



INNOVATEC GROUP
E M B R A C E T H E I N N O V A T I O N

COMPANY PRESENTATION

Milan, 29 November 2021

NEXT GEMS
BORSA ITALIANA

INNOVATEC: TOWARDS A CLEANER FUTURE, TOGETHER.

Agenda



CleanTech Industry



Innovatec Group



Performance

CleanTech industry

WHAT IS CLEANTECH?



Any process, product or service that aims at reducing negative environmental impacts through:



*significant improvements
in terms of energy
efficiency*



*environmental protection
activities – recovery, recycling
and disposal of materials.*



*sustainable use of resources:
water, air and the
environment as a whole*



Innovatec Group

WHO WE ARE

The Italian leading operator providing **360-degree services** in circularity and sustainability.

We integrate **Energy Efficiency services** and the full cycle of **Environmental services**, from recovery to recycling.

We also have an impact in **helping other Companies to improve the circularity** in their products and processes.



CLEANTECH INDUSTRY

EE & RENEWABLES

ENVIRONMENT
SERVICES

CIRCULAR ECONOMY
SERVICES

INTEGRATION



CleanTech industry

WE ARE IN AN ATTRACTIVE BUSINESS

As part of a new European strategy heading to “Net Zero”, CleanTech investments are expected to grow sharply and for a long time.



EU INVESTMENTS

Green New Deal



At least **€1 trillion** of sustainable investments over the next 10 years

ITALIAN GREEN EVOLUTION OUTLOOK: Piano Nazionale di Ripresa e Resilienza (PNRR)

PNRR (in billions of euros)

Green revolution and ecological transition	PNRR	React EU	Additional Funds	TOTAL
Sustainable agriculture and circular economy	5,27	0,5	1,2	6,97
Energy transition and sustainable mobility	23,78	0,18	1,4	25,36
Energy efficiency and building renovation	15,36	0,32	6,56	22,24
Protection of the territory and water research	15,06	0,31	0	15,37
Total	59,47	1,31	9,16	69,94

→ **3 addressful markets** for a total of approximately €44 billion

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OUR STRATEGIC GUIDELINES AS A LEADING OPERATOR IN THE CLEAN TECH INDUSTRY



Focus on value creation and medium-term return
ESG driven



EE & RENEWABLES



CIRCULAR ECONOMY



INNOVATION

- Become a **leader in our sector**
- Facilitate **energy transition**
- Become an **energy problem solver**

- Strengthen our **asset base**
- Broaden our **service proposal**
- Transfer our **know how**

- **Invest** in breakthrough technologies
- Promote **technology transfer**
- Support **innovative start ups**

Integration of commercial offering

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MILESTONES



ALWAYS THERE TO SEIZE THE NEXT OPPORTUNITY

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WHAT WE DO

Innovatec develops and provides **tailor-made** and **end-to-end** energy solutions to industrial companies, households and building owners in the EE, environmental protection and circular economy sectors.



ENERGY EFFICIENCY

- **Design, implementation and management of technological solutions** aimed at optimizing **energy production** and **consumption**:
- **Energy requalification** of public buildings
- **Renovation of private buildings**



ENVIRONMENT SERVICES

- **Collection and transportation** of waste from producers via own fleet and third-party collectors
- **Treatment of waste** via proprietary selection & treatment systems and
- 5 services centers in North Italy
- **2000+ customers**, most of which are large companies
- **Permanent disposal** of waste through two proprietary active landfills and a third under management (both in North Italy)



CIRCULAR ECONOMY

- **Recycling-transformation** of waste into new resources
- **Sorting materials** into recoverable and non-recoverable
- Proprietary Landfills are a **key competitive advantage** being a scarce resource to **dispose waste that cannot be recovered**
- **Circularity** as fronting company to intercept market needs in sustainability

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KEY SUCCESS FACTORS & ASSETS



- Broad **client base** with **high retention rates**, also valuable for **cross-selling** activities;
- Extensive **sorting & treatment facilities** combined with a strategic **landfill** asset base (**scarce and not-replicable**);
- **360-degree services** in cleantech;
- Ability to **anticipate** and interpret the **regulatory framework**;
- **efficient organizational structure**;
- Consolidated **sales force** and **team of technicians** present throughout the national territory;
- Stable and reliable **partner network**;
- Strict **Governance Discipline**;

Strong **cash generation** and positive **net financial position** providing **firepower for fuelling future growth**



Proprietary landfills and sorting & treatment facilities

Our people, their skills and their connections



Our partners

Our integrated supply chain



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OPERATIONS, CAPACITY AND FOOTPRINT

Partnership model allows for national coverage while improving efficiency and flexibility. **Vertically integrated structure** with presence at every step of the cycle ensures cost efficiency and flexibility underpinned by complementary customer service.

