

# ERREDUE

Capital Goods

## Growth Banked, Pipeline in Focus

*RDUE – player in on-site gas generation & purification customized solutions, including H<sub>2</sub> electrolyzers for green energy transition – is listed on EGM since Dec '22 and is investing most of IPO proceeds to boost its output capacity. ErreDue is a “small” public company, with 22 employees cumulatively holding 70% of the Company.*

### Strong 1H26, as MW-Scale Deliveries Double

ErreDue reported solid **1H26 results**, with most indicators nearly doubling YoY, broadly in line with our est. down to EBITDA and a touch above at bottom line. Key points include:

- **VoP at €17.0mn** (+90% YoY), with sales almost 2x to €14.2mn thanks to H<sub>2</sub> generators (€10.0mn, +213% YoY), driven by MW-scale deliveries linked to PNRR calls, while recurring revenues +~11%;
- **EBITDA at €4.1mn** (+127% YoY), with EBITDA Margin up ~390bps to 24.1% of VoP, as operating leverage more than offsets the dilutive revenues mix. Net Profit rose from €980k to €2.4mn (+148% YoY);
- **Net Cash at €10.8mn** (€14.7mn at Dec-25), after ~€4.4mn capex (Gigafactory), higher stocks (€1.6mn ΔNWC), €1.25mn dividend;
- **Order backlog at ~€27mn**, ~50% scheduled for 2H26E and the remainder for FY27E, which includes >€7mn of recurring revenues.

### Market Update: Italy Pauses, Europe Moves, Peers Struggle

With the PNRR closed in June 2026, Italian hydrogen tenders are going through a temporary stall, while momentum builds at EU level through the Hydrogen Bank, the IPCEI programmes and new national schemes. The **sector remains under pressure**, with most listed peers loss-making, McPhy in liquidation and Enapter restructuring, making RDUE one of the very few profitable and cash-generative players in the space.

### Fine Tuning on FY26E, Unch. FY27-28E, Eyes on Order Intake

With the post-PNRR transition making new orders the key variable ahead, **we only fine-tune our estimates**. In FY26E, we raise Net Sales by 5.5% to €27.9mn, with the ~€13.7mn implied for 2H26E almost fully covered by backlog, and leave EBITDA unchanged at €8.1mn, while lower D&A lifts EBIT by 21.5% to €6.3mn. On the cash side, higher final capex for the Gigafactory brings Net Cash down to €10.5mn, with ~€2.5mn of potential upside from MASE grants and the old site disposal not yet included. Beyond this year, we leave **FY27E–FY28E broadly unchanged**, pending the 10–12MW of new orders needed in the next 4–5 months, and still expect VoP of ~€47.2mn by FY28E (~29% CAGR<sub>FY25A–28E</sub>), with a ~30% EBITDA Margin on VoP and ~€19.1mn of Net Cash.

### Fair Value Steady at €13.3 p/s

We confirm our **€13.3 p/s Fair Value**, as the higher DCF outcome (€13.9 p/s) offsets the lower SOTP (€12.7 p/s), driven by the de-rating of electrolyser peers. At FV, the stock would trade at 8.9x–5.7x EV/EBITDA on FY26E–27E.

Valentina Romitelli  
valentina.romitelli@value-track.com

Tommaso Martinacci  
tommaso.martinacci@value-track.com

**FAIR VALUE (€)** **13.3**

**MARKET PRICE (€)** **11.5**

**MARKET CAP (€mn)** **71.6**

| KEY FINANCIALS              | FY25 | FY26E | FY27E |
|-----------------------------|------|-------|-------|
| VALUE OF PRODUCTION         | 21.9 | 30.8  | 40.9  |
| EBITDA                      | 5.7  | 8.1   | 12.3  |
| EBIT                        | 3.8  | 6.3   | 9.5   |
| NET PROFIT                  | 3.3  | 4.8   | 7.5   |
| GROUP NET EQUITY            | 34.5 | 38.0  | 43.9  |
| NET DEBT (-) / NET CASH (+) | 14.7 | 10.5  | 13.4  |
| EPSADJ.                     | 0.53 | 0.76  | 1.19  |
| DPS                         | 0.20 | 0.25  | 0.30  |

Source: ErreDue (historical figures), Value Track (estimates)

| RATIOS AND MULTIPLES      | FY25 | FY26E | FY27E |
|---------------------------|------|-------|-------|
| EBITDA MARGIN (% on VoP)  | 26.0 | 26.5  | 30.0  |
| EBIT MARGIN (% on VoP)    | 17.2 | 20.4  | 23.1  |
| NET DEBT / EBITDA (x)     | nm   | nm    | nm    |
| NET DEBT / NET EQUITY (x) | 0.0  | 0.0   | 0.0   |
| ROE (%)                   | 9.5  | 12.5  | 17.0  |
| EV / SALES (x)            | 1.6  | 2.2   | 1.5   |
| EV / EBITDA (x)           | 5.5  | 7.5   | 4.7   |
| EV / EBIT (x)             | 8.4  | 9.8   | 6.1   |
| P / E ADJ. (x)            | 14.0 | 15.1  | 9.6   |

Source: ErreDue (historical figures), Value Track (estimates)

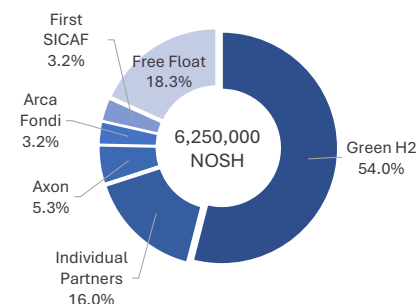
| STOCK DATA                   |                   |
|------------------------------|-------------------|
| MARKET PRICE (€)             | 11.5              |
| NOSH (mn)                    | 6.3               |
| MARKET CAP (€mn)             | 71.6              |
| ENTERPRISE VALUE FY26E (€mn) | 61.1              |
| FREE FLOAT (%)               | 18.3              |
| AVG L30D VOLUME ('000)       | 3,611             |
| RIC / BBG                    | RDUE.MI / RDUE.IM |
| 52 WK MAX - MIN (€)          | 12.10–5.95        |

Source: Stock Market Data

## Description

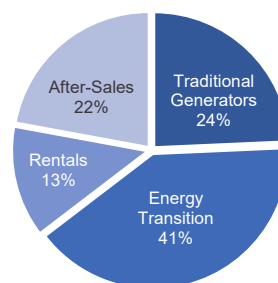
ErreDue is a well-known Italian player in R&D, production, and commercialization of an extensive array of on-site gas generation and purification customized solutions, ranging from H<sub>2</sub> electrolyzers, oxygen generators, gas purifiers and mixers, hydrogen refuelling stations, and N<sub>2</sub> generators. ErreDue has emerged as a central player across various sectors, i.e., industrial, laboratory and more recently solutions for green energy transition, such as power-to-gas technologies, hydrogen fuelled mobility and industrial decarbonization. ErreDue is investing ~€13mn over 2023-2026E to boost its electrolyzers output capacity from 8MW to 60MW. ErreDue is a “small” public company, with 22 employees holding 70% of the Company.

## SHAREHOLDER STRUCTURE



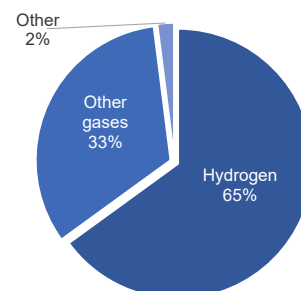
Source: ErreDue

## REVENUE FROM SALES BY CATEGORY



Source: ErreDue, FY25

## REVENUE FROM SALES BY PRODUCTS



Source: ErreDue, FY25

## Financial Highlights

| KEY FINANCIALS (IT GAAP, €mn)                     | FY25        | FY26E       | FY27E       | FY28E       |
|---------------------------------------------------|-------------|-------------|-------------|-------------|
| <b>Value of Production</b>                        | <b>21.9</b> | <b>30.8</b> | <b>40.9</b> | <b>47.2</b> |
| YoY (%)                                           | 14.9%       | 40.4%       | 33.1%       | 15.4%       |
| <b>EBITDA</b>                                     | <b>5.7</b>  | <b>8.1</b>  | <b>12.3</b> | <b>14.0</b> |
| EBITDA Margin (% on VoP)                          | 26.0%       | 26.5%       | 30.0%       | 29.7%       |
| <b>EBIT</b>                                       | <b>3.8</b>  | <b>6.3</b>  | <b>9.5</b>  | <b>11.5</b> |
| EBIT Margin (% on VoP)                            | 17.2%       | 20.4%       | 23.1%       | 24.4%       |
| <b>Net Profit</b>                                 | <b>3.3</b>  | <b>4.8</b>  | <b>7.5</b>  | <b>9.0</b>  |
| YoY (%)                                           | 21.7%       | 44.3%       | 56.8%       | 21.0%       |
| <b>Adj. Net Profit</b>                            | <b>3.3</b>  | <b>4.8</b>  | <b>7.5</b>  | <b>9.0</b>  |
| YoY (%)                                           | 21.7%       | 44.3%       | 56.8%       | 21.0%       |
| <b>Net Fin. Position [Net Debt (-) / Cash(+)]</b> | <b>14.7</b> | <b>10.5</b> | <b>13.4</b> | <b>19.1</b> |
| Net. Fin. Pos. / EBITDA (x)                       | nm          | nm          | nm          | nm          |
| Capex                                             | -7.3        | -7.8        | -2.3        | -2.3        |
| <b>OpFCF b.t. (before dev. Capex)</b>             | <b>4.6</b>  | <b>4.1</b>  | <b>7.1</b>  | <b>10.0</b> |
| OpFCF b.t. / EBITDA (%)                           | 80.2%       | 49.8%       | 57.4%       | 71.4%       |

Source: ErreDue, Value Track Analysis

## Investment Case

### Strengths / Opportunities

- In-depth expertise in alkaline technology and R&D, focus on after sales
- Fully vertically integrated business model, with recurring revenues
- Increasing demand for electrolyzers, due to switch to on-site production and applications for green energy transition
- Profitable business (~30% EBITDA Margin) and solid B/S (Net Cash).

### Weaknesses / Risks

- Competitive threat from Chinese and potentially Indian markets
- Uncertain outlook for demand/supply balance of electrolyzers

| STOCK MULTIPLES @ FV | FY26E | FY27E |
|----------------------|-------|-------|
| EV / SALES (x)       | 2.6   | 1.8   |
| EV / EBITDA (x)      | 8.9   | 5.7   |
| EV / EBIT (x)        | 11.6  | 7.4   |
| EV / CAP. EMPLOYED   | 2.6   | 2.3   |
| OpFCF Yield Adj. (%) | 7.6   | 11.3  |
| P / E (x)            | 17.5  | 11.2  |
| P / BV (x)           | 2.2   | 1.9   |
| Dividend Yield (%)   | 1.9   | 2.3   |

Source: Value Track Analysis

# 1H26 Financials

On 29 September, ErreDue released **1H26 results** that beat our expectations at Top Line level, while EBITDA came in line with our est. and EBIT slightly ahead of our forecast. Net Cash was a touch below our est., mainly reflecting the capex for the new Livorno plant.

Behind this performance lies strong commercial execution, supported by several important corporate developments, which we summarize below.

## Jan 2026-to-date follow-up

In particular, we highlight the following:

- On 27 January 2026, it signed a ~€4.0mn contract for the supply of two 1.25MW PEM electrolysis systems (2.5MW total), to be deployed within a PNRR-funded Hydrogen Valley project, with delivery scheduled within 1H26;
- On 3 March 2026, it secured a ~€800k international contract with a primary Central European industrial group headquartered in the Czech Republic, for the supply of a ~0.5MW alkaline hydrogen production plant;
- On 15 April 2026, it extended its collaboration agreement with ENEA by a further 36 months, until November 2028, focusing on next-generation electrolyzers, integration with renewables and storage, and innovative components such as membranes, electrodes and catalysts;
- On 22 April 2026, it signed a ~€900k contract with a leading international steel player for the supply of a 0.5MW green hydrogen plant, made up of two 250kW alkaline electrolyzers, for a production site in Uganda.

