

ES Energy Save

Green numbers for a green company

- Continued sales ramp-up, 32% sales growth q-o-q (ABGSCe +18%)
- Positive EBIT in FY'24/'25e, ests. up to SEK 3m (prev. SEK -4m)
- 9-4x EBIT '25e-'26e, FV range SEK 27-76

Fourth quarter of sequential sales growth

Energy Save saw growth both y-o-y (+187%) and q-o-q (+32%), with sales of SEK 79m (13% vs. ABGSCe SEK 70m), driven by Residential and the Aira partnership, while Commercial remained weak (+169% q-o-q, -38% y-o-y). The gross margin was lower at 25% (29% in Q1'23/'24), due to a higher share of direct deliveries, and costs associated with the new technology platform. EBIT was SEK 324k (vs. ABGSCe SEK -2m), for a margin of 0% (-11% in Q4'23/'24). FCF was SEK -399k (vs. SEK -13m in Q4'23/'24), as working capital turned positive to SEK 1m (SEK -4m in Q4'23/'24). We expect Energy Save's net cash position to support growth and for FCF to turn positive from '26/'27e. Looking ahead, we expect Aira to support continued growth y-o-y (~140-40% y-o-y in fiscal Q2-Q4), but somewhat slower progress q-o-q. That said, higher sales should also support a slow but gradual improvement in margins.

Profitability achieved ahead of schedule

With the better-than-expected Q1 results and a higher revenue base, we raise FY'24/'25e-FY'26/'27e sales by 7-3%. We now expect Energy Save to achieve positive EBIT in FY'24/'25e (vs. SEK -4m previously), while a continued volume improvement should yield margins of 5-8% in FY'25/'26e-'26/'27e.

Long-term potential unchanged

We find it promising to see that Aira sales are continuing to ramp up according to plan and that Energy Save has returned to profitability, despite the challenging end-market conditions. On our ests., Energy Save is trading at 0.5x EV/Sales '24/'25e and 9-4x EBIT '25/'26e-'26/'27e, ~5-50% below Cleantech and HVAC peers, where Energy Save has delivered higher sales growth but lower profitability. Our fair value range of SEK 27-76 is based on: 1) a comparison against peers, 2) a five-year scenario and 3) a long-term DCF.

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SEKm	2022	2023	2024e	2025e	2026e
Sales	298	171	321	394	471
EBITDA	47	-22	10	26	46
EBITDA margin (%)	15.9	-13.1	3.0	6.7	9.8
EBIT adj.	43	-28	3	18	36
EBIT adj. margin (%)	14.3	-16.5	1.0	4.6	7.7
Pretax profit	42	-27	2	17	35
EPS	5.59	-4.05	0.35	2.23	4.27
EPS adj.	5.59	-4.05	0.35	2.23	4.27
Sales growth (%)	176.4	-42.7	88.0	23.0	19.4
EPS growth (%)	nm	-172.4	-108.5	nm	92.0

Source: ABG Sundal Collier, Company Data

Reason: Post-results comment

Commissioned research

Not rated

Capital Goods

Estimate changes (%)

	2024e	2025e	2026e
Sales	7.0	2.7	2.5
EBIT	nm	3.1	1.5
EPS	nm	6.7	3.1

Source: ABG Sundal Collier

ESGR.B-SE/ESGR SS

Share price (SEK)	18/9/2024	26.80
Fair value range		27.0-76.0

MCap (SEKm)	175
MCap (EURm)	12
No. of shares (m)	5.2
Free float (%)	82.5
Av. daily volume (k)	5

Next event Q2 Report 13 December 2024

Performance



Disclosures and analyst certifications are located on pages 13-14 of this report.

This research product is commissioned and paid for by the company covered in this report. As such, this report is deemed to constitute an acceptable minor non-monetary benefit (i.e. not investment research) as defined in MiFID II.

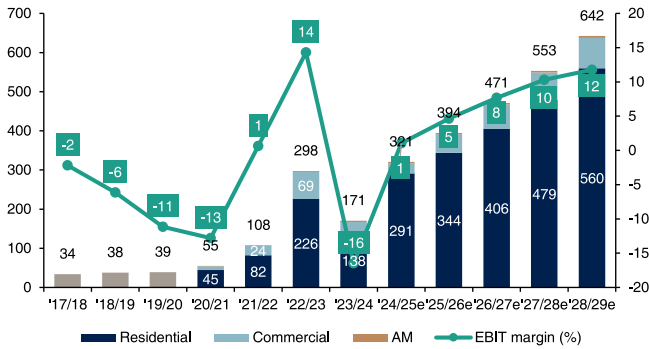
Company description

Energy Save is a Swedish heat pump manufacturer (~75% residential, ~25% commercial) that uses in-house R&D and outsourced production to deliver growth above the market (>20%) and a 15% EBIT margin in the longer-term. The company has grown sales by ~30% p.a. historically, and sells its products through distributors under its own brand, and to OEMs through a private label approach

Risks

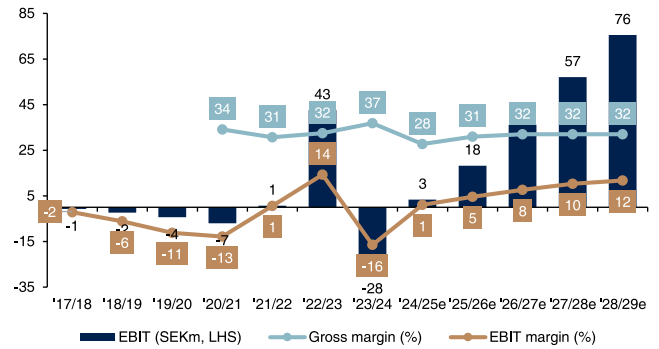
Slow uptick in heat pump demand and lack of transition from fossil-fuelled heating, lower-than-expected margin support from higher volumes, Aira partnership not being extended, continued negative cash flow generation unless volumes improve

Sales by segment and group margins



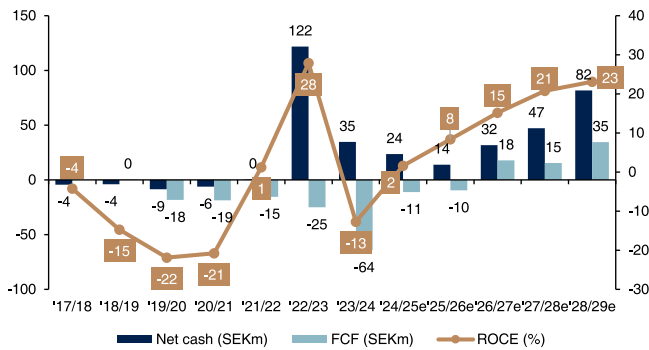
Source: ABG Sundal Collier, company data

