



ISSUER RATING
LongTerm

OUTLOOK
Stable

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Rating Action and Rationale

- EthiFinance Ratings affirms Visalia Energía S.L.'s long-term rating at BBB-, maintaining its Stable outlook.
- Visalia Energía is an independent group operating primarily in the electricity and gas sector.
- The assigned rating is supported by the inherent characteristics of the sector, particularly the low volatility and high barriers to entry of the energy distribution business, which mitigate the average characteristics of the energy retail business, as well as by the Group's solid competitive advantages (including the presence of strategic assets, its supply agreement with Shell and PPAs). In addition, the Group has a good financial profile, characterized by controlled leverage (NFD/EBITDA below 2.0x and adjusted FFO/NFD of 40% on average). Current projections for the 2026-2028 period are based on a number of initiatives already underway that strengthen the Group's financial profile, most notably: (i) accelerated growth in the development of solar communities (an estimated 2,034 by year-end 2028) under a model involving the sale of distributed generation projects, while delegating the management of energy and customers to Visalia; and (ii) a €30m capital increase approved by the Board of Directors in July 2026. Both strategies will enable the Group to continue implementing its current investment plan without compromising liquidity or weakening its leverage ratios. It is important to note that any deviation from the current business plan (e.g. regarding the development of solar communities and their financing) could affect projected debt levels and, consequently, the current rating.
- Conversely, the rating is constrained by the Company's current size and the high concentration of revenues in Spain. In addition, the Company maintains moderate interest coverage (EBITDA/interest of 4.5x on average) and a moderate level of financial autonomy (Equity/TFD of 65% on average).
- The integration of the Serosense assets, together with a business plan underpinned by growth in asset-backed businesses, results in the application of a dual methodological scale for the assignment of the rating, taking into account the EBITDA contribution from the two main business segments. Specifically, the "standard volatility" table has been applied to the energy retail business, while the "infrastructure" table has been applied to activities associated with strategic assets, such as electricity distribution networks, diesel distribution, solar communities and telecommunications. This approach reflects the fact that these asset-backed businesses benefit from a regulated framework and high barriers to entry, which protect them from competitors and limit cash-flow volatility.
- According to our methodology, the utilities sector has high ESG risk (sector heatmap score between 4.0 and 5.0), given its significant climate-related impact on natural resources and biodiversity. However, we consider the subsector in which Visalia operates to have a significantly lower impact (sector heatmap score between 2.0 and 3.0). As a result, the sector assessment is not affected by industry-related considerations. Regarding the Company's ESG assessment, the Group's policies are considered good (ESG score between 1.0 and 1.5), which has a positive impact on the rating.

Company Description

Visalia Energía, S.L. and its subsidiaries (hereinafter "Visalia", "the Company" or "the Group") operate in the energy sector as an independent group active in energy retail (electricity and gas), distribution (electricity and diesel), telecommunications (broadband internet, fixed-line and mobile telephony and TV content), as well as the development, construction, maintenance and operation of photovoltaic solar power generation facilities.

The Visalia Group's activities can be summarized as follows:

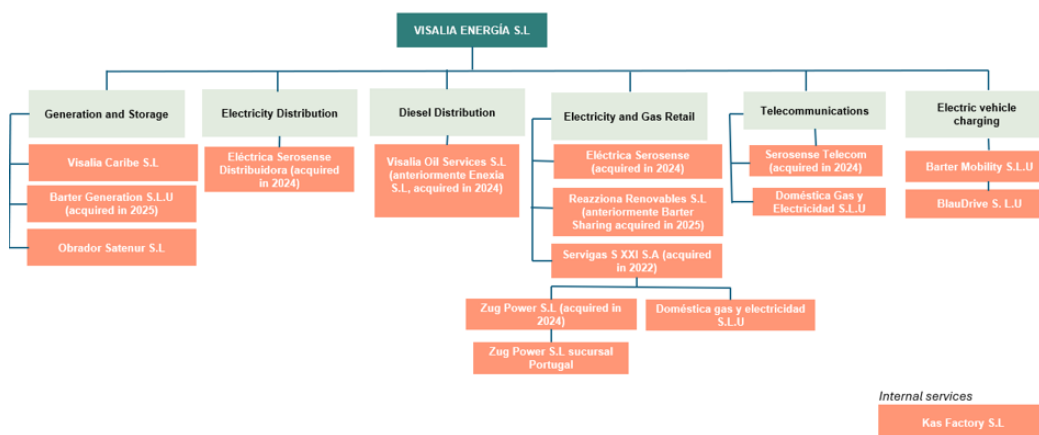
Market	Activity	Visalia		Market Share
Electricity	Electricity distribution networks	496	km of electricity networks	0.2%
	Distributed Solar Generation	47	MWp installed	29.2%
	Electric vehicle charging	113	charging points	0.3
	Electricity supply	1,896	GWh per year	0.8%
Natural gas	Natural gas supply	1,323	GWh per year	0.4%
Diesel	Distribution of B and C diesel	419	GWh per year	0.7%
Telecommunications	Fibre-optic networks	510	km of fibre-optic networks	0.026%
	Broadband internet lines	4,476	lines	0.027%
	Mobile telephone lines	6,593	lines	0.011%

Information provided by the company as at July 2026.