INNOVATEC	2020
OPERATIONS	
Regions of Operations	Italy
n° Clients	<i>around</i> 2.000
n. Sale force (in house and partners)	<i>around</i> 200
n° Technical HC	<i>around</i> 30
Landfills proprietary/under management	3
Sorting & treatment plants	4
Partners (waste management)	50
Bio-gas Plants	4
CAPACITY	
HouseVerde contracts (€M)	85
EE + PV backlog (€M)	12
Volumes of waste collected (ktons)	167
Volumes disposal (ktons)	241
Landfill capacity (Mm ³)	1.7
Biogas Capacity (MW)	3.4

UNMATCHED PRESENCE IN LOMBARDY AND PIEMONTE BUSINESS MODEL BASED ON INNOVATEC SALE FORCE AND CONSOLIDATED PARTNERSHIPS



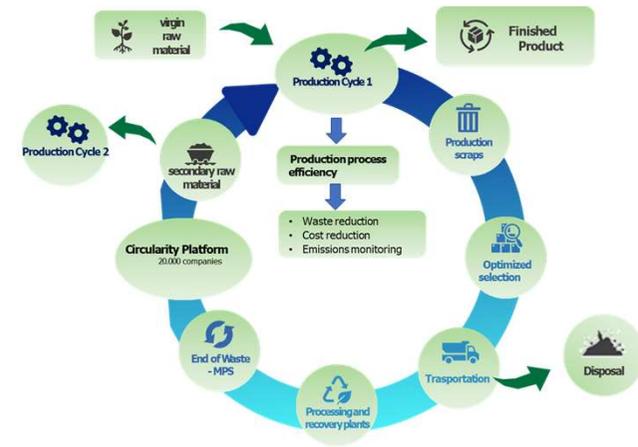
Partnership serving National Clients / Sales force / HouseVerde Partners

Innovatec Group:

ENVIRONMENT BUSINESS DIVISION – OVERVIEW



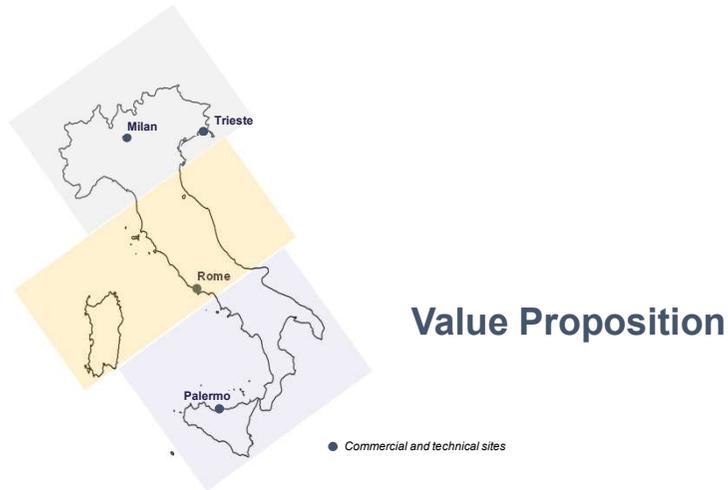
Description			
<ul style="list-style-type: none"> Collection and transportation of waste from producers via own fleet and third-party collectors Transportation to selection & treatment facilities and landfills 	<ul style="list-style-type: none"> Sorting materials into recoverable and non-recoverable Compacting Refuse-derived fuel ("RDF") Processing and trading wastepaper and other recovered materials (Vescovo Romano) 	<ul style="list-style-type: none"> Permanent disposal of waste Recycling Sale Biogas 	<ul style="list-style-type: none"> Production capacity of biogas from landfill Other renewable energy sources
Facilities			
<ul style="list-style-type: none"> 4 services centers 50 proprietary vehicles 3.300 equipments Partners: 50 	<ul style="list-style-type: none"> 5 services centers Selection & treatment systems 	<ul style="list-style-type: none"> Landfill Albonese Landfill Bossarino One Landfill under management Bedizzole (BS) Partners Landfills 	<ul style="list-style-type: none"> 4 biogas plants 2 PV system place in Albonese and Bedizzole plants
FY2020 volumes			
<ul style="list-style-type: none"> 90ktons collected 45ktons treated 71ktons collected and treated by Vescovo Romano 		<ul style="list-style-type: none"> 241ktons disposed 1.7Mm3 capacity outstanding 	<ul style="list-style-type: none"> 3.4MW



