



Third-Party Investor in Renewable Heat and Energy Efficiency projects

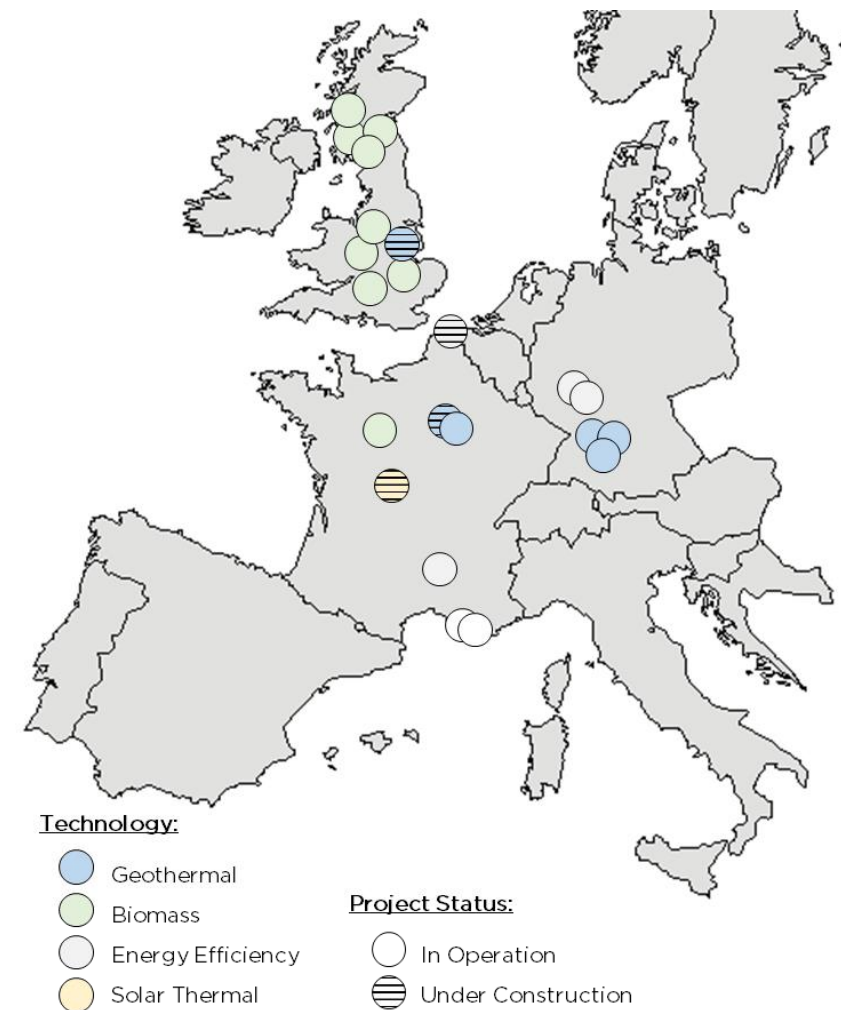
Webinar “Bringing Industrial Solar Heat to Market” - October 30th, 2019



Kyotherm

Third-Party Investor in Renewable Heat and Energy Efficiency projects

- **Investment company** based in Paris, partners with energy service companies and EPC contractors in order to **structure and finance their renewable heat and energy efficiency projects**
- Kyotherm invests in **renewable heat** (geothermal energy, biomass, district heating, solar thermal, waste heat...) and **energy efficiency** (Energy Performance Contracts notably) projects
- Project size: **€1m- €50m** (up to €100m with our network of co-investors)
- Kyotherm is **backed by institutional investors** that are independent from any industrial actor
- Geographical scope: **worldwide**