As of December 2025, the Group reported 211 employees.

Business Structure

The current configuration of the Visalia Group is the result of an inorganic growth process, with its structure organized according to its different business activities as follows:



Generation and Storage

- **Barter Generation:** Visalia acquired 100% of Barter for €36m in May 2025. The company is engaged in electricity retail and in the development and operation of small-scale photovoltaic installations on the rooftops of residential, commercial or industrial buildings and properties. It also develops large-scale photovoltaic parks on large plots of land or rural properties, with the aim of transferring these projects or assets to third parties at different stages of development. Visalia retains the management and purchase of the renewable energy generated by these projects through PPAs.
- **Visalia Caribe S.L.:** A recent initiative aimed at expanding the Group's activities outside Spain, focused on the Dominican Republic, where it will develop solar energy and self-consumption solutions.
- **Obrador Satenur S.L.:** A special-purpose vehicle for the development and ownership of 100 solar communities, financed by the social impact fund Impact Bridge.

Electricity Distribution

- **Eléctrica Serosense Distribuidora:** A group acquired in January 2024 for €40m. It operates and maintains its own distribution network infrastructure in the provinces of Lleida and Tarragona, connecting more than 9,000 electricity supply points across the Segrià, Urgell and Ribera d'Ebre districts, with 477 km of electricity lines deployed in the areas of Alcarràs, Maials-Serós and Anglesola.

Diesel Distribution

- **Visalia Oil Services S.L. (formerly Enxia S.L.):** A diesel distribution company in Aragón, acquired in December 2024. It supplies more than 30 million litres of diesel for heating and agricultural use and operates six diesel storage and logistics centres.

Telecommunications

- **Serosense Telecom:** Deploys, operates and maintains more than 500 km of its own high-speed FTTH fibre-optic network, covering 10 municipalities in the Segrià region and serving approximately 4,000 broadband internet, fixed-line, mobile and TV customers.

Electricity and Gas Retail

- **Servigas S XXI S.A.:** Operates under the Gas Hogar brand, supplying electricity, gas and diesel mainly to homeowners' associations in central and northern Spain.
- **Doméstica Gas y Electricidad S.L.U.:** Supplies gas and electricity from 100% renewable sources, primarily to residential customers.
- **Eléctrica Serosense:** Operates as an electricity and telecommunications provider for residential customers and SMEs in the Lleida and Tarragona regions.
- **Zug Power S.L.:** In mid-2024, Visalia acquired 75% of Zug Power S.L., which holds an electricity and gas retail licence in Portugal. Through this company, Visalia began its expansion into Portugal under a joint-venture model with a local partner.

- Reazziona Renovables S.L. (formerly Barter Sharing): Primarily focused on the development of solar communities and the supply of renewable energy.

Electric vehicle charging

- Barter Mobility: The acquisition of the Barter Group included access to 113 charging points (72 private charging points for collective use, for example at golf courses, and a further 41 under management).
- Blau Drive: The acquisition of the Barter Group also included comprehensive electric mobility solutions, focused on the design, installation, operation and management of electric vehicle charging infrastructure. Its activities encompass both the supply of equipment and the operation of charging networks for public and private customers.

At year-end, the Group had approximately 135,000 electricity supply customers, 14,000 gas supply customers and nearly 6,000 diesel customers, as well as more than 10,000 fibre and mobile customers.

Fundamentals

Business Risk Profile

Industry Risk Assessment

- **Mature sector characterised by medium-to-low profitability levels, positive long-term prospects and high barriers to entry.**

Visalia Group operates primarily in the electricity and gas sector in Spain, with activities across generation, distribution and retail.

The sale of electricity and gas (78% of Visalia's FY25 revenues) is a highly competitive activity with high customer turnover (high churn rate), which is reflected in low profit margins (EBIT margin between 2% and 6%). The associated volatility is considered moderate, being marked by the evolution of the price of electricity/natural gas sold and the ability of companies to formalise PPAs for energy supply, guardianship agreements, among others. In terms of market developments, 2025 was characterised by a degree of stabilisation following the volatility experienced in previous years, with an average day-ahead market electricity price in Spain of €65.28/MWh, up 3.5% YoY from €63.03/MWh in 2024. By contrast, the beginning of 2026 saw prices significantly below those of the previous year. Between January and May 2026, the average price in the Spanish day-ahead market stood at €47.6/MWh, compared with approximately €64/MWh over the same period in 2025, supported by high renewable generation, particularly solar and hydroelectric generation, which reduced the need for thermal generation and moderated wholesale market prices. Nevertheless, May saw a reversal in this trend, with the average price rising to €54.23/MWh, compared with €42.44/MWh in April. For the remainder of 2026, the high penetration of renewable energy is expected to continue supporting relatively contained prices. Nevertheless, persistent geopolitical tensions, particularly those related to LNG transit through the Strait of Hormuz, could increase gas-price volatility and, consequently, wholesale electricity market volatility, limiting the scope for further price reductions. (Source: OMIE; EthiFinance Ratings.)

