

**#Act4Climate**

**ENERGY OPTIMIZATION**  
THE ENVIRONMENTAL  
TRANSITION ACCELERATOR

FIRST-HALF 2020 RESULTS  
**17 SEPTEMBER 2020**



**BOOSTHEAT**  
ENERGY UNITES PEOPLE



# -45%<sup>1</sup>

Greenhouse gas  
emissions must be  
reduced by 45% by 2030  
compared with their  
2010 level to limit global  
warming to 1.5°C.

<sup>1</sup>Intergovernmental Panel on Climate Change (IPCC), October 8, 2018



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# HEATING SYSTEMS: A MAJOR DRIVER OF ENERGY TRANSITION

Home heating  
accounts for  
**≈ 25%**  
of worldwide energy

consumption<sup>2</sup>

**≈ 50%**  
of European  
boilers are  
older than  
**25 years<sup>1</sup>**



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<sup>1</sup>2016 European Commission Report (An EU Strategy on Heating and Cooling)

<sup>2</sup>Data from International Energy Agency - <https://iea.org/renewables2018/heat>

# BOOSTHEAT **AT A GLANCE**

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1

**A more economical and eco-friendly product based on disruptive technology**  
100% French manufacture

2

**7 patent families & CE marking**

Regenerative thermal compression | Multi-tier architecture | Micro-cogeneration

3

**High efficiency based on thermal compression**

188% in aerothermal application (A7) | 229% in geothermal application (W10)<sup>1</sup>

4

**Operational manufacturing facility**

with annual production capacity of up to 20,000 units<sup>2</sup>

5

**€81 million raised since foundation in 2011**

<sup>1</sup>External laboratory test reports (CETIAT and Gas.be)

<sup>2</sup>Subject to additional hiring without further investment

# BOOSTHEAT.20, THE NEW GENERATION GAS BOILER



## INDOOR UNIT

A **condensing boiler** fitted with a hot-water tank and a separate burner

## THE THERMODYNAMIC MODULE

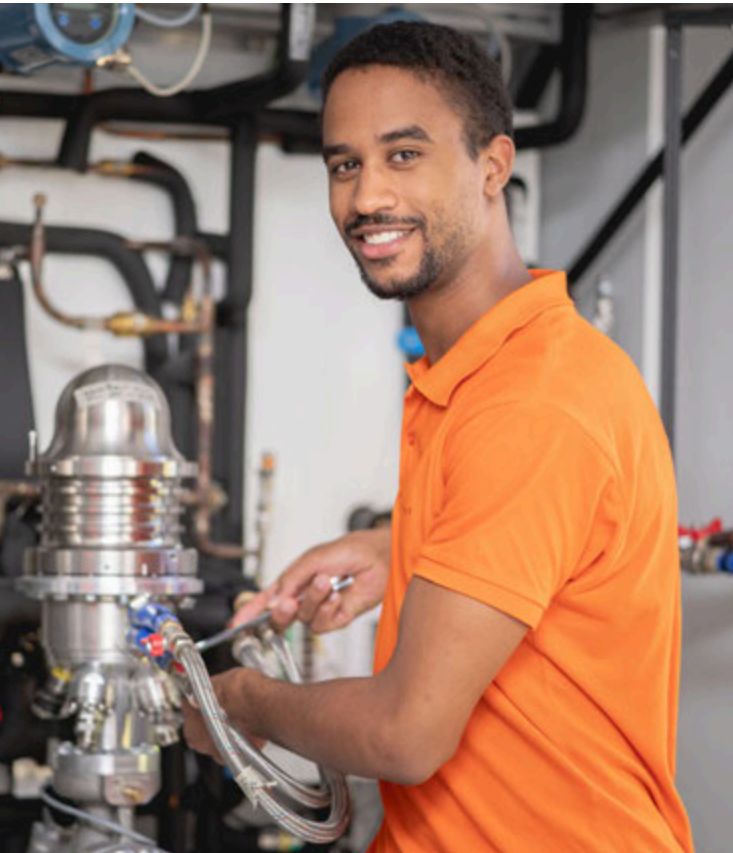
BOOSTHEAT thermal compressor activates a **CO<sub>2</sub> thermal heat pump cycle** (BOOSTHEAT innovation)

## OUTDOOR UNIT

Draws **cost-free** energy from the surrounding air environment



# 2020, BOOSTHEAT LAUNCHES ITS STRATEGIC PLAN AFTER ITS FIRST HEATING SEASON



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## PERFORMANCE AND RELIABILITY OF BOOSTHEAT.20

BOOSTHEAT.20 Connect, an upgraded version, the company's top priority



## ENHANCED BUSINESS STRATEGY

Indirect B2B2C sales model: faster and more profitable. Development of the German market



