

20<sup>th</sup> March 2024**modefinance Corporate Credit Rating (Solicited) for  
GLOBAL POWER S.P.A.: B1- (Affirm)**

modefinance has published on the website (<https://cra.modefinance.com/it/rated-companies>) the Corporate Credit Rating (Solicited) of GLOBAL POWER S.P.A., assigning the rating of B1- (Affirm). The analysis highlights how the entity has adequate capabilities to honor obligations and is able to address adverse and changing economic conditions in the medium and long term.

GLOBAL POWER S.P.A., established in 2004, operates within the energy sector as a provider of electricity and gas. In particular, the Company conducts its business as a supplier to major Italian companies, institutions, and Public Administrations.

## Key Rating Assumptions

The Company presents an "insufficient" economic and financial situation, as it suffers from the extraordinary effects of a market scenario conditioned by strong inflationary dynamics. Solvency indicators are affected by the contraction of own funds, while liquidity indicators remain close to unity. Profitability of own funds is affected by extraordinary components, while return on invested capital is sufficient.

Cash flow analysis confirms that the Company is able to contain resource absorption, demonstrating a correct management of net working capital, capable of counterbalancing negative self-financing. Credit risk analysis does not highlight critical issues in the management of uses.

The governance structure is suitable for the company size, and shareholders are attentive to the situation experienced by the Company, demonstrating their commitment to capitalize on the Company and group companies if necessary.

The Company has a dimensional positioning in line with the median value of the peer group, while showing a weak position in terms of solvency indicators. The operating loss maintains the position in terms of profitability within insufficient percentiles. The peer group shows sufficient solvency supported by adequate liquidity. The ROE is decreasing, but still adequate.

The energy sector in Italy is of considerable strategic importance and has undergone radical transformation over the years. The market for operators is characterized by granularity, which acts as a significant barrier to entry, and by a turnover volume strongly linked to the prices of energy raw materials. The Russo-Ukrainian conflict has led the country to a necessary restructuring of its sources of supply, well accompanied by favorable climatic conditions throughout 2023. This has also benefited from a good growth in the contribution of renewable sources to energy production. The outlook in the medium/long term appears to be appreciably improving and characterized by less uncertainty.

## Sensitivity Analysis

In the following table are listed the factors, actions, or events that could lead to a rating upgrade or downgrade:

Action	Description of factors, actions, or events
<b>Upgrade</b>	<ul style="list-style-type: none"> <li>• Contribution of new resources by shareholders;</li> <li>• Improvement in operating margin;</li> <li>• Improvement in the Italian macroeconomic environment.</li> </ul> <p>If these conditions were to occur, the rating could increase up to B1.</p>
<b>Downgrade</b>	<ul style="list-style-type: none"> <li>• Failure to recover operating margin;</li> <li>• Failure to recover operational liquidity;</li> <li>• Confirmation of the unfavorable macroeconomic condition in Italy.</li> </ul> <p>If these factors occur, we could experience a rating downgrade to B2.</p>

### IMPORTANT

The present Corporate Credit Rating is published by modefinance in accordance with EU Regulation No. 1060/2009 and subsequent amendments. This rating is solicited and is based on both public and private information. The rated company and/or related parties have provided all the private information used in this document. modefinance has had access to some private and confidential financial documents and information of the analyzed company and/or related parties. Solicited and unsolicited ratings issued by modefinance are comparable in terms of quality, as the solicitation status has no effect on the methodologies used. For more detailed information, please refer to the following link: <https://cra.modefinance.com/en>

The present Corporate Credit Rating has been issued based on the MORE 2.0 and MORE 1.0 Methodologies. For information on historical default rates of Corporate Credit Ratings, please refer to the ESMA Central Repository at the following link: <https://cerep.esma.europa.eu/cerep-web/> and to the ESMA European platform: [https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_radar](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_radar).

modefinance adopts the following definition of default: a company in bankruptcy, in involuntary liquidation, in controlled administration, or that is insolvent with respect to an expired financial commitment. The quality of the information available for evaluating the rating of the analyzed company has been judged by modefinance as satisfactory.

In accordance with the Credit Rating Agencies Regulation, this rating has been transmitted to the evaluated company before its publication, so as to allow it to identify any material errors contained in the report. No changes have been made following the conclusion of the notification process.

The rated entity is not a purchaser of auxiliary services provided by modefinance.

This rating is issued by modefinance independently. The analysts, members of the rating team involved in the process, modefinance Srl, members of the board of directors, and shareholders do not have any conflicts of interest, neither actual nor potential, with the evaluated company or related third parties. If a potential conflict of interest

were to arise in the future in relation to the individuals mentioned above, modefinance will provide the necessary information and, if necessary, withdraw the rating.

This credit rating represents an opinion of modefinance on the overall health of the evaluated company, and it should be relied upon within certain limits. The issued rating is subject to monitoring and review until its withdrawal.

## Contacts:

Head Analyst – Fabio Politelli, rating analyst  
[fabio.politelli@modefinance.com](mailto:fabio.politelli@modefinance.com)

Responsible for Rating Approval – Pinar Dilek, Rating Process Manager  
[pinar.dilek@modefinance.com](mailto:pinar.dilek@modefinance.com)