The energy distribution sector has more stable and predictable profit margins (EBIT margin between 9% and 13%), and is not exposed to the volatility of the electricity market, given that distribution companies do not compete with each other in each geographical area and remuneration is regulated by the CNMC under a system that guarantees a return on recognized assets and efficient operating costs.

Barriers to entry in the energy sector are considered high, mainly associated with the levels of investment, know-how and degree of vertical integration required to be competitive, as well as the high level of regulation. Energy trading is characterised by high working capital requirements due to the time lag between the purchase of energy from the OMIE and collection from customers (cash payment of 7 days vs collections of 30/60 days). The distribution business is highly regulated and requires administrative concessions to operate, granted by the Spanish state under a natural monopoly regime. It also requires very high initial investments in network infrastructure and control systems.

The long-term outlook for the sector at the European level is considered favourable, marked by the transition towards a more sustainable and diversified energy model, supported by renewable energies (wind, solar and green hydrogen).

- **The sector has neutral ESG exposure.**

The energy sector has high ESG exposure (sector heatmap between 4.0 and 5.0), characterised by a significant climate impact on natural resources and biodiversity. Energy prices are highly volatile, with a significant financial impact on all industries. Energy also has a significant impact on nations and communities, as it is an absolutely key factor for social stability and economic development. In terms of regulation, governments tend to tighten their policies in order to guarantee energy supply, which can have a financial impact on the industry through restrictions or heavy taxes. However, we believe that the subsector in which Visalia operates has a significantly lower ESG impact (sector heatmap score between 2.0 and 3.0).

Competitive Positioning

- Strong competitive positioning derived from Visalia's capabilities in energy trading management.

Visalia has a 0.8% share of the electricity supply market in Spain and 0.4% of the natural gas supply market, based on information provided by the group itself (vs. the top 5 with 90% of the retail market supply, latest data available. Source: CNMC). However, Visalia stands out among the leading independent operators in the Spanish energy market, following the integration of independent companies acquired in recent years.

In terms of peers, although all of them differ from Visalia's business model (service offering, target market segment, customer prescription, profitability levels, etc.), we highlight the following competitors: Xfera Móviles S.A (MasMóvil España), Grupo Audax, Fenie Energía, and Nexus Energía.

Main financial figures. Thousands of €.

	Visalia	Audax Group ¹	Nexus Energía ¹	Xfera Móviles S.A	Fenie Energía ¹
	FY25	FY25	FY25	FY24	FY24
Turnover	360,519	1,875,263	1,672,843	2,101,686	470,751
EBITDA	35,195	115,637	19,887	263,115	12,273
EBITDA Margin	9.8%	6.2%	1.2%	12.5%	2.6%
EBIT	10,370	93,630	15,119	59,996	7,095
EBIT Margin	2.9%	5.0%	0.9%	2.9%	1.5%
EBT	4,013	60,321	13,596	-58,778	6,720
Total Assets	288,799	1,359,646	287,704	4,024,760	160,219
Equity	61,618	222,888	82,385	353,516	46,279
Total Financial Debt	133,665	611,374	57,426	2,892,174 ²	37,844
Net Financial Debt	87,827	342,203	18,333	2,862,449 ²	-989
Equity/TFD	46.1%	36.5%	143.5%	12.2%	122.3%
NFD/EBITDA	2.5x	3.0x	0.9x	10.9x	-0.1x
Funds From Operations	19,955	37,061	14,017	280,469	9,548
FFO/ NFD	22.7%	10.8%	76.5%	9.8%	-965.4%
EBITDA/ Interest	4.8x	3.4x	5.5x	1.4x	5.8x

1 Figures taken from the public rating report prepared for each of the companies mentioned. 2 This includes intra-group debt; we understand that this is also financed in this way.

In general terms, Visalia's profit margins stand out as significantly above those of its main competitors due to a more diversified business mix and the presence of relevant strategic assets (with the exception of Xfera Móviles S.A., which has a higher margins associated with the telecommunications sector). At the end of 2025, leverage (NFD/EBITDA) is below the average of most of its competitors. Conversely, capitalisation levels (Equity/DFT) are below the average of its main competitors.

The integration of companies has significantly improved. Visalia now has greater diversification, covering all market sub-segments (electricity, gas and diesel) and complemented by telecommunications services (fixed and mobile telephony, fibre and TV), favouring cross-selling opportunities across the existing portfolio and enabling the company to offer residential customers a single tariff that includes electricity, gas, fibre and mobile services.