After period-end, the most noteworthy updates were the following:

- On 21 July 2026, it acquired the historic "PIEL" brand from McPhy Energy for €100k, a reference brand in brazing machines and technologies, strengthening its traditional business;
- On 10 September 2026, it signed a ~€900k contract with Cargill for the supply of a ~0.5MW alkaline electrolysis system.

## 1H26 Results

The key highlights from ErreDue's 1H26 financial results are as follows:

- VoP at €17.0mn** (+90% YoY vs €9.0mn in 1H25, above our est.), with Revenues from Sales almost doubling to €14.2mn (+96.7% YoY). By business line: i) generator sales rose to €10.7mn (+164% YoY vs €4.1mn in 1H25), o/w Hydrogen €10.0mn (+213% YoY); ii) after-sales services increased to €2.1mn (+10.5% YoY vs €1.9mn); iii) generator rentals reached €1.4mn (+11.3% YoY vs €1.25mn);
- EBITDA at €4.1mn** (+127% YoY vs €1.8mn in 1H25, in line with our est.), with EBITDA Margin up ~390bps YoY to 24.1% of VoP. Strong operating leverage on labour and service costs more than offset the less favourable mix toward MW-scale energy-transition generators. **EBIT** reached **€3.2mn** (+263% YoY, a touch above our est.), and **Net Profit** came in at **€2.4mn** (+148% YoY);
- Net Cash declined to €10.8mn** from €14.7mn at FY25-end (slightly below our est.), reflecting ~€4.4mn of capex (o/w >90% linked to the Gigafactory), a ~€1.6mn NWC absorption driven by higher inventories, and the €1.25mn dividend paid in 1H26;
- Backlog at ~€27mn as of end-June 2026**, plus €1.3mn of internal constructions for rental machines. Roughly 50% is scheduled for delivery in 2H26 (i.e., ~€13.5mn) and the remaining 50% in FY27. Within the 2H26 backlog, €10.5mn relates to generator sales, while €3.0mn refers to recurring revenues from rentals and maintenance, we estimate.

## ErreDue: Key Financials 1H25-1H26

| (€mn)                            | 1H25 | 1H26 | YoY    | FY26E – Old est. (*) | 2H26E – Old est. (*) |
|----------------------------------|------|------|--------|----------------------|----------------------|
| Value of Production              | 9.0  | 17.0 | 90%    | 29.0                 | 12.0                 |
| EBITDA                           | 1.8  | 4.1  | 127%   | 8.1                  | 4.0                  |
| EBITDA Margin (% on VoP)         | 20%  | 24%  | 391bps | 28%                  | 34%                  |
| EBIT                             | 0.9  | 3.2  | 263%   | 5.2                  | 2.0                  |
| EBIT Margin (% on VoP)           | 10%  | 19%  | 885bps | 18%                  | 17%                  |
| Net Profit                       | 1.0  | 2.4  | 148%   | 4.3                  | 1.9                  |
| NFP [i.e. Net Debt (-) Cash (+)] | 14.6 | 10.8 | -3.8   | 13.8                 | 13.8                 |

Source: FactSet, Value Track Analysis, (\*) VT estimates as of 3rd April 2026, prior to the revision presented later in this report

Key takeaways can be summarised as:

- 1# Sales almost doubled YoY, with €27mn backlog providing solid visibility;**
- 2# EBITDA >2x YoY to €4.1mn, with margin up ~390bps;**
- 3# Net Cash at €10.8mn, with FCF still negative due to Gigafactory capex.**

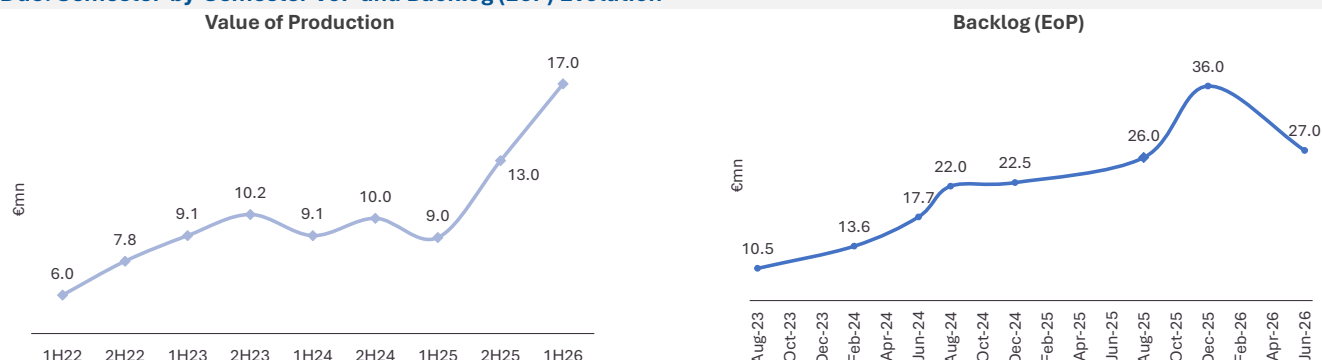
### Sales almost doubled YoY, with €27mn backlog providing solid visibility

**1H26 Revenues from Sales came in at €14.2mn**, up 96.7% YoY (vs €7.2mn), while Value of Production grew by 90.2% YoY to €17.0mn. Going more in detail:

- **Generators and other products** reached €10.7mn (+164% YoY), with H<sub>2</sub> generators almost tripling to €10.0mn (+213% YoY). The main driver was the delivery of MW-scale plants in Italy tied to the MASE and PNRR calls expiring in June 2026 (Italy +178.5% YoY to €11.5mn). Other gas generators slightly declined to €0.7mn (-15.5% YoY). Overall, Hydrogen now accounts for ~84% of Revenues (vs ~66% in 1H25);
- **Recurring revenues** remained solid, with after-sales up by ~€200k YoY to €2.1mn (+10.5% YoY), driven by the growing installed base, and rental revenues up 11.3% YoY to €1.4mn, supported by both new contracts and ISTAT indexation, which helps preserve the real margin of the service over time;
- **Geographically**, Extra-EU sales more than doubled to €2.1mn (+104.9% YoY), boosted by the Laboratory line. EU sales temporarily fell to €0.6mn (-72.2% YoY), as deliveries were deliberately postponed to 2H26 to give priority to domestic projects, with €4.5mn of EU backlog already secured.

In terms of outlook, as of 30 June 2026, the **backlog stood at ~€27mn**, plus €1.3mn of internal construction related to rental machines. Roughly 50% of the backlog is expected to be executed in 2H26, including €10.5mn from generators – around €5.0mn from energy transition and €5.0mn from the traditional business – and >€3mn from rental and maintenance. The remainder is expected to be executed in 2027, with around half relating to recurring revenues for the full year. Energy transition applications account for 53% of orders growth, while traditional industrial markets (37%), mainly metalworking and automotive, are also showing a clear recovery. The key growth driver going forward remains the transfer to the new Gigafactory, expected in first months of 2027, which should increase capacity and provide greater operational flexibility.

## ErreDue: Semester-by-Semester VoP and Backlog (EoP) Evolution



Source: ErreDue, Value Track Analysis

**ErreDue: Revenues Breakdown by Products / Services Offered 1H25-1H26**

| (€mn)                                | 1H25       | 1H26        | YoY         |
|--------------------------------------|------------|-------------|-------------|
| <b>Generators and other products</b> | <b>4.1</b> | <b>10.7</b> | <b>164%</b> |
| Traditional Business                 | 1.3        | 2.6         | 108%        |
| Energy Transition                    | 2.8        | 8.1         | 189%        |
| As a % of Revenues                   | 56%        | 75%         | //          |
| o/w H2                               | 3.2        | 10.0        | 213%        |
| Other gases                          | 0.9        | 0.7         | -15%        |
| <b>Service and spare parts</b>       | <b>1.9</b> | <b>2.1</b>  | <b>10%</b>  |
| As a % of Revenues                   | 26%        | 15%         | //          |
| <b>Rental of generators</b>          | <b>1.3</b> | <b>1.4</b>  | <b>11%</b>  |
| As a % of Revenues                   | 17%        | 10%         | //          |
| <b>Revenues from Sales</b>           | <b>7.2</b> | <b>14.2</b> | <b>97%</b>  |

Source: ErreDue, Value Track Analysis

**ErreDue: Revenues Breakdown by Gas 1H25-1H26**

| (€mn)                      | 1H25       | 1H26        | YoY         |
|----------------------------|------------|-------------|-------------|
| <b>Hydrogen</b>            | <b>4.8</b> | <b>11.9</b> | <b>151%</b> |
| As a % of Revenues         | 66%        | 84%         | //          |
| <b>Other gases</b>         | <b>2.3</b> | <b>2.3</b>  | <b>-1%</b>  |
| As a % of Revenues         | 32%        | 16%         | //          |
| <b>Other products</b>      | <b>0.2</b> | <b>0.0</b>  | <b>-79%</b> |
| As a % of Revenues         | 3%         | 0%          | //          |
| <b>Revenues from Sales</b> | <b>7.2</b> | <b>14.2</b> | <b>97%</b>  |

Source: ErreDue, Value Track Analysis

**ErreDue: Revenues Breakdown by Geography 1H25-1H26**

| (€mn)                      | 1H25       | 1H26        | YoY         |
|----------------------------|------------|-------------|-------------|
| <b>Italy</b>               | <b>4.1</b> | <b>11.5</b> | <b>178%</b> |
| As a % of Revenues         | 57%        | 81%         | //          |
| <b>UE</b>                  | <b>2.1</b> | <b>0.6</b>  | <b>-72%</b> |
| As a % of Revenues         | 28%        | 4%          | //          |
| <b>RoW</b>                 | <b>1.0</b> | <b>2.1</b>  | <b>105%</b> |
| As a % of Revenues         | 14%        | 15%         | //          |
| <b>Revenues from Sales</b> | <b>7.2</b> | <b>14.2</b> | <b>97%</b>  |

Source: ErreDue, Value Track Analysis

As for the other components of VoP the Company posted i) €214k related to Other Revenues, ii) €2.4mn to change in inventories (including WIP) and iii) €224k due to the capitalization of costs for internally manufactured fixed assets (i.e., generators for rental).

**ErreDue: Value of Production breakdown 1H25-1H26**

| (€mn)                      | 1H25       | 1H26        | YoY        |
|----------------------------|------------|-------------|------------|
| <b>Revenues from Sales</b> | <b>7.2</b> | <b>14.2</b> | <b>97%</b> |
| Δ Inventory (WIP)          | 0.9        | 2.4         | 173%       |
| Δ Fixed Assets             | 0.7        | 0.2         | -68%       |
| Other Revenues             | 0.2        | 0.2         | 34%        |
| <b>Value of Production</b> | <b>9.0</b> | <b>17.0</b> | <b>90%</b> |

Source: ErreDue, Value Track Analysis

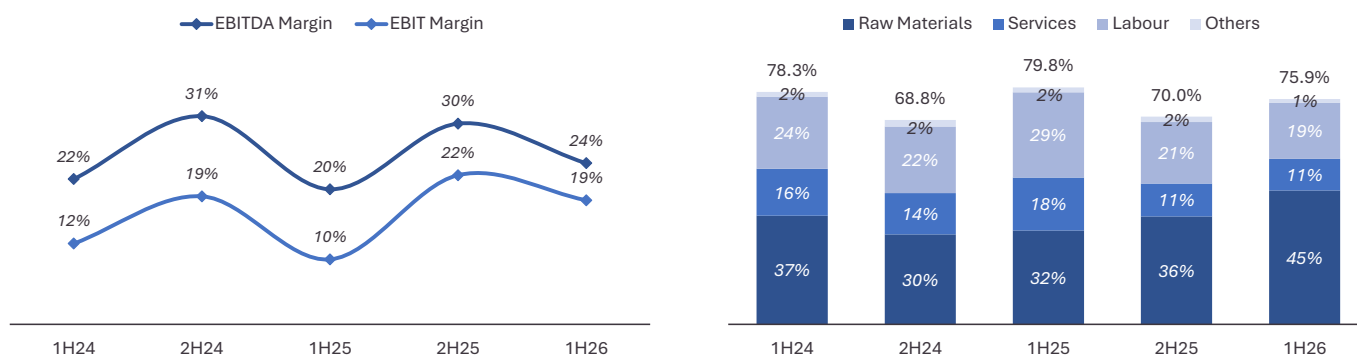
### EBITDA >2x YoY to €4.1mn, with margin up ~390bps

**EBITDA grew 127% YoY to €4.1mn** (vs €1.8mn in 1H25), with EBITDA Margin (on VoP) up by ~390bps to 24.1% (vs 20.2% in 1H25), as Total Opex grew to €12.9mn (+81% YoY). Margin dynamics were driven by:

- **Strong operating leverage**, as fixed costs grew far less than activity levels. Labour costs rose by €634k YoY to €3.2mn (+24.6% YoY), falling to 18.9% of VoP (vs 28.8% in 1H25), with headcount reaching 119 employees, up from 105 at FY25, 96 at FY24 and 83 at FY23. Service costs increased by only 13.5% YoY to €1.8mn, falling to 10.6% of VoP (vs 17.8%);
- **Product mix shift** towards MW-scale generators for energy-transition applications. These carry a higher raw material content and lower profitability than traditional units, due to the heavier weight of R&D (fully expensed to P&L), testing, validation and commissioning activities. As a result, raw material costs (net of inventory change) rose to 45.0% of VoP (vs 31.5% in 1H25);
- **Further build-up of WIP and finished goods** (+€2.4mn in 1H26), which is not margin-bearing but necessary to support backlog execution ahead of the 2H26 deliveries.