## STREAMLINING THE COST STRUCTURE

Further cost savings – Design2Cost project



## A NEW ORGANISATION SUITED TO THE CONTEXT

Business activities combined at the Vénissieux site – Employment Safeguard Plan (PSE)

# LAUNCH OF THE **EFFICIENCY 2022** PLAN

## ENHANCING THE PERFORMANCE & RELIABILITY OF THE BOOSTHEAT.20

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An action plan already adopted to develop an improved version: BOOSTHEAT.20 Connect, with upgrades focusing on the regulation system

An update of already-installed boilers during annual maintenance, with no additional cost for the customer. Case-by-case management of customers awaiting for installation

Internal resources mobilised, bolstered by external skills (technical expertise)

Timetable announced in July and confirmed after the first few months of the action plan: **BOOSTHEAT.20 CONNECT** scheduled for the second half of 2021

# LAUNCH OF THE **EFFICIENCY 2022** PLAN ENHANCED BUSINESS STRATEGY

**Successful start-up phase in B2C direct sales (1.9x the target)** with nearly 40% of orders recorded at the end of the year via the B2B2C model

**An enhanced business strategy:**

“Bulk” sales limiting internal overheads and driving volumes and margins to be in line with those the company at maturity

**A weak economic environment** (impact on purchasing power and investment capacity following the Covid-19 pandemic), in addition to reduced incentives in France

**A German market awaiting an innovative product combining gas and renewable energy** (price of electricity: 4x more expensive) supported by strong national incentives (35 to 45% of total cost)



# LAUNCH OF THE **EFFICIENCY 2022** PLAN STREAMLINING THE COST STRUCTURE



First cost-cutting plan implemented at the end of 2019

A Design2Cost project accelerated to reduce the BOM\*

At 30 June 2020, the Group had **€17.2 million of available cash and equivalents**, boosted by €7.3 million of new resources: €6 million of state-guaranteed loans, a €1 million innovation loan and €0.3 million of subsidies

**Funding requirements covered until end-September 2021**, allowing the Group to fully realise its Efficiency 2022 plan in terms of its content and schedule

# LAUNCH OF THE **EFFICIENCY 2022** PLAN

## AN ORGANISATION SUITED TO THE CONTEXT



**A streamlined organisation suited to meeting the company's strategic challenges** in order to increase synergies and reduce overheads

**All activities combined at a single site in Vénissieux**, in the heart of France's HVAC capital.

**Employment Safeguard Plan presented on 7 July, resulting in a bilateral agreement** that is currently being assessed by DIRECCTE. Headcount could be reduced by up to 40 over a period lasting until the end of 2020.

Operational implementation of the plan has already brought benefits: a new organisation, transfers of skills, versatile roles and external support

# CONDENSED INCOME STATEMENT

## STABILISATION OF OPERATING EXPENSES

IFRS figures in thousands of euros	H1 2019	H1 2020	
Revenue	25	40	
Purchases consumed	(902)	(1,364)	• €0.5 million decrease in purchases consumed.
Other purchases and external expenses	(1,351)	(1,674)	• €0.3 million increase in external expenses relating to the production of the Company's first boilers.
Personnel costs	(2,375)	(2,243)	• €0.1 million decrease in personnel costs, due to a decrease in the workforce during the period and furlough measures.
Taxes and duties	(124)	(59)	
Other operating income and expense	504	301	• €0.2 million decrease in subsidies.
EBITDA <sup>1</sup>	(4,223)	(4,999)	
Net depreciation, amortisation and provisions	(1,069)	(1,382)	• Further amortisation and depreciation related to the BOOSTHEAT.20
Recurring operating income	(5,292)	(6,381)	
Other non-recurring operating income and expense	-	-	
Operating income	(5,292)	(6,381)	• €0.2 million improvement in net financial expense, due to lower interest expense following the conversion of bonds redeemable in shares and bonds with warrants at the time of the IPO.
Net cost of debt	(378)	(216)	•
Change in the fair value of derivative-related liabilities		1,118	• Change in the fair value of warrants still in issue (non-cash impact)
Net income	(5,670)	(5,479)	

<sup>1</sup> EBITDA = Recurring operating income before net depreciation, amortisation and provisions.