Furthermore, the Group's inorganic growth strategy has enabled it to expand its presence throughout the energy-sector value chain — generation, distribution and retail — thereby strengthening its business model. In this regard, the acquisition of Serosense in 2024 was particularly significant, as it incorporated strategic assets including 477 km of electricity distribution networks, enabling the Group to enter the regulated distribution business. This activity provides a more stable and predictable revenue base than energy retail, as it operates under a regulated remuneration framework. The transaction also strengthened Group diversification through the incorporation of approximately 500 km of proprietary FTTH network, facilitating its entry into telecommunications. Subsequently, in May 2025, Visalia acquired Barter, strengthening its positioning in distributed generation through the development of solar communities and broadening its offering through entry into the electric-vehicle charging infrastructure market. In addition, the acquisition of Visalia Oil Services, formerly Enexia, incorporated six diesel distribution centres — Cadrete, Tamarite de la Litera, Ilche, Ólvega, Benabarre and Huesca — positioning the Group as an established operator in the hydrocarbons segment across Aragón, La Rioja, Soria, Huesca and Lleida.

In terms of energy trading, the group has significant advantages in energy supply (electricity, gas and diesel), which favour its profit margins compared to those of its competitors. Visalia's business is based on two elements that have completely changed traditional contracting methods [previously based solely on energy procurement through the free market (OMIE) and the use of an index linked to Brent with CEPESA for gas and a market value index for diesel] and which help to make the group one of the most flexible independent energy trading companies in terms of energy purchase and sale management. The two elements that support the group's competitive advantages are:

- Framework supply agreement with Shell: Visalia signed (through its subsidiary Servigas s. XXI, S.A.) an agreement with Shell Energy Europe Limited in August 2022 (effective from October 2022), for a period of five

years (extendable for a further five years), which guarantees the supply of and access to a wide range of gas and electricity products at fixed and indexed prices, with full access to financial hedging and swaps. Consequently, the agreement prevents the group from tying up a large amount of cash in guarantees (OMIE and hedges) as these are provided directly by Shell, enabling it to offer its customers stable supply solutions at competitive prices while freeing up more resources, thereby enhancing the group's growth capacity. In October 2024, the group lengthened the agreement with Shell for two more years, until the end of 2029, and extended it to the Portuguese gas and electricity market, which is a significant advantage as it reduces the likelihood of eventually losing this agreement, probably ensuring the continuity of this competitive advantage.

- Closing of PPAs: The group has extensive experience in closing PPAs with different producers (e.g. Statkraft, Atlantica, Albeta, Engie), which is a significant advantage as it allows Visalia to stabilise the average purchase price of energy (a key lever for the group's profitability).

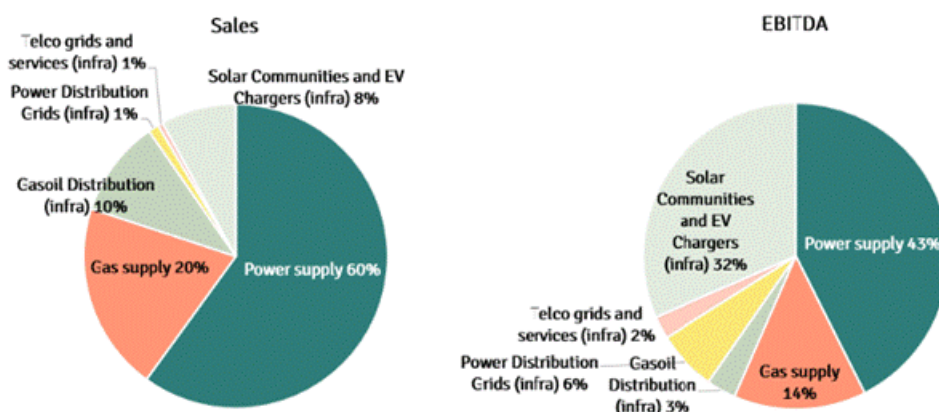
Visalia's energy management consists of balancing fixed and indexed contracts, securing PPAs for hedging, and taking advantage of the framework agreement with Shell

- **Good diversification favouring cross-selling.**

Electricity and gas retail remain the Group's main activities, accounting for approximately 78% of sales in 2025, compared with 88% in 2024, and 57% of EBITDA, compared with 78% in 2024. The remaining proportion comes from complementary activities, notably energy distribution, photovoltaic project development, telecommunications and other services.

The reduced contribution of energy retail to EBITDA reflects a greater contribution from complementary businesses, particularly those associated with the development and sale of solar communities following the acquisition of Barter in 2025

Diversification by business line FY25



From a geographical perspective, although the Company continues to concentrate most of its business in Spain, the start of its expansion into Portugal is noteworthy. This expansion has been undertaken through the creation of a joint venture with a commercial partner which, as it already has a presence in the Portuguese market, provides the group with a stable and solid customer base in electricity and natural gas. At year-end 2025, electricity and gas volumes supplied in Portugal represented 7.26% and 0.6%, respectively, of the total volumes supplied by Visalia Group. The Portuguese market also benefits from the Shell energy-supply framework agreement. As of 31 December 2025, 96% of sales were generated in Spain, compared with 100% in 2024, while 4% represented intra-EU sales, compared with 0% in 2024.

As of June 2026, the customer portfolio had reached an aggregate volume of approximately 230,000 customers, served through both the Group's own infrastructure and third-party networks. Homeowners' associations and SMEs are established as the main target market, representing between 85% and 95% of the electricity and gas supplied.