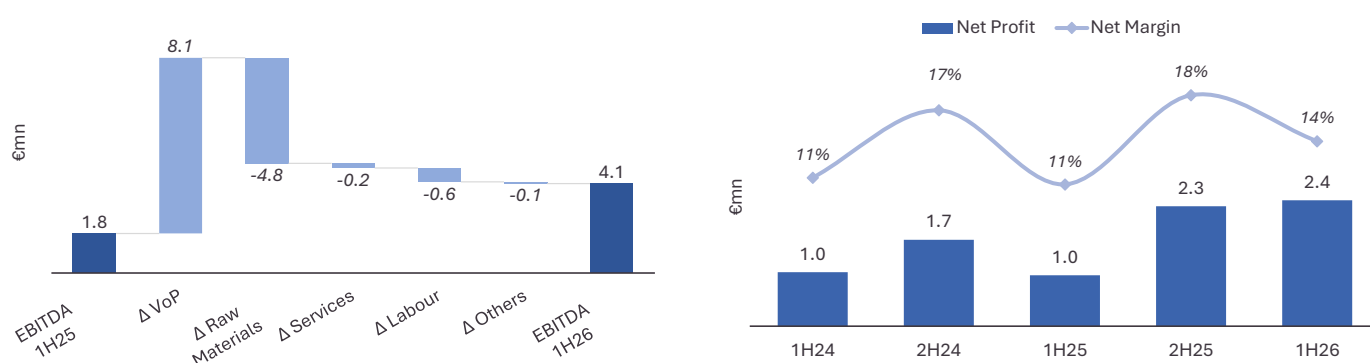
Overall, 1H26 EBITDA confirms ErreDue's high profitability profile, with the benefits of operating leverage more than offsetting the dilutive mix of the Energy Transition business, still in its start-up phase.

#### ErreDue: Margin Evolution and Costs Structure (as a % of VoP)



Source: ErreDue, Value Track Analysis

#### ErreDue: EBITDA Bridge FY25 and Net Profit Evolution



Source: ErreDue, Value Track Analysis

Below EBITDA, D&A charges were broadly flat YoY at €945k, as depreciation on the new plant has not yet started, the facility not being operational yet. This lifted **EBIT to €3.2mn** (+263% YoY vs €870k in 1H25), with **EBIT Margin (on VoP) at 18.6%** (vs 9.7%). Net financial income decreased to €193k (vs €420k in 1H25), mainly reflecting the lower amount of liquidity invested, as part of the IPO proceeds was redeployed to fund the Gigafactory capex. With a tax rate of ~27.5%, 1H26 **Net Profit** stood at **€2.4mn** (+148% YoY), with Net Margin at a healthy 14.3% (+334bps YoY).

**ErreDue: P&L 1H24-1H25-1H26**

| (€mn)                                   | 1H24       | 1H25       | 1H26        | YoY         |
|-----------------------------------------|------------|------------|-------------|-------------|
| <b>Value of Production</b>              | <b>9.1</b> | <b>9.0</b> | <b>17.0</b> | <b>90%</b>  |
| Raw Materials Costs                     | -3.3       | -3.8       | -9.8        | 156%        |
| Δ Inventory (Raw Materials)             | 0.0        | 1.0        | 2.1         | 113%        |
| <b>Gross Profit</b>                     | <b>5.8</b> | <b>6.1</b> | <b>9.3</b>  | <b>53%</b>  |
| Gross Margin (%)                        | 63%        | 68%        | 55%         | -1348bps    |
| Costs of Services                       | -1.4       | -1.6       | -1.8        | 13%         |
| Costs of Rent & Others                  | -0.1       | -0.1       | -0.2        | 55%         |
| Labour Costs                            | -2.2       | -2.6       | -3.2        | 25%         |
| <b>EBITDA</b>                           | <b>2.0</b> | <b>1.8</b> | <b>4.1</b>  | <b>127%</b> |
| EBITDA Margin (% on VoP)                | 22%        | 20%        | 24%         | 391bps      |
| D&A                                     | -0.9       | -0.9       | -0.9        | 1%          |
| <b>EBIT</b>                             | <b>1.1</b> | <b>0.9</b> | <b>3.2</b>  | <b>263%</b> |
| EBIT Margin (% on VoP)                  | 12%        | 10%        | 19%         | 885bps      |
| Interest Expenses / Other Non-Op. Items | 0.3        | 0.4        | 0.2         | -54%        |
| <b>Pre-Tax Profit</b>                   | <b>1.4</b> | <b>1.3</b> | <b>3.4</b>  | <b>160%</b> |
| Taxes                                   | -0.4       | -0.3       | -0.9        | 197%        |
| Tax Rate (%)                            | 27%        | 24%        | 28%         | 344bps      |
| <b>Net Profit</b>                       | <b>1.0</b> | <b>1.0</b> | <b>2.4</b>  | <b>148%</b> |
| Net Margin (% on VoP)                   | 11%        | 11%        | 14%         | 334bps      |

Source: ErreDue, Value Track Analysis

**Net Cash at €10.8mn, with FCF still negative due to Gigafactory capex**

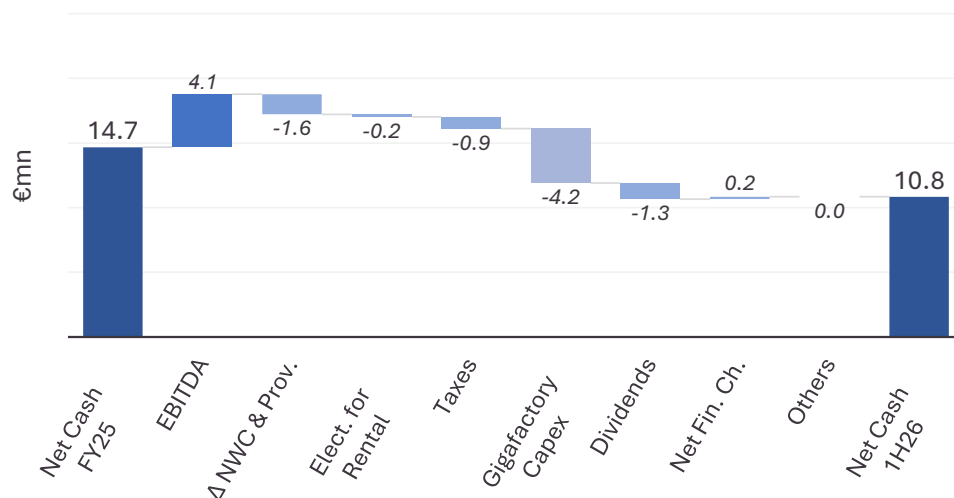
As for the Balance Sheet / Cash Flow Statement, we note:

- Net Fixed Assets were ~€20.9mn, up by almost €3.5mn vs FY25 (€17.4mn). Investments were entirely tangible at ~€4.4mn, o/w >90% tied to Gigafactory construction outlays and around €200/250k to electrolyzers rental assets;
- Net Working Capital rose to ~€5.5mn (+~€1.6mn vs FY25), mainly due to higher inventories (€14.1mn vs €9.6mn at FY25-end), reflecting the build-up of finished goods, WIP and purchased materials ahead of the 2H26 deliveries. This was only partly offset by lower trade receivables (€5.6mn vs €6.8mn) and higher trade payables (€6.8mn vs €5.5mn), while customer down payments were broadly stable (€5.5mn vs €5.7mn).

As a result, **OpFCF b.t. (before development Capex) stood at ~55% of EBITDA** still stressing the strong cash generation abilities of ErreDue. That said, 1H26 ΔNFP came in at -€3.8mn, mainly due to ~€4.4mn of capex (o/w 90% Gigafactory-related), a ~€1.6mn NWC absorption, ~€0.9mn of taxes and €1.25mn of dividends, which more than offset the €4.1mn of EBITDA.

As a consequence, the **Net Cash Position decreased to €10.8mn** (vs €14.7mn at FY25-end). Worth noting, ErreDue holds **~€22.7mn in liquidity**, an amount equivalent to around **30% of the current Market Cap**.

### ErreDue: Cash Flow 1H26



Source: ErreDue, Value Track Analysis

### ErreDue: Balance Sheet from FY24 to 1H26

| (€mn)                                   | FY24        | 1H25        | FY25        | 1H26        |
|-----------------------------------------|-------------|-------------|-------------|-------------|
| Inventories                             | 7.2         | 9.0         | 9.6         | 14.1        |
| Trade Receivables                       | 4.7         | 3.6         | 6.8         | 5.6         |
| Other Current Assets                    | 1.4         | 1.4         | 0.8         | 1.7         |
| Trade Payables                          | 3.7         | 3.6         | 5.5         | 6.8         |
| Other Payables                          | 5.4         | 6.1         | 7.7         | 9.0         |
| <b>Net Working Capital</b>              | <b>4.2</b>  | <b>4.4</b>  | <b>3.9</b>  | <b>5.5</b>  |
| Tangibles & Intangibles                 | 12.0        | 14.6        | 17.3        | 20.7        |
| Financial Assets                        | 0.0         | 0.0         | 0.1         | 0.1         |
| <b>Net Fixed Assets</b>                 | <b>12.0</b> | <b>14.6</b> | <b>17.4</b> | <b>20.9</b> |
| Provisions                              | 1.3         | 1.4         | 1.5         | 1.5         |
| <b>Total Capital Employed</b>           | <b>14.9</b> | <b>17.5</b> | <b>19.8</b> | <b>24.9</b> |
| <b>Group Net Equity</b>                 | <b>32.2</b> | <b>32.2</b> | <b>34.5</b> | <b>35.7</b> |
| <b>NFP [i.e. Net Debt (-) Cash (+)]</b> | <b>17.3</b> | <b>14.6</b> | <b>14.7</b> | <b>10.8</b> |

Source: ErreDue, Value Track Analysis

### ErreDue: Net Financial Position Structure FY24 to 1H26

| (€mn)                                       | FY24        | 1H25        | FY25        | 1H26 (*)    |
|---------------------------------------------|-------------|-------------|-------------|-------------|
| Cash and Deposits (+)                       | 13.6        | 3.3         | 3.5         | 4.9         |
| Debt to Banks within 12 months (-) & Others | -0.6        | -0.6        | -0.6        | -4.1        |
| <b>Current Net Financial Position</b>       | <b>13.0</b> | <b>2.7</b>  | <b>2.9</b>  | <b>0.8</b>  |
| Long term financial credits, i.e., BTP (+)  | 13.5        | 20.7        | 20.4        | 17.8        |
| Debt to Banks over 12 months (-) & Others   | -7.5        | -7.2        | -7.1        | -6.5        |
| Debt to Parent Co. / SIMEST                 | -1.7        | -1.6        | -1.5        | -1.3        |
| <b>Non-Current Financial Position</b>       | <b>4.3</b>  | <b>12.0</b> | <b>11.8</b> | <b>10.0</b> |
| <b>NFP [i.e. Net Debt (-) Cash (+)]</b>     | <b>17.3</b> | <b>14.6</b> | <b>14.7</b> | <b>10.8</b> |

Source: ErreDue, Value Track Analysis, (\*) Our estimate

# Business & Market Update

## Company Update

### 1# - Backlog at €27mn: 10–12MW still to fill for 2027

ErreDue enters 2H26 with an order backlog of around €27mn, o/w 50% is allocated to 2027. More than €7mn of this amount consists of recurring revenues (rentals, maintenance and after-sales) covering the full year. This provides a solid floor for FY27, but the **company still needs to secure roughly 10–12MW of additional equipment orders** to fill next year's targeted production, based on our estimates. On top of this, the company has added an order from Cargill for 0.5MW alkaline system worth about €900k, to be delivered by 1H27 for fat hydrogenation at the group's Turkish site. In our view, the order matters beyond its size: it comes from industrial demand, independent of public incentives, and adds an international blue-chip name to ErreDue's references. Worth noting, management also reports several ongoing discussions that have yet to convert into firm orders.

