

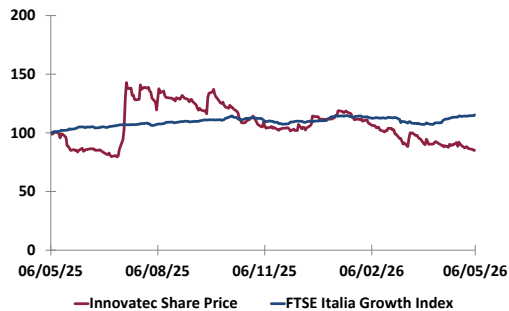


OUTPERFORM

Current Share Price (€): 0.18

Target Price (€): 0.30

Innovatec – 1Y performance



Source: S&P Capital IQ - Note: 06/05/2025=100

Company data

ISIN number	IT0005628778
Bloomberg code	INC IM
Reuters code	INC.MI
Industry	Renewables
Stock market	Euronext Growth Milan
Share Price (€)	0.18
Date of Price	06/05/2026
Shares Outstanding (m)	96.4
Market Cap (€m)	17.3
Market Float (%)	57.29%
Daily Volume	193,580
Avg Daily Volume YTD	189,533
Target Price (€)	0.30
Upside (%)	68%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	6M	1Y
Innovatec - Absolute (%)	-8%	-20%	-18%	-15%
FTSE Italia Growth Index (%)	6%	2%	5%	15%
1Y Range H/L (€)			0.30	0.17
YTD Change (€) / %			-0.06	-24%

Source: S&P Capital IQ

Analysts

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Investment program ongoing among regulatory delays

FY25 results and investments

FY25 marks the first reporting period for Innovatec following spin-off of Haiki+ sub-holding. Revenues were €26.7m, of which €20.3m by the consolidated subsidiary ESI and €6.3m by Innovatec, -10% on FY24 like-for-like (excluding Haiki+ Environment and Circular Economy BU). EBITDA €(2.4m), vs €0.6m in FY24; period net loss at €(4.7)m. 2025 performance was affected by domestic regulatory framework which led to a temporary postponement of investment decisions and slower execution of projects. Net financial debt at €4.9m as of 2025 year-end, from €1m net cash as of FY24PF-E, after over €8m investments, mainly for PV development.

Pipeline and own generation capacity targets

Innovatec current pipeline stands at 184 MWp, of which 23 MWp authorized, and 50MW Battery Energy Storage Systems under evaluation. ESI EPC backlog, ca €24m, targets the development of at least 20 MWp of new proprietary photovoltaic capacity (IPP), of which 3 MWp already in production, 1.65 MWp in construction and around 7 MWp at an advanced stage of authorization. Overall, within the next three years, Innovatec aims to reach 40 MWp of own generation capacity, full capacity expected in 2027.

Stock performance update

Over the last 12 months, Innovatec share price performance recorded a sharp upward movement in July, followed by a gradual reversal in the subsequent months. Overall, the stock was down 15% LTM, vs +15% of FTSE Italia Growth index.

Target Price €0.30 per share, OUTPERFORM rating (from NEUTRAL)

Despite regulatory delays, we stay confident with the ongoing investments program and the industry and market perspective, supported by projects pipeline and EPC backlog. Based on our updated estimates, we confirm the target price of €0.30 per share, with a 68% potential upside on current price, and assign an OUTPERFORM rating on the stock (from NEUTRAL).

KEY FINANCIALS AND ESTIMATES (€m)	2024PF-E	2025	2026E	2027E
Revenues	27.8	26.7	37.2	55.2
YoY %	na	-4%	40%	48%
EBITDA	0.5	(2.4)	2.7	7.8
Margin	1.8%	neg	7.1%	14.1%
EBIT	(4.7)	(4.8)	1.0	5.8
Margin	neg	neg	2.7%	10.6%
Net Income (Loss)	(6.7)	(4.8)	0.3	3.5
Net (Debt) Cash	1.0	(4.9)	(9.1)	(18.2)
Equity	14.0	8.7	9.0	12.5