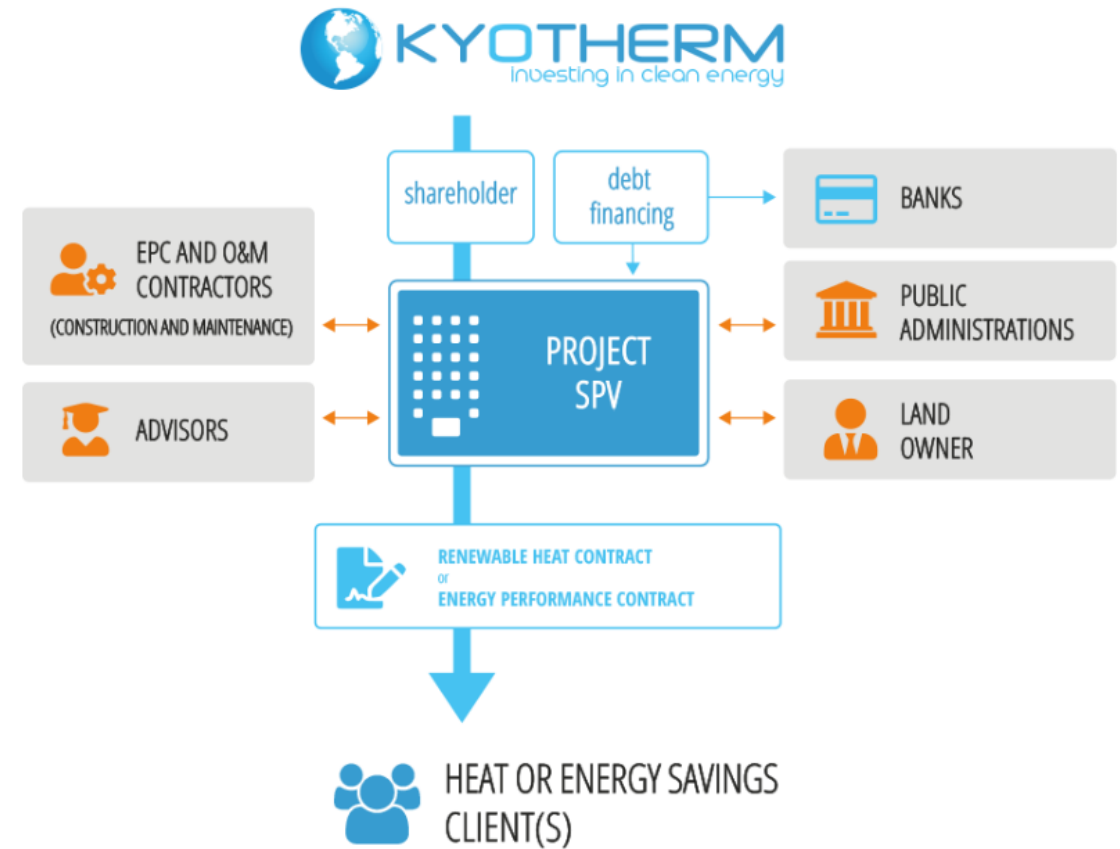


Map of currently financed projects

Typical project financing structure

Adjustable on a project-by-project basis

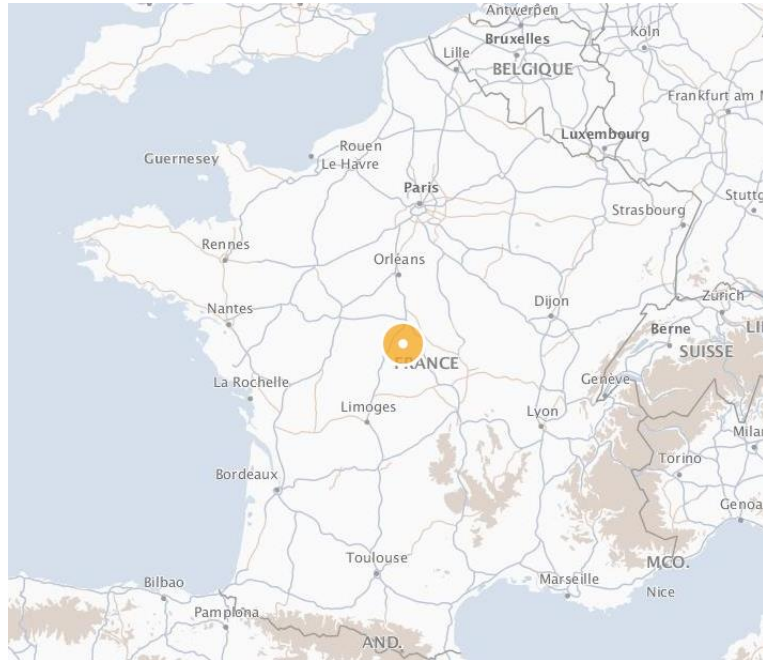
- Kyotherm's strong expertise in the energy efficiency sector, as well as the benefit of having a portfolio of existing project allows it to :
 - Finance projects with an **optimized cost of capital**
 - **Take up more industrial risk** than usual investors (e.g. client insolvency, pace of commercialization for heat networks...)
 - Manage the **contractual negotiations** with the different stakeholders



