

ABO Wind (AB9 GY) | Utilities/Renewables

December 01, 2023

Business continues to develop positively

ABO Wind has confirmed its forecast for 2023 and is confident for the coming year, even though the market environment, and in particular the increased interest rate level, is challenging. As previously announced, the Executive Board expects a net profit of between EUR 22 million and EUR 26 million for the current year (2022: EUR 24.6 million). As many relevant events in project development only take place in the last weeks of the year, the range remains wide. For 2024, the company expects a good business development and a net profit of between EUR 25 million and EUR 31 million. It also anticipates a further increase in net profit in subsequent years. The basis for the company's continued success is the number of projects in development. This pipeline has grown steadily in volume and quality in recent years. More and more projects are gradually reaching ready to build stage. The Executive Board is forecasting annual increases of 10 to 30 per cent for total output, which includes sales revenue and changes in inventories. We continue to believe the company is excellently positioned to participate in the global renewables boom. In Germany alone, the annual addition of wind and PV capacity is to be increased from around 10 GW in 2022 to 32 GW from 2026. And the rule remains: no major wind or PV project without a developer.

We are raising our estimates for 2024ff. We expect ABO to book around 0.8 GW in 2023 and 2024, either as sale of rights, planning service or construction. After around 0.5 GW in 2022. For comparison: As of August 2023, ABO's European pipeline comprised 14.6 GW, and in total it amounted to 22.2 GW. In recent years, the pipeline has grown by an average of around 2 GW net p.a.

Fundamentals (in EUR m) ¹	2020	2021	2022	2023e	2024e	2025e
Sales	149	127	232	234	291	305
EBITDA	35	30	57	52	55	59
EBIT	22	22	43	40	42	46
EPS adj. (EUR)	1.42	1.50	2.67	2.77	3.07	3.13
DPS (EUR)	0.45	0.49	0.54	0.55	0.55	0.55
BVPS (EUR)	15.19	16.25	18.44	19.44	20.52	20.52
Net Debt incl. Provisions	7	74	92	107	110	107
Ratios ¹	2020	2021	2022	2023e	2024e	2025e
EV/EBITDA	12.5	19.3	13.6	9.4	9.0	8.3
EV/EBIT	19.4	26.2	18.0	12.5	11.8	10.7
P/E adj.	32.6	37.3	27.8	15.2	13.7	13.4
Dividend yield (%)	1.0	0.9	0.7	1.3	1.3	1.3
EBITDA margin (%)	23.3	24.0	24.6	22.4	18.9	19.4
EBIT margin (%)	15.1	17.7	18.6	16.8	14.5	15.2
Net debt/EBITDA	0.2	2.4	1.6	2.0	2.0	1.8
PBV	3.1	3.4	4.0	2.2	2.0	2.0

¹Sources: Bloomberg, Metzler Research

Buy

 **unchanged**

Price*

EUR 41.90

Price target

EUR 113.00 (unchanged)

* XETRA trading price at the close of the previous day unless stated otherwise in the Disclosures

Market Cap (EUR m) ¹	386
Enterprise Value (EUR m) ¹	494
Free Float (%) ¹	38.0

Price (in EUR)¹



Performance (in %) ¹	1m	3m	12m
Share	-3.7	-18.2	-32.9
Rel. to SDAX	-9.3	-16.7	-35.6

Changes in estimates (in %) ¹	2023e	2024e	2025e
Sales	0.0	1.7	1.1
EBIT	0.0	13.3	7.9
EPS	0.0	21.2	13.4

Sponsored Research



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company note

Key Data

Company profile

CEO: Dr. Karsten Schlageter (Spokesman), Dr. Jochen Ahn, Matthias Bockholt, Matthias Hollmann, Susanne von Mutius, Alexander Reinicke CFO: Wiesbaden
 The renewables project developer ABO Wind, founded in 1996 and now active in 16 countries, has its roots in wind power, but in recent years has also expanded its wind farm management activities through services such as maintenance and expert reports (since 2014) and the construction of solar parks (since 2016).

Major shareholders

Family Ahn (26%), Family Bockholt (26%), Mainova AG (10%)