Source: Company data 2025; EnVent Research 2024PF-27E

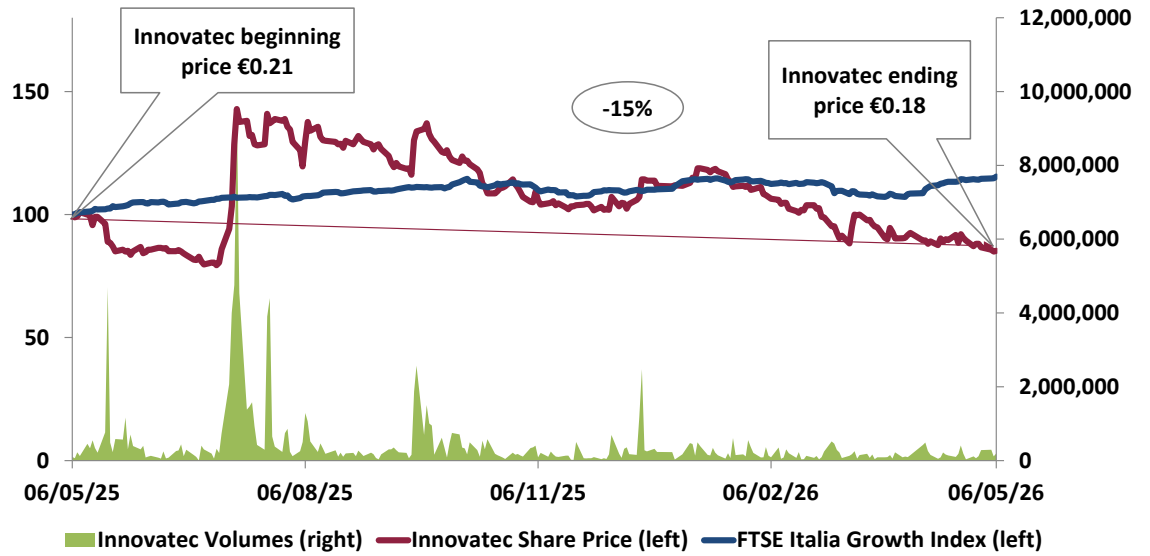
Market update

Trading price range
€0.17-0.30
per share

-15% for Innovatec, vs
+15% of the Italia
Growth Index

Over 247k average
daily shares traded in
2025

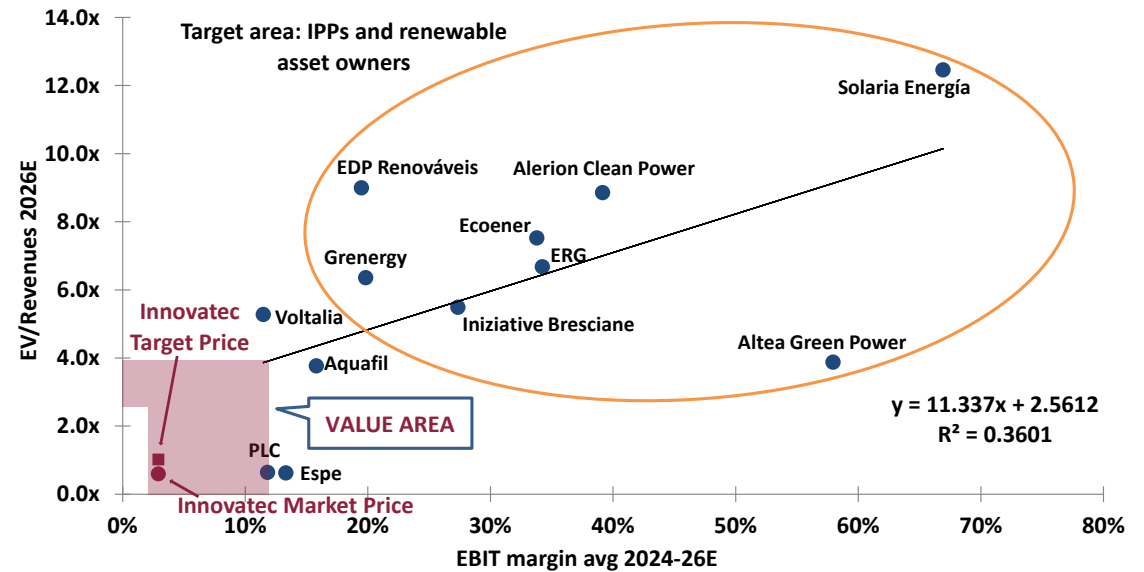
Innovatec - 1Y Share price performance and trading volumes



Renewables industry peers - Regression analysis and Innovatec target positioning

Low correlation
within the industry

Regression on EBIT:
higher relevance in
the industry



Investment case

New Innovatec:
focus on renewables

Innovatec, listed on Euronext Growth Milan since 2013, operates in the renewable energy industry, leveraging on its industry-specific know-how and experience. Following the spin-off of its Environmental services and Circular economy BU (Haiki+ sub-holding), separated into an additional publicly traded entity listed in January 2025, Innovatec has reshaped its business model to focus on renewables.

The 2025-27 guidelines state as main strategic objectives to catch renewable energy market opportunities and focus on the photovoltaic market segment as developer, EPC contractor, asset manager and energy producer.

Innovatec is building a pipeline of authorizations for the development of PV plants, primarily located in Central and Southern Italy. Part of this pipeline could be sold prior to construction, while other projects would be delivered as turnkey plants or retained as owned assets. Expansion of EPC activities is planned both within its own pipeline and through projects executed by the consolidated controlling interest ESI, also listed on Euronext Growth Milan.

Main operations:

- Development of photovoltaic projects
- Authorizations monetization
- Construction and engineering
- Energy production and sale

Mission

To accelerate the energy transition by developing, building and delivering clean energy solutions conceived to be efficient, sustainable, creating long-term value for businesses, communities and the environment.

Vision

To become a leading integrated player in the renewable energy sector in Italy, driving decarbonization across the energy value chain through a full-service end-to-end approach.

Opportunity

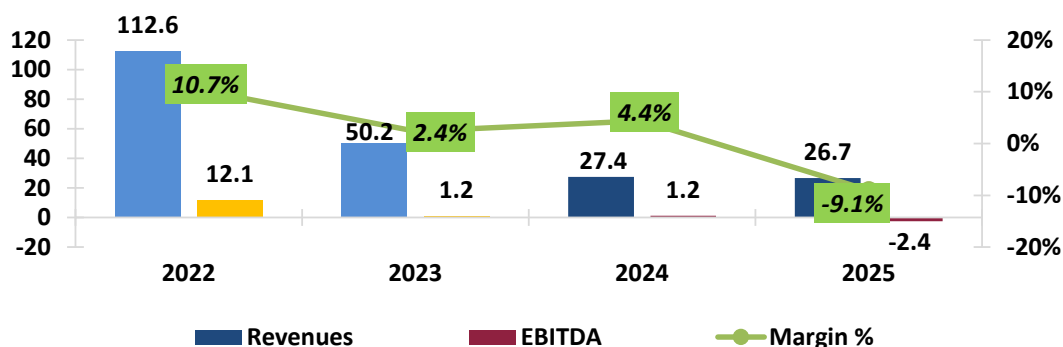
Global push toward decarbonization, rising energy prices and growing demand for secure, locally generated renewable energy are creating a strong momentum for utility-scale solar projects. The increasing need for energy independence and regulatory support further enhance the long-term growth potential.

Value proposition

Innovatec offer spans from authorizations to EPC and asset ownership, by combining technical expertise, development processes and the ability to monetize authorizations or deliver turnkey solutions.

Historical financial performance - Innovatec Energy efficiency and Renewables BU

FY25 after Haiki+ spin-off



Source: Company data for Innovatec Energy efficiency and Renewables BU (excluding Haiki+ Environment and Circular economy BU).

Note: Since 2025, Innovatec full consolidated financial statements after Haiki+ spin-off.

Drivers

Industry drivers

Surging demand for renewables driven by hyperscalers and corporate commitments. According to McKinsey, the global push for decarbonization is accelerating, with over 400 RE100 companies (committed to 100% renewable energy) underscoring the need for greater capacity. Leading hyperscalers, as cloud and data providers, are at the forefront of this shift. Data centers already consume 1-2% of global electricity, a figure that could triple or quadruple by 2030.

Towards net zero emission. The global push for net-zero is driving more ambitious climate policies. In Europe, the REPowerEU plan has raised renewable targets and streamlined processes. Italy is aligned through its Integrated National Energy and Climate Plan, which sets clear 2030 goals for emissions cuts and a growing share of renewables. This path is now reinforced by the FER X decree, aimed at accelerating clean energy deployment through new incentives and simplified procedures. FER X is expected to boost investments and support Italy's energy transition.

Solar power leads as clean energy becomes more affordable. Technological progress in renewables has sharply lowered production costs, reinforcing solar's leadership. Over the past decade, innovations have made clean energy increasingly competitive, with utility-scale renewable plants producing electricity at lower costs than fossil fuel sources. In many markets, new solar installations became the most cost-effective option for power generation.

From fossil fuels to clean power: the energy industry's shift. The oil and gas sector is increasingly pivoting toward renewables as global energy systems move toward decarbonization. Under growing pressure to evolve, these companies are exploring sustainable power as a way to diversify their portfolios and remain competitive. Embracing renewables offers them a chance not only to adapt but to take a leading role in the energy transition.

Company drivers

A legacy in the energy sector and renewables. Long-standing presence in the energy industry, with experience from energy efficiency solutions and renewable plant construction to smart grid technologies and energy storage.

End-to-end service in the photovoltaic sector. Comprehensive service throughout the entire photovoltaic value chain: from securing authorizations and managing design, to constructing plants and transferring authorization titles or selling the produced energy.