Conversion is proving harder for MW-scale energy transition projects. These are usually developed alongside dedicated photovoltaic capacity, so their timing depends on the permitting and grid connection of the solar plant, on the low load factors of solar power, which weigh on electrolyser utilisation and hydrogen costs, and, for subsidised projects, on compliance with EU rules on renewable hydrogen. Combined with the post-PNRR pause, this is stretching customers' decision cycles. Since lead times for MW-scale generators range from 6-9 months, the orders needed to fill 2027 production will have to be secured over the next 4-5 months. We therefore see **order intake in this window as the key swing factor for FY27**.

### 2# - Gigafactory: the move is finally in sight

The **Gigafactory was the main rationale behind ErreDue's listing on EGM in December 2022**. Most of the IPO proceeds were earmarked for a new dedicated plant that would lift annual electrolyser capacity from 8MW to at least 60MW and host MW-scale production. In June 2023 the company bought a 16,000 sqm industrial site in Livorno, with completion initially expected by end-2024. Since then the timeline has slipped several times. Red tape in the authorisation process pushed the start of operations into 2025, then to a full transfer by end-2025, and, with the 1H25 results, to 1H26, when management described 2025 as a transition year and postponed growth to 2026. These delays also weighed on profitability. ErreDue had hired and trained production staff ahead of the move, and as the transfer kept slipping it carried these costs without the corresponding volumes. This, together with a lower-margin mix (and higher work in progress in VoP), held back margins in both FY24 and FY25.

The move now finally appears close: management expects the transfer into the new Livorno plant to take place in the last months of 2026, with **full transferral in 1Q27**, and acknowledged that current capacity is constraining operations in the meantime. Once completed, ErreDue should expand capacity and improve margins and operational flexibility, and the workforce already in place should support a quick ramp-up.

#### ErreDue: New Gigafactory Rendering



Source: ErreDue



## Market Update

### 1# - PNRR closed in June 2026: a temporary stall in Italy

Over the past two years, ErreDue's energy transition business has been driven largely by the PNRR Hydrogen Valleys programme. Grants covering up to 100% of eligible costs went directly to project developers, while ErreDue acted as supplier under ordinary commercial contracts: customers paid for the equipment and were then reimbursed by the Regions. Generous funding brought in buyers that would hardly have invested otherwise, while the rigid 30 June 2026 deadline, at a time when market lead times stretched to 12–18 months, played to ErreDue's ability to deliver within a few months.

**That cycle is now over**, and the new national scheme works very differently. Rather than funding the plant, it remunerates the hydrogen produced through auctions won by the lowest-cost projects, a model better suited to larger developers with committed off takers. Despite the sizeable amount of the funds committed to support the green hydrogen adoption by the Italian Government (in March 2026 the European Commission has approved a €6bn aid scheme to boost renewable and biomass-derived hydrogen production for industrial and transport sectors), until it starts generating projects, we expect a temporary stall in Italian tenders, which largely explains the slower order intake over the last months.

### 2# - EU Funding for Green Hydrogen

While Italy goes through a pause, **momentum is building at European level**. In May 2026 the third auction of the EU Hydrogen Bank selected nine projects across seven countries, totalling around 1.1GW of electrolysis capacity and €1.09bn of EU support, with fixed premiums of €0.44–3.49/kg of hydrogen produced. Demand was strong, with 58 bids and more than six times oversubscription. Alongside the auctions, the four IPCEI hydrogen waves (Hy2Tech, Hy2Use, Hy2Infra and Hy2Move) have unlocked close to €19bn of state aid for large-scale projects across the value chain, from electrolyser manufacturing to industrial end-uses and infrastructure. National programmes are also gaining pace: in August, Spain and the Netherlands announced over €1bn of support for hydrogen production, while Italy launched its own scheme worth up to €400mn per year, with auctions every six months until 2029 (within the €6bn plan mentioned above).

For ErreDue, these funds will not translate into orders overnight. Grant agreements for the latest EU auction are due to be signed only in Q4 2026, and most of the projects backed by both the Hydrogen Bank and the IPCEI programmes are large-scale, well above ErreDue's 1–5MW sweet spot. Still, the direction of travel is clear. A growing pool of public money, increasingly allocated to projects that must reach operation within tight timeframes, is building a more structural and Europe-wide market for green hydrogen, and it rewards suppliers able to deliver proven and bankable technology quickly. In our view, this supports the international expansion ErreDue has started, already visible in its recent orders from the Czech Republic and from Cargill in Turkey, and should gradually reduce its dependence on Italian incentive cycles.

### 3# - Sector Under Pressure: Peers' Interim Results

The latest interim results confirm that the **listed electrolyser universe is still going through a difficult phase**. Hydrogen is proving the weakest business even for diversified groups, and with the sole exception of De Nora, all peers remain loss-making at EBITDA level. While the diversified groups saw a recovery in orders, order intake at pure players remained below revenues and we also note for a few names the wide gap between the sizeable backlog as of Dec 2025 and the small revenues (deliveries?) reported in 1H26.

In particular, we flag:

- **De Nora** posted resilient group results, supported by its electrodes and water businesses, but Energy Transition revenues fell 55% in Q1 and FY26 guidance for the segment stands at just €15–60mn, against more than €110mn in FY25;
- **thyssenkrupp nucera** saw calendar 1H26 revenues almost halve, as large green hydrogen projects reach completion; orders are recovering, mainly thanks to chlor-alkali and the Moeve project, but the hydrogen segment is expected to post an EBIT loss of €135–155mn for the year;
- **Nel** reported a 9% decline in 1H26 revenues and a shrinking backlog, with almost no new orders in its alkaline division in Q2;

- **ITM Power** keeps growing and has raised FY26 revenue guidance to £40–43mn, although it remains EBITDA-negative. In addition, the release of FY26 results (as of April 30, 2026) has been postponed and actual data are not available yet;
- **HydrogenPro** is in survival mode, restructuring around an OEM model with LONGi after exiting Chinese manufacturing, with only ~€5mn of cash left;
- **Enapter** nearly doubled revenues thanks to Italian Hydrogen Valley deliveries, but its backlog shrank by 20% and it is undergoing a deep financial and strategic restructuring (see below).

### ErreDue vs Peers – Key Financials

| Electrolysers Manufacturers        | Mkt Cap. (€mn) | Revenues   |             |            | Backlog     |             |              |
|------------------------------------|----------------|------------|-------------|------------|-------------|-------------|--------------|
|                                    |                | 1H25       | 1H26        | YoY        | FY25        | 1H26        | Order Intake |
| Industrie De Nora <sup>(a)</sup>   | 1,195          | 415.6      | 403.1       | -3%        | 450.3       | 504.0       | 456.8        |
| Thyssenkrupp Nucera <sup>(b)</sup> | 1,103          | 400.0      | 207.0       | -48%       | 489.0       | 638.0       | 356.0        |
| NEL <sup>(c)</sup>                 | 351            | 30.4       | 27.8        | -9%        | 121.7       | 111.9       | 18.0         |
| ITM Power <sup>(d)</sup>           | 815            | 18.2       | 21.1        | 16%        | 170.2       | 178.3       | //           |
| HydrogenPro <sup>(c)</sup>         | 6              | 3.2        | 2.9         | -11%       | 25.4        | 24.2        | 1.7          |
| Enapter <sup>(e)</sup>             | 31             | 5.6        | 10.8        | 93%        | 36.0        | 28.8        | 3.6          |
| <b>ErreDue</b>                     | <b>72</b>      | <b>7.2</b> | <b>14.2</b> | <b>97%</b> | <b>36.0</b> | <b>27.0</b> | <b>5.2</b>   |

Notes: (a) 1H26 backlog excluding BW Water acquisition; (b) fiscal year ending September: figures calendarised to January–June, FY25 backlog as of December 2025; (c) converted at current EUR/NOK exchange rate; (d) fiscal year ending April: revenues refer to May–October 2025 vs. May–October 2024, FY25 backlog as of April 2025 and 1H26 backlog as of January 2026, converted at current EUR/GBP exchange rate; (e) preliminary, unaudited figures.

Source: Companies' data, FactSet, Value Track Analysis

### McPhy, from gigafactory to liquidation

The sector has already seen its first casualty. McPhy, a French alkaline electrolyser maker, had raised €180mn in October 2020 to build a gigafactory in Belfort, which also benefited from significant public funding under the IPCEI programme and was inaugurated in 2024. With demand failing to materialise at the expected pace, the company ran out of cash and entered insolvency proceedings in May 2025. Two months later, its key assets, including the Belfort plant, its technology and 51 of its 71 employees, were sold to John Cockerill for just €0.6mn, and the company was placed into judicial liquidation. In our view, McPhy is a clear example of the risk of building large-scale capacity ahead of demand.

### Enapter, from closest peer to potential competitor

Among listed peers, Enapter is the closest to ErreDue: it also manufactures in Tuscany, targets the 1–5MW segment and owes most of its recent growth to the Italian Hydrogen Valley programme. Its financial trajectory, however, has been very different. After closing FY25 with EBITDA of –€18.1mn, roughly double its revised guidance, and with the auditor reportedly raising going-concern doubts, the company launched a full restructuring over the summer. It handed its Saerbeck campus to bondholders to extinguish ~€26mn of bond liabilities, relied on bridge financing from its main shareholders and announced a €10–12mn capital increase. On top of this, it booked a ~€17mn write-down after terminating its US distributor, while its backlog fell from €36mn to €28.8mn in 1H26.

The restructuring comes with a profound strategic shift. Enapter is outsourcing manufacturing to partners in China and the US, keeping only electrode production in Pisa, and, most importantly, it is adding alkaline electrolysers to its AEM technology to address projects up to multi-MW and GW scale. In our view, this creates both an opportunity and a threat for ErreDue. In the near term, Enapter has no track record in alkaline, which is ErreDue's historical core, and is reorganising its supply chain under financial stress, so Italian developers are more likely to turn to a solid domestic supplier with proven PEM and alkaline references. In the longer term, however, a recapitalised Enapter offering both technologies at Chinese cost levels could become a direct competitor in ErreDue's core segment. The closing of its capital increase and its first alkaline references will be the key signals to watch over FY27.

**Against this backdrop, ErreDue** stands out as one of the very few profitable and cash-generative players in the listed universe. In our view, this reflects its diversified industrial and laboratory gas business, its recurring rental and after-sales revenues, and a focus on 1–5MW plants that has kept it away from the large-project risks hitting bigger peers. We believe that this also represents a clear competitive advantage, as ErreDue has also become **one of the few reliable partners**, with a strong financial profile and an immaculate performance and technical track record. This features, combined with the availability of a much higher production capacity in the energy transition segment from the next quarters, should support management to deliver the expected growth ahead.