EBIT and margin structure



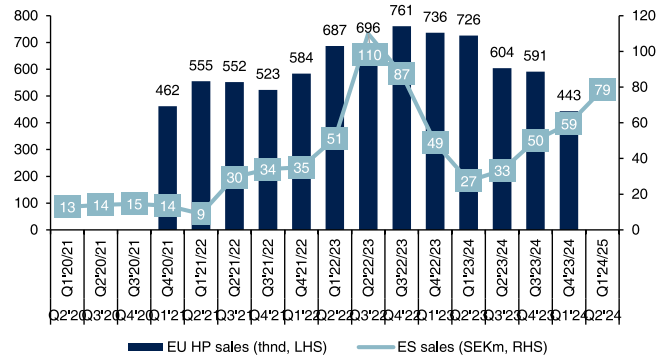
Source: ABG Sundal Collier, company data

Cash position, cash flow and ROCE



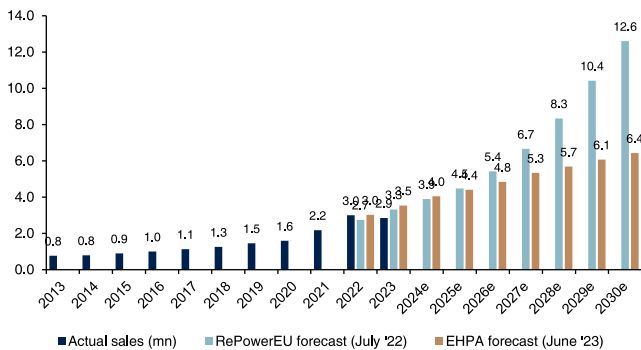
Source: ABG Sundal Collier, company data

ES sales vs. EHPA HP unit sales



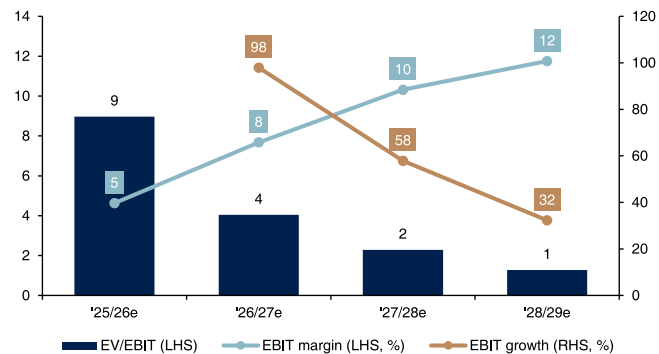
Source: ABG Sundal Collier, company data, EHPA

European HP market forecast (mn units)



Source: ABG Sundal Collier, EHPA

Valuation overview



Source: ABG Sundal Collier, company data

Quarterly outcome vs. expectations

Outcome vs. expectations	LY	Actual	ABGSC		Dev	
SEKm, fiscal	Q1'23/24	Q1'24/25e	y-o-y	Q1'24/25e	SEKm	%
Net sales	27	79	187%	70	9	13%
Gross profit	8	19	148%	23	-3	-15%
SG&A ex D&A	-15	-18		-23		
EBITDA	-7	2	n.m.	0	2	-514%
D&A	-1	-2		-2		
EBIT	-9	0	n.m.	-2	2	-116%
Net financials	0	0		0		
PTP	-9	0	n.m.	-2	3	-119%
Taxes	0	0		0		
Net profit	-9	0	n.m.	-2		
NCI	1	0		0		
Net profit to shareholders	-8	0	n.m.	-2	3	-119%
Growth and margins	Q1'23/24	Q1'24/25e	y-o-y	Q1'24/25e	SEKm	%
Sales y-o-y	-47%	187%		153%		
EBIT y-o-y	n.a.	-104%		n.a.		
Net profit y-o-y	n.a.	-106%		n.a.		
Gross margin	29%	25%	-4%	33%		-8%
EBIT margin	-32%	0%	32%	-3%		3%
Sales per segment	Q1'23/24	Q1'24/25e	y-o-y	Q1'24/25e	SEKm	%
Residential	18	73	309%	66	7	11%
Commercial	9	6	-38%	3	3	91%
Aftermarket	0	0		1		
Group	27	79	187%	70	9	13%
Sales per region	Q1'23/24	Q1'24/25e	y-o-y	Q1'24/25e	SEKm	%
Scandinavia	14	6	-55%			
Other Europe	14	76	448%			
Other	0	0				
Group	27	79	187%	70	9	13%

Source: ABG Sundal Collier, company data

Estimate changes

Estimate changes	Old			New			Change			Change, SEKm		
	'24/25e	'25/26e	'26/27e	'24/25e	'25/26e	'26/27e	'24/25e	'25/26e	'26/27e	'24/25e	'25/26e	'26/27e
Net sales	300	384	459	321	394	471	7%	3%	3%	21	10	12
Gross profit	103	127	150	89	122	151	-14%	-4%	0%	-14	-4	1
SG&A ex D&A	-100	-101	-105	-79	-96	-105						
EBITDA	3	26	46	10	26	46	258%	2%	1%	7	1	1
D&A	-6	-8	-10	-6	-8	-10						
EBIT	-4	18	36	3	18	36	-190%	3%	1%	7	1	1
Net financials	-2	-2	-2	-1	-1	-1						
PTP	-5	16	34	2	17	35	-143%	7%	3%	8	1	1
Taxes	0	-2	-7	0	-3	-7						
Net profit	-5	14	27	2	15	28	-143%	7%	3%	8	1	1
NCI	0	0	0	0	0	0						
Net profit to shareholders	-5	14	27	2	15	28	-143%	7%	3%	8	1	1
Growth and margins	'24/25e	'25/26e	'26/27e	'24/25e	'25/26e	'26/27e	'23/24	'24/25e	'25/26e	'26/27e	'27/28e	'28/29e
Sales y-o-y	76%	28%	20%	88%	23%	19%						
EBIT y-o-y	-87%	-581%	101%	-112%	448%	98%						
Net profit y-o-y	-80%	-360%	99%	-109%	545%	92%						
Gross margin	34%	33%	33%	28%	31%	32%	-7%	-2%	-1%			
EBIT margin	-1%	5%	8%	1%	5%	8%	2%	0%	0%			
Sales per segment	'24/25e	'25/26e	'26/27e	'24/25e	'25/26e	'26/27e	'23/24	'24/25e	'25/26e	'26/27e	'27/28e	'28/29e
Residential	269	328	387	291	344	406	8%	5%	5%	23	16	19
Commercial	28	52	68	26	47	61	-5%	-10%	-10%	-1	-5	-7
Aftermarket	4	4	4	3	3	4	-13%	-13%	-13%	0	-1	-1
Group	300	384	459	321	394	471	7%	3%	3%	21	10	12

