -28.5 | 0.00 |
| 2020 | 144.5 | 1.6 | 1.1% | -6.3 | -0.01 | -701.3 | 0.6 | 54.1 | -7.9 | 0.00 |
| 2021E | 230.0 | 1.5 | 0.6% | -2.4 | -0.08 | -119.3 | 0.5 | 70.9 | -2.2 | 0.00 |
| 2022E | 237.2 | 5.9 | 2.5% | 9.8 | 0.30 | 31.3 | 0.4 | 16.0 | 8.8 | 0.09 |
| 2023E | 244.5 | 7.5 | 3.1% | 10.4 | 0.39 | 24.4 | 0.3 | 11.2 | 9.4 | 0.12 |
| Market cap, EURm | | | | 111 | BV per share 2021E, EUR | | -34.9 | CAGR EPS 2020-23, % | | 0.0 |
| Net debt 2021E, EURm | | | | -9 | Price/book 2021E | | 4.2 | CAGR sales 2020-23, % | | 19.2 |
| Enterprise value, EURm | | | | 104 | Dividend yield 2021E, % | | 0.0 | ROE 2021E, % | | -4.6 |
| Total assets 2021E, EURm | | | | 106 | Tax rate 2021E, % | | 0.0 | ROCE 2021E, % | | 3.8 |
| Goodwill 2021E, EURm | | | | 25 | Equity ratio 2021E, % | | 25.6 | PEG, P/E 21/CAGR | | 0.0 |

All the important disclosures can be found on the last pages of this report.

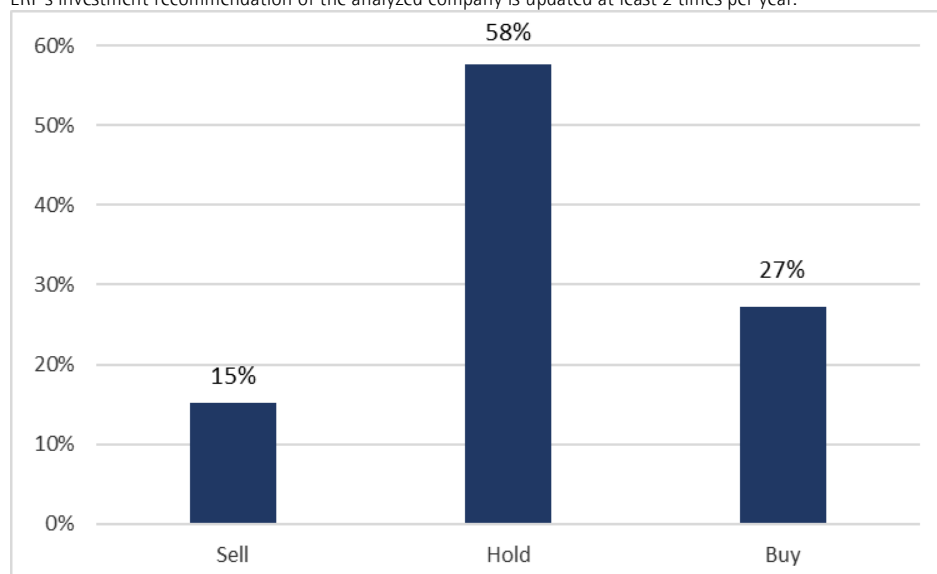
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| Target price compared to share price | Recommendation |
|--------------------------------------|----------------|
| < -10 % | SELL |
| -10 – (+10) % | HOLD |
| > 10 % | BUY |

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Name(s) of the analyst(s): Reiman

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