Aditya Birla Money Ltd.

ADITYA BIRLA CAPITAL
STOCKS & SECURITIES

CLEAN MAX ENVIRO ENERGY SOLUTIONS LTD. – IPO NOTE

20th February 2026

CAPTURING THE INFLECTION POINT – AIL AS THE EYES OF THE COUNTRY

Clean Max Enviro Energy Solutions. (CleanMax), incorporated in the year 2010, CleanMax is India's largest commercial and industrial (C&I) renewable energy provider generated from its solar, wind, and hybrid renewable energy farms, with 2.80 GW of operational, owned and managed capacity, and 3.17 GW of contracted, yet to be executed capacity, as of October 31, 2025. It also specializes in delivering Net Zero and decarbonization solutions, including supplying renewable power and offering energy services and carbon credit solutions to customers. It had a market share of 8% and 12% of the annual open access renewable energy capacity additions in FY25 and FY24, respectively, for C&I in the Indian market, with a higher market share in the states of Gujarat and Karnataka.

Premium Tariffs for Tailored Solutions

Since company's business model is distinct from utility-scale renewable energy developers, as it does not participate in competitive tenders with state-owned distribution companies or central government utilities which award projects solely based on the lowest tariff bids. As a result, it prices its offerings at a premium compared to large utility scale IPPs, primarily due to distinct project economics and risk profile. The company offers various models- Onsite, Offsite STU, Offsite CTU, Capex Services, and Carbon Services- aiding its customers to achieve their agendas with customized solutions. Its weighted average tariff for capacity commissioned in the H1FY26 was ₹3.66 and FY25 was ₹3.76 respectively, whereas industry average for listed utility scale renewable energy players was ₹2.44-2.46.

Diversified Customer Profile with Strong Repeat Demand

CleanMax key customer cohorts consist of players from data centres, AI combinedly called Technology customers (43.5% of operational & contracted capacity as on 31 Oct 2025) and Conventional C&I customers spanning across a range of sectors with ~95% of customers have credit rating of "A-" or above. Company has fostered relationships with 555 customers as of H1FY26, with 71.72% of its contracted capacity for the H126 being attributable to demand from repeat customers. It has built a portfolio of PPAs with a weighted average tenure of 22.85 years, and average lock-in period of 16.86 years during the period. The quality of company's client relationships is also demonstrated by the receivables period for Renewable Energy Power Sales Segment, which was 24 days as of H1FY26 which is lower than the industry average of 72 days and no single customer contributed more than 10% of its revenue, reflecting strong customer diversity.

Efficient capital allocation and unit economics

The company maintains capital efficiency through three key levers. Offtaker equity contributions in STU Group Captive projects reduce its upfront capital requirement while allowing it to retain majority ownership of the SPV. Its co-investment partnerships with global investors enable project scaling with limited equity deployment, typically through 51:49 structures that preserve majority control. Additionally, its renewable energy services business generates strong upfront cash flows and recurring O&M income, supported by a negative working-capital profile, which further strengthens internal capital availability across the portfolio. The company's offsite portfolio demonstrates strong capital efficiency, with operational projects achieving an equity payback period of 3.37 years, and projects commissioned in FY22 or later reaching payback in 2.51 years. This rapid recovery of initial equity investment underscores robust project economics. Further, a project-level Cash ROE of 34.93% in FY25 reflects the company's strong unit-level profitability and disciplined capital deployment. Further, company's in-house capabilities for EPC, project designing & O&M creates strong execution confidence & cost controls.

Risks- 1) Decline in environment and seasonal variability can reduce plant load factor 2) Failure to effectively manage cost can impact revenue as most PPAs have fixed tariffs 3) Imbalance between debt and equity financing can impact financial condition as business is capital intensive.

Rating	Subscribe for long-term
Issue Details	
Issue Opens	23-Feb-26
Issue Closes	25-Feb-26
Face Value (₹)	1
Price Band (₹)	1,000-1,053
Bid Lot	14
Issue Size at higher price band (₹ Cr)	3,100
Market cap. @ upper price band (₹ cr)	12,325
Listing	NSE/BSE
BRLMs	Axis, J.P. Morgan, BNP Paribas, HSBC, IIFL, Nomura, BOB, SBI Capital
Registrar	MUFG Intime

Shareholding Pattern (%)	Pre-Issue	Post Issue
Promoter	65.4	49.4
Others	34.6	50.6

Issue Structure (In cr. no. of shares)	
Issue size	**2.94**
Break-up of net issue to public (%):	
QIB's portion	50%
Non-Institutional portion	15%
Retail Portion	35%

Research Team: -

Ninad Sarpotdar
Equity Research Analyst
ninad.sarpotdar@adityabirlacapital.com
022-6819 0538

CLEAN MAX ENVIRO ENERGY SOLUTIONS LTD. – IPO NOTE

Opinion- The IPO is a mix of OFS (₹1,900 cr) & fresh issue (₹1,200 cr). The company intends to reduce borrowings with the proceeds. At the upper price-band, the issue is valued at ~16x EV/ EBITDA which according to us is expensive. However, the company benefits from significant underpenetrated industry as renewable energy penetration for C&I stood at ~7.4% in FY23 and is projected to grow to ~20% by FY30, requiring 15-18 GW of annual capacity addition and translating to a 22-24% CAGR in installed capacity. Further, the phasing out of ISTS charges & emerging high energy consuming sectors like Data Centres & AI which require guaranteed RTC power supply will boost the C&I demand which creates demand visibility & confidence in business scaling up. We recommend **"SUBSCRIBE FOR LONG-TERM"** to the issue.