A VERTICALLY INTEGRATED STRUCTURE, WITH A PRESENCE AT EVERY STEP OF THE CYCLE, WHICH ENSURES COST EFFICIENCY AND FLEXIBILITY, UNDERPINNED BY COMPLEMENTARY CUSTOMER SERVICE

Innovatec Group:

EE BUSINESS DIVISION – OVERVIEW



COMMERCIAL TEAM	NORTH	CENTER	SOUTH	ITALY
2021	8	4	4	16
PARTNERS	NORTH	CENTER	SOUTH	ITALY
2021	30	28	103	161
TECHNICIANS	NORTH	CENTER	SOUTH	ITALY
2021	16	4	6	26

- Commercial and Technical team as well as established Partnerships enable us to serve customers on a national level
- Partners are subject to a rigorous selection process (high standard of and best practices)

“As is” Analysis

Energy consumption analysis of companies that use energy fossil fuels and coal.

Contractual Analysis

Resource recovery and purchase price reductions.

Monitoring Consumption

Monitoring and identification of the company's energy profile

- Energy audit + ISO 5001
- Evaluation of efficiency measures
- Support for access to incentive mechanisms (TEE)

Energy Efficiency

Design, installation and management technologies to improve EE to clients

Renewable Sources

Improve sustainability and produce energy independently

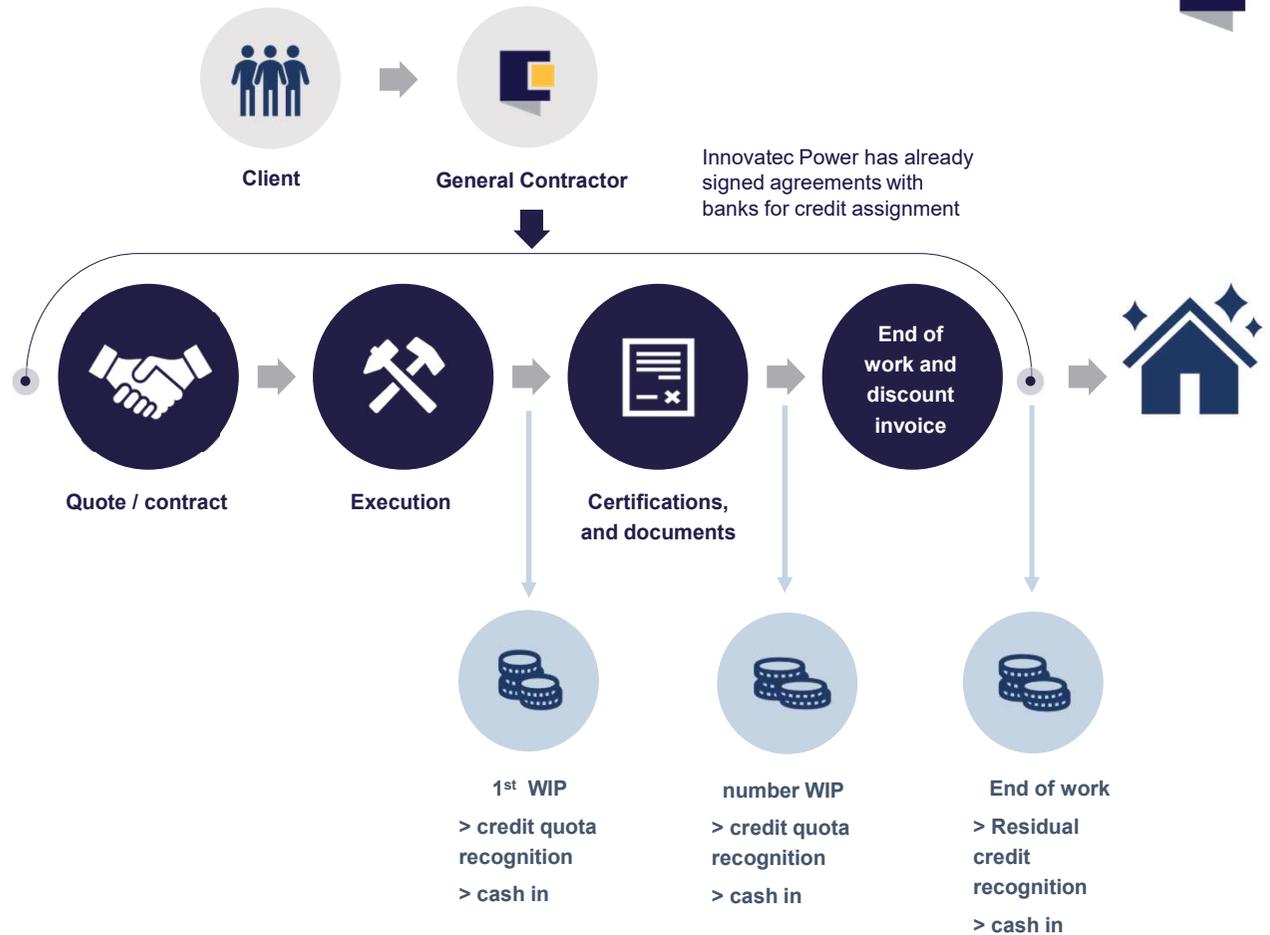
- Solar thermal
- Wind power
- Biogas / Biomethane

