

Courbevoie, the 10<sup>th</sup> of September 2018

**Strong Improvement in first half 2018 results  
validating the new Strategy and the company's unique Potential**

- **A slight decrease in turnover compared to the first half 2017 with a gross margin improvement of 28 percentage points to 58.3%, in line with the evolution of the business model**
- **Current operating loss divided by 7 and a net loss divided by 10 compared to first half 2017**
- **A strengthened financial structure with net equity<sup>1</sup> of €2,4m as of end of June 2018**
- **A completed reorganization that preserves the Company's innovation ability**

---

**ENERTIME** (FR0011915339-ALENE), a French Company in the Cleantech Business offering solutions for industrial energy efficiency and decentralized renewable energy production (biomass and geothermal), published its first half results as of June 30<sup>th</sup>, 2018. The accounts were approved by the Board of Directors on the 6<sup>th</sup> of September 2018.

Gilles David, President and Chief Executive Officer of ENERTIME, declares : " *The First Half of the 2018 Year has demonstrated the quality of the contracts signed in 2016 and 2017 with significantly improved margins. The redirection of the business model since mid-2017, to sell more technology and less equipment and work with large corporate customers in France and abroad, contributed to this improvement. Besides, the industrial energy efficiency market in Europe is in the recovery phase with an increase of the wholesale price of electricity and a global awareness of the inadequacy of the technologies currently deployed. In this context, the Company successfully completed a diversification of its offer in energy efficiency solutions for urban heating infrastructure and for the transportation of natural gaz.* »

### **Activity and results analysis**

During this first half of 2018, the Company recorded a turnover of €2.1m compared with €2.3m a year ago and a strong improvement in its gross margin, which amounts to 58.3% of the turnover compared to 30.2% in the first half of 2017. It reflects the transition of its business model with the diversification of its portfolio of solutions and a concentration of its offering around a core of technologies with high added value, including in the form of licenses.

The activity is more particularly supported with the revenues of a contract in France for the supply of a high-Power Heat pump of 3,7 MWth for Le Mans Incinerator to a company belonging to the Veolia group, and the sale of a Turbine Manufacturing license to a Chinese Company; Beijing Huasheng ORC Technology Ltd.

Thanks to a sharp reduction of 52.9% of external charges and 26.3% of labor costs, the current operating loss was divided by 7 to € 213k against €1,662k in the first half of 2017. After considering the provision on the Research Tax Credit expected for the year, the net loss amounted to €157k against €1,486k, a year ago.

---

<sup>1</sup> Without 422 977 € of Refundable advances

### A strengthened financial structure

During the first half of 2018, ENERTIME reinforced its equity with the conversion of ODIRNANE bonds to €470k into shares. On the June 30, 2018, the Company's total equity amounted to €2.4m compared to €2.1m as of December 31, 2017.

As a reminder, ENERTIME had set up in March 2017, a financing through fixed-term bonds with repayment options in cash and/or new and/or existing shares ("ODIRNANE") with stock warrants ("BSA") for a maximum amount of €3m of ODIRNANE, €1.5m were converted into shares in 2017 and €470 k in January 2018. An amount of €1m remains to be called at the Company's sole initiative.

The Company considers that it has the financial resources to ensure the continuity of operations over the next twelve months.

### New industrial Partnerships

The first semester 2018 saw the commissioning of two ORC modules, one in Ukraine (1.6 MW) and one in France (0.7 MW) for which contractual taking-over are expected during the second half of the year 2018 and the first half of the year 2019. These two ORCs represent the fifth and sixth ORC machines commissioned by ENERTIME.

Moreover, during the first half of 2018, the Company finalized a partnership agreement with the company Vergnet for sharing common services and jointly prospect on the export market. This partnership is expected to generate a reduction of operating expenses in 2018 in the order of €100k and common commercial prospects in the regions where Vergnet is well established (Caribbean, East Africa, New Caledonia and Reunion Island). It will be amplified in 2019 with an annual cost reduction target close to €200k and common business prospects.

