



SPAFID
CONNECT

Informazione Regolamentata n. 20263-14-2022	Data/Ora Ricezione 26 Settembre 2022 08:38:39	Euronext Growth Milan
---	---	-----------------------

Societa' : ENERGY S.p.A.
Identificativo : 167365
Informazione
Regolamentata
Nome utilizzatore : ENERGYN02 - Tinazzi
Tipologia : 1.2
Data/Ora Ricezione : 26 Settembre 2022 08:38:39
Data/Ora Inizio : 26 Settembre 2022 08:38:40
Diffusione presunta
Oggetto : PR Energy - H1 2022 RESULTS
26sept2022

Testo del comunicato

Vedi allegato.



ENERGY S.P.A: THE BOARD APPROVES THE HALF-YEAR FINANCIAL REPORT AS OF 30 JUNE 2022

STRONG GROWTH IN SALES REVENUE AND CONSOLIDATION OF MARGINS

THE STRATEGIC PLAN IMPLEMENTATION CONTINUES SUCCESSFULLY

- **Sales Revenue:** Eur 53.3 million, up 204%, compared to Eur 17.5 million in the first half of 2021
- **EBITDA:** Eur 14.8 million, compared to Eur 3.4 million in the first half of 2021
- **Backlog:** Eur 43.8 million as at 30 June 2022
- **The strategic plan execution continues with investments implementation**

S. Angelo di Piove di Sacco (PD), 26 September 2022 – The Board of Directors of [Energy S.p.A.](#), a company offering integrated Energy Storage Systems, listed on the on Euronext Growth Milan (EGM), a multilateral trading facility organised and managed by Borsa Italiana S.p.A. dedicated to small and medium-sized companies with high growth potential, since 1st August 2022 (Code **ISIN IT0005500712**, Ticker **ENY**), today examined and approved its half-year financial report as of 30 June 2022, subject to limited review and redacted according to the Issuers' Regulations of Euronext Growth Milan and in compliance with Italian accounting principles.

The results of the first half of 2022 show a strong growth for Energy, recording considerable results in turnover and profitability; reaching, in the first half of the year, values comparable or even exceeding those recorded in the FY 2021 financials.

The table below shows the key results as of 30 June 2022 compared with figures related to FY 2021 and with the first half 2021.

(Eur million)	30/06/2022	%	30/06/2021	%	31/12/2021	%
Revenues	53.3	100.0%	17.5	100.0%	51.5	100.0%
EBITDA	14.8	27.7%	3.4	19.5%	10.4	20.2%
EBIT	14.6	27.5%	3.3	18.8%	10.1	19.7%
Net Profit	10.7	20.0%	2.4	13.7%	7.4	14.3%

(Eur milion)	30/06/2022	31/12/2021
Total Fixed Assets	3.8	0.6
Net Working Capital	29.8	12.4
Employee Severance Indemnity and other provisions	(2.9)	(0.3)
Net Invested Capital	30.7	12.7
Shareholders Equity	20.6	9.9
Net Financial Debt	10.1	2.8
Total Sources	30.7	12.7

As of 30 June 2022, Energy recorded **sales revenue** equal to Eur 53.3 million, up 204% compared to Eur 17.5 million in the first half of 2021 and already in line with the turnover recorded in FY 2021. These results reflect acquisition of a growing market share by the company in a market with very promising growth rates (CAGR 2021-2030 expected to be about 30%)¹, in line with the Business Plan targets announced at IPO, if considering the seasonal average observed in the previous three years.

The backlog amounted to Eur 43.8 million as of 30 June 2022 and reflects the intense commercial activity conducted by the company in the first half of 2022, in line with the strategic plan targets announced at the IPO.

SALES REVENUE BY GEOGRAPHY

(Eur million)	30/06/2022	%	30/06/2021	%	var.	var. %
Italy	49.9	93%	13.9	80%	36.0	256%
EU	2.9	6%	3.2	19%	-0.4	-10%
Extra EU	0.5	1%	0.3	1%	0.2	113%

During the first half of 2022, Energy mainly generated revenue in Italy (93%) and in the residential market, according to the strategic plan and the backlog inherited from 2021 mainly based on the Italian market. This trend has changed by the end of the first half of 2022 and the company has started a strong commercial action abroad, especially Europe, which represented about 6% of sales revenue as of 30 June 2022. The activity in Extra EU countries is still marginal but represents an interest for future growth plans and it is already reflected in the growth registered in the second half 2022.