## Minimal Fine Tuning on Estimates

Following 1H26 results, **we marginally fine-tune our FY26E estimates, while leaving FY27E–FY28E substantially unchanged** at operating level. Particularly, we flag:

- We raise FY26E Revenues from Sales by 5.5% to €27.9mn, mainly driven by Energy Transition, now seen at €13.2mn (+10%) after strong deliveries in 1H26, and by the traditional business, up to €7.5mn on the back of the recovery in industrial end-markets. Recurring revenues are broadly confirmed.  
Worth noting, our FY26E top line implies ~€13.7mn of revenues in 2H26E, almost entirely covered by the €13.5mn of backlog scheduled for delivery in the second half;
- EBITDA is unchanged at €8.1mn, as the heavier weight of lower-margin MW-scale generators dilutes the margin on VoP to 26.5%. Below EBITDA, however, we revise EBIT up by 21.5% to €6.3mn and Net Profit by 10.8% to €4.8mn, as we had overestimated D&A: depreciation on the new plant will only start in FY27E, once the facility becomes operational;
- On the cash side, we now expect FY26E Net Cash at €10.5mn (from €13.8mn), broadly flat vs. 1H26, as we factor in higher capex of €7.8mn (vs. €5.1mn) for the final investments in the new Livorno plant. Potential inflows of ~€1.5mn from MASE and ~€1.0mn from the disposal of the old facility are not included in our forecasts at this stage.

For FY27E–FY28E, Revenues and EBITDA are left broadly unchanged, while lower D&A lifts EBIT and Net Profit by ~5% and Net Cash is reduced, mainly reflecting the higher FY26E capex. At this stage we prefer to wait for more visibility, as the next 3–4 months will be decisive for order intake: in our estimates, ErreDue needs to secure roughly 10–12MW of additional orders to deliver our FY27E numbers, and we will revisit our forecasts once the new orders materialise.

### ErreDue: New vs. Old estimates

| New vs Old                                   | FY26E       |             |              | FY27E       |             |              | FY28E       |             |              |
|----------------------------------------------|-------------|-------------|--------------|-------------|-------------|--------------|-------------|-------------|--------------|
|                                              | Old         | New         | Change       | Old         | New         | Change       | Old         | New         | Change       |
| Traditional generators and other             | 7.0         | 7.5         | 6.7%         | 7.7         | 7.7         | -0.1%        | 8.0         | 8.0         | -0.1%        |
| After-sales services                         | 4.8         | 4.4         | -7.2%        | 5.0         | 4.8         | -4.6%        | 5.2         | 4.9         | -6.4%        |
| Rentals of generators                        | 2.6         | 2.8         | 5.1%         | 2.7         | 2.8         | 2.5%         | 2.9         | 3.0         | 1.1%         |
| Energy transition                            | 12.0        | 13.2        | 10.0%        | 23.1        | 23.1        | 0.0%         | 28.4        | 28.4        | 0.0%         |
| <b>Revenues from Sales</b>                   | <b>26.4</b> | <b>27.9</b> | <b>5.5%</b>  | <b>38.6</b> | <b>38.4</b> | <b>-0.4%</b> | <b>44.5</b> | <b>44.2</b> | <b>-0.7%</b> |
| Other Revenues                               | 0.4         | 0.3         | -30.0%       | 0.4         | 0.4         | 9.4%         | 0.4         | 0.4         | 9.4%         |
| Δ Inventory (Finished Goods) and WIP         | 1.0         | 1.0         | 0.0%         | 1.2         | 1.2         | 0.0%         | 1.3         | 1.3         | 0.0%         |
| Δ Internally Generated Fixed Assets          | 1.2         | 1.6         | 33.3%        | 1.2         | 1.0         | -16.7%       | 1.5         | 1.4         | -6.7%        |
| <b>Value of Production</b>                   | <b>29.0</b> | <b>30.8</b> | <b>5.9%</b>  | <b>41.3</b> | <b>40.9</b> | <b>-0.8%</b> | <b>47.6</b> | <b>47.2</b> | <b>-0.8%</b> |
| <b>EBITDA</b>                                | <b>8.1</b>  | <b>8.1</b>  | <b>0.0%</b>  | <b>12.3</b> | <b>12.3</b> | <b>0.0%</b>  | <b>14.0</b> | <b>14.0</b> | <b>0.0%</b>  |
| EBITDA Margin (% on VoP)                     | 28.1%       | 26.5%       | -158bps      | 29.8%       | 30.0%       | 24bps        | 29.5%       | 29.7%       | 24bps        |
| EBITDA Margin (% on Revenues)                | 30.8%       | 29.2%       | -162bps      | 31.9%       | 32.0%       | 13bps        | 31.6%       | 31.8%       | 22bps        |
| D&A                                          | -3.0        | -1.9        | -37.1%       | -3.3        | -2.8        | -15.0%       | -3.1        | -2.5        | -19.3%       |
| <b>EBIT</b>                                  | <b>5.2</b>  | <b>6.3</b>  | <b>21.5%</b> | <b>9.0</b>  | <b>9.5</b>  | <b>5.5%</b>  | <b>10.9</b> | <b>11.5</b> | <b>5.5%</b>  |
| EBIT Margin (% on VoP)                       | 17.8%       | 20.4%       | 260bps       | 21.8%       | 23.1%       | 138bps       | 22.9%       | 24.4%       | 147bps       |
| <b>Net Profit</b>                            | <b>4.3</b>  | <b>4.8</b>  | <b>10.8%</b> | <b>7.1</b>  | <b>7.5</b>  | <b>5.3%</b>  | <b>8.6</b>  | <b>9.0</b>  | <b>5.2%</b>  |
| <b>Net Fin. Pos. [Net Debt (-) Cash (+)]</b> | <b>13.8</b> | <b>10.5</b> | <b>-3.4</b>  | <b>16.6</b> | <b>13.4</b> | <b>-3.2</b>  | <b>21.0</b> | <b>19.1</b> | <b>-1.9</b>  |
| OpFCF a.t. (before dev. Capex)               | 3.1         | 2.3         | -28.5%       | 4.5         | 4.7         | 4.9%         | 6.9         | 7.2         | 4.5%         |
| Capex                                        | -5.1        | -7.8        | 52.9%        | -2.5        | -2.3        | -8.2%        | -3.7        | -2.3        | -39.0%       |

Source: Value Track Analysis

Here's a snapshot of our **2026E–2028E forecasts**:

- **Top line growth accelerating**, with VoP expected to rise from €21.9mn in FY25 to ~€47.2mn by FY28E, a robust ~29% CAGR<sub>FY25A–28E</sub>, supported by the increased production capacity of the new Gigafactory;
- **Operating profitability seen improving**, with EBITDA and EBIT margins on VoP projected to expand from 26% and 17% in FY25 to ~30% and ~24% by FY28E, respectively, as operating leverage more than offset the dilutive mix of MW-scale generators;
- **Solid cash generation, despite the negative NWC dynamics**, with OpFCF b.t. (before development capex) expected to rise from ~50% in FY26E to over 70% in FY28E once the new plant is fully up and running. Also, **Net Cash projected at ~€19.1mn by end-2028**, after absorbing ~€6.0mn of residual dev. capex (almost entirely in FY26E), a cum. NWC outflow of ~€7.0mn and just <€5mn of cum. dividends.

#### ErreDue: FY25A-FY28E P&L Forecasts

| (€mn)                                   | FY25        | FY26E       | FY27E       | FY28E       | CAGR <sub>25-28E</sub> |
|-----------------------------------------|-------------|-------------|-------------|-------------|------------------------|
| <b>Value of Production</b>              | <b>21.9</b> | <b>30.8</b> | <b>40.9</b> | <b>47.2</b> | <b>29%</b>             |
| Raw Materials Costs, Δ Inventory        | -7.5        | -12.3       | -14.5       | -16.4       | 29%                    |
| Costs of Services                       | -3.0        | -3.4        | -5.7        | -6.6        | 30%                    |
| Costs of Rent & Others                  | -0.4        | -0.5        | -1.2        | -2.4        | 83%                    |
| Labour Costs                            | -5.3        | -6.5        | -7.3        | -7.9        | 14%                    |
| <b>EBITDA</b>                           | <b>5.7</b>  | <b>8.1</b>  | <b>12.3</b> | <b>14.0</b> | <b>35%</b>             |
| <i>EBITDA Margin (% on VoP)</i>         | <i>26%</i>  | <i>26%</i>  | <i>30%</i>  | <i>30%</i>  | <i>371bps</i>          |
| D&A                                     | -1.9        | -1.9        | -2.8        | -2.5        | 9%                     |
| <b>EBIT</b>                             | <b>3.8</b>  | <b>6.3</b>  | <b>9.5</b>  | <b>11.5</b> | <b>45%</b>             |
| <i>EBIT Margin (% on VoP)</i>           | <i>17%</i>  | <i>20%</i>  | <i>23%</i>  | <i>24%</i>  | <i>722bps</i>          |
| Interest Expenses / Other Non-Op. Items | 0.7         | 0.3         | 0.3         | 0.3         | -21%                   |
| <b>Pre-Tax Profit</b>                   | <b>4.4</b>  | <b>6.6</b>  | <b>9.8</b>  | <b>11.9</b> | <b>39%</b>             |
| Taxes                                   | -1.1        | -1.8        | -2.4        | -2.8        | 36%                    |
| <b>Net Profit</b>                       | <b>3.3</b>  | <b>4.8</b>  | <b>7.5</b>  | <b>9.0</b>  | <b>40%</b>             |

Source: ErreDue, Value Track Analysis

#### ErreDue: FY25A-FY28E Balance Sheet

| (€mn)                                   | FY25        | FY26E       | FY27E       | FY28E       |
|-----------------------------------------|-------------|-------------|-------------|-------------|
| Net Fixed Assets                        | 17.4        | 23.3        | 22.8        | 22.6        |
| Net Working Capital                     | 3.9         | 5.9         | 9.4         | 11.3        |
| Provisions                              | 1.5         | 1.6         | 1.8         | 1.9         |
| <b>Total Capital Employed</b>           | <b>19.8</b> | <b>27.6</b> | <b>30.5</b> | <b>32.0</b> |
| <b>Group Net Equity</b>                 | <b>34.5</b> | <b>38.0</b> | <b>43.9</b> | <b>51.0</b> |
| <b>NFP [i.e. Net Debt (-) Cash (+)]</b> | <b>14.7</b> | <b>10.5</b> | <b>13.4</b> | <b>19.1</b> |

Source: ErreDue, Value Track Analysis

#### ErreDue: FY25A-FY28E Cash Flow Statement

| (€mn)                                 | FY25         | FY26E        | FY27E        | FY28E        |
|---------------------------------------|--------------|--------------|--------------|--------------|
| EBITDA                                | 5.7          | 8.1          | 12.3         | 14.0         |
| Δ NWC / Δ Provisions                  | 0.4          | -1.8         | -3.4         | -1.8         |
| Maintenance Capex                     | -0.5         | -0.7         | -0.8         | -0.9         |
| Electrolysers for Rentals             | -1.0         | -1.6         | -1.0         | -1.4         |
| <b>OpFCF b.t. (before dev. Capex)</b> | <b>4.6</b>   | <b>4.1</b>   | <b>7.1</b>   | <b>10.0</b>  |
| <i>As a % of EBITDA</i>               | <i>80.2%</i> | <i>49.8%</i> | <i>57.4%</i> | <i>71.4%</i> |
| Cash Taxes                            | -1.1         | -1.8         | -2.4         | -2.8         |
| <b>OpFCF a.t. (before dev. Capex)</b> | <b>3.4</b>   | <b>2.3</b>   | <b>4.7</b>   | <b>7.2</b>   |
| Development Capex                     | -5.7         | -5.5         | -0.5         | 0.0          |
| Other (incl. Financial Inv.)          | 0.0          | -0.1         | 0.0          | 0.0          |
| Net Financial Charges                 | 0.7          | 0.3          | 0.3          | 0.3          |
| Dividends Paid                        | -1.0         | -1.3         | -1.6         | -1.9         |
| <b>Δ Net Financial Position</b>       | <b>-2.6</b>  | <b>-4.2</b>  | <b>3.0</b>   | <b>5.6</b>   |

Source: ErreDue, Value Track Analysis

# Valuation Update

## Fair Value Unchanged at €13.3 p/s

We confirm ErreDue's **Fair Value at €13.3 p/s** (15% upside), unchanged vs. our April update, as two opposite effects offset each other. On the one hand, our DCF moves up to €13.9 p/s, mainly reflecting the roll-over of the model to FY27E–FY31E. On the other hand, our SOTP falls to €12.7 p/s, as the further de-rating of electrolyser manufacturers weighs on the value of the Energy Transition business.