Key figures

P&L (in EUR m)	2020	%	2021	%	2022	%	2023e	%	2024e	%	2025e	%
Sales	149	18.1	127	-14.8	232	82.3	234	1.2	291	24.1	305	4.9
EBITDA	35	26.9	30	-12.3	57	87.0	52	-7.9	55	4.9	59	7.8
EBITDA margin (%)	23.3	7.4	24.0	2.9	24.6	2.6	22.4	-9.0	18.9	-15.5	19.4	2.8
EBIT	22	15.7	22	0.0	43	92.2	40	-8.5	42	6.5	46	10.2
EBIT margin (%)	15.1	-2.1	17.7	17.3	18.6	5.5	16.8	-9.6	14.5	-14.2	15.2	5.1
Financial result	-2	-11.7	-1	15.3	-5	-228.9	-3	38.6	-3	0.0	-4	-16.7
EBT	21	16.0	21	1.3	38	82.6	36	-4.6	39	7.0	43	9.7
Taxes	8	13.8	7	-5.8	14	91.0	11	-19.5	11	-1.8	14	29.6
Tax rate (%)	36.7	n.a.	34.1	n.a.	35.7	n.a.	30.1	n.a.	27.6	n.a.	32.7	n.a.
Net income	13	15.0	14	5.3	25	78.2	26	3.6	28	10.8	29	2.1
Minority interests	-0	-200.0	0	100.0	0	n.a.	0	n.a.	0	n.a.	0	n.a.
Net Income after minorities	13	15.0	14	5.3	25	78.2	26	3.6	28	10.8	29	2.1
Number of shares outstanding (m)	9	14.2	9	0.0	9	0.0	9	0.0	9	0.0	9	0.0
EPS adj. (EUR)	1.42	0.6	1.50	5.3	2.67	78.2	2.77	3.6	3.07	10.8	3.13	2.1
DPS (EUR)	0.45	7.1	0.49	8.9	0.54	10.2	0.55	1.9	0.55	0.0	0.55	0.0
Dividend yield (%)	1.0	n.a.	0.9	n.a.	0.7	n.a.	1.3	n.a.	1.3	n.a.	1.3	n.a.
Cash Flow (in EUR m)	2020	%	2021	%	2022	%	2023e	%	2024e	%	2025e	%
Gross Cash Flow	42	122.4	20	-52.4	70	244.1	38	-44.6	41	7.2	42	1.4
Increase in working capital	27	n.a.	-67	n.a.	-83	n.a.	-45	n.a.	-35	n.a.	-30	n.a.
Capital expenditures	4	20.0	4	11.1	2	-42.3	4	73.2	4	0.0	4	0.0
D+A/Capex (%)	341.7	n.a.	200.8	n.a.	599.4	n.a.	325.0	n.a.	325.0	n.a.	325.0	n.a.
Free cash flow (Metzler definition)	66	n.m.	-51	-177.7	-16	68.5	-10	34.8	2	121.6	8	247.0
Free cash flow yield (%)	15.4	n.a.	-10.0	n.a.	-2.4	n.a.	-2.7	n.a.	0.6	n.a.	2.0	n.a.
Dividend paid	4	14.2	4	7.1	5	8.9	5	10.2	5	1.9	5	0.0
Free cash flow (post dividend)	62	n.m.	-55	-189.3	-21	62.7	-15	25.0	-3	81.9	3	199.4
Balance sheet (in EUR m)	2020	%	2021	%	2022	%	2023e	%	2024e	%	2025e	%
Assets	261	3.7	310	19.0	463	49.4	418	-9.7	425	1.7	425	0.0
Goodwill	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.
Shareholders' equity	140	35.3	150	7.0	170	13.5	179	5.4	189	5.6	189	0.0
Equity/total assets (%)	56.2	n.a.	50.5	n.a.	37.8	n.a.	43.9	n.a.	45.7	n.a.	45.7	n.a.
Net Debt incl. Provisions	7	-89.2	74	892.2	92	24.3	107	16.8	110	2.6	107	-2.5
thereof pension provisions	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	n.a.
Gearing (%)	5.3	n.a.	49.4	n.a.	54.1	n.a.	60.0	n.a.	58.3	n.a.	56.8	n.a.
Net debt/EBITDA	0.2	n.a.	2.4	n.a.	1.6	n.a.	2.0	n.a.	2.0	n.a.	1.8	n.a.

Structure

Sales by area of activity 2022



Sources: Bloomberg, Metzler Research

company note

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Recommendations for each financial instrument or issuer - mentioned in this document - published by Metzler in the past twelve months

Date of dissemination	Metzler recommendation *		Current price **	Price target *	Author ***
	Previous	Current			
Issuer/Financial Instrument (ISIN): ABO Wind (DE0005760029)					
01.09.2023	Buy	Buy	50.60 EUR	113.00 EUR	Hoymann, Guido
14.06.2023	Buy	Buy	61.00 EUR	113.00 EUR	Hoymann, Guido
15.03.2023	Buy	Buy	74.60 EUR	112.00 EUR	Hoymann, Guido
26.01.2023	Buy	Buy	83.00 EUR	112.00 EUR	Hoymann, Guido
01.12.2022	Buy	Buy	60.60 EUR	112.00 EUR	Hoymann, Guido

* Effective until the price target and/or investment recommendation is updated (FI/FX recommendations are valid solely at the time of publication)

** XETRA trading price at the close of the previous day unless stated otherwise herein

*** All authors are financial analysts

ABO Wind

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