

September, 29th
2021

BREAKING NEWS

EQUITY RESEARCH

Antonio Tognoli

+39 02 87208 703

antonio.tognoli@integraesim.it

Frendy Energy – 1H21 Results

Price	€ 0,33
Recommendation	U/R
12mth target price	U/R
Ticker	FDE IM

NEWS

- Il Gruppo Frendy Energy ha registrato nel 1H21 ricavi per € 1,208 mln, sostanzialmente in linea con quelli dello stesso periodo dell'anno precedente (€ 1,213 mln). La buona idraulicità soprattutto nei primi mesi dell'anno e la piena operatività della centrale di Nicorvo, entrata in esercizio nel giugno 2020, hanno contribuito a far registrare una buona performance dei volumi che sono stati pari a 5.94 Gwh, in linea con quelli al 1H20 (5.89 Gwh).
- L'Ebitda è salito del 5,02% YoY a € 0,648 mln rispetto a € 0,617 mln del 1H20, che registrava l'impatto di costi occasionali. Al risultato ha concorso la centrale di Nicorvo, la cui entrata in esercizio nel 2020 era avvenuta nella seconda parte dell'anno.
- Il Gruppo Frendy Energy al 30 giugno 2021 rileva un utile complessivo di € 0,161 mln, in linea con il primo semestre dell'anno precedente, che aveva registrato un utile di € 0,166 mln.
- La PFN del Gruppo è positiva (cassa) per € 0,849 mln in miglioramento rispetto a € -0,612 mln (debito) del FY20, grazie alla buona gestione operativa e all'incasso di un credito fiscale.

COMMENT

- Così il management: "...Il Gruppo Frendy Energy conferma per il 2021, con condizioni di idraulicità in linea con le medie storiche, un lieve miglioramento del margine operativo lordo, beneficiando per l'intero esercizio anche della centrale di Nicorvo, operativa da giugno 2020. Con riguardo all'emergenza Covid-19, la Società conferma l'assenza di impatti significativi sia in termini di redditività sia di organizzazione del lavoro...".
- In attesa di incontrare il management lasciamo il nostro target price, la nostra raccomandazione e il nostro livello di rischio a Under Review.

Disclosure Pursuant to Delegated Regulation UE n. 2016/958 and Consob Regulation n. 20307/2018

Analyst/s certification

The analyst(s) which has/have produced the following analyses hereby certifies/certify that the opinions expressed herein reflect their own opinions, and that no direct and/or indirect remuneration has been, nor shall be received by the analyst(s) as a result of the above opinions or shall be correlated to the success of investment banking operations. INTEGRAE SPA is comprised of the following analysts who have gained significant experience working for INTEGRAE and other intermediaries: Antonio Tognoli. Neither the analysts nor any of their relatives hold administration, management or advising roles for the Issuer. Antonio Tognoli is Integrae SIM's current Head of Research, member of Organismo Italiano di Valutazione – OIV and Journalists guilt. Mattia Petracca and Emanuele Negri are current financial analyst.

Disclaimer

This publication was produced by INTEGRAE SIM SpA. INTEGRAE SIM SpA is licensed to provide investment services pursuant to Italian Legislative Decree n. 58/1998, released by Consob, with Resolution n. 17725 of March 29th 2011. INTEGRAE SIM SpA performs the role of specialist for the financial instruments issued by the company covered in this report. INTEGRAE SIM SpA is distributing this report in Italian and in English, starting from the date indicated on the document, to approximately 300 qualified institutional investors by post and/or via electronic media, and to non-qualified investors through the Borsa Italiana website and through the leading press agencies.

Unless otherwise indicated, the prices of the financial instruments shown in this report are the prices referring to the day prior to publication of the report. INTEGRAE SIM SpA will continue to cover this share on a continuing basis, according to a schedule which depends on the circumstances considered important (corporate events, changes in recommendations, etc.), or useful to its role as specialist.

The table below, shows INTEGRAE SIM's recommendation, target price and risk issued during the last 12 months:

Date	Price	Recommendation	Target Price	Risk	Comment
15/04/2021	0,342	U/R	U/R	U/R	FY20 Results
29/09/2021	0,33	U/R	U/R	U/R	1H21Results

The list of all recommendations on any financial instrument or issuer produced by Integrae SIM Research Department and distributed during the preceding 12-month period is available on the Integrae SIM website.