Flexible rollout of PV projects pipeline. Innovatec program encompasses a pipeline of ground-mounted photovoltaic plants, mainly in Central and Southern Italy, which would be partly sold before construction, partly delivered as turnkey projects, some assets will be retained in-house.

Challenges

Finance management is crucial. Developing and constructing photovoltaic plants for sale or long-term ownership involves financing needs and risks such as project delays and material price fluctuations that can impact margins and working capital. Photovoltaic plant construction is usually assisted by dedicated project financing by financial institutions and investment funds. Innovatec starts its development plan with a debt-free financial position, which, combined with selective pipeline management, flexible business models, and disciplined cash flow control, helps to mitigate risks and maintain a solid financial support throughout the project lifecycle.

Lengthy authorization procedures. Obtaining authorization for photovoltaic installations often involves time-consuming and bureaucratic procedures. These delays can stall project development and lead to higher implementation costs. In addition, the sale of authorizations is often preferred as *ready to build* authorization, requiring longer time and procedures to obtain the green light for construction.

Grid congestion and limited transmission capacity. Italy's power grid is increasingly saturated, with existing infrastructure often reserved for potential rather than operational renewable projects. This creates bottlenecks and delays in connecting ready-to-go installations. The imbalance between generation in the southern regions and demand in the northern ones adds to the pressure on the system.

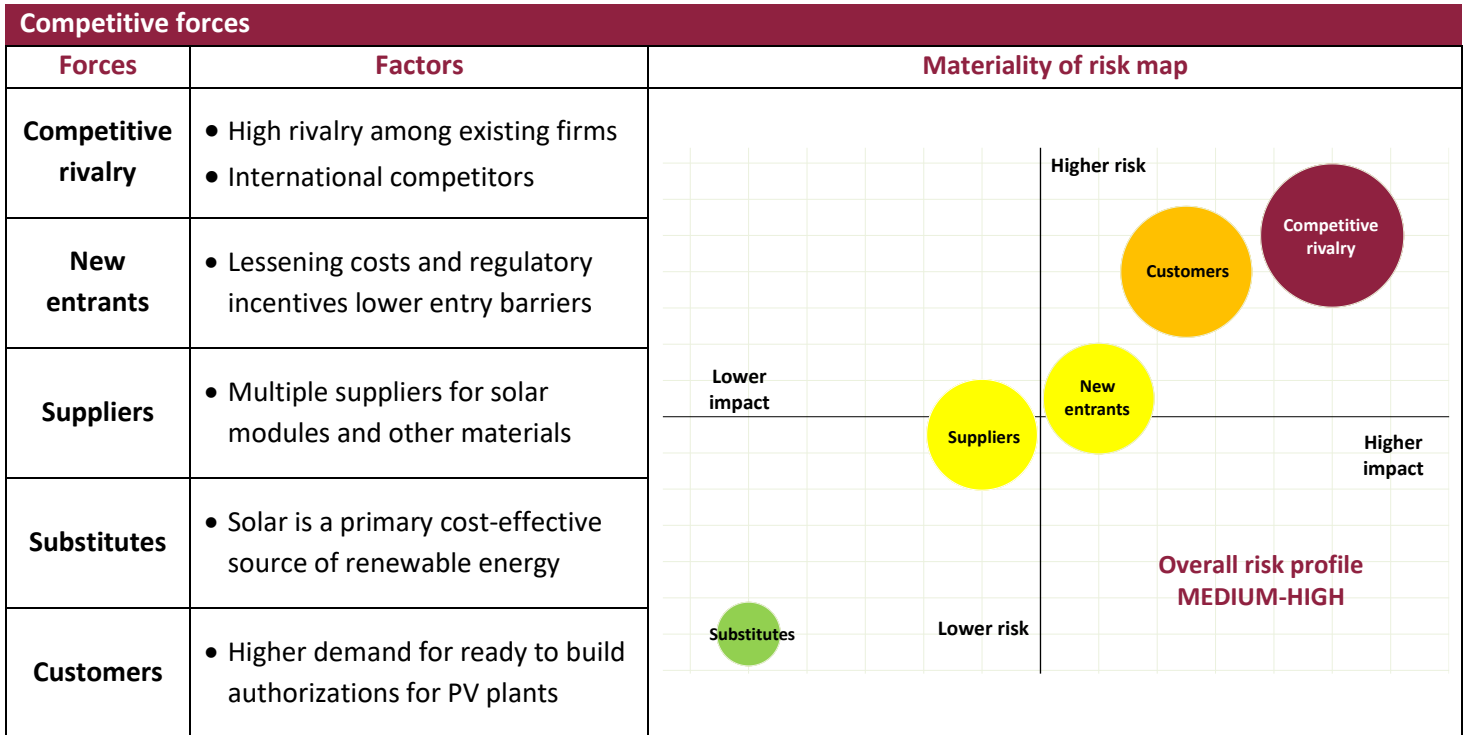
Regulatory risk. Incentive system for photovoltaics in Italy is complex and fragmented, with varying regulations and procedures at national and regional levels. This regulatory patchwork can discourage investment and create hurdles for smaller players entering the market.

Strategy execution risk. The execution of Group strategy, including the planned expansion of the PV business, may cause to incur in additional financial debt, which may introduce additional risks and volatility to financial performance. As such, financial discipline is needed, taking into duly consideration that Innovatec business is dependent upon authorizations and regulation and, as such, subject to external risks. The plan execution is the key issue in the short-term: Innovatec needs to build a good track record to trigger a re-rating.

Increasing competition could trigger margin pressure. The fragmented competitive arena, with low entry barriers, is a permanent feeder of competition from Italian and international players that could generate pressure on margins.

Risk/opportunity assessment

Business risk: medium-high

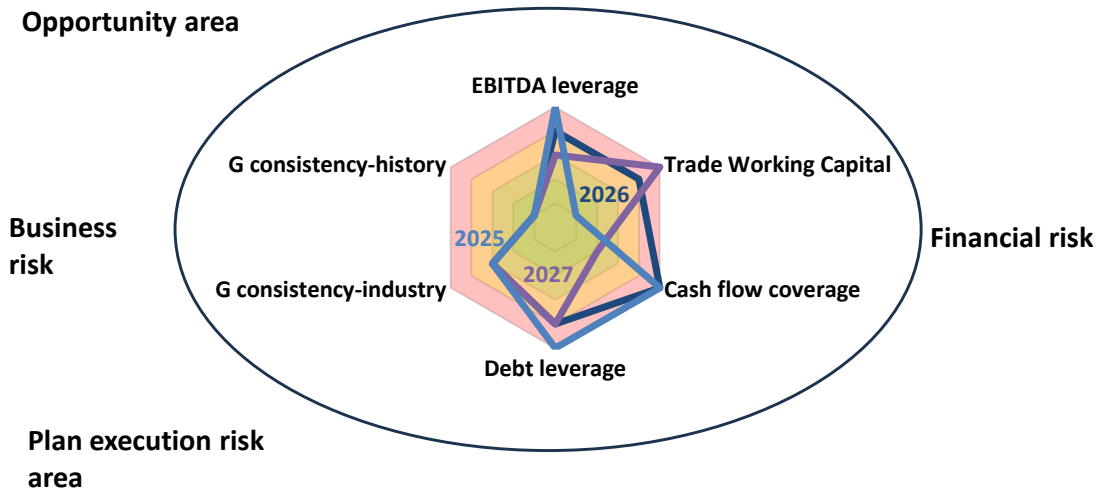


Source: EnVent Research

Financial risk: medium-high

Challenging financial guidelines

Cash generation main issue during investment phase



Legend: Lower risk Higher risk Inner area size: overall risk

Source: EnVent Research

ESG

Overview and communication of the Company's sustainability strategy

Analysis and reporting

Sustainability reports and reporting standards	●
Sustainability initiatives and memberships	●
Sustainability risk management information	●
Governance information	●
Shareholders and stakeholders dialogue	●

