

HelioEnergy Ltd.

Q1 2025 Earnings Update (FY-end 31 December 2024)

**Announcement date: 17/04/2025**

| Holdings Information     |                 |
|--------------------------|-----------------|
| Original Book Cost (USD) | 1,450,000       |
| MTM vs Ori (% / USD)     | -5.2% / -75,400 |
| MTM vs Imp               | -8.1%           |
| YTD Price Performance    | -11.7%          |
| Dividend Yield (Cost)    | 5.0%            |

|                                    |         |
|------------------------------------|---------|
| Current Price (18 June 2025)       | \$19.40 |
| Internal Analyst PT (Price Target) | \$23.00 |
| <i>Upside</i>                      | +18.6%  |
| External PT (Bloomberg)            | \$21.50 |
| <i>Upside</i>                      | +10.8%  |

#### RESULTS REVIEW:

HelioEnergy reported a soft Q1, with revenue of \$2.4 billion, down 7.5% YoY, missing consensus by 6%. EPS fell to \$0.35 from \$0.51 in Q1 2024, due to lower oil & gas prices and project delays in South America.

Renewables segment grew 12% YoY but still forms only 18% of total revenue. Gross margin compressed to 26.8% (vs 30.4%), while operating margin dropped to 10.1%.

Capex was front-loaded due to large-scale solar farm deployments. Net debt rose slightly to \$4.2 billion due to a working capital build.

#### ASSESSMENT:

Weaker-than-expected results reflect commodity headwinds and transitional project timing. However, longer-term strategic shift toward renewables remains intact. Management reiterated FY guidance but flagged risks from regulatory delays.

While short-term pain persists, we remain constructive over a 12–18 month horizon. Shares offer high dividend yield and potential upside if energy prices rebound or renewable contributions accelerate.