SALES REVENUE BY PRODUCT CATEGORY

(Eur million)	30/06/2022	%	30/06/2021	%	var.	var. %
Small&Large (<50 kW)	52.5	99%	17.5	100%	34.9	200%
Extra Large (>50 kW)	0.8	1%	0	-	0.8	0%

In the first half of 2022 sales were mainly represented by the “Small&Large” category; whereas the commercial expansion of the “Extra Large” (XL) product is growing gradually, reflecting the transition from fossil to renewable energy sources, now attracting more consistent investments, both public and private. The company has registered considerable interest on XL size plants from its attendance at the main European trade fairs, held in May in Munich (Intersolar), and in Milan (MCE).

SALES REVENUE BY CHANNEL

(Eur million)	30/06/2022	%	30/06/2021	%	var.	var. %
Specialist distributors	15.6	29%	8.6	49%	7.0	81%
VAR	17.1	32%	5.6	32%	11.5	204%
Generalist distributors	18.3	35%	2.1	12%	16.2	778%
EPC / Other	2.3	4%	1.2	7%	1.1	92%

¹ Bloomberg NEF – Global Energy Storage Outlook 2021 figures

The sales revenue breakdown by channel shows a stable weight of the VAR (*Value-Added Reseller*) in the first half 2022 compared to the same period in 2021, while specialist distributors have registered a reduction in favour of generalist distributors and EPC. This trend is a result of the commercial strategy activated by the company in 2021. The EPC channel weight is still low, and there is a growing interest on XL products from the other sales channels.

Total number of ESS sold and MW installed:

	1H 2022	FY 2021
Number of ESS sold	10.396	9.150
MW	58 MW	56 MW

In the first half of 2022 the Company sold n. 1.246 additional storage systems compared to FY 2021, for an overall 58 MW installed (56 MW in 2021).

In the first half of 2022 **EBITDA** amounted to Eur 14.8 million, compared to Eur 3.4 million recorded in the first half of 2021, with a 27.7% incidence on turnover (19.5% as of 30 June 2021). A figure that exceeds expectations due to a temporary price list increase effect not offset in the period by the increase in raw material costs. The higher margin is expected to move towards values closer to 2021 by the end of financial year 2022.

The **EBIT** as of 30 June 2022 was Eur 14.6 million, compared to Eur 3.3 million in the first half of 2021 with a 27.5% incidence on turnover (18.8% as of 30 June 2021) and reflects the same dynamics affecting the EBITDA.

Net profit as of 30 June 2022 was Eur 10.7 million, compared to Eur 2.4 million in the first half of 2021, with a 20.0% incidence on turnover (13.7% as of 30 June 2021).

During first half 2022, the **Net Financial Position** was positive for Eur 10.1 million, compared to Eur 2.9 million as of 30 June 2021.

The company has financed growth through both operational cash flow and bank loans, represented by self-liquidating lines and mortgages; the current loans amount to Eur 11.2 million whereas the medium-long term loans amount to Eur 2.1 million. The increasing in debt was needed to finance the investments in fixed assets and working capital.

During the first half, the company started upgrades to its new headquarters in Sant'Angelo di Piove di Sacco. Investments made in the first half of 2022 amounted to Eur 0.8 million and mainly included: the preliminary listing costs for EGM market, which took place on 1 August 2022, for about Eur 0.2 million; development costs for a new energy storage system for about Eur 0.4 million; security deposit for industrial buildings for eur 0,2 million.

Net working capital as of 30 June 2022 was Eur 29.8 million, compared to Eur 12.4 million as of 31 December 2021.

Commercial working capital has increased during the first half of the year registering a value of Eur 30.7 million as of 30 June 2022 (compared to Eur 13.3 million FY 2021), mainly represented by inventory for Eur 8.1 million, by receivables for Eur 24.9 million, and payables for Eur 2.4 million. The overall increase is due to trade receivables (+ Eur 15.3 million) and inventory (+ Eur 2.8 million). The increased value of receivables as of 30 June 2022 is related to the high sales volumes' growth towards strategic customers with advantageous payments terms. The increase in inventory is due to the concentrated delivery of a number of containers immediately after the move to the new headquarters.

The half-year cash flow reflects an increase in working capital related to the fast expansion in business volumes, financed by additional bank loans.

Davide Tinazzi, Co-Founder and CEO of Energy S.p.A., commented: *“We are really satisfied with the first half results because they show company turnover growth and consolidation in profitability in line with the targets set for year end. Since its foundation, Energy has achieved ambitious goals. So, we will carry on respecting the plan presented to investors at IPO. The guidelines of our three-year plan are based on internalising some production activities, on consolidating and expanding market shares both in Italy and abroad, and on increasing brand visibility to generate qualified demand. As we are assisting a global energy transition attracting consistent public and private investments, our strategic position and technological know-how will enable us to grow on international markets, through exports and M&A. At the meantime the company is investing in the new production facility to develop “Extra Large ESS” business”.*

SIGNIFICANT EVENTS IN THE FIRST HALF OF 2022

In May 2022, the Company moved to the new administrative and production headquarters in Sant’Angelo di Piove di Sacco (Padua). The new headquarter, measuring a total of 9,185 m² is bound by a *rent-to-buy* contract until 2024, when the purchase option can be exercised for Eur 3.6 million. Moreover, the Company optioned the adjacent industrial building (totalling 17,415 square metres, of which 6,000 covered) to support a further expansion of available spaces. The acquisition was finalised in September 2022, for a total investment of Eur 1.1 million.