Kyotherm can be the 100% shareholder of the project SPV or a co-investor alongside other stakeholders

14 252 m² SHIP solar thermal plant under construction

The malting plant

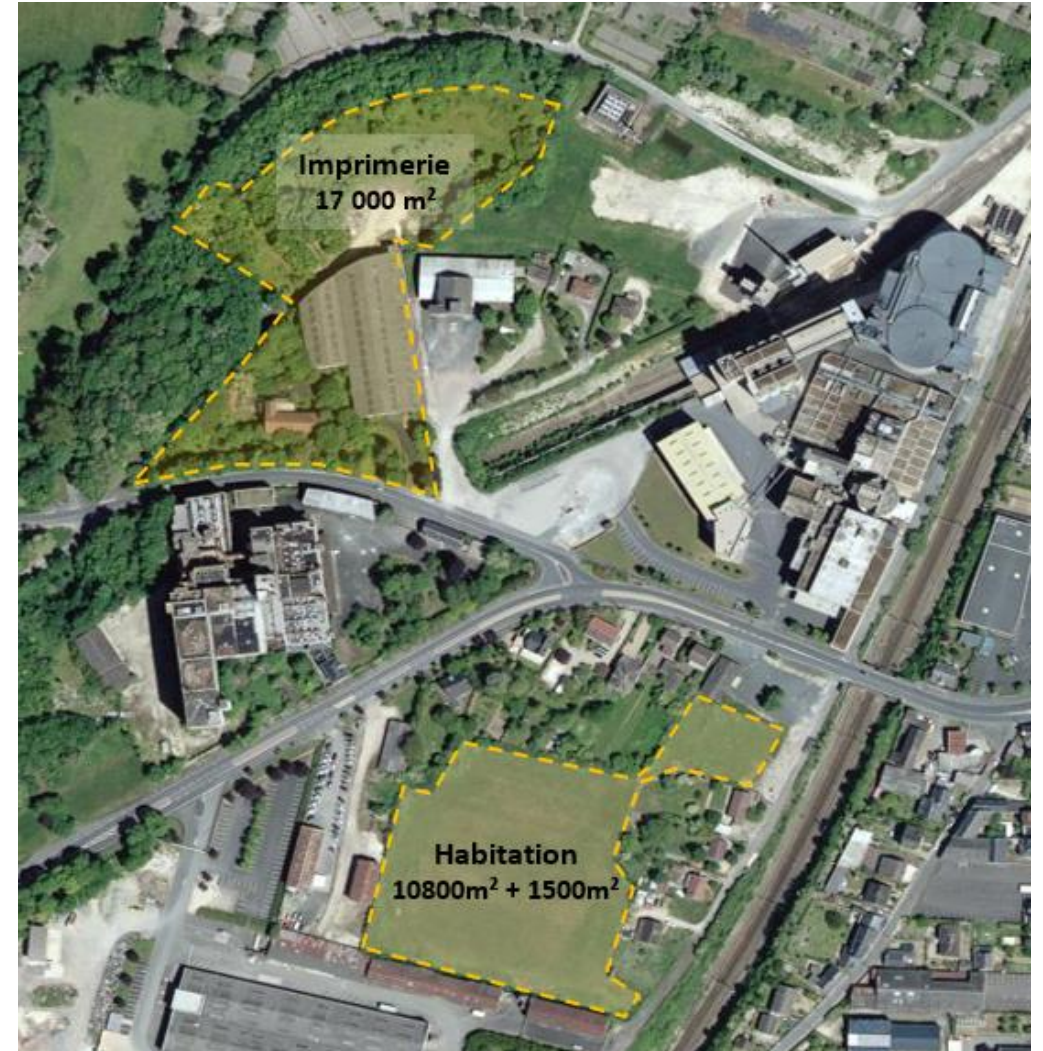
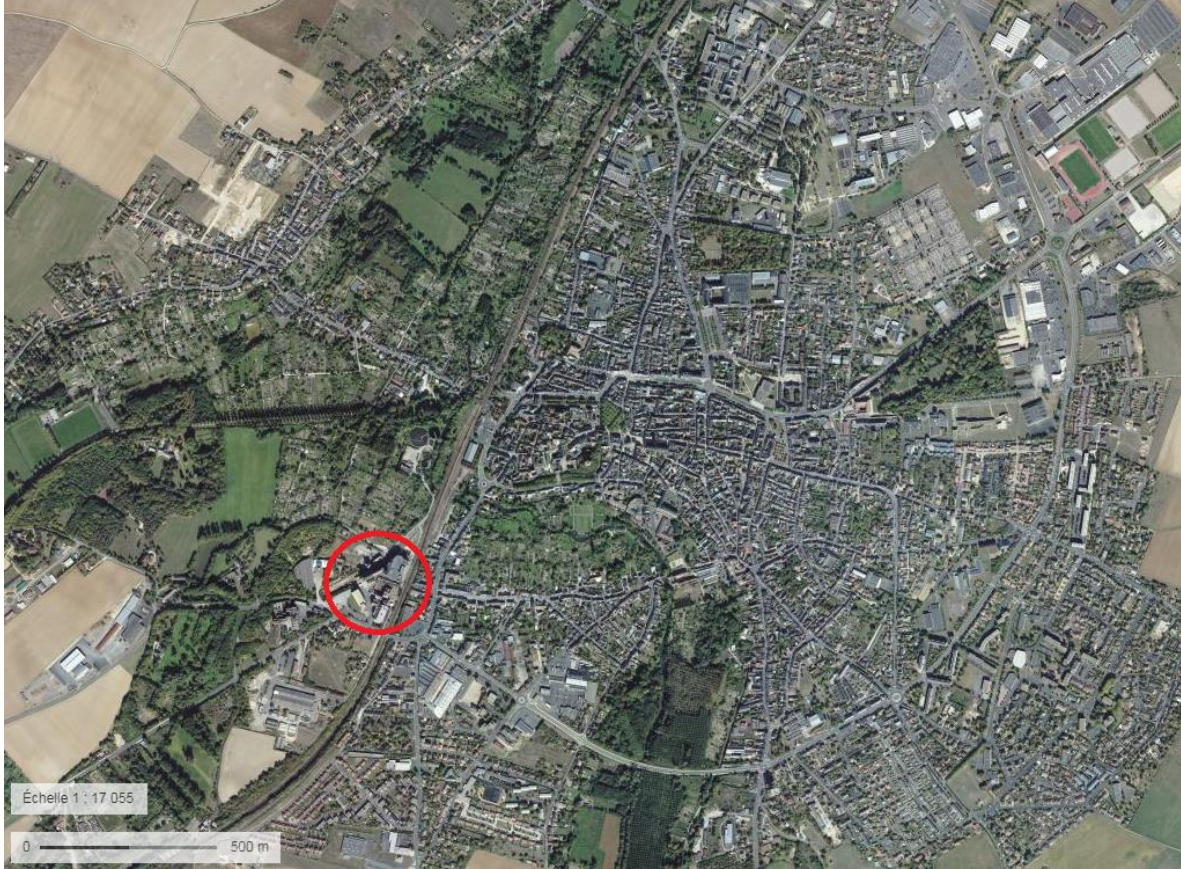


- Issoudun : 20-year average Global Horizontal Irradiance of 1 232 kWh / m² . year