The group's commercial strategy is viewed positively, as it is geared towards greater proximity to qualified influencer networks, focusing on collaborative, efficient and stable relationships with property managers and installers that maximise synergies and attract a more loyal and longlasting customer base.

Shareholder Structure and Governance

- **Strong financial support from the main shareholder.**

The Visalia Group's ownership structure is mainly concentrated in Greenmont Energy, S.L., which holds 66.62% of the share capital, and the partner Abergarpa Inversiones S.L. (23.94%). This is followed by Corporación Financiera Albatros S.L. (8.50%) and Alteneus S.L. (0.94%).

Although the group is majority-owned by a US investment fund, Greenmont's focus on long-term stability and its commitment to expanding the group are noteworthy. Recent shareholder support has included: i) a €10m capital increase through the capitalisation of debt with the partner Greenmont Energy, S.L. in 2024; ii) the support of the main shareholder, Timur Tillyaev (100% owner of Greenmont S.L.), through capitalised loans totalling €45m, recorded as 'other shareholder contributions' at the end of 2024; and iii) more recently, the approval in July 2026 of a €30m capital increase, which will help to fulfil the current business plan.

- **Financial policy marked by controlled indebtedness and an increase in equity.**

We consider that the management team has extensive experience in the development and management of independent energy companies. In addition, we highlight the strategic shift that took place between 2021 and 2022 following the entry of Greenmont Energy, S.L. towards a more robust business model with prudent and conservative commercial strategies (controlled inorganic growth, supply agreements, greater diversification, etc.).

The financial policy is characterised by a moderate level of leverage (adjusted NFD/EBITDA below 2x on average) and a moderate level of financial autonomy (adjusted Equity/DFT of 65% on average).

- **Positive ESG policy at company level.**

Visalia Group's corporate governance strategies are particularly noteworthy, featuring a board of directors that includes independent members, ESG risk analysis and a publicly available code of conduct. This is followed by its environmental policies, notably the existence of external certifications (ISO 14001). However, the company scores lower on social aspects, with a high employee turnover rate, a low training ratio and a lack of certifications (ISO 45001), amongst other factors. The combination of these factors results in a score of between 1.0 and 1.5, which has a positive effect on the rating.

Financial Risk Profile

This analysis is based on the audited and consolidated accounts of Visalia Energia, S.L. and its subsidiaries as at 31 December 2025.

Auditor: Ernst & Young S.L. **It is presented with qualifications:** Derived from the contribution for debt settlement in the amount of €45m from the parent company Greenmont Energy S.L., the auditor considers that the headings 'other contributions from partners' and 'reserves' FY25 are overvalued and undervalued, respectively, by €15m. The auditor also notes that it had already included a qualification on this same matter in the audit report for the previous financial year.

The 2025 financial year is the first year in which the group has prepared its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The 2024 balances were restated for comparative purposes in accordance with the requirements of IFRS 1, "First-time Adoption of International Financial Reporting Standards". In addition, the correction of errors affecting the 2024 figures was completed.

Sales and Profitability

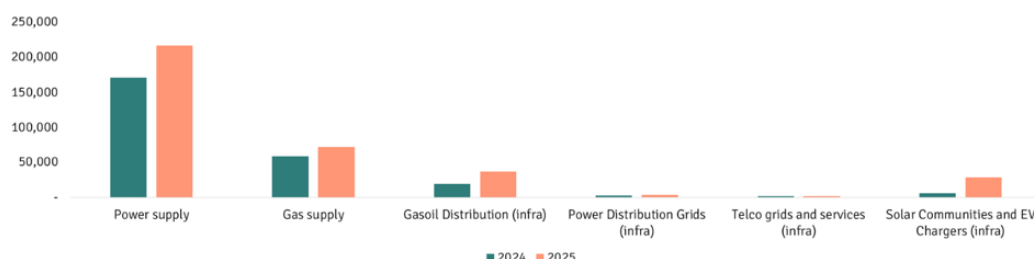
- **Sales performance was driven by company acquisitions and organic growth in customer volumes.**

Profitability. Thousands of €.			
	FY24	FY25	25 vs 24
Turnover	255,976	360,519	40.8%
Gross Mg	20.2%	15.3%	-4.9pp
Adj. EBITDA ¹	29,786	35,195	18.2%
Adj. EBITDA Mg ¹	11.6%	9.8%	-1.9pp
EBIT	17,844	10,370	-41.9%
EBIT Mg	7.0%	2.9%	-4.1pp
Financial expenses	9,357	7,388	-21.0%
EBT	2,454	4,013	63.5%

1 Adjusted EBITDA. Excludes non-recurring expenses (€0.8m in 2024 and €1.7m in 2025). Includes the pro forma EBITDA of the companies acquired in each year: Enexia, acquired in December 2024 (€1.2m), and Grupo Barter, acquired in May 2025 (€2.4m).