Source: ABG Sundal Collier, company data

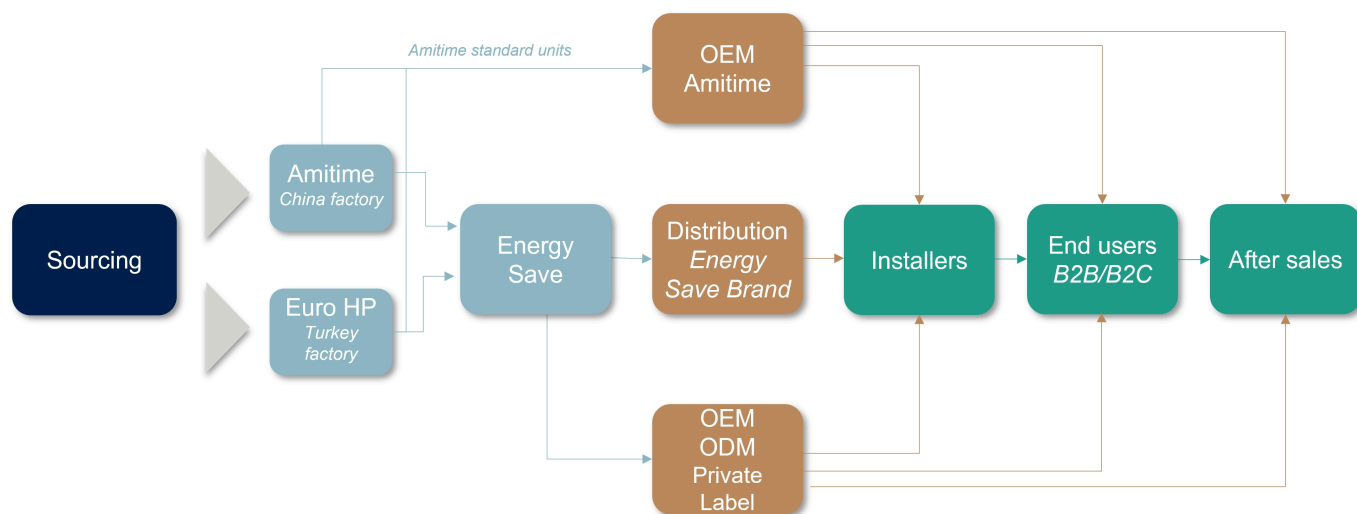
Summary

Energy Save is a Swedish heat pump manufacturer focused on in-house R&D and outsourced production. The company has historically grown sales by ~30% (FY'17/18-'23/24e), above its own target of 20%, and has shown an ability to generate profits with ~33% gross margins (Energy Save targets a 15% EBIT margin). Although the heat pump market is currently seeing several headwinds, we expect long-term demand to be strong, and that Energy Save together with a promising partnership with emerging heat pump OEM Aira should be able to grow sales by ~30% p.a. FY'23/24e-'28/29e and reach 10-12% EBIT margins in FY'27/28e-'28/29e (vs. currently being loss-making). We expect the company to reach positive free cash flow in FY'26/27e, while the ~SEK 30m net cash position should cover funding until then. On our estimates, Energy Save is trading at 9-4x EBIT '25e-'26e, ~5-50% below cleantech and HVAC peers, where Energy Save has delivered higher sales growth but lower profitability. We derive a fair value range of SEK 27-76 based on: 1) a comparison against peers, 2) a five-year scenario and 3) a long-term DCF.

Swedish R&D, outsourced production

Energy Save is a Swedish energy technology company focused on delivering domestic (76%) and commercial (23%) heat pumps to the European market, and has delivered heat pumps since 2009. The company relies on a combination of in-house R&D and outsourced production and partnerships to secure a cost-effective and scalable organisation. Beyond heat pumps aimed at the residential segment, the company has developed modular systems for larger commercial buildings. Apart from new products (plug-in modules, larger commercial systems), the company's focus has been on becoming a technology partner with potential OEMs. In 2023, this resulted in a commercial partnership with upcoming heat pump manufacturer Aira. Aira, which is backed by Harald Mix-owned Vargas, Kinnevik and other investors, aims to produce 500,000 heat pumps by 2030 and has a licensing agreement that could potentially yield Energy Save SEK 200-400m in sales over two years (calendar 2024-2026) vs. Energy Save's FY'22/23 sales of ~SEK 300m.

Value chain



Source: ABG Sundal Collier, Company Data

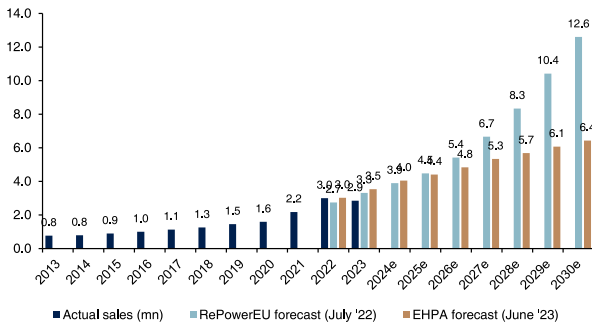
The Aira partnership

We believe that the Aira partnership could drive significant sales and earnings for Energy Save, where we estimate that sales could reach ~SEK 860m with 13% margins by FY'30/31e, compared to ~420m and 11% margins excluding the partnership, i.e. ~40% of total revenue. If Aira succeeds in its growth ambition, the partnership should significantly increase the likelihood of Energy Save reaching its financial targets (20% sales growth, 15% EBIT margins).

Promising long-term market growth

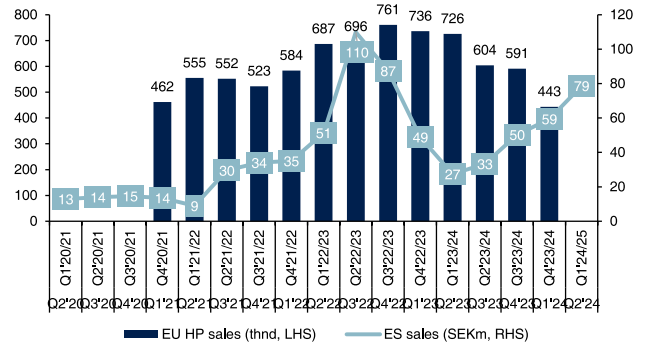
The global heat pump market holds considerable potential, as it is widely considered a key technology for improving energy efficiency in buildings, and a necessity in order for the Net Zero Emission plan to be reached. For example, there are still ~90m boilers in use in Europe, vs. ~23m heat pumps. In Europe, heat pump sales grew by 14% p.a. in 2013-2023, and by 39% in 2022. However, sales declined by 5% in 2023, and at least 40% (ABGSCe) in Q1'24 due to weaker consumer sentiment, reduced construction activity, low gas prices, high financing cost and uncertainty regarding subsidy programmes. This has also led to long-term growth forecasts being revised from 20% market growth ('22-'30 CAGR) in July 2022 to EHPA's ~10% forecast in June 2023. Policy support (restrictions on fossil fuels, increased cash/tax subsidies) remains key for heat pump adoption, and we believe that the long-term outlook is favourable (at least ~10% growth from 2024), but fear that the headwinds listed above could hold back heat pump demand into 2025. Energy Save should see support from replacement demand in the Nordics, while key markets such as the UK, Germany and Italy all have sizeable installed bases of gas boilers that eventually need to be replaced.

