



THERMAL ENERGY
INTERNATIONAL

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**The Profitable Path
to Net Zero**


TSX-V: TMG | OTCQB: TMGEF
Investor Presentation | May 2023

Disclaimer

This presentation may contain forward-looking statements within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs and current expectations of Thermal Energy International Inc. (the "Company" or "Thermal Energy") with respect to future business activities and operating performance. These forward-looking statements include, among others, statements with respect to our objectives, goals and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may", "will", "could", "should", "would", "suspect", "outlook", "believe", "plan", "anticipate", "estimate", "expect", "intend", "forecast", "objective" and "continue" (or the negative thereof), and words and expressions of similar import, are intended to identify forward-looking statements. Any such statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected in these forward-looking statements.

Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended and such changes could be material. For a detailed discussion of such risks and uncertainties, please see the risk factors outlined in our management's discussion and analysis available under the Company's profile on SEDAR at www.sedar.com. The Company does not intend, and does not assume any obligation, to update the forward-looking statements.

The term "EBITDA" as used in this presentation is not a recognized measure under IFRS, does not have a standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to similar measures presented by other companies. This measure is provided as additional information to complement IFRS measures by providing further understanding of the Company's results of operations from management's perspective and should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. Please refer to our management's discussion and analysis for the applicable period for a reconciliation of EBITDA to Net income (loss), the closest IFRS measure.

The background of the slide is a photograph of an industrial facility, likely a power plant or refinery. It features a complex network of large, white-painted pipes and machinery. The scene is brightly lit, with some areas appearing overexposed. In the foreground, there are several large pipes running horizontally and vertically. In the background, there are more pipes, some with valves and handwheels. The overall color palette is dominated by white, light blue, and grey tones. The text is overlaid on the left side of the image.

**Thermal Energy International
provides energy efficiency and
carbon emission reduction
solutions to Fortune 500 and
other large multinational
companies.**

We make our customers more profitable and competitive by reducing their fuel use and carbon emissions.

Investment Highlights

1. Energy efficiency is the **fastest, cheapest, and easiest** way to reduce carbon emissions
2. Unique and proprietary solutions provide **high ROI** with short, **compelling payback**
3. **Significant repeat business** from Fortune 500 and other large multinational customers
4. **Proven** and **profitable** track record of growth
5. Continue **growing organically** and through **accretive acquisitions**

The Business Case

- ~**90%** of industrial energy use is thermal
- ~**50%** is lost as waste heat
- Higher, more volatile thermal energy costs
- Continually increasing cost of carbon (up 300% in EU)



Improving thermal energy efficiency is the **fastest, cheapest, and easiest** way to reduce industrial carbon emissions

Unique & Proprietary Solutions

- Suite of **complementary technologies** that improve thermal energy efficiency
- **Highly-engineered**, site-specific turnkey and custom delivery model
- **Recover up to 80% of energy lost** in typical boiler plant and steam system operations
- **High ROI** with short, **compelling payback**



Repeat Business

Significant repeat business from Fortune 500 and other large multinationals

- Over the last 4 years, 60% of orders have come from our top 10 key corporate accounts
- Partially penetrated about 100 of these 10 customers' sites in 15 different countries
- Combined, these 10 customers have about 1,000 sites worldwide (<5% penetration)



Proven Growth Strategy

Leverage existing high quality customer base

Increase portfolio of complementary products

Grow team and global presence

Grow organically
and through
accretive acquisitions


Strong Momentum

Q3 2023 was our strongest quarter in more than 2 years

- Revenue = \$5.6 million
- EBITDA = \$816 thousand
- Net income = \$524 thousand

YTD* order intake of **\$22 million** is up **165%** from a year ago

** For the 9 months ended February 28, 2023.*



Order intake, order backlog, and # of signed project development agreements are higher than ever

Summary

1. Energy efficiency is the **fastest, cheapest, and easiest** way to reduce carbon emissions
2. Unique and proprietary solutions provide **high ROI** with short, **compelling payback**
3. **Significant repeat business** from Fortune 500 and other large multinational customers
4. **Proven** and **profitable** track record of growth
5. Continue **growing organically** and through **accretive acquisitions**





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