PE RO: Premier Energy signs up to EUR 825m bridge facility for Evryo / DEO acquisition | NEUTRAL

PE RO: Premier Energy announced the signing of a bridge facility agreement of up to EUR 825m with J.P. Morgan and UniCredit to fund the acquisition of Evryo Group, owner of Distributie Energie Oltenia, and refinance around EUR 100m of existing debt. The Group plans to replace the facility with a long-term financing structure, which may include a bond issuance, a syndicated loan facility or a combination of both, with several international banks invited to join the financing process over the coming weeks.

Our view: The announcement is supportive, as it confirms committed financing for the Evryo / DEO acquisition and reduces near-term transaction execution risk, broadly in line with expectations of an initial bridge-to-long-term financing structure. DEO would materially increase Premier's regulated distribution exposure and shift the group's earnings mix towards more stable infrastructure-like cash flows from 2027. However, the bridge remains an interim solution, with the final cost, maturity and structure of the long-term refinancing still to be determined. We therefore see the update as a positive step towards closing the transaction, while the economics of the permanent financing remain the next key item to watch | **NEUTRAL.**