European HP market forecast (mn units)



Source: ABG Sundal Collier, EHPA

ES sales vs. EHPA HP unit sales



Source: ABG Sundal Collier, company data, EHPA

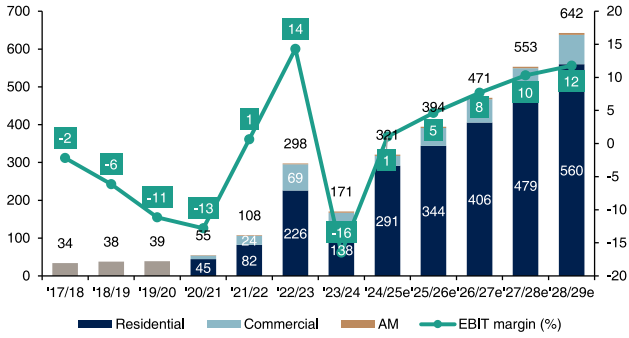
An increasingly competitive landscape

We assess that competition mainly stems from three categories: European legacy OEMs with established heat pump and/or gas boiler sales (such as NIBE, Viessmann, Bosch/IVT), Asian OEMs (Daikin) that have expanded from the lower-priced air/air segment, and new ventures (Qvantum, Energy Save's partner Aira). The relationship with installers remains key in the air/water and geothermal segments, and especially so in the mid-premium segment. Here, we believe Energy Save and its partner Aira could experience barriers to entry from the legacy European OEMs, but that the increasing market size, focus on a lower price point for the consumer, and an overall improvement in heat pump technology, should gradually lead to increased competition in this growing market.

~30% sales CAGR, 10-12% margins FY'27/28e-'28/29e

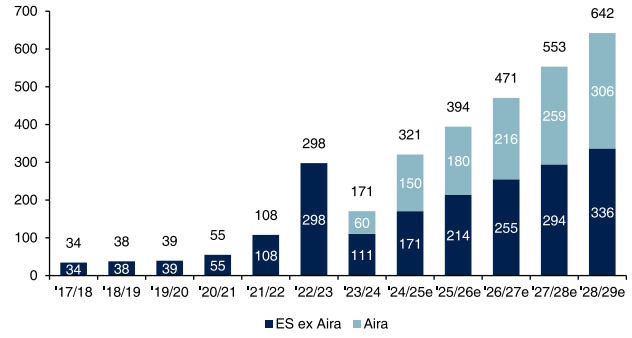
Energy Save has historically grown sales above its own 20% ambition (~30% CAGR FY'17/18-'23/24e), and continues to do so despite the currently weak market. Looking ahead, we expect Energy Save's scalable business model with outsourced production to drive a ~30% sales CAGR FY'23/24e-'28/29e, supported by our expectation of a successful partnership with Aira. With its ~33% gross margins and slim SG&A base, the company has demonstrated an ability to generate healthy EBIT margins (14% in FY'22/23). However, we expect margins to reach 10-12% in FY'27/28e-'28/29e, as the SG&A base has increased recently. We believe that revenues of ~SEK 800m or higher will likely be needed for Energy Save to reach its 15% target. That being said, margins should turn positive in FY'24/25e, and drive >30% EBIT growth thereafter. Free cash flow should turn positive in FY'26/27e, where we believe that the current ~SEK 35m net cash position should cover funding until then. Once Energy Save reaches profitability, its asset-light model should allow for solid return on capital, and we expect ROCE to reach 15-23% in FY'26/27e-'28/29e.

Sales by segment and group margins



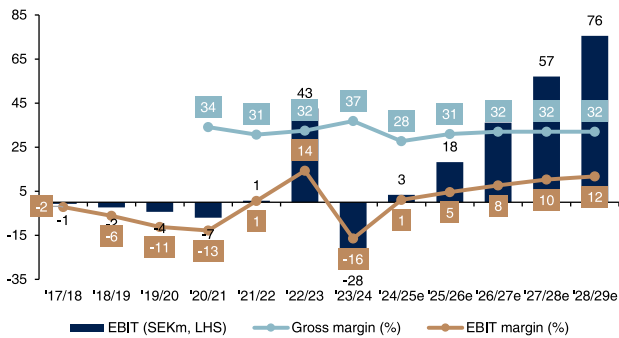
Source: ABG Sundal Collier, company data

Sales incl. and excl. Aira (SEKm)



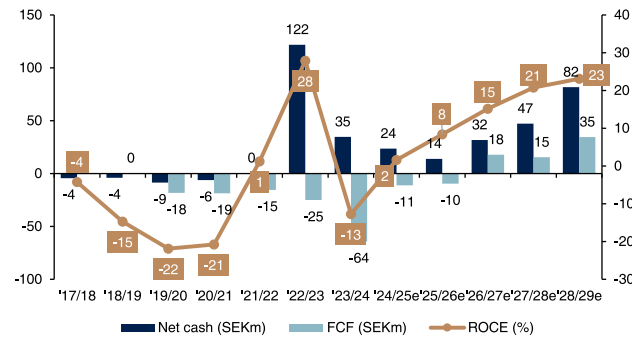
Source: ABG Sundal Collier, company data

EBIT and margin structure



Source: ABG Sundal Collier, company data

Cash position, cash flow and ROCE



Source: ABG Sundal Collier, company data

Strong sales vs. peers, but lower profitability

We mainly benchmark Energy Save against comparable HVAC/heat pump OEMs and a group of smaller Nordic names with 'cleantech' exposure. We find that compared to our selection of peers, Energy Save has delivered higher revenue growth (both historically at 35% vs. 8-29% '18-'23e and going forward at 39% vs. 12-5% '23-'26e), gross margins in line with peers (~33%) and operating margins and ROCE below said peers. We expect this profitability gap to gradually close, and that Energy Save's EBIT margins in FY'26/27e should be closer to peers (8% vs. 11-13%), thereby driving EBIT growth above peers.