Visalia Group's turnover reached €360.5m, 40.8% above 2024. Particularly noteworthy were sales related to the development of solar communities following the incorporation of Barter (€28.7m, 4.5x the previous year's level) and diesel sales following Enexia's inclusion within the consolidation scope (€37m, +87.5% YoY). The Group also recorded organic customer growth across its main business lines: electricity +25.8% YoY and gas +26.1% YoY. Electricity and gas prices, meanwhile, showed a degree of stabilization during 2025 and returned to more normal levels following the sharp inflation experienced during the previous year.

Sales performance FY24–25 (in thousands of €)



Adjusted EBITDA stood at €35.2m in 2025 (+18.2% YoY) with an adjusted EBITDA margin of 9.8% (-1.9pp compared with 2024). EBIT stood at €10.4m, down 41.9% on the previous year. In 2024, the company benefited from business combinations (+€4.4m), corresponding to the capital gain arising from the acquisition of the Serosense Group. Additionally, the company recorded goodwill write-downs of -€2.5m in FY25, mainly associated with subsidiaries that are currently inactive or undergoing liquidation.

Financial costs stood at €7.4m, 21% lower than the previous year, benefiting from a significant reduction in financial expenses associated with debt owed to shareholders (€0.7m compared with €3.9m in the previous year), following a change in the terms of shareholders' remuneration. In 2024, the financial result additionally included €5.8m of expenses associated with the cancellation of financial derivatives.

As a result, profit before tax stood at €4m (compared with €2.4m in 2024).

The outlook for 2026 is favourable, mainly driven by growth in energy supply and distributed-generation activities, particularly solar communities. Sales of €486.6m are forecast for 2026, of which 45.9% had been achieved by May 2026, followed by projected sales growth of 30% in 2027 and 14% in 2028. Nevertheless, more conservative profitability margins are assumed, with an adjusted EBITDA margin of approximately 8.5%-9.5% over 2026-2028.

Leverage and Coverage

• Controlled leverage.

Adjusted total financial debt increased by 24.8% to €133.7m (vs €107.1m in 2024). The increase was mainly explained by i) €10.8m bond issuance on MARF; ii) an increase in the Green Commercial Paper Programme, with an outstanding balance of €29.2m (compared with €19.1m in 2024) and iii) an increase in working-capital financing instruments to €25.6m (compared with €16.3m in 2024). Conversely, debt with Group companies totalling €10.9m was cancelled.

NFD/EBITDA calculation. Thousands of €.

	2024	2025	25vs24
Bonds and other negotiable securities	43,310	65,189	50.5%
Debts to credit institutions	33,750	45,601	35.1%
Finance leases	1,920	1,748	-9.0%
Other financial liabilities ¹	17,237	21,080	22.3%
Reported TFD	96,217	133,618	38.9%
Amounts owed to group companies	10,918	48	-99.6%
Adjusted TFD	107,135	133,665	24.8%
Cash	12,531	33,966	171.1%
Other cash equivalents	11,180	4,866	-56.5%
Financial investments ²	10,468	7,006	-33.1%
Adjusted NFD	72,956	87,827	20.4%
Adjusted EBITDA	29,786	35,195	18.2%
Adjusted NFD/EBITDA	2.4x	2.5x	0.1x

¹ Other financial liabilities mainly relate to deferred acquisition payments, including Barter (€14.8m), Serosense (€1.5m) and Enexia (€2.9m) in FY25. ² Financial investments confirmed by the company itself as cash equivalents due to their nature or short-term recoverability.

The increase in adjusted net financial debt (+20.4% YoY), together with favourable EBITDA growth (+18.2% YoY), allowed the leverage ratio to remain broadly in line with the previous year, with NFD/EBITDA at 2.5x, up 0.1x from 2024. Interest coverage showed some improvement, although it remains relatively tight, reaching 4.8x, compared with

3.2x in 2024, following the reduction in financial costs associated with shareholder debt (the debt with Greenmont Energy LTD carried an interest rate of 7.9%).

Looking ahead, total financial debt is expected to remain relatively stable, supported by a more prudent investment policy focused primarily on organic customer-base growth and the development and sale of solar communities. This should reduce investment requirements and support cash generation. In addition, the €30m capital increase announced in July 2026 will strengthen the capital structure and enable the Group to continue implementing its current business plan without placing pressure on leverage ratios.

Consequently, a progressive reduction in the NFD/EBITDA leverage ratio from 2026 onwards is expected, supported mainly by EBITDA growth and cash generation.

Cash Flow Analysis

- FCF deficit driven by investments made during the year.

Cash flow. Thousands of €.			
	FY24	FY25	25 vs 24
Adj. Funds From Operations	8,537	19,955	133.7%
+/- WK changes	-9,839	22,118	324.8%
Adj. Operational Cash Flow	-1,302	42,073	3331.8%
Net Investment Cash Flow	-69,506	-49,571	28.7%
Lease repayments	-544	-534	1.8%
Adj. Free Cash Flow	-71,352	-8,032	88.7%
+/- changes in capital	55,000	-	-100.0%
- Dividends	-	-4,000	-
Cash flow Generated Internally	-16,352	-12,032	26.4%
+/- debt variation	26,653	27,154	1.9%
+/- FX change	-	-	-100.0%
Net cash variation	10,301	15,122	46.8%
Initial cash	13,410	23,711	76.8%
Final cash	23,711	38,833	63.8%

The group significantly improved its FFO generation (+133.7% YoY), with the main highlight being the reduction in finance costs (€7.4m compared with €15.2m in the previous year). This, combined with a positive change in working capital, resulted in adjusted CFO of €42.1m (compared with -€1.3m in 2024).