Innovatec Group:

EE BUSINESS DIVISION – OVERVIEW
FOCUS ON HOUSEVERDE PROJECT

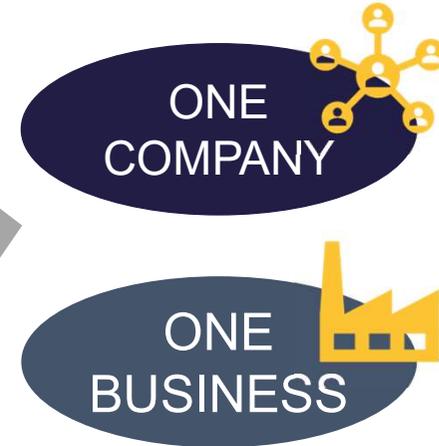
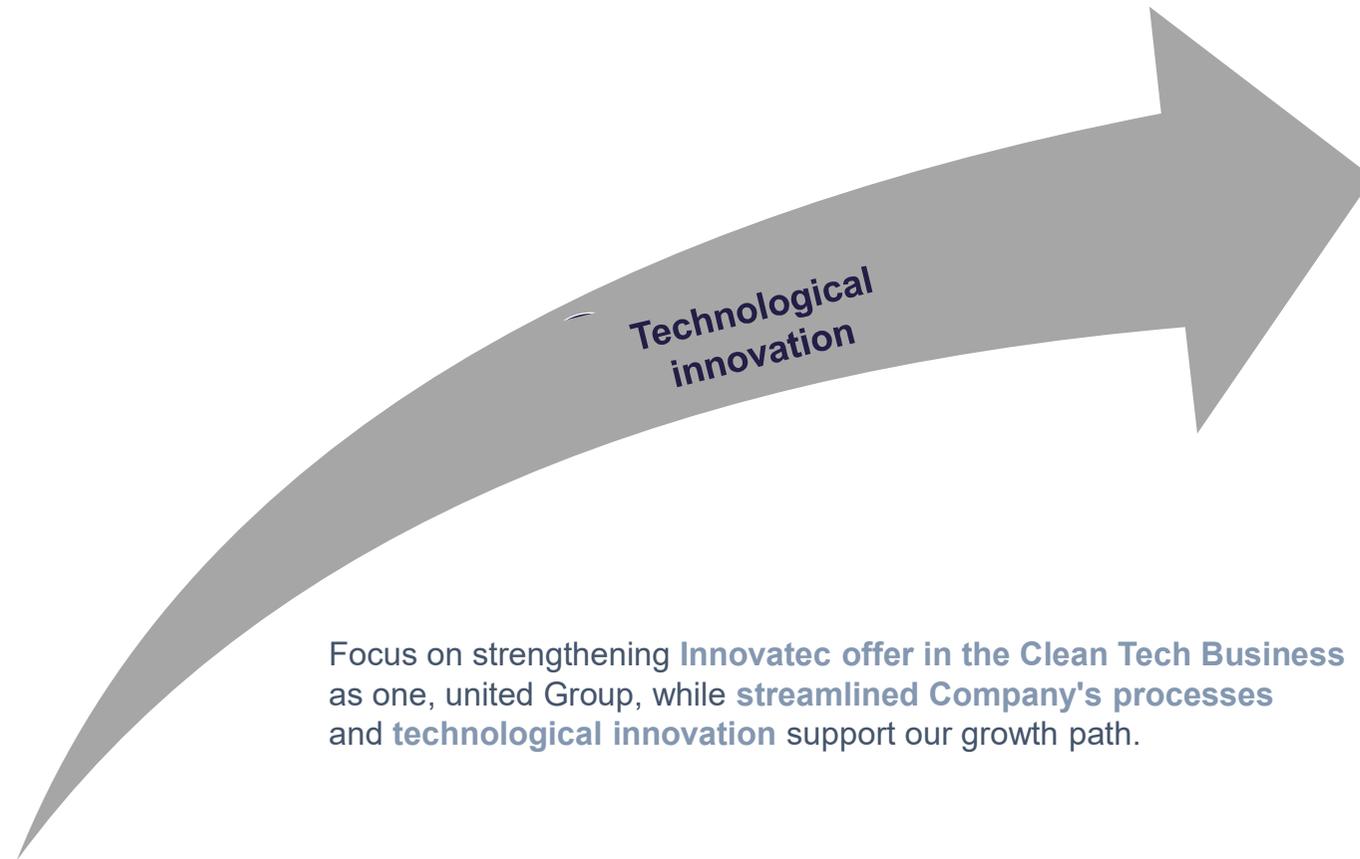