Our updated valuation is based on the average outcome of the following methods:

- **Relative Valuation**, applying peer multiples to a Sum-of-the-Parts (SOTP) model that values the Traditional gas generators and the Energy Transition segments separately. This approach yields a fair value of **€12.7 p/s** and highlights the different contribution of each segment to the overall equity value;
- **Discounted Cash Flow**, applied at Group level and incorporating alternative capital structure scenarios, which yields a valuation range of €13.6–€14.1 p/s, with an average of **€13.9 p/s**.

At Fair Value, the stock would trade at **2.6x–1.8x EV/Sales, 8.9x–5.7x EV/EBITDA and 17.5x–11.2x P/E Adj. on FY26E–27E**.

The table below shows the sensitivity of key trading multiples at different fair value levels.

**ErreDue: Multiples Sensitivity at Various Stock Price Levels**

| Fair Equity Value p/s (€) | EV/Sales (x) |            | EV/EBITDA (x) |            | EV/EBIT (x) |            | P/E Adj. (x) |             |
|---------------------------|--------------|------------|---------------|------------|-------------|------------|--------------|-------------|
|                           | FY26E        | FY27E      | FY26E         | FY27E      | FY26E       | FY27E      | FY26E        | FY27E       |
| 9.5                       | 1.8          | 1.2        | 6.0           | 3.7        | 7.8         | 4.8        | 12.5         | 8.0         |
| 10.5                      | 2.0          | 1.4        | 6.8           | 4.3        | 8.8         | 5.5        | 13.8         | 8.8         |
| 11.5                      | 2.2          | 1.5        | 7.5           | 4.8        | 9.8         | 6.2        | 15.1         | 9.6         |
| 12.5                      | 2.4          | 1.7        | 8.3           | 5.3        | 10.8        | 6.8        | 16.4         | 10.5        |
| <b>13.5</b>               | <b>2.7</b>   | <b>1.8</b> | <b>9.1</b>    | <b>5.8</b> | <b>11.8</b> | <b>7.5</b> | <b>17.8</b>  | <b>11.3</b> |
| 14.5                      | 2.9          | 2.0        | 9.8           | 6.3        | 12.8        | 8.1        | 19.1         | 12.2        |
| 15.5                      | 3.1          | 2.2        | 10.6          | 6.8        | 13.8        | 8.8        | 20.4         | 13.0        |
| 16.5                      | 3.3          | 2.3        | 11.4          | 7.3        | 14.8        | 9.5        | 21.7         | 13.8        |
| 17.5                      | 3.5          | 2.5        | 12.1          | 7.8        | 15.8        | 10.1       | 23.0         | 14.7        |

Source: Value Track Analysis

## 1# Relative Valuation

Our valuation is based on a **SOTP framework**, applying **peer multiples with FY26E** as reference year in order to capture the scale-up of the Energy Transition business, which already accounted for the bulk of revenue growth in 1H26. We value the traditional segment, which includes industrial and laboratory gas generators, after-sales and rentals, on EV/EBITDA multiples from a relevant peer universe, while the green hydrogen business is mainly anchored to EV/Sales, in line with market practice for high-growth, early-stage sectors where most players are still loss-making.

FY26E remains a transition year for the company: visibility on the current year is high, with 2H26E revenues almost entirely covered by backlog, but the transfer into the new Gigafactory will only be completed in 1Q27, and order intake for FY27 still has to be secured in a post-PNRR market. In our view, FY26E is therefore the most reliable reference year at this stage, as it reflects a business that is already delivering MW-scale systems without yet pricing in the capacity and margin benefits of the new plant, and **we will roll our valuation forward to FY27E once ErreDue secures the new orders** needed to underpin next year's growth and the Gigafactory is fully up and running.

## Stock Market Multiples Benchmark

Some clusters currently trade at demanding valuation levels (*the full peer set and detailed multiples used in our analysis are provided in the Appendix*). Going more in details:

- **Industrial Gas Suppliers** combine exceptional operating profitability (FY1 EBIT margin >20%) with robust trading multiples, at a median of 5.2x EV/Sales, **14.0x EV/EBITDA**, 21.6x EV/EBIT and 26.7x P/E on 2026E. Valuations are broadly unchanged vs. our April update, as both share prices and fundamentals have moved sideways;
- **Electrolyser Manufacturers and Other Hydrogen Players** are still valued mainly on EV/Sales, as most of them remain loss-making at operating level, with De Nora the only name showing meaningful multiples. Since April the sector has de-rated further, with the median 2026E EV/Sales of electrolyser manufacturers falling to 1.4x from 1.8x, as the market increasingly penalised companies facing financing or execution issues, such as HydrogenPro (~65%), Enapter (~25%) and Plug Power (~19%). Consensus revenue estimates are broadly flat on average, with the main exceptions of Enapter, cut by ~16%, and De Nora, raised by ~13%, partly reflecting the BW Water acquisition. Note that ITM Power has been temporarily excluded from our peer set, as its FY26 accounts (financial year ending April 2026) have not yet been published, limiting visibility on its numbers.

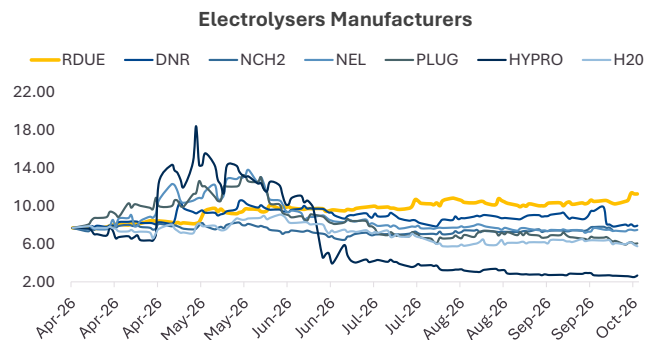
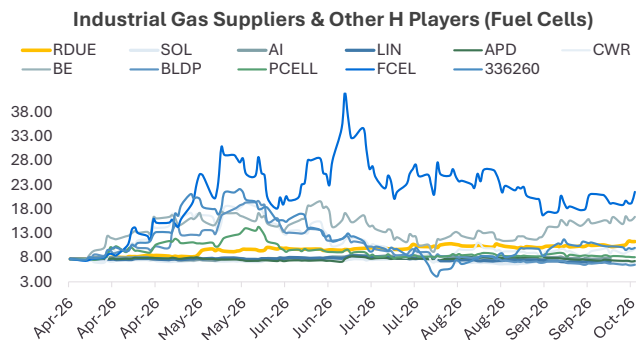
That said, **ErreDue shares have gained over 40% since April**, narrowing the gap with peers. However, **the stock still trades at a discount of around 45% on 2026E EV/Sales and EV/EBITDA**.

### ErreDue: Peers Trading Multiples (\*)

| Peers                        | Mkt Cap.<br>(€mn) | EV/Sales (x) |       | EV/EBITDA (x) |       | EV/EBIT (x) |       | P/E Adj. (x) |       |
|------------------------------|-------------------|--------------|-------|---------------|-------|-------------|-------|--------------|-------|
|                              |                   | 2026E        | 2027E | 2026E         | 2027E | 2026E       | 2027E | 2026E        | 2027E |
| Industrial Gas Suppliers     |                   |              |       |               |       |             |       |              |       |
| Average                      | 91,977            | 5.0          | 4.7   | 14.1          | 13.1  | 21.3        | 19.6  | 25.5         | 23.3  |
| Median                       | 82,706            | 5.2          | 4.9   | 14.0          | 13.0  | 21.6        | 20.0  | 26.7         | 24.4  |
| Electrolysers Manufacturers  |                   |              |       |               |       |             |       |              |       |
| Average                      | 907               | 2.4          | 1.8   | 6.5           | 13.5  | 8.6         | 7.5   | 16.5         | 21.3  |
| Median                       | 727               | 1.4          | 1.2   | 6.5           | 10.6  | 8.6         | 7.5   | 16.5         | 21.3  |
| Other Hydrogen Players       |                   |              |       |               |       |             |       |              |       |
| Average                      | 14,774            | 5.5          | 3.7   | na            | na    | na          | na    | na           | na    |
| Median                       | 1,212             | 5.5          | 3.7   | na            | na    | na          | na    | na           | na    |
|                              |                   |              |       |               |       |             |       |              |       |
| Total Average                | 28,875            | 4.1          | 3.3   | 12.6          | 13.3  | 18.8        | 17.2  | 23.7         | 22.6  |
| Total Median                 | 1,269             | 4.0          | 2.7   | 13.8          | 12.9  | 20.5        | 18.6  | 26.4         | 24.4  |
| ErreDue                      | 72                | 2.2          | 1.5   | 7.5           | 4.7   | 9.8         | 6.1   | 15.1         | 9.6   |
| Discount vs. ToT Median. (%) | //                | -46%         | -45%  | -46%          | -63%  | -52%        | -67%  | -43%         | -61%  |

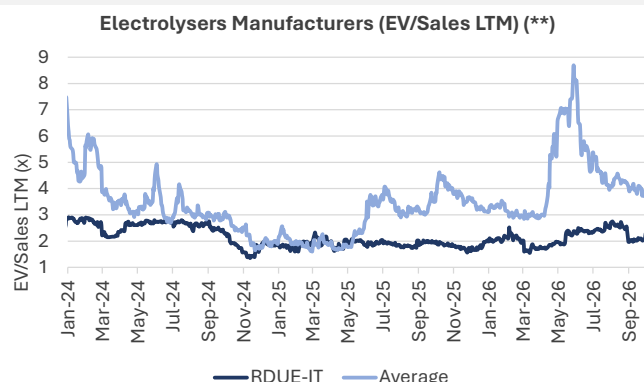
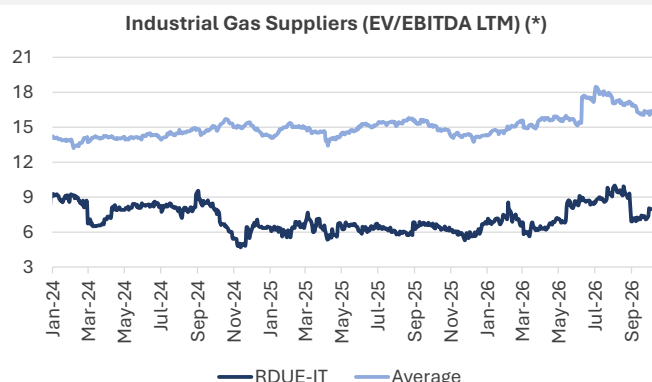
Source: FactSet, Value Track Analysis; (\*) Stock market data and prices as of 5<sup>th</sup> October 2026

### Peers: 6M Price Performance, Rebased to ErreDue Stock (€7.80 p/s at Start Point)



Source: FactSet, Value Track Analysis

### Peers: LTM Valuation Multiples by Cluster



Source: FactSet, Value Track Analysis; (\*) Including SOL, AI, LIN and APD; (\*\*) Including DNR, NCH2, NEL, PLUG, ITM, HYPRO and H2O

### Sum of The Parts

Through a simplified SOTP model, we separately value: (i) the traditional and consolidated business, focused on industrial and laboratory applications; and (ii) the “Energy Transition” segment, dedicated to large-scale hydrogen generators for decarbonisation use cases.

While the approach remains anchored to peer multiples, it provides flexibility in applying differentiated metrics and valuation discounts to reflect the distinct risk–return profiles of each business line. Hence:

- **Traditional business** is valued using EV/EBITDA multiples for FY26E, based on the median of industrial gas suppliers, with a 25% discount applied to account for differences in size, liquidity, and competitive positioning;
- **“Energy Transition” segment** is valued using median FY26E EV/Sales multiples of electrolyser manufacturers. In this case, no discount is applied, as the cluster is much more fragmented and many larger peers remain comparable in scale and often present weaker financial fundamentals than RDUE.