Over the last two years, the Group's cash-flow profile has been affected by inorganic growth. Cash flow from investing activities amounted to -€49.6m in 2025, including the initial €21.8m payment for the acquisition of the Barter Group, and -€69.5m in 2024, including the initial €37m payment for the acquisition of the Serosense Group.

The adjusted FCF deficit amounted to €8m in 2025, compared with -€71.4m in 2024, and was covered by the financing obtained during FY25, as described above, or by shareholder contributions in FY24.

This resulted in an increase in cash and cash equivalents of €15.1m, taking the balance to €38.8m, up 63.8% YoY.

Looking ahead, the Group is expected to achieve positive FCF generation, supported mainly by a more prudent investment policy.

Capitalisation

- Temporary reduction in financial autonomy in FY25, although with prospects for improvement following the new capital increase.

Total assets stood at €288.8m at year-end 2025, up 18.7% YoY. They were characterized by a high proportion of intangible assets, representing 41.6% of total assets, mainly associated with goodwill arising from acquired companies. The remainder was mainly divided between property, plant and equipment (17.9%), trade receivables (16.5%) and cash and cash equivalents (13.4%).

Non-current assets increased by 18.4% YoY. During 2025, the acquisition of 100% of the companies comprising the Barter Group was particularly noteworthy. This acquisition contributed significantly to the increase in intangible assets (+19.2% YoY) and tangible assets (+20.2% YoY). The increase in cash and cash equivalents (+63.8% YoY) is also noteworthy.

Equity stood at €61.6m (-2.9% YoY), remaining relatively stable following the distribution of dividends totalling €4m. However, the increase in adjusted total financial debt (+24.8% YoY) led to a deterioration in the group's capitalisation ratio, which stood at 46.1%, down 13.2pp from the previous year.

For 2026, the Group's equity position is expected to strengthen following the €30m capital increase approved on 10 July 2026. This, combined with a financial debt that is expected to remain relatively stable under the current business plan, would lead to an improvement in the Group's capitalisation ratio to above 70% over the 2026-2028 period.

Liquidity

- **High liquidity together with a good refinancing profile.**

At year-end 2025, the Company had a relatively high amount of short-term financial debt of €65m. Its good financial profile supports its ability to refinance short-term debt, highlighting the already renewal of its commercial paper programme in February 2026 for €60m, compared with €30m previously.

In addition, the €30m capital increase signed in July 2026 will provide the Group with the resources needed to complete its planned investments without weakening liquidity.

All of the above, together with recurrent CFO generation estimated at €33.3m and cash and cash equivalents of €38.8m at year-end 2025, supports the conclusion that Visalia Group has sufficient liquidity to meet its remaining financial commitments and the capex forecast under the current business plan.

Modifiers

Controversies

- **The group is not currently involved in any disputes.**

Country risk

- **No significant country risk has been identified.**

Financial Projections

EthiFinance Ratings has applied the following assumptions in preparing its financial projections for Visalia Group:

- The Company's business plan assumes sales growth of +35% in 2026, +30% in 2027 and +14% in 2028.
- The Company expects lower energy prices in wholesale markets, offset by annual growth in customer volumes. In this regard, progress achieved so far in 2026 is noteworthy: (i) by May 2026, the Company had achieved 45.9% of estimated FY2026 revenues; and (ii) the Company reported a total of 230,000 customers as of the date of this report, compared with 235,000 projected for year-end 2026.
- The projections include revenues from the development and sale of solar communities, which constitute the Group's main growth driver and establish a new source of recurring revenues complementary to energy retail. The Group has approximately 550 solar-community developments so far this year, compared with an estimated 734 for 2026, plus more than 400 projects in the pipeline, with an estimated 1,384 in 2027 and 2,034 in 2028. All of this is based on a model under which Barter signs framework agreements for the sale and development of distributed-generation projects, while responsibility for energy management and the customers associated with the solar communities is delegated to Visalia.
- The EBITDA margin for 2026-2028 is estimated to remain relatively stable at between 8.5% and 9.5%.
- The projections include the €30m capital increase intended to finance the solar-community business and strengthen the Company's equity base.
- Financial debt evolves in line with the current maturity schedule and the renewal of most short-term instruments.
- Dividends to be distributed will be reviewed annually based on progress made against the current business plan.

Although these projections are the closest approximation of the group's current situation, they depend to a large extent on the development of solar communities and organic customer growth proceeding as planned, and do not take into account any inorganic growth of the company.