- Zero-cost EE building/house renovations or securing with anti-seismic renovations benefitting from the Italian incentives “Superbonus”
- Innovatec value proposition is to ensure the completion of the entire project, facilitating the execution of technical works - assuming the role of General Contractor - with no cost to be beared by the client



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OUR BUSINESS STRATEGY LEADING THE WAY TO FUTURE GROWTH



Focus on strengthening **Innovatec offer in the Clean Tech Business** as one, united Group, while **streamlined Company's processes** and **technological innovation** support our growth path.

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OUR GOVERNANCE



Traditional administration and control system (BoD, Statutory Auditors and Shrs' Meeting).

Advisory Board and **Supervisory Board** with third-party members. **Enterprise risk management** procedures and controls in place.

BOARD OF DIRECTORS



ELIO COSIMO CATANIA,
Chairman

Engineer's degree from MIT. Former CEO and Chairman of IBM and Ferrovie dello Stato. Consultant of the Ministry for Agricultural Policies.



ROBERTO MAGGIO,
CEO

Lawyer, MBA. Strong industry expertise in the environment and district heating sectors. CEO of Innovatec Spa since 2016.



EUGENIO D'AMICO,
Independent Director

Professor in Business Administration and Public Administration Economics.



FLAVIO RAIMONDO,
Director

Vice President Confindustria Cisambiente. Strong industry expertise. CEO of Green Up.



MARIO GAMBERALE,
Director

PhD in Energy Engineering. Advisor to the Italian Ministry of Environment and Kyoto consultant. CEO of Innovatec Power.



MARIA DOMENICA CIARDO,
Director

Former consultant of Milan's Municipality. Head of the Legal Department in Innovatec Spa.



NICOLA COLUCCI,
Director

Innovatec shareholder. Economics and business administration graduate. VP of Innovatec Circle.

