

## NEWS FLASH

25 March 2025  
Sweden  
Energy & Utility

Research analysts:

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## Arise

Share price: SEK35.2

Fair value range: SEK80.0–100.0

## Battery storage project sale in Finland announced

Arise has divested the Pysäysperä battery storage project in Finland, through its ~51% owned subsidiary Pohjan Voima, to Alpiq AG, a Swiss electricity producer and energy service provider. The total selling price is EUR6.7m, corresponding to SEK73m, and closing is expected in Q2(25). The project, located in central Finland, has a capacity of 125MW, implying a price of SEK0.58m/MW. This is lower than the most recently sold project, Pajkölén, which generated SEK0.75m/MW, last autumn. We believe the larger size of the Pysäysperä project relative to Pajkölén (40 MW) is the main explanation for the difference. Local differences between the two markets could also have an impact.

## What does it mean?

Arise has communicated it will divest ~360 MW in 2025, and as it has delivered 35% of this in Q1 we believe there is credibility to the target. That the divestment is being made in Finland also strengthens the trustworthiness, in our view; Arise has targeted Finland and the UK as the markets to drive divestment activities in 2025. Finally, it is the first payback for the Pohjan Voima acquisition made two years ago, in April 2023. Although the transaction market is slow in the Nordic area, Arise has made transactions at a steady pace.

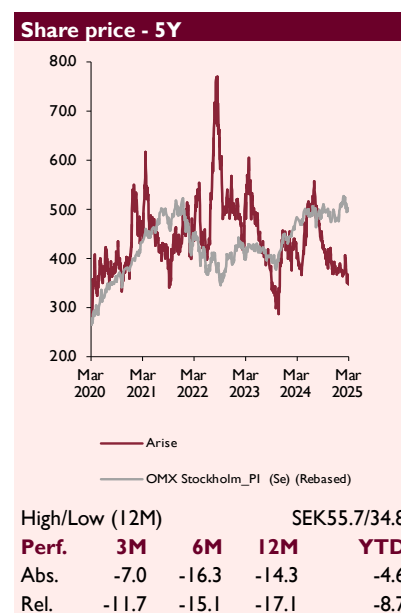
## What do we do?

We leave our estimates and fair value range intact. The divestment comes earlier than we expected, in Q2 rather than our Q4 forecast, but it does not alter our 2025 full-year estimate scenario. The shares continue to trade at low multiples in a historical context as well as relative to the sector multiples. Our European renewable energy peer group is valued at an average EV/EBIT of 23.6x on current-year estimates, according to FactSet. Arise continues to make transactions and demonstrates a shareholder-friendly attitude with its ongoing share buyback programme, while still paying out a healthy dividend.

## Upcoming events

- Q1 Report: 29 Apr 2025
- AGM 2025: 07 May 2025
- Q2 Report: 18 Jul 2025
- Q3 Report: 06 Nov 2025

		Key figures (SEK)				
		2024	2025e	2026e	2027e	
		Sales (m)	485	683	876	890
		EBITDA (m)	226	350	500	503
		EBIT (m)	144	268	418	421
		EPS	4.03	6.04	9.81	9.89
		EPS adj.	4.03	6.04	9.81	9.89
		DPS	1.35	1.50	1.75	2.00
		Sales growth Y/Y	-4%	41%	28%	2%
		EPS adj. growth Y/Y	-11%	50%	62%	1%
		EBIT margin	29.7%	39.2%	47.7%	47.3%
		P/E adj.	8.7	5.8	3.6	3.6
		EV/EBIT	14.7	7.3	4.1	3.4
		EV/EBITA	14.7	7.3	4.1	3.4
		EV/EBITDA	9.4	5.6	3.4	2.8
		P/BV	0.8	0.7	0.6	0.5
		Dividend yield	3.8%	4.3%	5.0%	5.7%
		FCF yield	2.6%	10.7%	21.2%	27.1%
		Equity/Total Assets	56.7%	57.4%	59.9%	62.5%
		ROCE	4.1%	7.4%	10.8%	10.0%
		ROE adj.	9.1%	12.6%	18.0%	15.7%
		Net IB debt/EBITDA	2.7	1.6	0.6	0.0
Key facts						
No. shares (m)	40.0					
Market cap. (USDm)	139					
Market cap. (SEKm)	1,406					
Net IB Debt. (SEKm)	554					
Adjustments (SEKm)	0					
EV (2025e) (SEKm)	1,960					
Free float	52.0%					
Avg. daily vol. ('000)	53					
Risk	Medium Risk					
Fiscal year end	December					
Share price as of (CET)	25 Mar 2025 11:59					



Source: Carnegie Research, FactSet, Millstream &amp; company data

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25 March 2025

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