Operational performance vs. peers

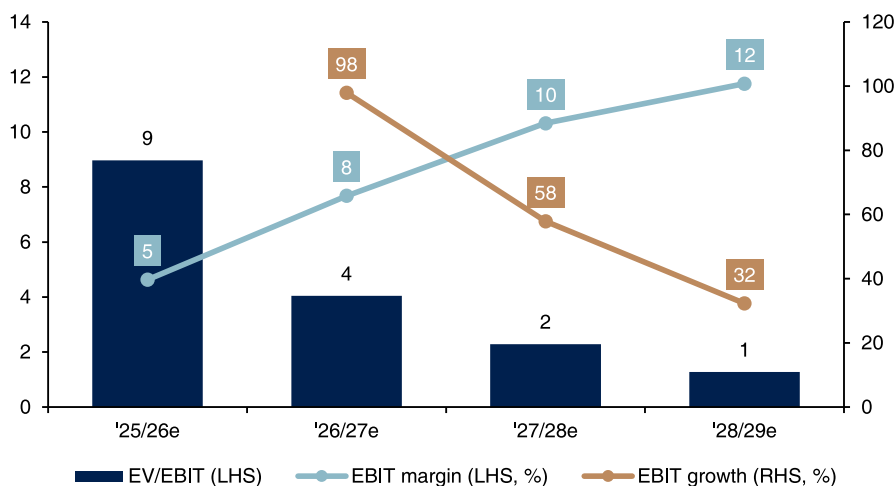
	SEKm		'18-'23 CAGR / avg					'23-'26e CAGR / avg				
	Mcap	Sales	Org. sales	Adj. EBIT	Margin	Gross margin	Adj. ROCE	Sales	Adj. EBIT	Margin	Gross margin	Adj. ROCE
Energy Save	185	35%	32%	n.m.	-5%	34%	-5%	40%	n.m.	4%	30%	8%
Nordic cleantech	292	34%	23%	10%	2%	34%	2%	12%	74%	7%	37%	15%
HVAC	214,926	8%	7%	14%	14%	32%	15%	5%	9%	11%	33%	16%
Nordic cleantech												
Cavotec	2,023	-1%	4%	10%	2%	n.m.	5%	5%	36%	8%	n.m.	19%
Ecoclime	115	34%	17%	n.m.	-3%	n.m.	-4%	-3%	n.m.	-3%	n.m.	-3%
Ferroamp	228	69%	69%	n.m.	-35%	18%	-35%	n.a.	n.m.	-10%	n.a.	n.a.
Vow	292	23%	23%	n.m.	2%	34%	2%	19%	n.m.	7%	36%	11%
Zaptec	952	70%	70%	10%	8%	40%	13%	19%	112%	7%	39%	21%
Median	292	34%	23%	10%	2%	34%	2%	12%	74%	7%	37%	15%
HVAC												
Ariston	15,726	14%	6%	19%	10%	n.m.	15%	0%	-2%	9%	n.m.	n.m.
Carrier	704,616	3%	4%	-9%	14%	29%	15%	7%	25%	16%	31%	15%
Daikin	367,266	12%	12%	7%	10%	34%	12%	5%	9%	10%	34%	13%
Lennox	214,926	5%	7%	9%	15%	29%	47%	6%	14%	19%	33%	38%
NIBE	94,070	16%	10%	20%	14%	33%	13%	3%	-4%	11%	30%	10%
Systemair	17,784	8%	7%	15%	8%	34%	14%	4%	8%	10%	35%	17%
Trane	838,525	7%	7%	14%	14%	31%	16%	7%	11%	18%	35%	25%
Median	214,926	8%	7%	14%	14%	32%	15%	5%	9%	11%	33%	16%

Source: ABGSC for ES, company data, FactSet est. for peers

Fair value range of SEK 27-76

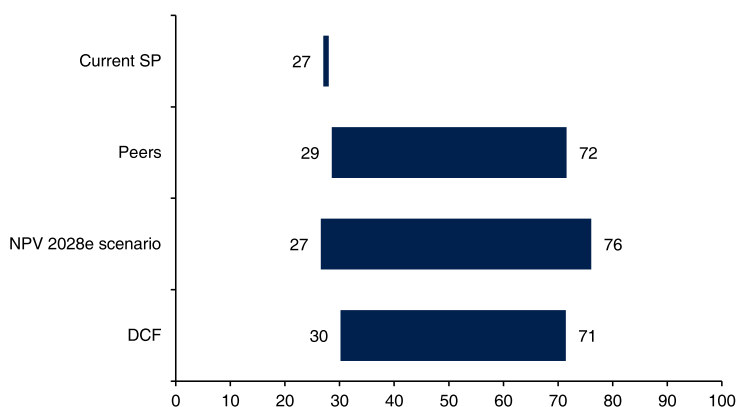
We derive a fair value range of SEK 27-76, based on: 1) a comparison against peers, where Energy Save at 9-4x EBIT '25e-'26e is trading ~5-50% below cleantech and HVAC peers, 2) a five-year scenario, where we estimate that Energy Save is trading at 4-1x EBIT '26e-'28e including the Aira partnership and 22-8x excluding Aira earnings, and 3) a longer-term DCF where we assess that Energy Save should be able to maintain double-digit revenue growth beyond 2030, while margins should stabilise just above 10%. Once Energy Save's margins turn positive in FY'24/26e, we assess that the company's niche position within the structurally growing heat pump market should put it in a good position to deliver >30% EBIT growth for several years to come, with double-digit margins (10-12%) and ROCE (21-23%) from FY'27/28e. Finally, we believe that a return to positive margins could potentially change the valuation perception vs. peers, while also lowering the risk of additional external funding.

Valuation overview



Source: ABG Sundal Collier, company data

ABGSC fair value range



Source: ABG Sundal Collier, company data

Quarterly overview

Calendar	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
SEKm, fiscal	Q1'22/23	Q2'22/23	Q3'22/23	Q4'22/23	Q1'23/24	Q2'23/24	Q3'23/24	Q4'23/24	Q1'24/25	Q2'24/25e	Q3'24/25e	Q4'24/25e
Net sales	51	110	87	49	27	33	50	59	79	79	81	82
Gross profit	17	34	29	17	8	15	15	25	19	21	24	25
SG&A ex D&A	-9	-11	-13	-16	-15	-19	-21	-30	-18	-19	-21	-22
EBITDA	8	22	16	1	-7	-4	-6	-5	2	2	3	3
D&A	-1	-1	-1	-1	-1	-1	-1	-1	-2	-2	-2	-2
EBIT	7	21	14	0	-9	-5	-7	-7	0	1	1	1
Net financials	0	0	0	0	0	0	0	1	0	0	0	0
PTP	7	21	14	0	-9	-5	-8	-6	0	0	1	1
Taxes	0	-5	-3	0	0	0	0	0	0	0	0	0
Net profit	7	16	11	0	-9	-5	-8	-6	0	0	1	1
NCI	0	0	0	1	1	0	0	0	0	0	0	0
Net profit to shareholders	7	15	11	0	-8	-5	-8	-6	0	0	1	1
Growth and margins	Q1'22/23	Q2'22/23	Q3'22/23	Q4'22/23	Q1'23/24	Q2'23/24	Q3'23/24	Q4'23/24	Q1'24/25	Q2'24/25e	Q3'24/25e	Q4'24/25e
Sales y-o-y	472%	272%	157%	39%	-47%	-70%	-42%	22%	187%	137%	61%	38%
EBIT y-o-y	n.a.	897%	4002%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net profit y-o-y	n.a.	538%	2008%	-77%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Gross margin	33%	31%	33%	36%	29%	45%	30%	42%	25%	27%	29%	30%
EBIT margin	14%	19%	16%	0%	-32%	-16%	-15%	-11%	0%	1%	1%	2%
Sales per segment	Q1'22/23	Q2'22/23	Q3'22/23	Q4'22/23	Q1'23/24	Q2'23/24	Q3'23/24	Q4'23/24	Q1'24/25	Q2'24/25e	Q3'24/25e	Q4'24/25e
Residential	35	84	69	38	18	21	43	57	73	74	72	73
Commercial	16	25	18	10	9	11	7	2	6	5	8	8
Aftermarket	0	1	1	0	0	1	1	0	0	1	1	1
Group	51	110	87	49	27	33	50	59	79	79	81	82
Sales per region	Q1'22/23	Q2'22/23	Q3'22/23	Q4'22/23	Q1'23/24	Q2'23/24	Q3'23/24	Q4'23/24	Q1'24/25	Q2'24/25e	Q3'24/25e	Q4'24/25e
Scandinavia	23	46	49	23	14	14	8	11	6			
Other Europe	28	63	38	26	14	19	42	49	73			
Other	0	0	0	0	0	0	0	0	0			
Group	51	110	87	49	27	33	50	59	79	79	81	82
Other metrics	Q1'22/23	Q2'22/23	Q3'22/23	Q4'22/23	Q1'23/24	Q2'23/24	Q3'23/24	Q4'23/24	Q1'24/25	Q2'24/25e	Q3'24/25e	Q4'24/25e
OCF	9	3	1	-31	-35	10	-11	-9	3			
FCF	8	1	0	-34	-37	8	-23	-13	0			
FCF/EBIT R12m	-44%	-8%	-22%	-59%	-261%	-65557%	392%	228%	146%			
Net debt	-9	-9	-9	-122	-85	-80	-46	-35	-34			
o/w cash	28	28	31	29	14	17	4	52	51			
ND/EBITDA R12m	-0.6	-0.3	-0.2	-2.6	-2.7	-15.0	2.9	1.6	2.6			
ROCE	19%	43%	61%	28%	17%	0%	-13%	-13%	-8%			