Sustainability targets

Scope 1 emissions (Direct emissions)	●
Scope 2 emissions (Energy consumption)	●
Scope 3 emissions (Value chain)	●

Social targets

Past target achievements	●
Policies implementation	●

Source: EnVent Research on Company FY23 sustainability report

FY25 results and analysis

FY25 is the first reporting period following the spin-off of Haiki+ sub-holding.

FY25 performance reflects ESI EPC business, the initial sales of PV projects and regulatory delays

- Revenues €26.7m: €20.3m by the consolidated subsidiary ESI and €6.3m by Innovatec; down by 10% on FY24 like-for-like (excluding Haiki+ Environment and Circular Economy BU)
- EBITDA €(2.4m), vs €0.6m in FY24
- Period net loss at €(4.7)m
- Net financial debt at €4.9m as of 2025 year-end, from €1m net cash as of FY24PF-E, after over €8m investments, mainly for PV development

Regulatory delays and challenging market

In 2025, regulatory delays affected Innovatec performance, as the postponed FER X decree, which extended project authorization and ready-to-build timelines, thereby slowing project sales and construction activities. To navigate the challenging market environment, Innovatec initiated a business reorganization in June 2025, including discontinuing of B2B energy efficiency business and the implementation of a cost-optimization plan with subsidiary ESI, whose benefits are expected from 2026 onwards.

Business reorganization

Consolidated Profit and Loss

€m	2024-PF	2025
Operating revenues	17.8	24.6
Change in WIP and inventory	7.9	(0.8)
Capitalizations	1.4	2.3
Other income	0.8	0.5
Total Revenues	27.8	26.7
YoY %	-	-4.1%
Materials	(12.9)	(9.4)
Services	(9.0)	(12.8)
Personnel	(4.5)	(4.3)
Other operating costs	(0.9)	(2.6)
Operating costs	(27.3)	(29.1)
EBITDA	0.5	(2.4)
Margin on Revenues	1.8%	neg
D&A	(2.0)	(1.6)
Writedown of receivables and provisions	(3.3)	(0.8)
EBIT	(4.7)	(4.8)
Margin on Revenues	neg	neg
Interest	(1.9)	(0.1)
Writedown of financial assets	(0.1)	(0.4)
EBT	(6.8)	(5.3)
Margin on Revenues	neg	neg
Income taxes	0.1	0.5
Net Income (Loss)	(6.7)	(4.8)
Margin on Revenues	neg	neg

Source: Company data FY25, EnVent Research 2024PF-E

Consolidated Balance Sheet

€m	2024-PF	2025
Work in progress and inventory	23.6	23.9
Trade receivables	2.4	(16.0)
Trade payables	(28.6)	(10.1)
Trade Working Capital	(2.6)	(2.2)
Other assets (liabilities)	(1.0)	(5.7)
Net Working Capital	(3.6)	(7.9)
Intangible assets	3.1	4.4
Goodwill	6.1	10.4
Property, plant and equipment	5.0	6.3
Equity investments and financial assets	3.5	1.5
Non-current assets	17.7	22.7
Provisions	(1.0)	(1.2)
Net Invested Capital	13.0	13.5
Net Debt (Cash)	(1.0)	4.9
Equity	14.0	8.7
Sources	13.0	13.5

Source: Company data FY25, EnVent Research 2024PF-E

Cash Flow

€m	2025
EBIT	(4.8)
Current taxes	0.5
D&A	1.6
Writedown of financial assets	(0.4)
Provisions	0.2
Cash flow from P&L operations	(2.9)
Trade Working Capital	(0.4)
Other assets and liabilities	4.7
Capex	(8.5)
Operating cash flow after WC and capex	(7.1)
Interest	(0.1)
Equity investments and financial assets	1.9
Changes in Equity	(0.6)
Net cash flow	(5.8)
Net (Debt) Cash - Beginning	1.0
Net (Debt) Cash - End	(4.9)
Change in Net (Debt) Cash	(5.8)

Source: Company data FY25

Business update

In 2026:

€2m contract for 8 MWp photovoltaic plant revamping

ESI €2m contract for the revamping of 8MWp photovoltaic plant in Puglia region. The project involves the upgrade of existing incentivized sections to improve plant performance. Works are expected to be completed by Q3 2026.

€5.5m contract for 15 MWp

ESI €5.5m contract for the construction of a 15 MWp agrivoltaic plants in the Umbria region.

In 2025:

ESI to develop a photovoltaic plant in Pontinia (Lazio region), 825 kWp and a grid connection capacity of 800 kW, for a value of €0.7m.

Entering into IPP business

ESI acquired 3 MW photovoltaic plant, marking the entry into IPP business.

Sale of 4.5MW PV plant

SPV Elios 6, owner of an in-house developed ground-mounted 4.5MWp PV plant located in Calabria region, authorized in PAS, has been sold for €4.4m. Construction works started in July 2025 with Innovatec as EPC contractor and ESI as nominated technical contractor.

Agreement with Altea Green Power

Three-year agreement with Altea Green Power, listed on Euronext Growth Milan, for the purchase and the co-development of PV projects in Italy at different stages, including battery energy storage systems. The agreement includes possible acquisition of Innovatec PV projects pipeline by Altea Green Power.

ESI five contracts for the revamping and repowering of photovoltaic systems with a capacity of 6.5 MWp and assisting Innovatec Energy in the development of the 4.5 MWp photovoltaic system in Calabria region.

ESI four contracts for the revamping of photovoltaic systems with a total capacity of 4 MWp.

ESI acquired ED Solar 2, SPV for the development of a 1.65 MW photovoltaic plant.

Pipeline and backlog update

Innovatec current pipeline stands at 184 MWp, of which 23 MWp authorized, and 50MW Battery Energy Storage Systems under evaluation. ESI EPC backlog, ca €24m, targets the development of at least 20 MWp of new proprietary photovoltaic capacity (IPP), of which 3 MWp already in production, 1.65 MWp in construction and around 7 MWp at an advanced stage of authorization. Overall, within the next three years, Innovatec aims to reach 40 MWp of owned generation capacity, full capacity expected in 2027.