The table below summarises the outcome of this exercise, which points to a **fair value of €12.7 p/s**. Based on FY26E estimates, the traditional segment accounts for ~68% of total equity value and the Megawatt line for the remaining ~32%, a split that may seem surprising given that Energy Transition already generates more than half of ErreDue's sales, but which reflects the very different valuation backdrop of the two businesses: while the traditional segment benefits from the solid and stable EV/EBITDA multiples of industrial gas suppliers, the Megawatt line is held back by the de-rating of electrolyser manufacturers, whose median EV/Sales has dropped to 1.4x from 1.8x in April as the market keeps penalising players facing financing and execution issues.

### ErreDue: Sum of the Parts Valuation (based on peers' multiples)

| Sum of the Parts Valuation (FY26E) | Traditional Business | Energy Transition | ErreDue Group |
|------------------------------------|----------------------|-------------------|---------------|
| Fair EV/Sales (x)                  |                      | 1.4               |               |
| Fair EV/EBITDA (x) – Discount 25%  | 10.5                 |                   |               |
| <b>Enterprise Value (€mn)</b>      | <b>46.8</b>          | <b>22.3</b>       | <b>69.1</b>   |
| As a % of Total                    | 68%                  | 32%               | 100%          |
| Net Financial Position FY26E (€mn) |                      |                   | 10.5          |
| <b>Fair Equity Value (€mn)</b>     |                      |                   | <b>79.5</b>   |
| NOSH (mn)                          |                      |                   | 6.3           |
| <b>Fair Equity Value p/s (€)</b>   |                      |                   | <b>12.7</b>   |

Source: FactSet, Value Track Analysis

## 2# Discounted Cash Flow

Our **DCF is carried out at Group level**, aggregating the Traditional and Energy Transition businesses into a single FCF profile, which reflects the Group's increasingly integrated trajectory as the Megawatt line keeps scaling up and converging with the core business in terms of both operations and financial outlook. Compared with our previous update, we have rolled the model forward by one year, with explicit forecasts now covering FY27E–FY31E. The DCF is run under two capital structure scenarios, i.e. the current unlevered (cash-positive) position and a target structure with moderate leverage, resulting in a **fair equity value of €13.9 p/s**, within a €13.6–€14.1 range depending on the capital structure applied.

### WACC Assumptions

Our DCF model is based on a **Rolling WACC of 10.95%**, derived using a Capital Asset Pricing Model (CAPM) approach and assuming the current unlevered capital structure. Under a **target capital structure**, with Net Debt accounting for 10% of Capital Employed, the resulting **WACC stands at 10.61%**.

The model includes explicit financial forecasts from FY27E through FY31E, with Terminal Value calculated as of FY31E using a 1.0% perpetuity growth rate. Key assumptions include a 2.0% risk-free rate, consistent with the ECB's medium-term inflation target, and an unlevered beta of 1.1x, in line with European Machinery peers (source: *Damodaran*). The Italian ERP is set at 4.95%, while a 3.5% company-specific risk premium accounts for the Company's small-cap size and limited liquidity. We also assume a pre-tax cost of debt of 4.5% and a corporate tax rate of 24%.

### Group DCF Model

Yet, the results of our DCF analysis are summarized in the tables below. Based on the current unlevered capital structure, which incorporates an unlevered beta and a Rolling WACC, the implied fair equity value stands at **€13.6 p/s**. Under a target capital structure with moderate leverage, the fair value increases to **€14.1 p/s**.

#### ErreDue: DCF Model with Rolling WACC and @ Target Capital Structure

| (€mn, g=1.0%)                            | Rolling WACC | Target WACC |
|------------------------------------------|--------------|-------------|
| PV of Future Cash-Flows 2027E-2031E      | 24.4         | 24.6        |
| PV of Terminal Value 2031E               | 50.4         | 52.9        |
| <b>Fair Enterprise Value</b>             | <b>74.7</b>  | <b>77.5</b> |
| Net Fin. Position 2026E                  | 10.5         |             |
| EV Adjustments                           | 0.0          |             |
| <b>Fair Equity Value</b>                 | <b>85.2</b>  | <b>88.0</b> |
| Number of Shares (mn)                    | 6.3          |             |
| <b>Fair Equity Value p/s (€)</b>         | <b>13.6</b>  | <b>14.1</b> |
| <b>Average Fair Equity Value p/s (€)</b> | <b>13.9</b>  |             |

Source: Value Track Analysis

#### ErreDue: Sensitivity of Group DCF Model @ Target Capital Structure

| Fair Equity Value p/s (€) |       | Perpetuity Growth (%) |       |       |       |       |
|---------------------------|-------|-----------------------|-------|-------|-------|-------|
|                           |       | 0.50%                 | 0.75% | 1.00% | 1.25% | 1.50% |
| WACC (%)                  | 9.6%  | 14.5                  | 15.0  | 15.6  | 16.3  | 17.0  |
|                           | 10.1% | 13.8                  | 14.3  | 14.8  | 15.4  | 16.0  |
|                           | 10.6% | 13.2                  | 13.6  | 14.1  | 14.6  | 15.2  |
|                           | 11.1% | 12.6                  | 13.0  | 13.4  | 13.9  | 14.4  |
|                           | 11.6% | 12.1                  | 12.5  | 12.8  | 13.2  | 13.7  |

Source: Value Track Analysis

# Appendix 1: Peers' Profile

## Peers: Industrial Gas Suppliers

**Sol (SOL)** – Italian multinational active in the production, applied research and sale of technical, pure and medical gases and homecare services, with operations in Europe, Brazil, Morocco, India and Turkey.

**Air Liquide (AI)** – French multinational supplying industrial gases and services to various industries including medical, chemical and electronic manufacturers. Second-largest supplier of industrial gases with operations in >80 countries.

**Linde (LIN)** – Global multinational chemical company founded in Germany and, since 2018, domiciled in Ireland and headquartered in the United Kingdom. Linde is the world's largest industrial gas company by market share and revenue.

**Air Products & Chemicals (APD)** – American international corporation whose principal business is selling essential industrial gases and chemicals to customers in dozens of industries.

Source: FactSet, Value Track Analysis

## Peers: Electrolysers Manufacturers

**Industrie De Nora (DNR)** – Largest global supplier of high-performing coatings and electrodes & electrochemical services. It should also materially benefit from the uptick in green hydrogen via its newly set energy transition segment.

**Thyssenkrupp Nucera (NCH2)** – Multinational company that designs industrial scale, high current density electrolysers for the chlor-alkali and hydrogen sectors. De Nora and Thyssenkrupp as strategic investors.

**Nel Hydrogen (NEL)** – Norwegian but global company providing solutions for the production (electrolysers), storage and distribution of hydrogen from renewable energy sources.

**Plug Power (PLUG)** – American company offering end-to-end green hydrogen ecosystem, from production (electrolysers), storage, and delivery to energy generation (fuel cells).

**HydrogenPro (HYPRO)** – Norwegian technology company and an OEM for high-pressure alkaline electrolyser systems for large-scale green H2 plants.

**Enapter (H2O)** – German-based company developing plug-and-play Anion Exchange Membrane (AEM) electrolysers to be manufactured at scale, enabling solutions in refueling, energy storage, industry, power-to-x, and research.

Source: FactSet, Value Track Analysis

## Peers: Other Hydrogen Players

**Ceres Power (CWR)** – United Kingdom-based developer of clean energy technology, electrolysis for the creation of green hydrogen, and fuel cells for power generation.

**Bloom Energy (BE)** – American company manufacturing and marketing solid oxide fuel cells for the distributed generation of electricity on-site.

**Ballard Power Systems (BLDP)** – Canadian company that develops and manufactures proton exchange membrane fuel cell products for markets such as heavy-duty motive, portable power, material handling as well as engineering services.

**Powercell Sweden (PCELL)** – Swedish company that specializes in the development and production of hydrogen electric fuel cell stacks and systems for aviation, marine, power generation, off & on road industries.

**FuelCell Energy (FCEL)** – US-based company, global leader in designing, manufacturing, operating and servicing direct fuel cell power plants.

**Doosan FC (336260)** – South Korean company that develops environment-friendly fuel cell with high efficiency for power generation facilities.

Source: FactSet, Value Track Analysis

## Appendix 2: Peer's Multiples

### ErreDue: Peers Trading Multiples (\*)

| Peers                         | Mkt Cap.<br>(€mn) | EV/Sales (x) |       | EV/EBITDA (x) |       | EV/EBIT (x) |       | P/E Adj. (x) |       |
|-------------------------------|-------------------|--------------|-------|---------------|-------|-------------|-------|--------------|-------|
|                               |                   | 2026E        | 2027E | 2026E         | 2027E | 2026E       | 2027E | 2026E        | 2027E |
| Industrial Gas Suppliers      |                   |              |       |               |       |             |       |              |       |
| SOL-IT                        | 5,079             | 2.9          | 2.6   | 10.9          | 10.1  | 18.2        | 16.8  | 26.4         | 23.9  |
| AI-FR                         | 110,397           | 4.4          | 4.2   | 14.2          | 13.1  | 20.5        | 18.6  | 28.0         | 25.0  |
| LIN-US                        | 197,417           | 6.8          | 6.5   | 17.4          | 16.3  | 22.7        | 21.3  | 27.0         | 25.0  |
| APD-US                        | 55,015            | 5.9          | 5.6   | 13.8          | 12.9  | 23.7        | 21.7  | 20.7         | 19.2  |
| Average                       | 91,977            | 5.0          | 4.7   | 14.1          | 13.1  | 21.3        | 19.6  | 25.5         | 23.3  |
| Median                        | 82,706            | 5.2          | 4.9   | 14.0          | 13.0  | 21.6        | 20.0  | 26.7         | 24.4  |
| Electrolysers Manufacturers   |                   |              |       |               |       |             |       |              |       |
| DNR-IT                        | 1,195             | 1.1          | 1.0   | 6.5           | 5.7   | 8.6         | 7.5   | 16.5         | 13.4  |
| NCH2-DE                       | 1,103             | 1.0          | 0.9   | <0            | 24.2  | <0          | >40   | <0           | >50   |
| NEL-NO                        | 351               | 3.5          | 2.4   | <0            | <0    | <0          | <0    | <0           | <0    |
| PLUG-US                       | 2,756             | 4.7          | 3.5   | <0            | <0    | <0          | <0    | <0           | <0    |
| HYPRO-NO                      | 6                 | <0           | <0    | <0            | <0    | <0          | <0    | <0           | <0    |
| H2O-DE                        | 31                | 1.4          | 1.2   | <0            | 10.6  | <0          | >40   | <0           | 29.2  |
| Average                       | 907               | 2.4          | 1.8   | 6.5           | 13.5  | 8.6         | 7.5   | 16.5         | 21.3  |
| Median                        | 727               | 1.4          | 1.2   | 6.5           | 10.6  | 8.6         | 7.5   | 16.5         | 21.3  |
| Other Hydrogen Players        |                   |              |       |               |       |             |       |              |       |
| CWR-GB                        | 1,082             | >10          | >10   | <0            | >30   | <0          | <0    | <0           | <0    |
| BE-US                         | 83,496            | >10          | >10   | >30           | >30   | >40         | >40   | >50          | >50   |
| BLDP-CA                       | 654               | 3.3          | 2.3   | <0            | <0    | <0          | <0    | <0           | <0    |
| PCELL-SE                      | 99                | 4.0          | 2.7   | <0            | >30   | <0          | <0    | <0           | <0    |
| FCEL-US                       | 1,343             | 7.6          | 5.2   | <0            | <0    | <0          | <0    | <0           | <0    |
| 336260-KR                     | 1,972             | 7.0          | 4.6   | <0            | >30   | <0          | >40   | <0           | >50   |
| Average                       | 14,774            | 5.5          | 3.7   | na            | na    | na          | na    | na           | na    |
| Median                        | 1,212             | 5.5          | 3.7   | na            | na    | na          | na    | na           | na    |
|                               |                   |              |       |               |       |             |       |              |       |
| Total Average                 | 28,875            | 4.1          | 3.3   | 12.6          | 13.3  | 18.8        | 17.2  | 23.7         | 22.6  |
| Total Median                  | 1,269             | 4.0          | 2.7   | 13.8          | 12.9  | 20.5        | 18.6  | 26.4         | 24.4  |
| ErreDue                       | 72                | 2.2          | 1.5   | 7.5           | 4.7   | 9.8         | 6.1   | 15.1         | 9.6   |
| Discount vs. ToT Average. (%) | //                | -47%         | -54%  | -40%          | -64%  | -48%        | -64%  | -37%         | -58%  |
| Discount vs. ToT Median. (%)  | //%               | -46%         | -45%  | -46%          | -63%  | -52%        | -67%  | -43%         | -61%  |