Source: ABG Sundal Collier, company data

Annual overview

Calendar	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
SEKm, fiscal	'17/18	'18/19	'19/20	'20/21	'21/22	'22/23	'23/24	'24/25e	'25/26e	'26/27e	'27/28e	'28/29e
Net sales	34	38	39	55	108	298	171	321	394	471	553	642
Gross profit				19	33	97	63	89	122	151	177	206
SG&A ex D&A				-25	-29	-49	-85	-79	-96	-105	-109	-117
EBITDA	-1	-2	-4	-6	4	47	-22	10	26	46	68	89
D&A	0	0	0	-1	-3	-5	-6	-6	-8	-10	-11	-13
EBIT	-1	-2	-4	-7	1	43	-28	3	18	36	57	76
Net financials	0	0	0	-1	-1	-1	1	-1	-1	-1	-1	-1
PTP	-1	-3	-5	-8	0	42	-27	2	17	35	56	75
Taxes	0	0	0	0	0	-9	0	0	-3	-7	-12	-16
Net profit	-1	-3	-5	-8	0	33	-27	2	15	28	44	59
NCI	0	0	0	1	1	0	1	0	0	0	0	0
Net profit to shareholders	-1	-2	-5	-7	1	33	-27	2	15	28	44	59
Growth and margins	'17/18	'18/19	'19/20	'20/21	'21/22	'22/23	'23/24	'24/25e	'25/26e	'26/27e	'27/28e	'28/29e
Sales y-o-y		11%	3%	41%	95%	176%	-43%	88%	23%	19%	18%	16%
EBIT y-o-y		216%	87%	61%	-110%	6106%	-166%	-112%	448%	98%	58%	32%
Net profit y-o-y		208%	91%	60%	-119%	2328%	-179%	-109%	545%	92%	58%	33%
Gross margin				34%	31%	32%	37%	28%	31%	32%	32%	32%
EBIT margin	-2%	-6%	-11%	-13%	1%	14%	-16%	1%	5%	8%	10%	12%
Sales per segment	'17/18	'18/19	'19/20	'20/21	'21/22	'22/23	'23/24	'24/25e	'25/26e	'26/27e	'27/28e	'28/29e
Residential				45	82	226	138	291	344	406	479	560
Commercial				9	24	69	29	26	47	61	71	78
Aftermarket				1	1	2	3	3	3	4	4	5
Group	34	38	39	55	108	298	171	321	394	471	553	642
Sales per region	'17/18	'18/19	'19/20	'20/21	'21/22	'22/23	'23/24	'24/25e	'25/26e	'26/27e	'27/28e	'28/29e
Scandinavia		30	23	21	44	142	47					
Other Europe		8	16	34	64	156	123					
Other		0	0	0	0	0	0					
Group	34	38	39	55	108	298	171	321	394	471	553	642
Other metrics	'17/18	'18/19	'19/20	'20/21	'21/22	'22/23	'23/24	'24/25e	'25/26e	'26/27e	'27/28e	'28/29e
OCF		7	-14	-13	-11	-18	-44	8	12	33	33	54
FCF		0	-18	-19	-15	-25	-64	-11	-10	18	15	35
FCF/EBIT		-16%	420%	265%	-2253%	-59%	228%	-335%	-52%	49%	27%	46%
Net debt		4	9	6	0	-122	-35	-24	-14	-32	-47	-82
o/w cash		3	2	7	21	29	52	41	31	49	65	99
ND/EBITDA		-1.9	-2.1	-1.1	-0.1	-2.6	1.6	-2.4	-0.5	-0.7	-0.7	-0.9
ROCE		-15%	-22%	-21%	1%	28%	-13%	2%	8%	15%	21%	23%