Corporate period facts

Full ownership of Innovatec Energy

In December 2025, Innovatec has acquired the remaining 49% stake in Innovatec Energy, from its controlling shareholder Sostenya Group, for a consideration of €5m, also supported by a €3.9m shareholder loan for operations and other acquisitions (issued as convertible debt for future conversion into equity, with maturity at December 2029). The deal qualifies as related-party transaction. The rationale of the transaction is to simplify the governance and the organization.

€3m bond issued

In March 2025, Innovatec has issued a €3m bond, to finance the investment program in the pipeline of PV projects and authorizations. The bond is due in November 2026, with 7% annual interest rate, amortizing repayment with 15 months preamortization, subject to EBITDA and Equity covenants.

Industry outlook

Italian renewable market: capacity to accelerate to meet targets

Key take aways:

- Installed photovoltaic capacity, as of 31 December 2025, was 43.5 GW, consistent with the National Energy and Climate Plan targets of 79 GW by 2030. In 2025, newly installed capacity was 6.4 GW, -5% YoY, after continued growth in utility-scale installations (+15% YoY), offset by weaker demand in the residential and Commercial & Industrial (C&I) segments.
- Improving cost dynamics remains a key tailwind. Following 2022-23 cost inflation period, photovoltaic module prices declined significantly, falling by around 50% in 2023 and a further 35% in 2024, with levels close to historical lows in 2025.
- Demand is expected to be impacted by a mix of energy security concerns, geopolitical tensions and the need to reduce reliance on fossil fuels. Looking ahead, achieving national targets will require a significant scale-up in installations, around 7 GW yearly by 2030. Further upside may come from the repowering of existing assets, which could generate up to 15 GW of additional capacity, and from the development of large-scale storage systems, with approximately 72 GWh of new capacity needed to support grid integration.

Source: Italia Solare - Report Fotovoltaico - Q4, 2025, 2026

Management guidelines: 2025-27E business plan - Recall

In November 2024, management had disclosed strategic guidelines, investment plan and financial targets of Innovatec 2025-27E business plan, focusing on photovoltaic energy, after the spin-off of Haiki waste management and circular economy BU.

2026-28 business plan update, scheduled in March 2026, was postponed due to challenging market environment.

Major pillars - Photovoltaic

Innovatec counts on its own development potential with the expertise and execution of ESI (consolidation of 100% of ESI figures, 32.45% shareholding):

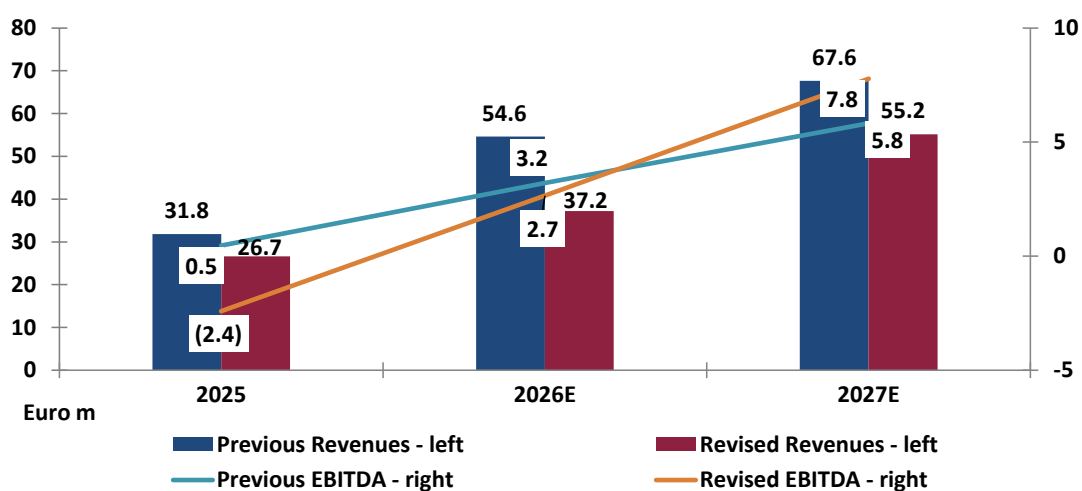
- Pre-construction sale to customers
- Sale of authorized turn-key plants (projects in pipeline authorized and built)
- In-house development, construction and asset management (with or without ownership), contributing to turnover starting from 2027
- Sale and distribution of produced energy to businesses, households and energy communities through Frisbi subsidiary
- EPC and revamping of small/medium/large-size photovoltaic systems on behalf of its customers by ESI

Estimates revision

We have factored FY25 results in our model and fine-tuned FY26-27E.

Change in estimates

Revenues and EBITDA estimates (€m) - Previous vs Revised



Source: EnVent Research

€m	Revised			Previous			Change %		
	2025	2026E	2027E	2025E	2026E	2027E	2025	2026E	2027E
Revenues	26.7	37.2	55.2	31.8	54.6	67.6	-16%	-32%	-18%
EBITDA	(2.4)	2.7	7.8	0.5	3.2	5.8	nm	-17%	33%
<i>Margin</i>	<i>neg</i>	7.1%	14.1%	1.5%	5.9%	8.6%			
EBIT	(4.8)	1.0	5.8	(1.6)	0.9	3.3	191%	14%	78%
<i>Margin</i>	<i>neg</i>	2.7%	10.6%	<i>neg</i>	1.6%	4.9%			
Net Income (Loss)	(4.8)	0.3	3.5	(1.8)	0.1	1.5	158%	147%	132%
Net Debt (Cash)	4.9	9.1	18.2	4.9	9.2	15.9	-1%	-1%	14%
<i>Net Debt/EBITDA</i>	<i>neg</i>	3.4x	2.3x	10.6x	2.9x	2.7x			

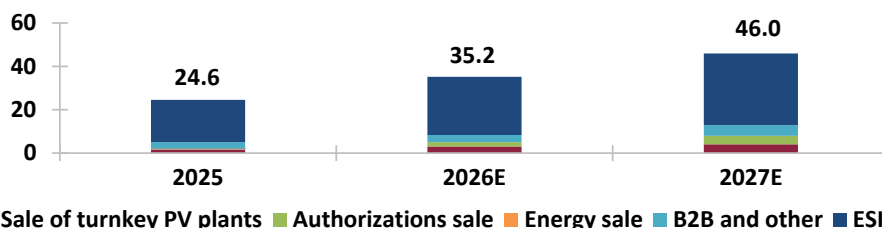
Source: EnVent Research

Financial projections

Accounting and consolidation scope

- **Accounting standards** - IT GAAP (OIC)
- **Consolidation scope** - parent company Innovatec SpA; ESI SpA, listed on EGM, owned with a share of 32.45%, subject to de facto control; subsidiaries in which Innovatec holds directly or indirectly, 50% or more of the share capital

Operating revenues by BU (€m)



Source: EnVent Research 2026-27E

Our estimate of 2024PF, assuming that Haiki+ spin-off had occurred on January 1st 2024, represents figures consistent with current scope and 2026-27E. EnVent “2024PF-E” has been drawn up based on: Innovatec, Haiki+ and ESI FY24 financial statements, segment information, available information about spin-off, Innovatec management estimate of FY24 proforma financial position.