Source: FactSet, Value Track Analysis; (\*) Stock market data and prices as of 5<sup>th</sup> October 2026

## DISCLAIMER

THIS DOCUMENT IS PREPARED BY VALUE TRACK VT S.R.L. THIS DOCUMENT IS BEING FURNISHED TO YOU SOLELY FOR YOUR INFORMATION ON A CONFIDENTIAL BASIS AND MAY NOT BE REPRODUCED, REDISTRIBUTED OR PASSED ON, IN WHOLE OR IN PART, TO ANY OTHER PERSON. IN PARTICULAR, NEITHER THIS DOCUMENT NOR ANY COPY THEREOF MAY BE TAKEN OR TRANSMITTED OR DISTRIBUTED, DIRECTLY OR INDIRECTLY, INTO CANADA OR JAPAN OR AUSTRALIA TO ANY RESIDENT THEREOF OR INTO THE UNITED STATES, ITS TERRITORIES OR POSSESSIONS. THE DISTRIBUTION OF THIS DOCUMENT IN OTHER JURISDICTIONS MAY BE RESTRICTED BY LAW AND PERSONS INTO WHOSE POSSESSION THIS DOCUMENT COMES SHOULD INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTION. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE LAWS OF ANY SUCH OTHER JURISDICTION. THIS DOCUMENT DOES NOT CONSTITUTE OR FORM PART OF, AND SHOULD NOT BE CONSTRUED AS, AN OFFER, INVITATION OR INDUCEMENT TO SUBSCRIBE FOR OR PURCHASE ANY SECURITIES, AND NEITHER THIS DOCUMENT NOR ANYTHING CONTAINED HEREIN SHALL FORM THE BASIS OF OR BE RELIED ON IN CONNECTION WITH OR ACT AS AN INVITATION OR INDUCEMENT TO ENTER INTO ANY CONTRACT OR COMMITMENT WHATSOEVER. THIS DOCUMENT HAS NOT BEEN PUBLISHED GENERALLY AND HAS ONLY BEEN MADE AVAILABLE TO INSTITUTIONAL INVESTORS. IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND ITS GROUP INCLUDING THE MERITS AND RISKS INVOLVED. ANY DECISION TO PURCHASE OR SUBSCRIBE FOR SECURITIES IN ANY OFFERING MUST BE MADE SOLELY ON THE BASIS OF THE INFORMATION CONTAINED IN THE ADMISSION DOCUMENT (*DOCUMENTO DI AMMISSIONE*) IN ITALIAN LANGUAGE (AND ANY SUPPLEMENTS THERETO) ISSUED IN CONNECTION WITH SUCH OFFERING. THIS DOCUMENT IS FOR DISTRIBUTION IN OR FROM THE UNITED KINGDOM ONLY TO PERSONS WHO: (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (AS AMENDED, THE “**FINANCIAL PROMOTION ORDER**”), (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (“HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ET~”) OF THE FINANCIAL PROMOTION ORDER, (III) ARE OUTSIDE THE UNITED KINGDOM, OR (IV) ARE PERSONS TO WHOM AN INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY (WITHIN THE MEANING OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000) IN CONNECTION WITH THE ISSUE OR SALE OF ANY SECURITIES MAY OTHERWISE LAWFULLY BE COMMUNICATED OR CAUSED TO BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”). THIS DOCUMENT IS DIRECTED ONLY AT RELEVANT PERSONS AND MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS DOCUMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. IN ITALY THIS DOCUMENT IS BEING DISTRIBUTED ONLY TO, AND IS DIRECTED AT QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 100 OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998, AS AMENDED, AND ARTICLE 34-*TER*, PARAGRAPH 1, LETTER B), OF CONSOB REGULATION ON ISSUERS NO. 11971 OF MAY 14, 1999, AS SUBSEQUENTLY AMENDED (THE “**ISSUERS’ REGULATION**”) PROVIDED THAT SUCH QUALIFIED INVESTORS WILL ACT IN THEIR CAPACITY AND NOT AS DEPOSITARIES OR NOMINEES FOR OTHER SHAREHOLDERS, SUCH AS PERSONS AUTHORISED AND REGULATED TO OPERATE IN FINANCIAL MARKETS, BOTH ITALIAN AND FOREIGN, I.E.: A) BANKS; B) INVESTMENT FIRMS; C) OTHER AUTHORISED AND REGULATED FINANCIAL INSTITUTIONS; D) INSURANCE COMPANIES; E) COLLECTIVE INVESTMENT UNDERTAKINGS AND MANAGEMENT COMPANIES FOR SUCH UNDERTAKINGS; F) PENSION FUNDS AND MANAGEMENT COMPANIES FOR SUCH FUNDS; G) DEALERS ACTING ON THEIR OWN ACCOUNT ON COMMODITIES AND COMMODITY-BASED DERIVATIVES; H) PERSONS DEALING EXCLUSIVELY ON THEIR OWN ACCOUNT ON FINANCIAL INSTRUMENTS MARKETS WITH INDIRECT MEMBERSHIP OF CLEARING AND SETTLEMENT SERVICES AND THE LOCAL COMPENSATORY AND GUARANTEE SYSTEM; I) OTHER INSTITUTIONAL INVESTORS; L) STOCKBROKERS; (2) LARGE COMPANIES WHICH AT INDIVIDUAL COMPANY LEVEL MEET AT LEAST TWO OF THE FOLLOWING REQUIREMENTS: — BALANCE SHEET TOTAL: 20,000,000 EURO, — NET REVENUES: 40,000,000 EURO, — OWN FUNDS: 2,000,000 EURO; (3) INSTITUTIONAL INVESTORS WHOSE MAIN ACTIVITY IS INVESTMENT IN FINANCIAL INSTRUMENTS, INCLUDING COMPANIES DEDICATED TO THE SECURITISATION OF ASSETS AND OTHER FINANCIAL TRANSACTIONS (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”). ANY PERSON WHO IS NOT A RELEVANT PERSON SHOULD NOT ACT OR RELY ON THIS DOCUMENT OR ANY OF ITS CONTENTS. THIS DOCUMENT IS NOT ADDRESSED TO ANY MEMBER OF THE GENERAL PUBLIC IN ITALY. UNDER NO CIRCUMSTANCES SHOULD THIS DOCUMENT CIRCULATE AMONG, OR BE DISTRIBUTED IN ITALY TO (I) A MEMBER OF THE GENERAL PUBLIC, (II) INDIVIDUALS OR ENTITIES FALLING OUTSIDE THE DEFINITION OF “QUALIFIED INVESTORS” AS SPECIFIED ABOVE OR (III) DISTRIBUTION CHANNELS THROUGH WHICH INFORMATION IS OR IS LIKELY TO BECOME AVAILABLE TO A LARGE NUMBER OF PERSONS. THIS DOCUMENT IS BEING DISTRIBUTED TO AND IS DIRECTED ONLY AT PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (“**EEA**”) WHO ARE “QUALIFIED INVESTORS” WITHIN THE MEANING OF ARTICLE 2(1)(E) OF THE PROSPECTUS DIRECTIVE (DIRECTIVE 2003/71/EC), (“**QUALIFIED INVESTORS**”). ANY PERSON IN THE EEA WHO RECEIVES THIS DOCUMENT WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT IT IS A QUALIFIED INVESTOR. ANY SUCH RECIPIENT WILL ALSO BE DEEMED TO HAVE REPRESENTED AND AGREED THAT IT HAS NOT RECEIVED THIS DOCUMENT ON BEHALF OF PERSONS IN THE EEA OTHER THAN QUALIFIED INVESTORS OR PERSONS IN THE UK, ITALY AND OTHER MEMBER STATES (WHERE EQUIVALENT LEGISLATION EXISTS) FOR WHOM THE INVESTOR HAS AUTHORITY TO MAKE DECISIONS ON A WHOLLY DISCRETIONARY BASIS. THE COMPANY, VALUE TRACK VT S.R.L. AND THEIR AFFILIATES, AND OTHERS WILL RELY UPON THE TRUTH AND ACCURACY OF THE FOREGOING REPRESENTATIONS AND AGREEMENTS. ANY PERSON IN THE EEA WHO IS NOT A QUALIFIED INVESTOR SHOULD NOT ACT OR RELY ON THIS DOCUMENT OR ANY OF ITS CONTENTS. THE EXPRESSION “PROSPECTUS DIRECTIVE” MEANS DIRECTIVE 2003/71/EC (AND AMENDMENTS THERETO, INCLUDING THE 2010 PD AMENDING DIRECTIVE, TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATE), AND INCLUDES ANY RELEVANT IMPLEMENTING MEASURE IN THE RELEVANT MEMBER STATE AND THE EXPRESSION “2010 PD AMENDING DIRECTIVE” MEANS DIRECTIVE 2010/73/EU. **ERREDUE S.P.A.** (THE “**COMPANY**”) IS A RESEARCH CLIENT OF VALUE TRACK S.R.L. HOWEVER, THIS DOCUMENT HAS BEEN PRODUCED INDEPENDENTLY OF THE COMPANY AND ITS SHAREHOLDERS, AND ANY FORECASTS, OPINIONS AND EXPECTATIONS CONTAINED HEREIN ARE ENTIRELY THOSE OF VALUE TRACK VT S.R.L. AND ARE GIVEN AS PART OF ITS NORMAL RESEARCH ACTIVITY AND SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORISED OR APPROVED BY ANY OTHER PERSON. VALUE TRACK VT S.R.L. HAS NO AUTHORITY WHATSOEVER TO MAKE ANY REPRESENTATION OR WARRANTY ON BEHALF OF THE COMPANY, ITS SHAREHOLDERS, ANY OF ITS ADVISORS, OR ANY OTHER PERSON IN CONNECTION THEREWITH. WHILE ALL REASONABLE CARE HAS BEEN TAKEN TO ENSURE THAT THE FACTS STATED HEREIN ARE ACCURATE AND THAT THE FORECASTS, OPINIONS AND EXPECTATIONS CONTAINED HEREIN ARE FAIR AND REASONABLE, VALUE TRACK VT S.R.L. HAS NOT VERIFIED THE CONTENTS HEREOF AND ACCORDINGLY NONE OF VALUE TRACK VT S.R.L., THE COMPANY, ITS SHAREHOLDERS, ANY ADVISORS TO THE COMPANY OR ITS SHAREHOLDERS OR ANY OTHER PERSON IN CONNECTION THEREWITH NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS OR EMPLOYEES, SHALL BE IN ANY WAY RESPONSIBLE FOR THE CONTENTS HEREOF AND NO RELIANCE SHOULD BE PLACED ON THE ACCURACY, FAIRNESS, OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS DOCUMENT. NO PERSON ACCEPTS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM THE USE OF THIS DOCUMENT OR OF ITS CONTENTS OR OTHERWISE ARISING IN CONNECTION THEREWITH. TO THE EXTENT PERMITTED BY LAW AND BY REGULATIONS, VALUE TRACK VT S.R.L. (OR ITS OFFICERS, DIRECTORS OR EMPLOYEES) MAY HAVE A POSITION IN THE SECURITIES OF (OR OPTIONS, WARRANTS OR RIGHTS WITH RESPECT TO, OR INTEREST IN THE SHARES OR OTHER SECURITIES OF) THE COMPANY AND MAY MAKE A MARKET OR ACT AS A PRINCIPAL IN ANY TRANSACTIONS IN SUCH SECURITIES.