# SIMPLIFIED BALANCE SHEET

IFRS figures in thousands of euros	31/12/2019	30/06/2020
<b>Non-current assets</b>	<b>15,731</b>	<b>15,657</b>
• of which intangible assets	6,173	6,673
• of which property, plant & equipment	9,332	8,755
<b>Current assets</b>	<b>22,857</b>	<b>21,624</b>
• of which inventories	2,281	2,299
• of which trade receivables	175	44
• of which tax receivables	706	923
• of which cash and cash equivalents	18,275	17,185
• of which other current assets	1,370	1,058
• of which prepaid expenses	50	115
<b>Total assets</b>	<b>38,588</b>	<b>37,281</b>

31/12/2019	30/06/2020	
<b>20,093</b>	<b>13,551</b>	<b>Equity</b>
<b>10,853</b>	<b>12,565</b>	<b>Non-current liabilities</b>
1,517	6,410	• of which bank borrowings / debt
2,911	130	• of which repayable advances
5,837	5,410	• of which lease liabilities (IFRS 16)
<b>7,642</b>	<b>11,165</b>	<b>Current liabilities</b>
608	2,475	• of which bank borrowings / debt
1,225	1,223	• of which lease liabilities (IFRS 16)
2,382	1,291	• of which trade payables
1,130	3,911	• Repayable advances
1,777	1,546	• of which other current liabilities
<b>38,588</b>	<b>37,281</b>	<b>Total equity and liabilities</b>

AVAILABLE CASH AND EQUIVALENTS OF €17.2 MILLION, BOLSTERED BY: FRENCH STATE-GUARANTEED LOANS (€6 MILLION), INNOVATION LOAN (€1 MILLION) AND SUBSIDIES (€0.3 MILLION)

FUNDING REQUIREMENTS COVERED UNTIL END-SEPTEMBER 2021

# CASH FLOW STATEMENT

IFRS figures in thousands of euros	H1 2019	H1 2020	
<b>Consolidated net income</b>	<b>(5,670)</b>	<b>(5,479)</b>	
Funds from operations	(5,229)	(5,319)	
Change in inventories	(714)	(19)	
Change in trade receivables	1,336	128	
Change in trade payables	(994)	(1,092)	
Change in other receivables and payables	(483)	(104)	
Net cost of debt	378	221	
<b>Cash flow from operating activities</b>	<b>(5,706)</b>	<b>(6,185)</b>	
<b>Cash flow from investing activities</b>	<b>(1,744)</b>	<b>(929)</b>	
• of which purchases of non-current assets	(1,749)	(1,195)	
• of which investment subsidies received	133	268	● New subsidies of €0.3 million
<b>Cash flow from financing activities</b>	<b>7,820</b>	<b>6,024</b>	
• of which capital increase	822	118	
• of which new borrowings and conditional advances	7,507	6,996	● €7 million of new borrowings arranged during the period
• of which repayments of borrowings and conditional advances	(540)	(687)	
<b>Change in cash and cash equivalents</b>	<b>370</b>	<b>(1,090)</b>	
<b>Cash and cash equivalents at start of period</b>	<b>2,123</b>	<b>18,275</b>	
<b>Cash and cash equivalents at end of period</b>	<b>2,493</b>	<b>17,185</b>	

# POSITIVE EBITDA BY 2022 WITH THE SALE OF AT LEAST 2,000 BOILERS

A hiker with a large backpack is standing on a rocky peak, looking out over a vast landscape under a sunset sky. The hiker is wearing a dark jacket and pants, and the backpack is a large, rugged pack. The sky is a mix of blue and orange, with some clouds visible. The hiker is positioned on the left side of the frame, facing right.

Partner support for the BOOSTHEAT.20 CONNECT

Confirmation by Novogaz (Holdigaz) that it intends to order 250 units according to the new timetable

€10 million of cumulative savings by 2022  
(€5 million of operating costs and €5 million of staff costs)



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ENERGY UNITES PEOPLE

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#FeelTheChange

THANK  
YOU

INVESTORS PRESENTATION- 5 MARCH 2020

# APPENDICES

L'OPTIMISATION ÉNERGÉTIQUE, UN ACCÉLÉRATEUR POUR LA TRANSITION ÉCOLOGIQUE



# AN EXPERIENCED BOARD OF DIRECTORS



**Luc REGINSTER**  
Founder and CEO  
Chemium  
Chairman



**Luisa HELMS**  
Director  
Holdigaz  
Vice-Chairwoman



**Luc JACQUET**  
BOOSTHEAT  
CEO



**Claudia ZIMMER**  
Founder & investor  
Kozinet  
Non-Executive Director



**Raphaël DE WINTER**  
Director Bus. Dev. &  
Innovation Fluxys  
Non-Executive Director



**Myriam MAESTRONI**  
Founder and CEO  
Économie d'Énergie  
Non-Executive Director

— Independent Director



**ISABELLE MONTFORT**  
ADVANS GROUP  
Non-Executive Director

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