The information and opinions contained herein are based on sources considered reliable. INTEGRAE SIM SpA also declares that it takes all reasonable steps to ensure the correctness of the sources considered reliable; however, INTEGRAE SIM SpA shall not be directly and/or indirectly held liable for the correctness or completeness of said sources. The most commonly used sources are the periodic publications of the company (financial statements and consolidated financial statements, interim and quarterly reports, press releases and periodic presentations). INTEGRAE SIM SpA also makes use of instruments provided by several service companies (Bloomberg, Reuters, JCF), daily newspapers and press in general, both national and international. INTEGRAE SIM SpA generally submits a draft of the analysis to the Investor Relator Department of the company being analyzed, exclusively for the purpose of verifying the correctness of the information contained therein, not the correctness of the assessment. INTEGRAE SIM SpA has adopted internal procedures able to assure the independence of its financial analysts and that establish appropriate rules of conduct for them. Integrae SIM S.p.A. has formalised a set of principles and procedures for dealing with conflicts of interest. The Conflicts Management Policy is clearly explained in the relevant section of Integrae SIM's web site (www.integraesim.it). This document is provided for information purposes only. Therefore, it

does not constitute a contractual proposal, offer and/or solicitation to purchase and/or sell financial instruments or, in general, solicitation of investment, nor does it constitute advice regarding financial instruments. INTEGRAE SIM SpA does not provide any guarantee that any of the forecasts and/or estimates contained herein will be reached. The information and/or opinions contained herein may change without any consequent obligation of INTEGRAE SIM SpA to communicate such changes. Therefore, neither INTEGRAE SIM SpA, nor its directors, employees or contractors, may be held liable (due to negligence or other causes) for damages deriving from the use of this document or the contents thereof. Thus, Integrae SIM does not guarantee any specific result as regards the information contained in the present publication, and accepts no responsibility or liability for the outcome of the transactions recommended therein or for the results produced by such transactions. Each and every investment/divestiture decision is the sole responsibility of the party receiving the advice and recommendations, who is free to decide whether or not to implement them. Therefore, Integrae SIM and/or the author of the present publication cannot in any way be held liable for any losses, damage or lower earnings that the party using the publication might suffer following execution of transactions on the basis of the information and/or recommendations contained therein.

This document is intended for distribution only to professional clients and qualified counterparties as defined in Consob Regulation no. 16190 of 29.10.2007, as subsequently amended and supplemented, either as a printed document and/or in electronic form.

Rating system (long term horizon: 12 months)

The BUY, HOLD and SELL ratings are based on the expected total return (ETR – absolute performance in the 12 months following the publication of the analysis, including the ordinary dividend paid by the company), and the risk associated to the share analyzed. The degree of risk is based on the liquidity and volatility of the share, and on the rating provided by the analyst and contained in the report. Due to daily fluctuations in share prices, the expected total return may temporarily fall outside the proposed range.

Equity Total Return (ETR) for different risk categories			
Rating	Low Risk	Medium Risk	High Risk
BUY	ETR >= 7.5%	ETR >= 10%	ETR >= 15%
HOLD	-5% < ETR < 7.5%	-5% < ETR < 10%	0% < ETR < 15%
SELL	ETR <= -5%	ETR <= -5%	ETR <= 0%
U.R.	Rating and/or target price Under Review		
N.R.	Stock Not Rated		

Valuation methodologies (long term horizon: 12 months)

The methods that INTEGRAE SIM SpA prefers to use for value the company under analysis are those which are generally used, such as the market multiples method which compares average multiples (P/E, EV/EBITDA, and other) of similar shares and/or sectors, and the traditional financial methods (RIM, DCF, DDM, EVA etc). For financial securities (banks and insurance companies) Integrae SIM SpA tends to use methods based on comparison of the ROE and the cost of capital (embedded value for insurance companies).

The estimates and opinions expressed in the publication may be subject to change without notice. Any copying and/or redistribution, in full or in part, directly or indirectly, of this document are prohibited, unless expressly authorized.

Conflict of interest

In order to disclose its possible interest conflict Integrae SIM states that:

- Integrae SIM S.p.A. It operates or has operated in the past 12 months as the entity responsible for carrying out the activities of Nominated Adviser of the Frendy Energy S.p.A.;
- Integrae SIM S.p.A. It pays, or has paid in the past 12 months inside of the engagement of specialist, research services in favor of Frendy Energy S.p.A.;
- Integrae SIM S.p.A. He plays, or has played in the last 12 months, role of specialist financial instruments issued by Frendy Energy S.p.A.
- In the IPO phase, Integrae SIM played the role of Global Coordinator.

At the Integrae SIM website you can find the archive the last 12 months of the conflicts of interest between Integrae SIM and issuers of financial instruments, and their group companies, and referred to in research products produced by analysts at Integrae.

Data di produzione: 29 Settembre 2021, ore 11:00

Data di pubblicazione: 29 Settembre 2021, ore 15:00