Financials-

Particulars	FY23	FY24	FY25	H1FY26
Operating Revenue	**930**	**1,390**	**1,496**	**933**
EBITDA	**406**	**742**	**1,015**	**638**
EBITDA Margins	***44.0%***	***53%***	***68%***	***68%***
Net Profit/ (Loss)	**(59)**	**(37)**	**19**	**19**
Net Worth	**1,469**	**2,234**	**3,205**	**3,399**
Debt	**3,619**	**5,195**	**7,127**	**9,667**
Cash & Bank	**530**	**382**	**1,189**	**1,144**
Net Debt	**3,089**	**4,813**	**5,938**	**8,523**
Net Debt/ Equity	**2.1**	**2.2**	**1.9**	**2.5**
ROE	***(5.3%)***	***(2.0%)***	***1.3%***	***0.4%***

Disclaimer:

I, **Ninad Sarpotdar**, hereby certify that all the views expressed in this research report reflect our personal views about any or all of the subject issuer or securities. This report has been prepared by the Research Team of Aditya Birla Money Limited, hereinafter referred to as ABML. Further, I **Ninad Sarpotdar**, have not served / do not serve as an officer, director or employee of the companies mentioned in the report. Further, I **Ninad Sarpotdar** have not been engaged in market making activity in the Subject Company. AI tools were not used for research services.

Aditya Birla Money Limited (ABML) is in the business of offering stock broking and depository services in securities through its various affiliations with Stock Exchanges and Depositories. It offers Portfolio Management Services to HNI and Corporate investors. ABM also caters to investments in Mutual Funds through it digital platform to diversify asset allocation.

This document is not for public distribution and is meant solely for the personal information of the authorized recipient. No part of the information must be altered, transmitted, copied, distributed or reproduced in any form to any other person. Persons into whose possession this document may come are required to observe these restrictions. This document is for general information purposes only and does not constitute an investment advice or an offer to sell or solicitation of an offer to buy / sell any security and is not intended for distribution in countries where distribution of such material is subject to any licensing, registration or other legal requirements.

The information, opinion, views contained in this document are as per prevailing conditions and are of the date of appearing on this material only and are subject to change. No reliance may be placed for any purpose whatsoever on the information contained in this document or on its completeness. Neither ABML, its group companies, its directors, associates, employees nor any person connected with it accepts any liability or loss arising from the use of this document. The views and opinions expressed herein by the author in the document are his own and do not reflect the views of Aditya Birla Money Limited or any of its associate or group companies. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. Past performance is no guarantee and does not indicate or guide to future performance.

Nothing in this document is intended to constitute legal, tax or investment advice, or an opinion regarding the appropriateness of any investment, or a solicitation of any type. The contents in this document are intended for general information purposes only. This document or information mentioned therefore should not form the basis of and should not be relied upon in connection with making any investment. The investment may not be suited to all the categories of investors. The recipients should therefore obtain your own professional, legal, tax and financial advice and assessment of their risk profile and financial condition before considering any decision.

ABML, its associate and group companies, its directors, associates, employees from time to time may have various interests/ positions in any of the securities of the Company (ies) mentioned therein or be engaged in any other transactions involving such securities or otherwise in other securities of the companies / organization mentioned in the document or may have other interest with respect of any recommendation and / related information and opinions.

Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

ABML may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. Neither the Research Analysts nor ABML have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ABML by any Regulatory Authority impacting Equity Research Analysis activities during the past 1 year.

In the last 12 months period ending on the last day of the month immediately preceding the date of publication of this research report Research Analysts, ABML or any of its associates

(i) have not received any compensation from the Subject Company

(ii) may have managed or co-managed public offering of securities from subject company of this research report, or

(iii) may have received compensation for investment banking or merchant banking or brokerage services from subject company of this research report, or

(iv) may have received compensation for products or services other than investment banking or merchant banking or brokerage services as applicable from the subject company of this research report or

(v) the Subject Company may have been a client of ABML or its associates during twelve months preceding the date of distribution of the research report.

ABML and it's associates have not received any compensation or other benefits from the subject company or third party in connection with the research report. Accordingly, neither ABML nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

The company follows employee trading policy which regulates the trading activities of the research analyst. The company policy do not restrict the compensation of research analyst linked with the recommendations provided therein.

Name of the Compliance officer: Mr. Murali Krishnan L R: 044-49490014 E-mail Address: abm-chn.compliance@adityabirlacapital.com. For any queries or grievances: Mr. Sathish Kumar Email address: care.stocksandsecurities@adityabirlacapital.com Contact Number: 18002707000.

Securities Broking is through Aditya Birla Money Limited: SEBI Registration No. NSE/BSE/MCX/NCDEX:INZ000172636 ; NSDL /CDSL: IN-DP-17-2015. PMS - INP 000003757, Research Analyst –INH000002145. Central Insurance Repository Limited: IRDA/IR2/2014/312. Investments in securities market are subject to market risks, read all the related documents carefully before investing. Please read the risk disclosure document, rights and obligations, guidance note, Do's and Don'ts and policies and procedure carefully before making any investment decision. Brokerage will not exceed the SEBI prescribed limit. Margins as prescribed by Exchange / SEBI will be applicable.