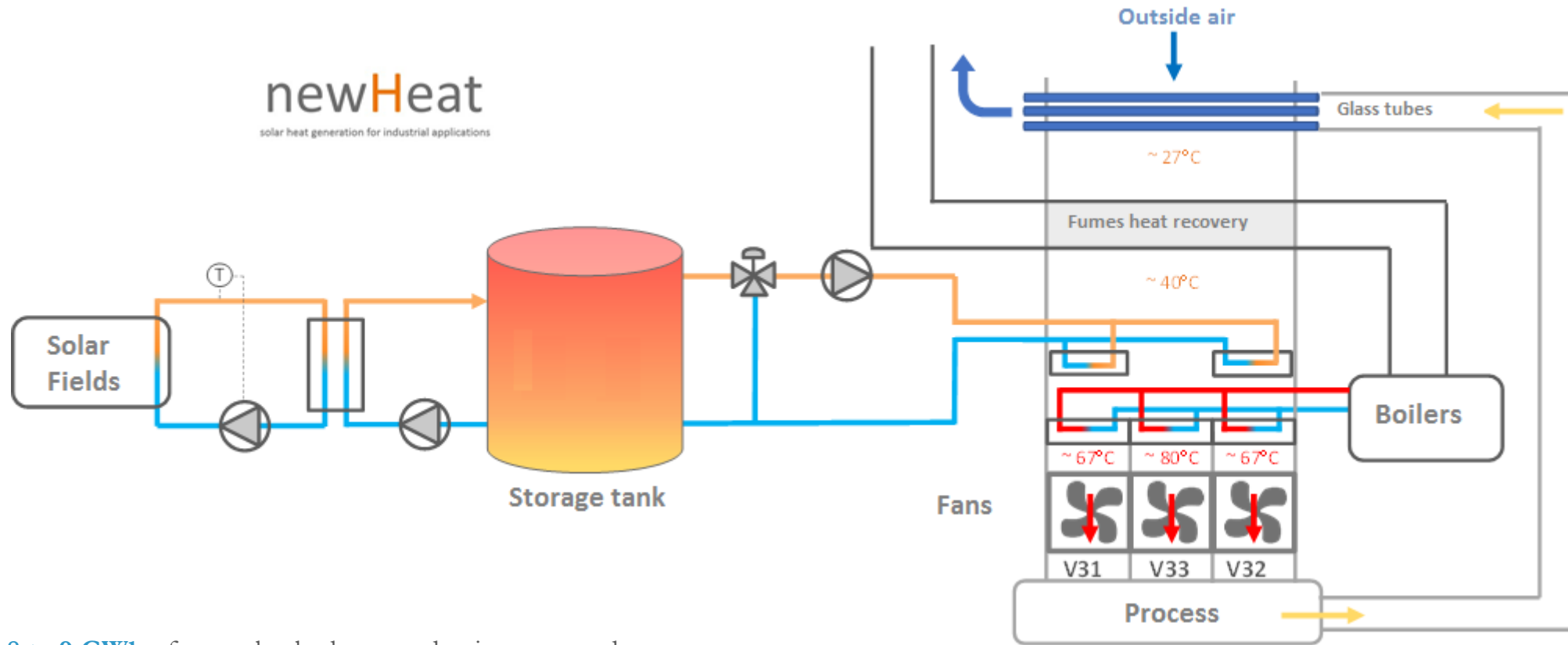


- Malting plant: 160 000 tons of malt per year
- 80 GWh heat yearly consumption (hot air between 50°C and 85°C)
- > 40% of heat production is already low carbon (biomass, waste heat and cogeneration)