Source: ABG Sundal Collier, company data

Income Statement (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Sales	34	38	39	55	108	298	171	321	394	471
COGS	0	0	0	-36	-75	-201	-108	-232	-272	-320
Gross profit	34	38	39	19	33	97	63	89	122	151
Other operating items	-35	-40	-43	-25	-29	-49	-85	-79	-96	-104
EBITDA	-1	-2	-4	-6	4	47	-22	10	26	46
Depreciation and amortisation	-0	-0	-0	-1	-3	-5	-6	-6	-8	-10
of which leasing depreciation	0	0	0	0	0	0	0	0	0	0
EBITA	-1	-2	-4	-7	1	43	-28	3	18	36
EO Items	-	-	-	-	-	-	-	-	-	-
Impairment and PPA amortisation	0	0	0	0	0	0	0	0	0	0
EBIT	-1	-2	-4	-7	1	43	-28	3	18	36
Net financial items	-0	-0	-0	-1	-1	-1	1	-1	-1	-1
Pretax profit	-1	-3	-5	-8	-0	42	-27	2	17	35
Tax	0	0	-0	-0	0	-9	0	0	-3	-7
Net profit	-1	-3	-5	-8	-0	33	-27	2	15	28
Minority interest	0	0	0	1	1	0	1	0	0	0
Net profit discontinued	-	-	-	-	-	-	-	-	-	-
Net profit to shareholders	-1	-2	-5	-7	1	33	-27	2	15	28
EPS	-	-	-0.94	-1.50	0.27	5.59	-4.05	0.35	2.23	4.27
EPS adj.	-	-	-0.94	-1.50	0.27	5.59	-4.05	0.35	2.23	4.27
Total extraordinary items after tax	0	0	0	0	0	0	0	0	0	0
Leasing payments	0	0	0	0	0	0	0	0	0	0
Tax rate (%)	18.8	4.1	-0.2	-0.6	0.0	20.5	0.0	0.0	15.0	20.0
Gross margin (%)	100.0	100.0	100.0	34.1	30.7	32.5	36.9	27.7	31.0	32.0
EBITDA margin (%)	-1.6	-5.6	-10.5	-10.3	3.5	15.9	-13.1	3.0	6.7	9.8
EBITA margin (%)	-2.2	-6.2	-11.2	-12.8	0.6	14.3	-16.5	1.0	4.6	7.7
EBIT margin (%)	-2.2	-6.2	-11.2	-12.8	0.6	14.3	-16.5	1.0	4.6	7.7
Pre-tax margin (%)	-2.8	-7.0	-12.2	-14.3	-0.0	14.0	-16.1	0.7	4.4	7.5
Net margin (%)	-2.3	-6.7	-12.2	-14.4	-0.0	11.1	-16.1	0.7	3.7	6.0
Growth Rates y-o-y	-	-	-	-	-	-	-	-	-	-
Sales growth (%)	--	11.2	3.1	40.6	95.5	176.4	-42.7	88.0	23.0	19.4
EBITDA growth (%)	--	290.8	92.9	38.7	-166.4	1,151.9	-147.2	-143.5	170.5	75.7
EBITA growth (%)	--	215.5	87.0	61.1	-109.7	6,105.8	-166.1	-111.9	447.6	97.9
EBIT growth (%)	--	NM	87.0	61.1	-109.7	NM	-166.1	-111.9	NM	97.9
Net profit growth (%)	--	229.6	88.7	65.6	-99.7	-127,550.0	-183.0	-108.3	545.2	92.0
EPS growth (%)	--	--	--	59.7	-118.1	nm	-172.4	-108.5	nm	92.0
Profitability	-	-	-	-	-	-	-	-	-	-
ROE (%)	-16.5	-29.2	-42.6	-33.8	3.5	24.1	-12.7	1.2	7.4	12.8
ROE adj. (%)	-16.5	-29.2	-42.6	-33.8	3.5	24.1	-12.7	1.2	7.4	12.8
ROCE (%)	-8.4	-14.7	-21.9	-20.8	1.2	27.9	-12.2	1.6	8.4	15.2
ROCE adj. (%)	-8.4	-14.7	-21.9	-20.8	1.2	27.9	-12.7	1.6	8.4	15.2
ROIC (%)	-8.5	-17.6	-25.3	-24.3	1.6	43.3	-21.6	2.1	8.6	14.6
ROIC adj. (%)	-8.5	-17.6	-25.3	-24.3	1.6	43.3	-21.6	2.1	8.6	14.6
Adj. earnings numbers	-	-	-	-	-	-	-	-	-	-
EBITDA adj.	-1	-2	-4	-6	4	47	-22	10	26	46
EBITDA adj. margin (%)	-1.6	-5.6	-10.5	-10.3	3.5	15.9	-13.1	3.0	6.7	9.8
EBITDA lease adj.	-1	-2	-4	-6	4	47	-22	10	26	46
EBITDA lease adj. margin (%)	-1.6	-5.6	-10.5	-10.3	3.5	15.9	-13.1	3.0	6.7	9.8
EBITA adj.	-1	-2	-4	-7	1	43	-28	3	18	36
EBITA adj. margin (%)	-2.2	-6.2	-11.2	-12.8	0.6	14.3	-16.5	1.0	4.6	7.7
EBIT adj.	-1	-2	-4	-7	1	43	-28	3	18	36
EBIT adj. margin (%)	-2.2	-6.2	-11.2	-12.8	0.6	14.3	-16.5	1.0	4.6	7.7
Pretax profit Adj.	-1	-3	-5	-8	-0	42	-27	2	17	35
Net profit Adj.	-1	-3	-5	-8	-0	33	-27	2	15	28
Net profit to shareholders adj.	-1	-2	-5	-7	1	33	-27	2	15	28
Net adj. margin (%)	-2.3	-6.7	-12.2	-14.4	-0.0	11.1	-16.1	0.7	3.7	6.0

Source: ABG Sundal Collier, Company Data

Cash Flow (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
EBITDA	-1	-2	-4	-6	4	47	-22	10	26	46
Net financial items	-0	-0	-0	-1	-1	-1	1	-1	-1	-1
Paid tax	-	-0	0	0	0	0	0	0	-3	-7
Non-cash items	5	1	-1	1	-0	-0	2	0	0	0
Cash flow before change in WC	5	-1	-5	-6	3	46	-19	9	23	38
Change in working capital	-5	8	-9	-7	-15	-64	-24	-1	-10	-5

Cash Flow (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Operating cash flow	-	7	-14	-13	-11	-18	-44	8	12	33
Capex tangible fixed assets	-	-1	0	-2	-0	-2	-2	-3	-3	-4
Capex intangible fixed assets	-	-6	-4	-4	-4	-5	-12	-9	-11	-12
Acquisitions and Disposals	0	0	0	0	0	0	-7	-7	-8	0
Free cash flow	0	0	-18	-19	-15	-25	-64	-11	-10	18
Dividend paid	-	0	0	0	0	0	0	0	0	0
Share issues and buybacks	0	0	12	21	22	145	2	0	0	0
Leasing liability amortisation	-	-	-	-	-	-	-	-	-	-
Other non-cash items	-5	-1	1	-5	0	5	-30	0	0	0
Balance Sheet (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Goodwill	0	0	0	0	0	0	0	0	0	0
Other intangible assets	9	15	18	22	23	24	31	34	37	40
Tangible fixed assets	0	1	1	2	2	3	4	6	9	12
Right-of-use asset	-	-	-	-	-	-	-	-	-	-
Total other fixed assets	0	0	0	0	0	100	21	28	36	36
Fixed assets	10	16	20	24	25	127	55	68	82	87
Inventories	8	12	15	19	37	103	111	109	110	118
Receivables	11	2	4	4	20	28	58	74	85	97
Other current assets	1	1	1	0	1	2	11	21	26	31
Cash and liquid assets	3	3	2	7	21	29	52	41	31	49
Total assets	33	34	42	54	104	289	288	313	335	382
Shareholders equity	9	7	14	28	50	228	190	192	207	235
Minority	0	0	0	0	0	0	0	0	0	0
Total equity	10	7	15	29	51	228	190	192	207	235
Long-term debt	3	3	6	7	7	1	0	0	0	0
Pension debt	-	-	-	-	-	-	-	-	-	-
Convertible debt	-	-	-	-	-	-	-	-	-	-
Leasing liability	0	0	0	0	0	0	0	0	0	0
Total other long-term liabilities	0	1	1	6	6	2	8	8	8	8
Short-term debt	4	4	5	6	14	6	18	18	18	18
Accounts payable	10	15	12	2	11	36	39	38	39	47
Other current liabilities	5	3	2	3	15	16	34	57	63	75
Total liabilities and equity	33	34	42	54	104	289	288	313	335	382
Net IB debt	4	4	9	6	-0	-122	-35	-24	-14	-32
Net IB debt excl. pension debt	4	4	9	6	-0	-122	-35	-24	-14	-32
Net IB debt excl. leasing	4	4	9	6	-0	-122	-35	-24	-14	-32
Capital employed	18	14	26	42	71	234	208	210	224	253
Capital invested	14	11	23	35	50	106	155	168	193	203
Working capital	5	-4	5	17	31	81	108	109	119	124
EV breakdown	-	-	-	-	-	-	-	-	-	-
Market cap. diluted (m)	0	0	130	130	136	160	176	177	177	177
Net IB debt adj.	4	4	9	6	-0	-122	-35	-24	-14	-32
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	-0	-0	-0	-0	-0	-0	-20	-27	-35	-35
Reversal of conv. debt assumed equity	-	-	-	-	-	-	-	-	-	-
EV	5	4	139	136	136	39	141	153	163	145
Total assets turnover (%)	206.3	112.8	103.3	115.4	136.7	151.7	59.1	106.6	121.7	131.3
Working capital/sales (%)	6.9	1.5	2.4	20.6	22.6	18.9	55.4	33.8	28.9	25.8
Financial risk and debt service	-	-	-	-	-	-	-	-	-	-
Net debt/equity (%)	44.0	55.1	58.6	21.6	-0.9	-53.5	-18.3	-12.2	-6.8	-13.5
Net debt / market cap (%)	--	--	6.7	4.8	-0.3	-75.9	-19.7	-13.3	-7.9	-18.0
Equity ratio (%)	29.6	21.2	35.4	53.4	48.9	78.9	65.8	61.3	61.7	61.4
Net IB debt adj. / equity (%)	44.0	55.1	58.6	21.6	-0.9	-53.5	-18.3	-12.2	-6.8	-13.5
Current ratio	1.19	0.80	1.16	2.51	1.95	2.80	2.57	2.17	2.11	2.12
EBITDA/net interest	2.6	6.8	9.9	6.7	5.3	53.9	35.6	9.1	25.9	48.0
Net IB debt/EBITDA (x)	-7.9	-1.9	-2.1	-1.1	-0.1	-2.6	1.6	-2.4	-0.5	-0.7
Net IB debt/EBITDA lease adj. (x)	-7.9	-1.9	-2.1	-1.1	-0.1	-2.6	1.6	-2.4	-0.5	-0.7
Interest coverage	3.6	7.5	10.6	8.3	1.0	48.5	44.9	3.1	18.0	37.6