Consolidated Profit and Loss

€m	2024	2024PF-E	2025	2026E	2027E
Operating revenues + change in WIP	212.1	25.7	23.9	35.2	53.2
Capitalizations	7.2	1.4	2.3	2.0	2.0
Other income	5.3	0.8	0.5	0.0	0.0
Total Revenues	232.1	27.8	26.7	37.2	55.2
YoY %	7.7%	-	-	39.5%	48.4%
Materials	(77.1)	(12.9)	(9.4)	(15.6)	(27.3)
Services	(80.8)	(9.0)	(12.8)	(12.2)	(13.3)
Personnel	(28.2)	(4.5)	(4.3)	(4.5)	(4.1)
Other operating costs	(14.3)	(0.9)	(2.6)	(2.2)	(2.6)
Operating costs	(200.4)	(27.3)	(29.1)	(34.5)	(47.4)
EBITDA	31.7	0.5	(2.4)	2.7	7.8
Margin	13.7%	1.8%	neg	7.1%	14.1%
D&A	(26.7)	(2.0)	(1.6)	(1.7)	(1.9)
Writedown of receivables and provisions	(6.8)	(3.3)	(0.8)	0.0	0.0
EBIT	(1.7)	(4.7)	(4.8)	1.0	5.8
Margin	neg	neg	neg	2.7%	10.6%
Interest	(6.7)	(1.9)	(0.1)	(0.5)	(0.9)
Writedown of financial assets	(0.1)	(0.1)	(0.4)	0.0	0.0
EBT	(8.5)	(6.8)	(5.3)	0.5	4.9
Margin	neg	neg	neg	1.3%	8.9%
Income taxes	(0.5)	0.1	0.5	(0.2)	(1.4)
Net Income (Loss)	(9.0)	(6.7)	(4.8)	0.3	3.5
Margin	neg	neg	neg	0.9%	6.4%

Source: Company data 2024-25, EnVent Research 2024PF-27E

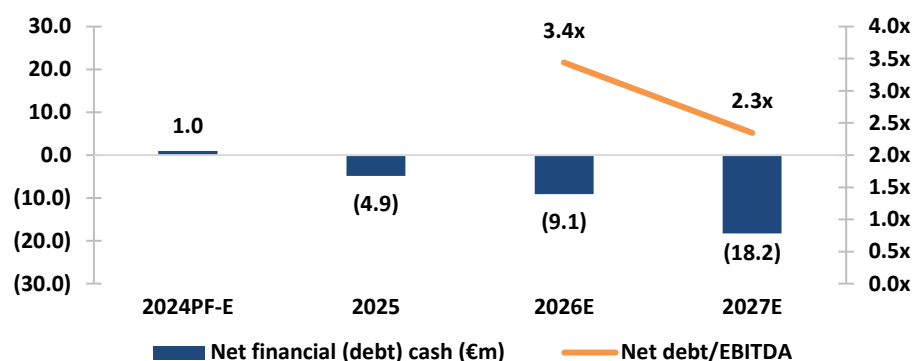
Main revenue increase from ESI EPC business

Consolidated Balance Sheet

€m	2024	2024PF-E	2025	2026E	2027E
Work in progress and inventory	26.8	23.6	23.9	12.2	16.6
Trade receivables	32.1	2.4	(16.0)	(8.7)	(7.4)
Trade payables	(59.3)	(28.6)	(10.1)	(6.0)	(8.7)
Trade Working Capital	(0.4)	(2.6)	(2.2)	(2.5)	0.6
Other assets (liabilities)	(23.9)	(1.0)	(5.7)	(4.5)	(3.3)
Net Working Capital	(24.3)	(3.6)	(7.9)	(7.0)	(2.7)
Intangible assets	35.4	9.2	14.8	14.1	13.3
Property, plant and equipment	112.2	5.0	6.3	11.1	20.5
Equity investments and financial assets	7.3	3.5	1.5	1.5	1.5
Non-current assets	197.0	17.7	22.7	26.7	35.3
Provisions	(68.0)	(1.0)	(1.2)	(1.6)	(1.8)
Net Invested Capital	104.6	13.0	13.5	18.1	30.8
Net Debt (Cash)	61.7	(1.0)	4.9	9.1	18.2
Equity	42.9	14.0	8.7	9.0	12.5
Sources	104.6	13.0	13.5	18.1	30.8

Source: Company data 2024-25, EnVent Research 2024PF-27E

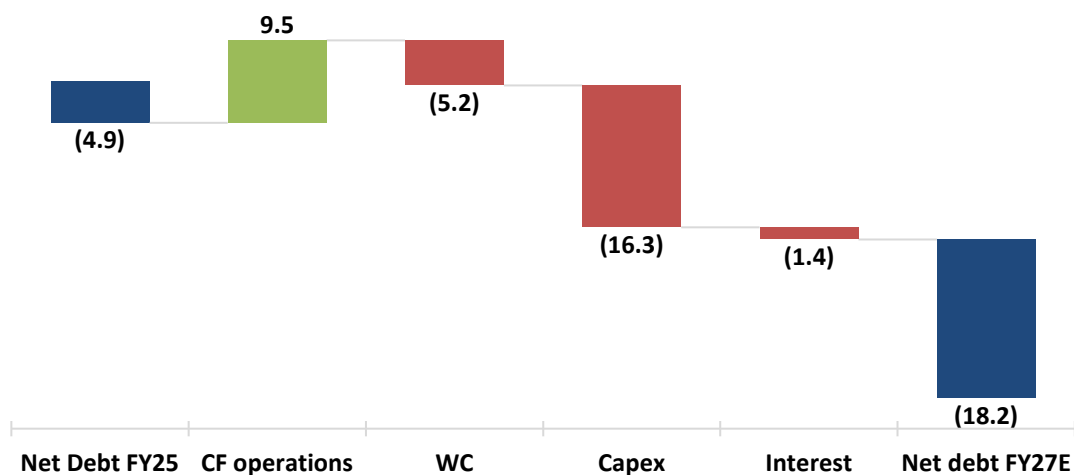
Net financial debt (€m) and net debt/EBITDA (x) 2024PF-27E



Source: Company data 2025, EnVent Research 2024PF-27E

Note: 2024PF-E and 2025A EBITDA losses

Net financial debt bridge cumulative 2025-27E (€m)