The largest solar thermal on an industrial site in Europe

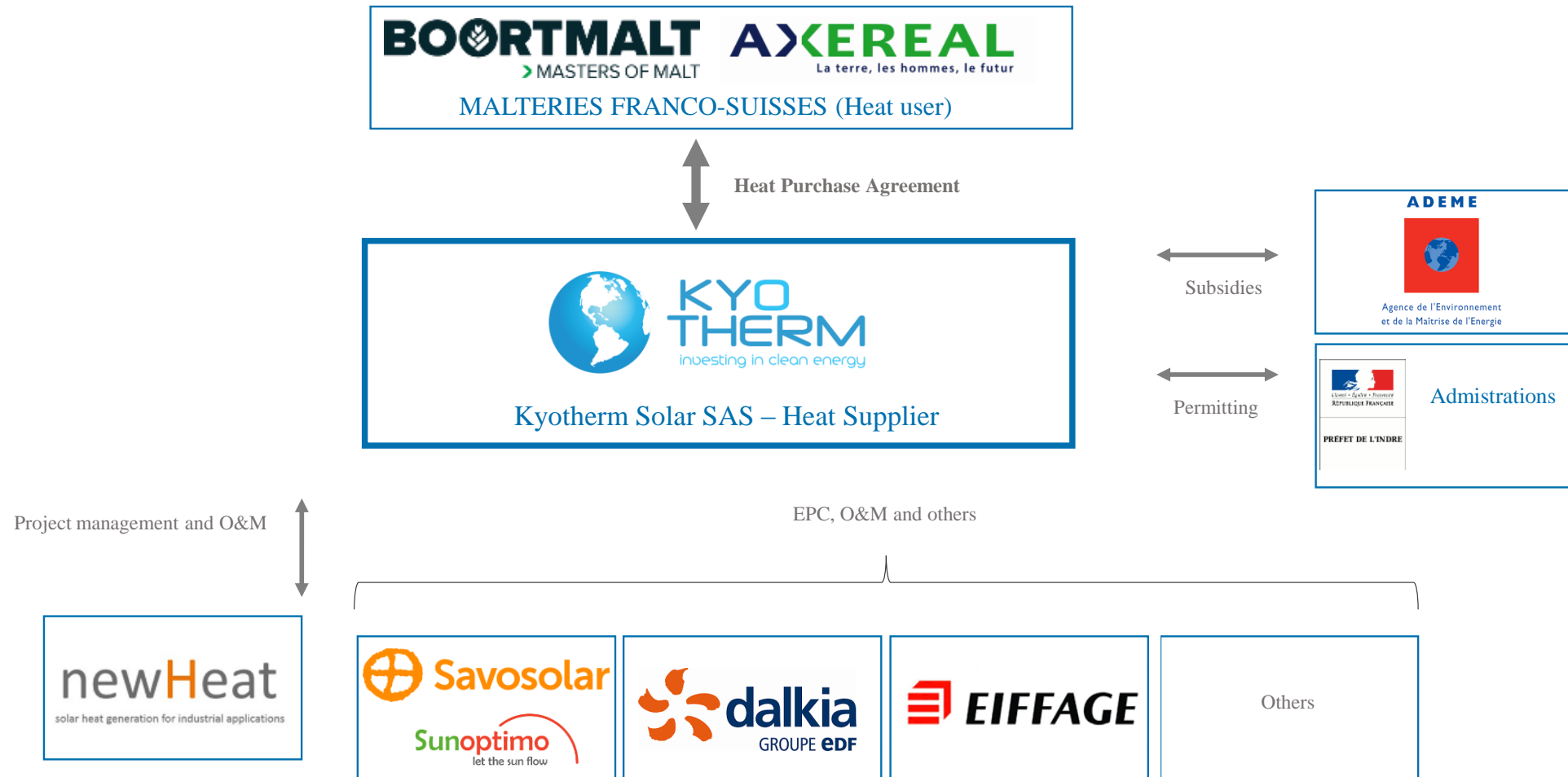


Integration to the existing industrial process



- 8 to 9 GWh of annual solar heat production expected
- Around 2 100 tons of CO₂ emissions reduction each year

Contractual organization of the project



The advantages of third-party financing



Heat Purchase Agreement



1

Risk externalization

- Heat sales in €/MWh
- Investment and thus industrial risk borne by Kyotherm

2

Realizing projects that do not get internal funding

- Industrial companies look for low payback
- Heat price < reference cost thanks to a 20-year contract

3

Off-balance sheet contract under IFRS 16

- Risk-sharing = off-balance sheet

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