ABG SUNDAL COLLIER

Eolus

Fast comment

Commissioned research

Not rated

Renewable Energy

EOLU.B-SE/EOLU.B-SE

Share price (SEK)	25/8/2025	57.10
MCap (SEKm)		1,422
MCap (EURm)		121
No. of shares (m)		23.6
Free float (%)		86.4
Av. daily volume (k)		299

Next event Q2 Report 26 August 2025

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Profitability impacted by project delay

- Q2 EBIT SEK -74m (vs. ABGSCe 103m)
- EBIT negatively impacted by delay in Pome project timeline
- Sales driven by Pienava divestment and Pome revenue recognition

Q2 results

Eolus reported net sales of SEK 364m (vs. ABGSCe 282m, cons. 199m) and EBIT of SEK -74m (vs. ABGSCe 103m, cons. 40m). Sales were primarily driven by the divestment of the Pienava onshore wind project and continued revenue recognition from the Pome BESS project. EBIT miss was partly due to the project schedule for the Pome BESS being extended, which has led to a lower than expected project margin and negatively affected the operating profit in the quarter. However, Pome is expected to remain profitable and remaining expected payments amount to USD ~10m (previously ~25m). During the quarter, Eolus strengthened its financing structure by issuing SEK 550m in green bonds. It also secured a new SEK 175m credit facility and a project finance facility of up SEK 1,000m. The latter has been partly used to fund the ongoing Fågelås, Dållebo and Boarp onshore wind projects.

Estimate changes and outlook

On numbers alone '25e-'27e EBIT comes down by SEK -177m. On outlook, management writes that the transaction market remains weak, which is impacting the timeline for sales and expected margins. However, the company remains positive on the medium and long-term demand but see challenges in the short-term due to geopolitical uncertainty and weaker industrial activity.

Valuation

The share has returned +15% L3M (vs. OMXSPI +6%), and is currently trading 5x-9x P/E '25e-'27e on our pre-report estimates. The company will host a conference call of the Q2 results at 10:00 CEST.

Deviation table

Outcome vs. expectations		Actual		ABGSCe	Dev		Cons	Dev	
SEKm, fiscal	**Q2'2024**	**Q2'2025**	**y-o-y**	**Q2'2025**	**SEKm**	**%**	**Q2'2025**	**SEKm**	**%**
Net sales	**54**	**364**	**574%**	**282**	**82**	**29%**	**199**	165	83%
Revenue	71	377	431%	296	81	27%			n.a.
Gross profit	**57**	**23**	**-60%**	**165**	**-142**	**-86%**			
Opex	-97	-107		-83					
EBITDA	**-23**	**-71**	**n.m.**	**106**	**-177**	**-167%**		**-71**	**n.a.**
D&A	-2	-3		-3					
EBIT	**-25**	**-74**	**n.m.**	**103**	**-177**	**-172%**	**40**	**-114**	**-285%**
Net financials	0	16		-5					
PTP	**-44**	**-58**	**n.m.**	**98**	**-156**	**-159%**			
Taxes	-5	21		-23					
NCI	0	0		0					
Net profit to shareholders	**-49**	**-38**	**n.m.**	**76**	**-114**	**-150%**	19	**-57**	**-300%**
Growth and margins	**Q2'2024**	**Q2'2025**	**y-o-y**	**Q2'2025**	**SEKm**	**%**	**Q2'2025**	**SEKm**	**%**
EBIT margin	-35%	-20%	16%	35%		-55%			

Source: ABG Sundal Collier Estimates, Company Data, FactSet Estimates

SEKm	2023	2024	2025e	2026e	2027e
Sales	2,301	851	3,545	2,039	1,115
Sales growth (%)	*-2.3*	*-63.0*	*316.6*	*-42.5*	*-45.3*
EBITDA	772	298	440	484	254
EBITDA margin (%)	*33.6*	*35.0*	*12.4*	*23.7*	*22.8*
EBIT adj.	763	328	428	464	234
EBIT adj. margin (%)	*33.2*	*38.5*	*12.1*	*22.8*	*21.0*
Pretax profit	719	272	378	444	214
EPS	22.94	6.18	11.29	13.73	6.63
EPS growth (%)	*nm*	*-73.0*	*82.6*	*21.6*	*-51.7*
EPS adj.	22.94	7.09	11.29	13.73	6.63
DPS	2.25	2.25	2.50	2.75	2.75
EV/EBITDA (x)	2.0	11.8	2.7	0.8	1.5
EV/EBIT adj. (x)	2.1	10.7	2.7	0.8	1.7
P/E (x)	2.5	9.2	5.1	4.2	8.6
P/E adj. (x)	2.5	8.1	5.1	4.2	8.6
EV/sales (x)	0.69	4.13	0.33	0.18	0.35
FCF yield (%)	-10.6	-126.2	150.0	61.3	-1.6
Le. adj. FCF yld. (%)	-10.6	-126.2	150.0	61.3	-1.6
Dividend yield (%)	3.9	3.9	4.4	4.8	4.8
Net IB debt/EBITDA (x)	0.2	6.8	-0.7	-2.3	-4.3
Le. adj. ND/EBITDA (x)	0.2	6.0	-0.7	-2.3	-4.3

Source: ABG Sundal Collier, Company Data

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