Source: EnVent Research 2025-27E

Consolidated Cash Flow

€m	2025	2026E	2027E
EBIT	(4.8)	1.0	5.8
Current taxes	0.5	(0.2)	(1.4)
D&A	1.6	1.7	1.9
Writedown of financial assets	(0.4)	0.0	0.0
Provisions	0.2	0.4	0.2
Cash flow from P&L operations	(2.9)	2.9	6.6
Trade Working Capital	(0.4)	0.3	(3.1)
Other assets and liabilities	4.7	(1.3)	(1.2)
Capex	(8.5)	(5.7)	(10.6)
Operating cash flow after WC and capex	(7.1)	(3.8)	(8.2)
Interest	(0.1)	(0.5)	(0.9)
Net cash flow	(5.8)	(4.3)	(9.1)
Net Debt (Beginning)	1.0	(4.9)	(9.1)
Net Debt (End)	(4.9)	(9.1)	(18.2)
Change in Net Debt (Cash)	(5.8)	(4.3)	(9.1)

Source: Company data 2025, EnVent Research 2026-27E

Ratio analysis

Key ratios	2025	2026E	2027E
ROE	neg	4%	33%
ROS	neg	3%	11%
ROIC	neg	6%	24%
TWC/Revenues	-8%	-7%	1%
NWC/Revenues	-30%	-19%	-5%
Capex/Revenues	32%	15%	19%
Net Debt/EBITDA	neg	3.4x	2.3x
Net Debt/Equity	0.6x	1.0x	1.5x
Cash flow from P&L operations/EBITDA	121%	109%	85%
FCF/EBITDA	294%	neg	neg

Source: Company data 2025, EnVent Research 2026-27E

Valuation

Valuation topics and drivers

Innovatec is a pureplay in the solar PV industry, whose project is to become an integrated player of the renewable energy value chain.

Value drivers:

- Underlying market demand driven by energy transition and decarbonization commitment
- PV cost reduction and low risk asset base value perspective
- Pipeline of PV projects, turnkey plants and order backlog
- Recurring revenues and margins expected from in-house plants
- Straightforward financial leverage for own assets

Inconsistent short-term visibility of value

Valuation issues

- Plan execution
- Regulatory delays and lengthy authorization procedures
- Challenging financial guidelines
- Level and timing of CapEx, funding needs and financial debt
- Cash generation during investment plan
- Medium-high risk profile from Business and Financial risk assessment

Valuation metrics

- Discounted Cash Flows applied to 2026-27E consolidated financial projections
- Market multiples

Discounted Cash Flows

Updated assumptions:

- Risk free rate: 3.4% (last 30 days average. Source: Bloomberg, May 2026)
- Market return: 14.6% (last 30 days average. Source: Bloomberg, May 2026)
- Market risk premium: 11.2%
- Beta: 0.8 (judgmental as per financial risk assessment)
- Cost of equity: 12.3%
- Cost of debt: 7%
- Tax rate: 24% IRES
- 50% debt/(debt + equity) as target capital structure
- WACC calculated at 8.8%
- Perpetual growth rate after explicit projections (G): 3%
- Terminal Value assumes 10% EBITDA margin
- Adjustments to equity value: Minorities

DCF model

€m	2025	2026E	2027E	Perpetuity
Revenues	26.7	37.2	55.2	56.8
EBITDA	(2.4)	2.7	7.8	5.7
<i>Margin</i>	<i>neg</i>	<i>7.1%</i>	<i>14.1%</i>	<i>10.0%</i>
EBIT	(4.8)	1.0	5.8	4.7
<i>Margin</i>	<i>neg</i>	<i>2.7%</i>	<i>10.6%</i>	<i>8.2%</i>
Taxes	1.3	(0.3)	(1.6)	(1.3)
NOPAT	(3.5)	0.7	4.2	3.4
D&A	1.6	1.7	1.9	1.0
Provisions	0.2	0.4	0.2	0.0
Cash flow from operations	(1.7)	2.8	6.4	4.4
Trade Working Capital	(0.4)	0.3	(3.1)	(0.0)
Other assets and liabilities	4.7	(1.3)	(1.2)	0.0
Capex	(8.5)	(5.7)	(10.6)	(1.0)
Yearly Unlevered free cash flow	(5.9)	(3.9)	(8.4)	3.4
WACC	8.8%			
Long-term growth (G)	3.0%			
Discounted Cash Flows		(3.6)	(7.1)	
Sum of Discounted Cash Flows	(10.7)			
Terminal Value				57.7
Discounted TV	48.7			
Enterprise Value	38.0			
Net Cash (Debt) as of 31/12/2025	(4.9)			
Minorities	(3.7)			
Equity Value	29.4			
Equity Value per share (€)	0.30			

DCF - Implied multiples	2025	2026E	2027E
EV/Revenues	1.4x	1.0x	0.7x
EV/EBITDA	neg	14.3x	4.9x
EV/EBIT	neg	38.3x	6.5x
P/E	neg	nm	8.4x

Current market price - Implied multiples	2025	2026E	2027E
EV/Revenues	0.8x	0.6x	0.4x
EV/EBITDA	neg	8.3x	2.8x
EV/EBIT	neg	22.3x	3.8x
P/E	neg	nm	4.9x

Source: EnVent Research

Market multiples

Selection criteria of listed peers

Key factors:

- Renewables market
- EPC contractors and developers
- Power producers

Industry players segmentation

- Developers
- Power producers and developers

Market multiples

Company name	EV/REVENUES			EV/EBITDA			EV/EBIT			P/E		
	2025	2026E	2027E	2025	2026E	2027E	2025	2026E	2027E	2025	2026E	2027E
Innovatec	0.8x	0.6x	0.4x	neg	8.3x	2.8x	neg	22.3x	3.8x	neg	nm	4.9x

Renewable power plants developers

ABO Energy	1.1x	1.3x	1.2x	neg	neg	12.8x	neg	neg	22.3x	neg	neg	42.2x
PLC	0.8x	0.6x	0.6x	4.7x	4.5x	4.4x	5.2x	5.5x	5.6x	10.5x	10.8x	10.8x
Espe	0.8x	0.6x	0.5x	4.5x	3.1x	2.7x	6.0x	3.5x	3.0x	7.1x	4.0x	3.5x
Mean	0.9x	0.8x	0.8x	4.6x	3.8x	6.6x	5.6x	4.5x	10.3x	8.8x	7.4x	18.9x
Median	0.8x	0.6x	0.6x	4.6x	3.8x	4.4x	5.6x	4.5x	5.6x	8.8x	7.4x	10.8x