Main Financial Figures

Main financial figures. Thousands of €.						
	FY24	FY25	FY26e ⁴	FY27e ⁴	FY28e ⁴	25vs24
Turnover	255,976	360,519	486,583	630,892	716,973	40.8%
Adjusted EBITDA ¹	29,786	35,195	44,854	57,212	61,366	18.2%
Adjusted EBITDA Margin	11.6%	9.8%	9.2%	9.1%	8.6%	-1.9pp
EBIT	17,844	10,370	24,046	36,861	41,290	-41.9%
EBIT Margin	7.0%	2.9%	4.9%	5.8%	5.8%	-4.1pp
EBT	2,454	4,013	15,279	28,109	32,963	63.5%
Total Assets	243,347	288,799	350,026	381,977	408,058	18.7%
Equity	63,480	61,618	99,522	117,048	138,216	-2.9%
Adjusted Total Financial Debt ²	107,135	133,665	139,119	133,144	125,889	24.8%
Adjusted Net Financial Debt ³	72,956	87,827	47,121	11,539	-26,899	20.4%
Adjusted Equity/TFD	59.3%	46.1%	71.5%	87.9%	109.8%	-13.2pp
Adjusted NFD/ EBITDA	2.4x	2.5x	1.1x	0.2x	-0.4x	0.1x
Funds From Operations	8,537	19,955	32,267	41,433	44,798	133.7%
Adjusted FFO/NFD	11.7%	22.7%	68.5%	359.1%	-166.5%	11.0pp
Adjusted EBITDA/Interest	3.2x	4.8x	5.1x	6.5x	7.4x	1.6x

¹ Adjusted EBITDA. Excludes non-recurring expenses (€0.8m in 2024 and €1.7m in 2025). Includes the pro forma EBITDA of the companies acquired in each year: Enexia, acquired in December 2024 (€1.2m), and Grupo Barter, acquired in May 2025 (€2.4m). ² Includes other financial liabilities mainly relating to deferred payments for acquisitions (e.g. Barter for €14.8m, Serosense for €1.5m and Enexia for €2.9m in FY25). ³ The calculation of net financial debt includes financial investments confirmed by the company itself as cash equivalents due to their nature or short-term recoverability. The leverage ratio calculated by the company is 1.5x (2024), 1.9x (2025), 1x (2026e), 0.1x (2027e) and -0.6x (2028), which excludes other financial liabilities. ⁴ Projections prepared by EthiFinance Ratings based on certain assumptions provided by the company.

Credit Rating

Credit Rating	
Business Risk Profile	BBB-
Industry risk assessment	BBB-
Industry's ESG	No
Competitive Positioning	BB+
Governance	BB+
Financial Risk Profile	BBB
Cash flow and leverage	BBB
Solvency	BB
Company's ESG	Positive
Anchor Rating	BBB-
Modifiers	No
Rating	BBB-

Rating Sensitivity

• Positive factors in the long term (↑)

Achievement of the current business plan, together with increased electricity and gas demand and greater development and sales of solar communities. In general, a combination of the following factors could result in a rating upgrade: improved leverage and interest coverage metrics (NFD/EBITDA below 1.0x, FFO/NFD above 45% and EBITDA/interest above 5.5x on average), capitalisation (Equity/DFT above 75% on average), and an improvement in the ESG rating.

• Negative factors in the long term (↓)

Failure to meet the current business plan, arising, among other factors, from lower growth in the customer base, a slowdown in the development and commercialisation of solar communities and/or a more competitive environment. Likewise, a material increase in debt-funded investments or adverse regulatory changes that negatively affect profitability could lead to higher leverage and a weakening of key credit metrics. In general, a deterioration in leverage and interest coverage ratios (NFD/EBITDA above 3.0x, FFO/NFD below 25% and EBITDA/interest below 3.5x on average). A deterioration in capitalisation (Equity/DFT below 60% on average). A deterioration in the ESG rating.

Sources of information

The credit rating assigned in this report has been requested by the rated entity, which has also taken part in the process. It is based on private information as well as public information. The main sources of information are:

1. Annual Audit Reports.
2. Corporate Website.
3. Information published in the Official Bulletins.
4. Rating book provided by the Company.

The information was thoroughly reviewed to ensure that it is valid and consistent, and is considered satisfactory. Nevertheless, EthiFinance Ratings assumes no responsibility for the accuracy of the information and the conclusions drawn from it.

Additional information

- The rating was carried out in accordance with Regulation (EC) N°1060/2009 of the European Parliament and the Council of 16 September 2009, on credit rating agencies. Principal methodology used in this research are :
 - Corporate Rating Methodology - General : <https://www.ethifinance.com/download/corporate-rating-methodology-general/?wpdmdl=35203>
- The rating scale used in this report is available at <https://www.ethifinance.com/en/ratings/ratingScale>.
- EthiFinance Ratings publishes data on the historical default rates of the rating categories, which are located in the central statistics repository CEREP, of the European Securities and Markets Authority (ESMA).
- In accordance with Article 6 (2), in conjunction with Annex I, section B (4) of the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009, it is reported that during the last 12 months EthiFinance Ratings has not provided ancillary services to the rated entity or its related third parties.
- The issued credit rating has been notified to the rated entity, and has not been modified since.

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