Performance

1HALF 2021 - KEY FINANCIALS



DOUBLE DIGIT GROWTH

REVENUES



GROUP NET RESULTS



EBITDA
EBITDA margin %



GROUP NET EQUITY



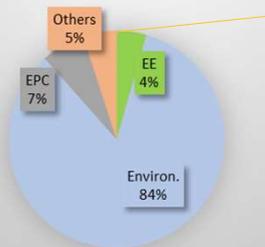
Performance

REVENUES AND EBITDA BREAKDOWN

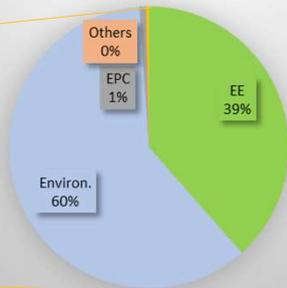


1H2021 vs 1H2020

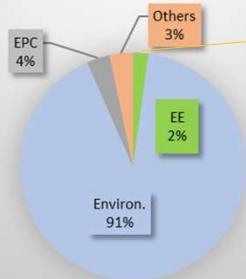
1H20 REVENUES
BREAKDOWN



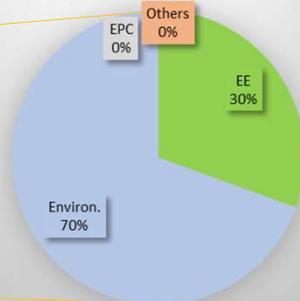
1H21 REVENUES
BREAKDOWN



1H20 EBITDA
BREAKDOWN



1H21 EBITDA
BREAKDOWN



Two growth drivers, and more to come from their integration

In 1H2021, boost in the contribution of **Energy Efficiency area** to the Group Revenues of €64 m, driven by the “House Verde” project with the superbonus (€21.2 m out of €24.5 m from EE). **EE** weight increasing from 4% in 1H20 to 39%, despite the significant growth of the **Environment** business, accounting for €38 m (vs 1H20 €32M).

Integrated environmental services currently provide a key contribution to consolidated EBITDA

At EBITDA level, EE contributes €4.3 m (30%) while **Environment** contributes €9.8 m (70%), compared to a 91%-2% split in 1H2020.

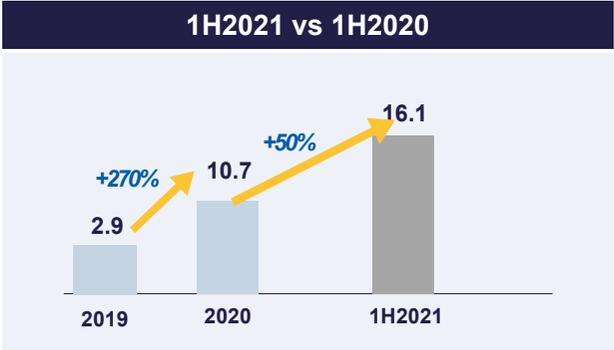
Performance

CASH GENERATION



\$
STRONG CASH GENERATION

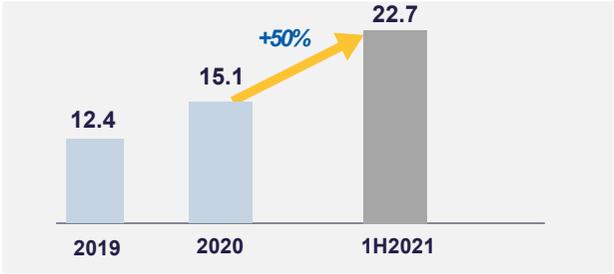
NET FINANCIAL POSITION
(positive)



FREE CASH FLOW
Cash flow from operations and investments



CASH ON HAND

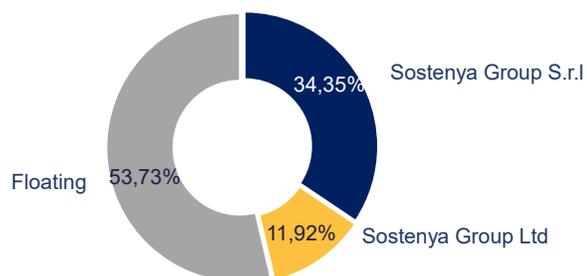


Performance

THE SHARE



SHAREHOLDERS



Innovatec share since 4 Jan. 2021 (€)



Stock Data

Innovatec S.p.A.	Innovatec S.p.A.
Listing Market	Euronext Growth Milan
ISIN	IT0005412298
BIT	INC
Performance (3m)	95%
12M (H/L)	1.44/0.503
Average volumes 20 sessions	3.3M
Average exchanges 20 sessions (€M)	4.3
Volatility (3m)	58%

Shareholders Data

n. Ord. Shares (M)	93
Floating	54%
Major Shareholder (Colucci Family)	46%
MKT Cap (M) (@€1.3 as if 18/11/21)	121
MKT Cap Floating (M)	65
Turnover Velocity	16days

Balance Sheet Data

Group Net Equity (1H21)	20.5
BVPS (€):	0,22
MKT Price 18/11/21	1,30
P/BV:	5,9
Net Financial Position 1H21 (M):	16,1



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