Developers and IPP

EDP Renováveis	10.9x	9.0x	8.7x	20.8x	11.8x	11.5x	81.3x	22.0x	20.8x	67.4x	34.6x	30.3x
ERG	7.3x	6.7x	6.5x	10.6x	9.6x	9.3x	21.6x	19.9x	18.8x	50.3x	19.5x	19.8x
Grenergy	4.2x	6.4x	4.1x	24.0x	18.7x	11.6x	28.2x	23.9x	14.8x	38.5x	34.2x	20.9x
Voltaia	5.5x	5.3x	4.7x	24.4x	13.7x	10.7x	nm	37.7x	20.4x	n.m.	n.m.	n.m.
Alerion Clean Power	15.2x	8.9x	6.2x	25.6x	14.2x	n.a.	65.8x	22.0x	n.a.	16.2x	23.4x	n.a.
Solaria Energía	14.5x	12.5x	9.5x	16.9x	15.0x	11.4x	20.2x	18.3x	14.5x	21.4x	20.8x	15.4x
Ecoener	7.7x	7.2x	5.6x	13.1x	13.0x	9.2x	20.4x	19.4x	12.6x	21.9x	28.2x	12.7x
Iniziativa Bresciane	5.7x	5.5x	5.2x	10.9x	8.3x	7.8x	33.5x	18.0x	16.2x	63.9x	12.1x	10.9x
Altea Green Power	6.1x	3.9x	2.8x	10.7x	6.8x	4.9x	10.8x	6.9x	5.2x	16.5x	9.7x	7.3x
Mean	8.6x	7.2x	5.9x	17.4x	12.3x	9.5x	35.2x	20.9x	15.4x	37.0x	22.8x	16.8x
Median	7.3x	6.7x	5.6x	16.9x	13.0x	10.0x	24.9x	19.9x	15.5x	30.2x	22.1x	15.4x

Source: EnVent Research on S&P Capital IQ, May 2026

Multiples application

We have applied to our 2026-27E estimates market multiples from the Renewables power plants developers cluster.

EBIT and Earnings keep being misleading due to the current stage of development still in an investment cycle, while revenues and EBITDA multiples come from peers with established business. As a consequence we attribute to the resulting values a general information meaning.

Innovatec (€m)	Market Multiples	EV	Net Cash (Debt) as of 31/12/2025	Minorities	Equity value	Equity value per share (€)	
2026E Op. Revenues	35.2	0.8x	29.5	(4.9)	(3.7)	20.9	0.22
2027E Op. Revenues	53.2	0.8x	41.2	(4.9)	(3.7)	32.7	0.34
Mean 2026-27E			35.3			26.8	0.28

Source: EnVent Research

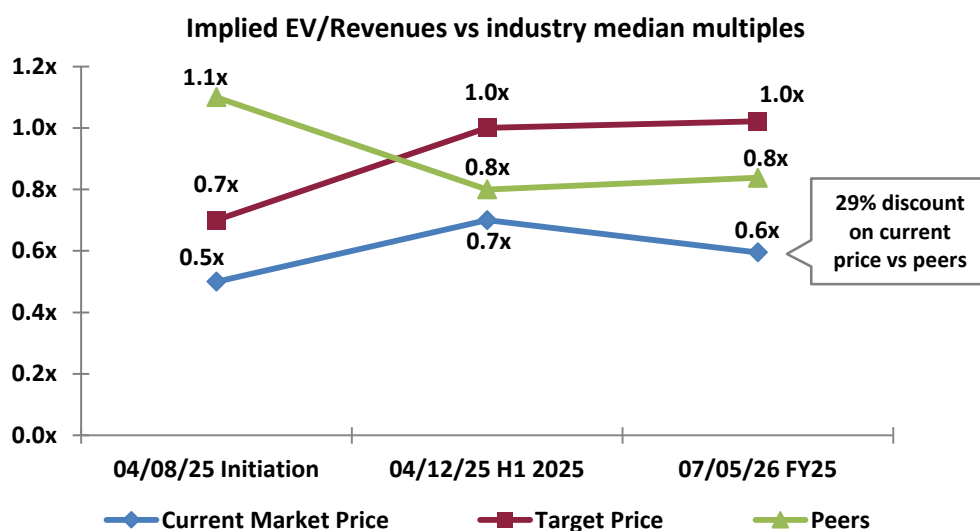
Target price

Based on our updated estimates and the value building perspective of planned investments and pipeline, we confirm the target price of €0.30 per share, with a 68% potential upside on current price, and assign an OUTPERFORM rating on the stock (from NEUTRAL).

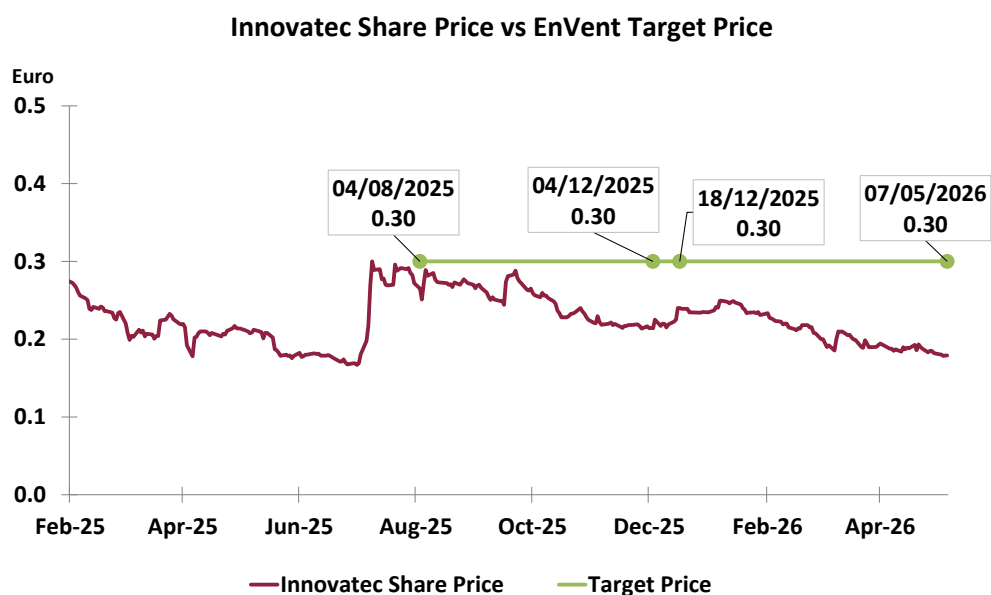
Please refer to important disclosures at the end of this report.

Innovatec Price per Share	€
Target Price	0.30
Current Share Price (06/05/2026)	0.18
Premium (Discount)	68%

Source: EnVent Research



Source: EnVent Research on S&P Capital IQ, 07/05/2026



Source: EnVent Research on S&P Capital IQ, 07/05/2026

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Rating system and rationale (12-month time horizon):

OUTPERFORM: stocks are expected to have a total return above 10%;

NEUTRAL: stocks are expected to have a performance between -10% and +10% consistent with market or industry trend and appear less attractive than Outperform rated stocks;

UNDERPERFORM: stocks are among the least attractive in a peer group, with the target price 10% below the current market price;

UNDER REVIEW: target price under review, waiting for updated financial data, or other key information such as material transactions involving share capital or financing;

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The stock price indicated in the report is the last closing price on the day of Production.

Date and time of Production: 06/05/2026 h. 7.00pm

Date and time of Distribution: 07/05/2026 h. 6.15pm

DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE

Date	Recommendation	Target Price (€)	Share Price (€)
04/08/2025	NEUTRAL	0.30	0.27
04/12/2025	NEUTRAL	0.30	0.21
18/12/2025	NEUTRAL	0.30	0.24
07/05/2026	OUTPERFORM	0.30	0.18

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