UPDATE ON THE ECONOMIC SITUATION AND COVID 19

During 2021 and in the first half of 2022, with a specific effect on May and June, some tension occurred along the supply chain of the Company which had a temporary impact on *business*, especially in reception. In general, the main pressures that the economic situation and COVID-19 have impacted on Energy's business are: changes in external demand for the components, rising price of some raw materials, partial supply interruptions, slow-downs in maritime transport, general effects of the restrictions linked to the pandemic, inflationary effects in general. As a consequence of the current economic conditions, the Company has been able to react promptly, mitigating their effects, and is implementing some medium-term measures to contain the impact on *business continuity*.

FORESEEABLE BUSINESS OUTLOOK

The energy transition from fossil to renewable energy sources is attracting considerable public and private investments, and Energy is positioning as a reference player of this change. The market is developing rapidly and has considerable potential due to numerous factors, such as (i) increases in energy prices, causing an growing demand for energy storage systems, (ii) the risks of blackouts, (iii) the falling price of lithium-ion batteries and other key technologies, (iv) the complementarity with renewable energy sources, such as wind and solar, which are intermittent by nature, (iv) the increase in the demand for electric vehicles, (v) public incentive policies for the energy transition (PNRR, LD 34/2020, “110% Superbonus”).

Given the market condition, the presumable increase in competition and the specific aspects of the sector’s supply chain, Energy will carry on the strategic 2022-2024 Business Plan supported by capital raised at the IPO on Euronext Growth Milano, such as: (a) expansion abroad; (b) develop the Extra Large ESS business, maintaining a market share in the Small&Large ESS segment; (c) internalise and industrialise production to increase value added and consolidate know-how and innovation; (d) continue M&A activities strategic for growth. These strategic guidelines and gradual organic growth are functional for the Group positioning as a leader in the reference market in Italy.

From a macro-economic point of view, the recent period has suffered maritime transport problems, causing considerable increases in raw materials and energy costs, and international political instability. These factors require an increasing focus on supply management, mitigation of the stock-out risk, delaying the economic

impact of inflation, ensuring a competitive sell-out advantage. That choice must be assessed carefully to maintain a suitable working capital and financial coverage balance.

Based on the trend in the first half of 2022 and the backlog of Eur 43.8 million as of 30 June 2022, we can confirm the revenue and margin targets declared at IPO.

Presentation of Energy's 1H2002 results

Energy results as of 30 June 2022 will be presented to the financial community on 27 September 2022 during a webinar fixed for 10:00 a.m. CEST. In order to join, please register in advance at the following link:

https://b1c-co-uk.zoom.us/webinar/register/WN_Dy69WkifQASP8upY_Wi-xQ

For information, please refer to the contacts provided below.

This press release is available on the website of Energy S.p.A. www.energysynt.com, section Investor Relations/Press Releases and on www.emarketstorage.com

The Half-Year Financial Report as of 30 June 2022, approved by the Board of Directors, is available in the company registered office and on the website of Energy S.p.A. www.energysynt.com, section Investor Relations/Financial Statements and Reports.

Profit and Loss

(Eur/000)	30/06/2022	%	30/06/2021	%	var.	% var.
Revenues from sales and services	53,295	100%	17,510	100%	35,785	204%
Increases in fixed assets for in-house works	-	0%	-	0%	0	0%
Other revenues and income	149	0%	126	1%	23	18%
Cost of materials ⁽¹⁾	36,143	68%	12,973	74%	23,170	179%
Cost of services	1,702	3%	719	4%	983	137%
Personnel costs	739	1%	489	3%	250	51%
Other costs ⁽²⁾	89	0%	41	0%	48	117%
Gross operating margin (EBITDA)	14,770	28%	3,415	20%	11,355	333%
D&A	139	0%	123	1%	16	13%
Write-downs	-	0%	-	0%	0	0%
Operating income (EBIT)	14,632	27%	3,292	19%	11,340	345%
Financial income/(charges)	- 79	0%	- 62	0%	-17	27%
Result before taxes	14,553	27%	3,229	18%	11,324	351%
Taxes	3,898	7%	831	5%	3,067	369%
Net profit	10,656	20%	2,399	14%	8,257	344%