Source: ABG Sundal Collier, Company Data

Share Data (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Actual shares outstanding	-	-	5	5	5	6	7	7	7	7
Actual shares outstanding (avg)	0	0	5	5	5	6	7	7	7	7

ES Energy Save

Share Data (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
All additional shares	-	-	-	-	-	-	-	-	-	-
Issue month	-	-	-	-	-	-	-	-	-	-
Assumed dil. of shares from conv.	-	-	-	-	-	-	-	-	-	-
As. dil. of shares from conv. (avg)	-	-	-	-	-	-	-	-	-	-
Conv. debt not assumed as equity	-	-	-	-	-	-	-	-	-	-
No. of warrants	-	-	-	-	-	-	-	-	-	-
Market value per warrant	-	-	-	-	-	-	-	-	-	-
Dilution from warrants	-	-	-	-	-	-	-	-	-	-
Issue factor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Actual dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reported earnings per share	-	-	-0.94	-1.50	0.27	5.59	-4.05	0.35	2.23	4.27

Source: ABG Sundal Collier, Company Data

Valuation and Ratios (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Shares outstanding adj.	0	0	5	5	5	6	7	7	7	7
Diluted shares adj.	0	0	5	5	5	6	7	7	7	7
EPS	-	-	-0.94	-1.50	0.27	5.59	-4.05	0.35	2.23	4.27
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EPS adj.	-	-	-0.94	-1.50	0.27	5.59	-4.05	0.35	2.23	4.27
BVPS	-	-	2.98	5.89	9.88	38.02	28.89	29.14	31.36	35.64
BVPS adj.	-	-	-0.84	1.43	5.37	34.02	24.23	23.98	25.71	29.62
Net IB debt/share	-	-	1.78	1.29	-0.09	-20.35	-5.28	-3.57	-2.12	-4.82
Share price	26.80	26.80	26.80	26.80	26.80	26.80	26.80	26.80	26.80	26.80
Market cap. (m)	0	0	130	130	136	160	176	177	177	177
Valuation	-	-	-	-	-	-	-	-	-	-
P/E (x)	--	--	-28.6	-17.9	98.7	4.8	-6.6	77.7	12.0	6.3
EV/sales (x)	0.14	0.12	3.54	2.47	1.26	0.13	0.83	0.48	0.41	0.31
EV/EBITDA (x)	-8.8	-2.1	-33.7	-23.9	36.0	0.8	-6.3	15.8	6.2	3.1
EV/EBITA (x)	-6.5	-1.9	-31.7	-19.3	198.4	0.9	-5.0	45.9	8.9	4.0
EV/EBIT (x)	-6.5	-1.9	-31.7	-19.3	198.4	0.9	-5.0	45.9	8.9	4.0
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF yield (%)	0.0	0.0	-14.2	-14.4	-11.4	-15.7	-36.5	-6.3	-5.4	10.1
Le. adj. FCF yld. (%)	0.0	0.0	-14.2	-14.4	-11.4	-15.7	-36.5	-6.3	-5.4	10.1
P/BVPS (x)	--	--	8.99	4.55	2.71	0.70	0.93	0.92	0.85	0.75
P/BVPS adj. (x)	26.80	26.80	-31.89	18.76	4.99	0.79	1.11	1.12	1.04	0.90
P/E adj. (x)	--	--	-28.6	-17.9	98.7	4.8	-6.6	77.7	12.0	6.3
EV/EBITDA adj. (x)	-8.8	-2.1	-33.7	-23.9	36.0	0.8	-6.3	15.8	6.2	3.1
EV/EBITA adj. (x)	-6.5	-1.9	-31.7	-19.3	198.4	0.9	-5.0	45.9	8.9	4.0
EV/EBIT adj. (x)	-6.5	-1.9	-31.7	-19.3	198.4	0.9	-5.0	45.9	8.9	4.0
EV/CE (x)	0.3	0.3	5.4	3.2	1.9	0.2	0.7	0.7	0.7	0.6
Investment ratios	-	-	-	-	-	-	-	-	-	-
Capex/sales (%)	0.0	17.7	9.9	10.5	3.8	2.4	7.8	3.7	3.5	3.3
Capex/depreciation	0.0	32.4	14.6	4.3	1.3	1.5	2.3	1.9	1.7	1.6
Capex tangibles / tangible fixed assets	0.0	98.7	0.0	78.8	8.4	58.3	38.3	40.7	35.5	31.4
Capex intangibles / definite intangibles	0.0	38.0	20.9	19.1	17.3	22.2	38.2	27.4	28.6	29.7
Depreciation on intang / def. intang	2	1	0	5	12	19	18	17	20	24
Depreciation on tangibles / tangibles	0.00	0.00	25.58	14.54	17.01	9.41	8.72	7.41	6.37	5.56

Source: ABG Sundal Collier, Company Data

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