NEWS FLASH

Energy & Utility

Fair value: SEK70.0–100.0

Share price: SEK34.3

Arise

DNB Carnegie's Micro- & Small Cap Day 2025 – highlights

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Arise's CFO, Markus Larsson, presented at DNB Carnegie's micro- and small-cap day on 1 September. The presentation focused on the business segments, the Kölvallen project, and the company's profitable and shareholder friendly track record.

Focus was on business segments, Kölvallen project, profitability and shareholder friendliness. CFO Markus Larsson's presentation focused on the three business segments: Development, with a project pipeline of ~9,000MW; Production, with annual production >430GWh; and Solutions, which has ~2,350MW under management. The Kölvallen project, Arise's biggest project so far, was delivered in Q2 2025 on time and on budget, despite challenging installation conditions. Mr Larsson also highlighted the project pipeline growth from ~1,500MW in Q1 2021 to ~9,000MW in Q2 2025, the positive EBITDA and net profit each year during 2021–24, and that the company has started to pay dividends from 2023 and bought back shares for SEK134m in total during 2023 and 2024.

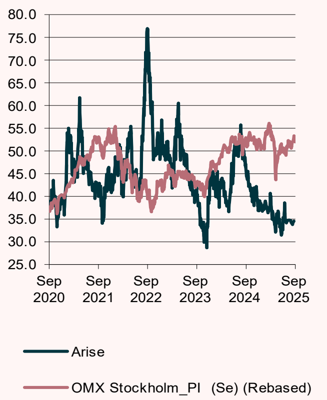
Fair value range of SEK70–100. We use SOTP and DCF valuations in our fair value calculation. In our SOTP, we apply an EV/EBIT of 4–12x for BA Development and central costs, which is the historical range of Eolus, the closest peer in our view, based on a rolling six-year EBIT. We apply this to the average annual rolling EBIT, three years of actuals and three years of forecasts. For BA Production, we apply a DCF based on the industry-standard WACC of 8% over the lifespan of the production asset base, normalised EBITDA of SEK145m from 2027e, and an inflation adjustment of 1% in our SOTP calculation. Our DCF is based on our consolidated cash flow forecasts. At the high end, we assume top-line growth of 4% from 2028e and an EBITDA margin of 54%, our estimate for 2027. At the low end, we apply 2% top-line growth and an EBITDA margin of 46%, the average of the past 10 years. At both the low and high ends, we apply a WACC of 10% and a terminal growth rate of 2%.

Upcoming events	
Q3 Report	06 Nov 2025

Key facts	
No. shares (m)	40.7
Market cap. (USDm)	148
Market cap. (SEKm)	1,393
Net IB Debt. (SEKm)	376
Adjustments (SEKm)	0
EV (2025e) (SEKm)	1,769
Free float	53.0%
Avg. daily vol. ('000)	28
BBG	ARISE SS
Fiscal year end	December
Share price as of (CET)	01 Sep 2025 17:29

Key figures (SEK)	2024	2025e	2026e	2027e
Sales (m)	485	509	562	844
EBITDA (m)	226	203	259	454
EBIT (m)	144	115	171	366
EPS	4.27	0.96	3.27	8.02
EPS adj.	4.27	0.96	3.27	8.02
DPS	1.35	1.50	1.75	2.00
Sales growth Y/Y	-4%	5%	10%	50%
EPS adj. growth Y/Y	-12%	-77%	240%	145%
EBIT margin	29.7%	22.6%	30.4%	43.4%
P/E adj.	8.0	35.6	10.5	4.3
EV/EBIT	14.7	15.4	10.1	4.2
EV/EBITA	14.7	15.4	10.1	4.2
EV/EBITDA	9.4	8.7	6.7	3.4
P/BV	0.8	0.8	0.7	0.6
Dividend yield	3.9%	4.4%	5.1%	5.8%
FCF yield	-2.2%	23.1%	7.2%	20.0%
Equity/Total Assets	56.7%	67.1%	67.7%	68.5%
ROCE	4.1%	3.5%	5.7%	11.6%
ROE adj.	9.7%	2.1%	7.1%	16.0%
Net IB debt/EBITDA	2.7	1.9	1.3	0.3

Share price – 5-year



High/Low (12M)	SEK45.5/31.3			
Perf.	3M	6M	12M	YTD
Abs.	5.06	-13.40	-26.11	-6.80
Rel.	1.65	-8.40	-23.93	-9.59

Source: DNB Carnegie (estimates), FactSet, Infront & company data

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