



Letter to Shareholders

Dear Shareholders,

We are pleased to present the 2023 Annual Financial Report for Innovatech Solutions. This year we achieved strong double-digit revenue growth driven by our SolarFlare panel shipments and increased demand for our HelioCore battery solutions. We expanded gross margins through supply chain optimization and disciplined expense management.

Key highlights include:

- Revenue of \$350 million, up 18% from 2022
- Gross profit of \$140 million, representing 40% gross margin
- Operating income of \$50 million after increased investments in research and development
- Net income of \$35 million, reflecting a 15% net margin

During 2023 we also continued to invest in next-generation technologies, expanded our global sales footprint and reinforced our commitment to sustainability. We thank our employees, partners and customers for their contributions to a successful year. We remain focused on delivering long-term value through innovation and operational excellence.

Sincerely,

Maya Patel
CEO
Innovatech Solutions

Consolidated Income Statement - Fiscal Year 2023

Account	Amount
Revenue	\$350,000,000
Cost of Goods Sold	(210, 000, 000)
Gross Profit	\$140,000,000
Operating Expenses	(90, 000, 000)
Operating Income	\$50,000,000
Interest Expense	(5, 000, 000)
Net Income Before Tax	\$45,000,000
Income Tax Expense	(10, 000, 000)
Net Income	\$35,000,000

Consolidated Balance Sheet - December 31, 2023

Assets	Amount	Liabilities & Equity	Amount
Cash and Cash Equivalents	\$80,000,000	Accounts Payable	\$40,000,000
Accounts Receivable	\$60,000,000	Long-term Debt	\$70,000,000
Inventory	\$30,000,000	Other Liabilities	\$20,000,000
Property, Plant & Equipment	\$120,000,000	Total Liabilities	\$130,000,000
Total Assets	\$290,000,000	Common Stock	\$50,000,000
		Retained Earnings	\$110,000,000
		Total Equity	\$160,000,000

Consolidated Cash Flow Statement - Fiscal Year 2023

Operating Activities:	
Net Income.....	\$35,000,000
Depreciation & Amortization.....	\$8,000,000
Changes in Working Capital.....	(5,000,000)
Net Cash from Operating Activities.....	\$38,000,000
Investing Activities:	
Purchase of PP&E.....	(25,000,000)
Capitalized R&D Expenditures.....	(10,000,000)
Net Cash Used in Investing Activities.....	(35,000,000)
Financing Activities:	
Proceeds from Issuance of Debt.....	\$20,000,000
Repayment of Debt.....	(15,000,000)
Dividends Paid.....	(10,000,000)
Net Cash from Financing Activities.....	(5,000,000)
Net Increase in Cash.....	(2,000,000)
Beginning Cash Balance.....	\$82,000,000
Ending Cash Balance.....	\$80,000,000

Revenue & Net Income Trend (2019-2023)

