

Thursday, 28th May 2026

modefinance Corporate Credit Rating (Solicited) for
5 G S.R.L.: B1- (First issuance)

modefinance published the Solicited Corporate Credit Rating of 5 G S.R.L. on the website (<http://cra.modefinance.com/en>) and the rating assigned to the entity is B1- (First issuance). The analysis revealed that the company has an adequate economic-financial situation with average capability of repaying financial obligations and it is little affected by adverse economic scenarios.

5G S.R.L. (hereinafter also referred to as the “Company”) operates in the liberalized electricity and natural gas market under the brand name “5G Energia Luce e Gas”, carrying out energy trading and resale activities for market operators and end customers. The Company adopts a business model focused on the purchase of energy on regulated markets and its subsequent resale, without managing any production or distribution infrastructure. The corporate organization is structured according to a functional model integrating strategic, operational, administrative, technical, and control competencies, with particular attention to regulatory compliance, auditing, and data protection. 5G S.R.L. operates in collaboration with the main players in the national energy supply chain, including GME, TERNA, and e-Distribuzione, through agreements enabling the management of the entire energy commercialization process. The Company is fully authorized to carry out electricity and natural gas sales activities and complies with all regulatory obligations established by sector legislation. The 2026–2028 Business Plan forecasts significant growth in revenues, operating margin, and customer portfolio, confirming the strength of the operating model, the high scalability of the corporate structure, and the Company’s competitive positioning within the national energy market.

Key Rating Assumption

In 2024, 5 G S.R.L. recorded a significant increase in sales revenues (€60.35 million; +159%) and margins (EBITDA = €20.65 million compared to €5.93 million), achieving strong profitability levels. The Company’s financial balance and cash flow management appear sound. During 2024, the Company demonstrated its ability to generate positive financial resources from its core business, supported by substantial self-financing capacity.

The increase in business volume resulted in cash absorption mainly related to trade receivables; however, operating cash flow (€5.94 million) was sufficient to fully cover investments, particularly those in financial fixed assets. On the financial management side, there was a cash outflow mainly linked to capital repayments, resulting in a slight decrease in overall liquidity.

With regard to solvency, the Company shows a balanced capital structure (leverage = 1.07x) and limited reliance on financial debt. The leverage ratio on EBITDA stands at only 0.08x.

Looking at the corporate structure, 5 G is directly controlled by FGA Holding S.r.l., the sole shareholder, which in turn is owned by four members of the Galardo family. One of them also serves as Sole Director of 5 G. The Company does not have statutory supervisory bodies but entrusts the auditing of its financial statements to a certified audit firm.

Thanks to the increase in turnover recorded in 2024, the Company improved its positioning within its peer group, ranking among the largest Italian companies in the sector. In terms of profitability and solvency, 5 G also ranks among the best performers within the analysis sample. The latter shows a capital structure close to balanced levels and a sound financial equilibrium. On the profitability side, indicators remain stable at satisfactory levels.

Between the end of 2025 and 2026, the global energy market continues to evolve in a context of strong growth in electricity demand and rapid expansion of renewable energy sources, particularly solar and wind power. Despite the ongoing energy transition, oil and gas continue to play a central role in the global energy mix. Geopolitical tensions related to Iran and restrictions affecting the Strait of Hormuz have increased market volatility, pushing Brent crude prices above USD 110 per barrel and fueling inflationary pressures worldwide.

In Italy, electricity consumption in 2025 reached approximately 311 TWh, with renewables accounting for 41% of total generation capacity and installed capacity reaching around 83.5 GW. However, the country's strong dependence on natural gas continues to keep energy prices high, prompting the government to postpone certain coal plant shutdowns in order to ensure energy security.

From a macroeconomic perspective, the Eurozone recorded moderate but resilient growth: GDP increased by 0.9% in the first nine months of 2025, with annual growth forecast at around 1.3%. Growth has been supported by investments, a solid labor market, declining inflation, and resources from the National Recovery and Resilience Plan (PNRR). The outlook for 2026 remains positive, although risks related to geopolitical tensions and international trade uncertainties persist.

Sensitivity Analysis

In the following table, the addressing factors, actions or events that could lead to an upgrade or a downgrade are summarized:

Action	Description of the addressing factors, actions or events
Upgrade	<ul style="list-style-type: none"> • Strengthening of the governance and control framework; • Increase in shareholders' equity; • Reduction in the churn rate; • Upward revision of European GDP growth forecasts and easing of geopolitical tensions. <p>In the case these conditions are met, the rating could upgrade to B1.</p>
Downgrade	<ul style="list-style-type: none"> • Significant contraction in operating margins and net profit; • Increase in financial indebtedness not adequately supported by equity and operating profitability; • Deterioration of the churn rate; • Slowdown of the European economy and worsening of the geopolitical environment. <p>If these conditions were to occur, we can expect a downgrade to B2+.</p>

IMPORTANT

The present Corporate Credit rating is issued by modefinance under EU Regulation 1060/2009 and following amendments.

The present rating is solicited and is based on both private and public information. The rated entity and/or related third parties have provided all private information used. modefinance had access to some accounts and other relevant internal documents of the rated entity and/or related third parties. Solicited and unsolicited ratings issued by modefinance are of comparable quality, as the solicitation status has no effect on methodologies used. More comprehensive information on modefinance Corporate Credit Ratings are available at: <http://cra.modefinance.com/en>

The present Corporate Credit Rating is issued on MORE Methodology 2.0 and Rating Methodology 1.0. A comprehensive description of both methodologies, as well as information on modefinance Rating Scale and Mappings, is available at <http://cra.modefinance.com/en/methodologies>.

For information on historical default rates of modefinance Corporate Credit Ratings please refer to ESMA Central Repository: <https://registers.esma.europa.eu/cerep-publication/> and ESMA European Rating Platform https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_radar.

modefinance refers to default as a company under bankruptcy, or under liquidation status, or under administration or for which missed payments on a financial obligation are officially recorded.

The quality of the information available on the rated entity and used to determine the present rating was judged by modefinance as satisfactory. Please note that modefinance does not perform any audit activity and is not in a position to guarantee the accuracy of any information used and/or reported in the present document. As such, modefinance can accept no liability whatsoever for actions taken based on any information that may subsequently prove to be incorrect.

The present credit rating was notified to the rated entity in order to identify potential factual errors, as prescribed by the CRA Regulation.

No amendments were applied after the notification process.

Modefinance does not provide an ancillary service to the entity.

The rating action issued by modefinance was performed independently. The analysts, members of the rating team involved in the process, modefinance Srl and its members and shareholders do not have any conflicts of interest in relation to the Rated Entity and/or Related Third Parties. If in the future a potential conflict of interest is identified in relation to the persons reported above, modefinance Ratings will provide the appropriate information and if necessary the rating will be withdrawn.

The present Credit Rating is an opinion of the general creditworthiness that modefinance issues on the rated entity, and should be relied upon to a limited degree. The issued rating is subject to an ongoing monitoring until withdrawal.

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