The partnership with GRTgaz company (Engie Group) in the design of gaz expanders was selected in June by the CGI (*Commissariat General à l'Investissement*) for funding under the PIA (*Plan des Investissements d'Avenir*). This partnership is expected to evolve positively in the coming months.

Beijing Huasheng ORC Technology has obtained authorizations from the Chinese government for the implementation of the license agreement signed with ENERTIME in December 2017. This implementation has a significant impact in the 2018 financial results and should generate additional revenues in the next few years.

Finally, the technical assistance provided to GTT company is continuing its development around the theme of energy efficiency for LNG-fueled vessels.

### Market for energy efficiency

The equipment of renewable heat and cold networks in the major cities of the OECD countries is a high-growth market where ENERTIME heat pump and expansion turbine solutions have great relevance and should generate significant orders at the end of 2018 and 2019. On the international market, the ORC market in waste heat recovery is also in development, especially in countries where electricity is at market price. Conversely, in the absence of public support, the European market for industrial electrical energy efficiency remains low despite a rise in electricity prices in the wholesale market.

### Renewable electricity market

The development of geothermal energy and to a lesser extent biomass benefits from a resurgence of interest from the green power producers affected by the slowdown in the growth of the intermittent renewables (solar and wind). The recent biomass tenders in France, however, have generated for the time being only two ORC projects.

### Availability of the interim financial report as at 30th June 2018

The interim financial report as at 30<sup>th</sup> June 2018 will be available to the public and filed to Euronext on the 17<sup>th</sup> of September. This document, in French only, will be available on our website [www.enertime.com](http://www.enertime.com) (Investisseurs tab, informations financières section).

### About ENERTIME

Created in 2008, ENERTIME designs, develops and implements Organic Rankine Cycle (ORC) machines and high temperature heat pumps for industrial energy efficiency and decentralized production of renewable energy. ORC machines transform heat into electricity. Heat pumps value low temperature heat to produce heat at higher temperatures.

ENERTIME is the only actor in the world offering ORC machines and a portfolio of other technologies in the field of thermodynamics applied to the energy transition. For ORC Technology it is one of the four major global players and the only French Company mastering this technology of high power machines (1 MW and more). The Company is called "Innovative Company" by Bpifrance and is recognized as " French creative Industry". ENERTIME is listed on the Euronext Growth market (ISIN: FR0011915339- Ticker: ALENE).

More information about [www.enertime.com](http://www.enertime.com)

### Contacts

#### ENERTIME

Gilles DAVID –CEO

Tel. +33 (0)1 75 43 15 40

[Gilles.David \(at\) enertime.com](mailto:Gilles.David@enertime.com)



Follow the news of ENERTIME on Twitter

### Income Statement

In € -French Standards	30/06/2017	30/06/2018
Turnover	2,321,386	2,062,000
Other Operating Income	125,044	324,583
Operating expenses	(4,104,370)	(2,601,372)
<b>Operating result</b>	<b>(1,657,940)</b>	<b>(213,806)</b>
Financial result	(4,441)	(6,369)
Exceptional result	(1,330)	3,386
Tax Income	178,028	60,100
<b>Net Income</b>	<b>(1,485,682)</b>	<b>(156,689)</b>

### Balance Sheet

In €-French Standards	31/12/2017	30/06/2018
Fixed assets	1,615,142	1,675,134
Stocks & Customers	2,684,408	2 256,447
Other assets	979,154	974,303
Cash and securities	1,198,163	272,098
<b>TOTAL ASSETS</b>	<b>6,476,867</b>	<b>5,177,982</b>

In €-French Standards	31/12/2017	30/06/2018
Equity and Other Equity	3,144,544	2,829,777
Suppliers	800,288	870,468
Other Liabilities	1,922,909	1,164,113
Borrowing and financial debts	609,126	319,624
<b>TOTAL LIABILITIES</b>	<b>6,476,867</b>	<b>5,177,982</b>