Balance Sheet

(Eur/000)	30/06/2022	31/12/2021	var.	% var.
Intangible fixed assets	3,344	549	2,795	509%
Tangible fixed assets	248	39	209	536%
Financial fixed assets	228	58	170	293%
Total fixed assets	3,820	646	3,174	491%
Inventories	8,078	5,258	2,820	54%
Receivables from customers	24,995	9,729	15,266	157%
Payables to suppliers and advances	-2,358	-1,708	-650	38%
Trade working capital	30,714	13,279	17,436	131%
Other receivables and accrued income/prepaid expenses	7,116	3,043	4,073	134%
Other payables and accrued liabilities/deferred income	-8,075	-3,931	-4,144	105%
Net working capital	29,756	12,391	17,365	140%
Employee severance indemnity and other provisions	-2,855	-305	-2,550	836%
Invested capital	30,721	12,732	17,989	141%
Shareholders' equity	20,601	9,878	10,723	109%
Net financial debt	10,120	2,854	7,266	255%
Total sources	30,721	12,732	17,989	141%

Net Financial Debt

(Eur/000)	30/06/2022	31/12/2021	var.	% var.
(Liquid assets)	-3,209	-1,995	-1.214	61%
Current payables to banks	11,207	2,465	8742	355%
Current payables to other lenders	0	0	0	0%
Current financial debt	7,998	470	7528	1602%
Non-current payables to banks	2,122	2,384	-262	-11%
Non-current payables to other lenders	0	0	0	0%
Net financial debt	10,120	2,854	7266	255%

Cash Flow Statement

(Eur/000)	30/06/2022	31/12/2021	var.	% var.
Operating income	14,632	10,132	4.500	44%
Income taxes	-3,898	-2,592	-1.306	50%
D&A and write-downs	139	299	-160	-54%
Changes in trade working capital	-17,435	-7,128	-10.307	145%
Changes in other receivables/(other payables), severance pay and other provisions ⁽¹⁾	115	343	-228	-66%
Operating cash flow	-6.447	1,054	-7.501	-712%
Investments in tangible, intangible and financial fixed assets	-808	-229	-579	253%
Cash flow before financing activity	-7,255	825	-8.080	-979%
Change in payables to banks and other lenders	8,481	602	7.879	1309%
Financial income/(charges)	-79	-173	94	-54%
Change in shareholders' equity	67	-42	109	-260%
Net cash flow	1,215	1,212	3	0%
Liquid assets at the beginning of the year	1,995	782	1,213	155%
Net cash flow	1,215	1,212	3	0%
Liquid assets at the end of the year	3,209	1,995	1,214	61%

(1) Other receivables and accrued income/prepaid expenses

Other payables and accrued liabilities/deferred income, Employee severance indemnity and other provisions

Information on Energy

Energy S.p.A., founded in 2013 by **Davide Tinazzi, Andrea Taffurelli and Massimiliano Ghirlanda**, is a company with its operational headquarters in the province of Padua and is a **leader integrator for energy storage systems**, for residential use and large-scale applications. These systems enable the storage, hence, release of energy based on the energy needs of customers. Till now, **more than 45,000 systems have been sold and installed by Energy in Italy**, for residential, commercial, industrial markets, Utilities and electric mobility. The most important projects implemented include the large facility in Comiso, Sicily, made up of an agrivoltaic system and a photovoltaic field; the large system dedicated to CAAB in Bologna; Smart Grids in numerous municipalities in Sardinia and Lombardy, a Condominium Energy Community in Switzerland where the single hubs exchange energy as needed. Energy's sales channels include both general electric material distributors and photovoltaic specialists, and the Company also works with large European EPCs. The proximity of Energy logistics to the headquarters of the main distributors has given the company a solid partnership with players on the Italian and European market. The Company acquires its components from the main international suppliers and combines them with **proprietary software** in systems compliant with European Union standards.

Contacts:

<p><u>Energy S.p.A.</u> Operational headquarters Via Zona Industriale, 10 Sant'Angelo di Piove di Sacco - PD Tel. +39 049 2701296 info@energysynt.com</p>	<p><u>Euronext Growth Advisor</u> STIFEL EUROPE BANK AG Via Ugo Foscolo, 8 Milan Tel. +39 02 85465774 SEBA.Milan.ECM@stifel.com</p>	<p><u>Press Office</u> Spriano Communication&Partners Fiorella Girardo 348/8577766 fgirardo@sprianocommunication.com Cristina Tronconi 346/0477901 ctronconi@sprianocommunication.com</p>
--	---	--

Fine Comunicato n.20263-14

Numero di Pagine: 11