

# ROCTOOL

## Investor Presentation

*April 2018*



# WHO IS ROCTOOL?

A TECHNOLOGY AND MANUFACTURING SOLUTIONS PROVIDER

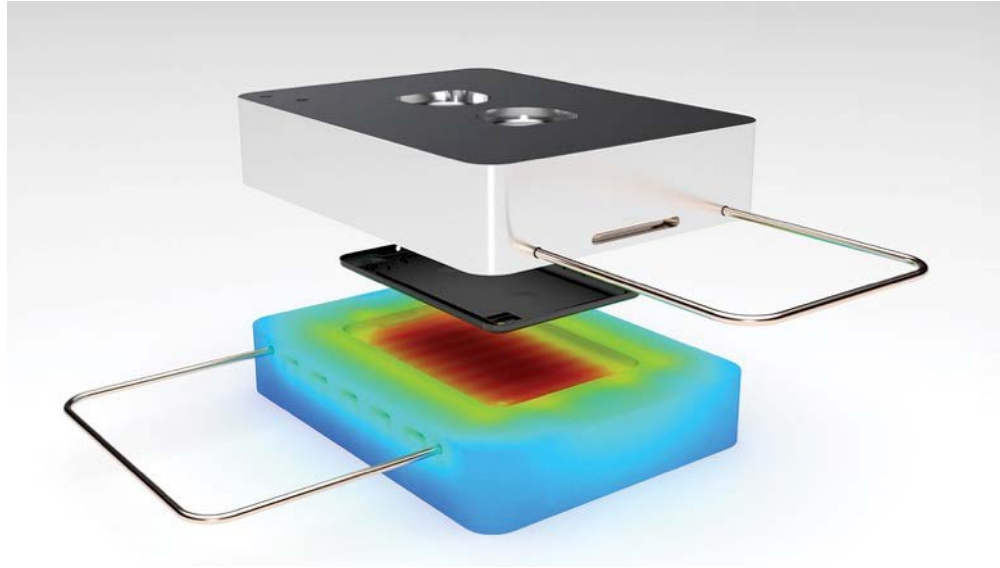


# WHAT IS ROCTOOL'S AMBITION?

TO BECOME A NEW MANUFACTURING STANDARD FOR LARGE  
BRANDS IN KEY MARKET SEGMENTS



# WE REVOLUTIONIZE FAST MOLDING PROCESSES FOR COMPOSITES, PLASTIC INJECTION AND METAL.



FAST HEATING OF  
THE MOLD SURFACE  
WITH INDUCTION

FAST COOLING  
WITH WATER  
LINES

PRECISE  
TEMPERATURE  
CONTROL

BUILT WITH  
STANDARD  
STEELS

WORKS ON  
PRESSES FROM ALL  
MANUFACTURERS





# THE FINEST PLASTIC SURFACE

REDUCE  
SECONDARY  
OPERATIONS

ELIMINATE  
VISUAL  
DEFECTS

REDUCE  
PART'S  
CARBON  
FOOTPRINT

UNPARALLEL  
SURFACE  
QUALITY

UNLIMITED  
SURFACE  
DESIGNS

PRECISE  
SURFACE  
REPLICATION

FLOW  
LENGTH  
INCREASE

THIN WALL  
APPLICATION





**INTENSE  
BLACK**





**EXTREME  
GLOSS**





**LASTING  
STRENGTH**





**BEAUTIFUL  
THINNESS**





**TOTALLY  
COLORFUL**





GENUINE  
FINISH





**STRONG  
LIGHTNESS**



# MANAGEMENT



## \ Matt Boulanger (38) - CEO

Matt joined Roctool in January 2004. He worked at Roctool's head offices in Savoy for ten years where he was in charge of global sales development, key customers, and strategic directions. In 2013, he created the American subsidiary, Roctool Inc. He has been appointed CEO of the Roctool Group in December 2015 and remain President of Roctool North America.



## \ José Feigenblum (44) - CTO

José joined Roctool in June 2002 (shortly after the company was created). José is an expert in induction heating and is in charge of technology and R&D. As such, he is at the heart of Roctool's innovations.

He's currently the managing director of Roctool Shanghai.



## \ Nicola Gobbo (36) – Deputy GM

Nicola joined Roctool in April 2014. After a few years as investor and capital investment consultant, he created a consultancy firm and a publishing company for which he was the Finance and Administration Manager.



## KEY FACTS

135

PATENTS  
WORLDWIDE

12

DIFFERENT  
NATIONALITIES

03

CONTINENTS  
COVERED

07

PhD  
DEGREES

26

COUNTRIES  
OF SALE

88

GLOBAL  
CLIENTS

275

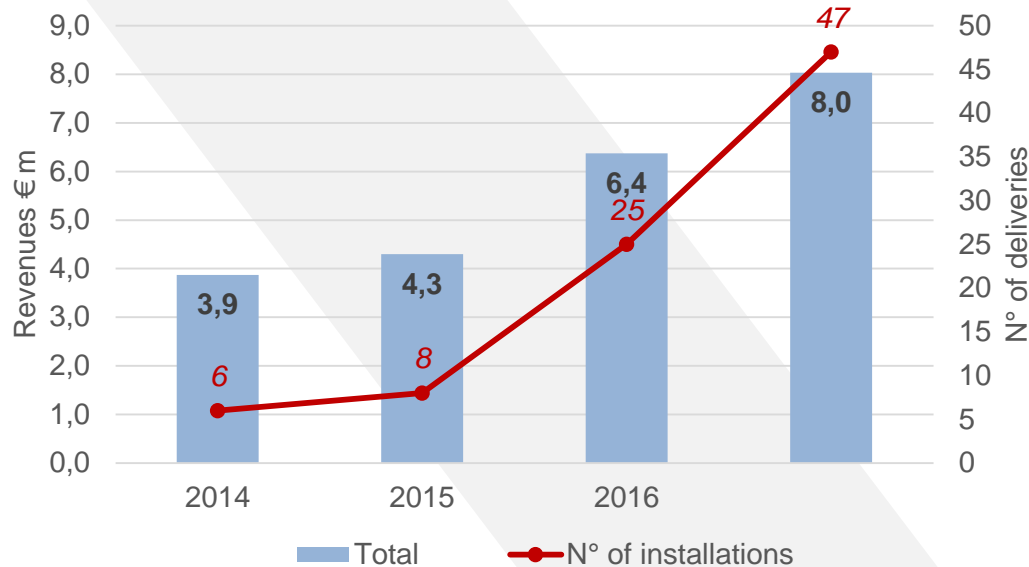
SYSTEM  
INSTALLATIONS

35M

MANUFACTURED  
PARTS



# KEY FIGURES



**+26%**

Revenues 2017 vs. 2016

**62%**

Gross margin

**+88%**

Installations 2017 vs. 2016

**\ From a pure innovation player to a provider of full industrial technology solutions**



# A STRONG BUSINESS MODEL



## Products

- Induction heating system
- Tooling hardware
- Complete turnkey solutions

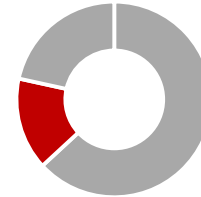


63% of '17 revenues  
€ 5,07 m



## Services

- Engineering (simulations, thermal engineering and computer-aided designs)
- Installation, commissioning, and after sales services
- Leasing
- Trials

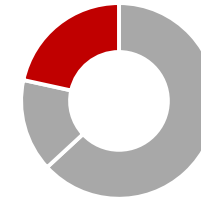


15% of '17 revenues  
€ 1,23 m



## Licences and royalties

- Licensing agreements on new innovations and technologies



22% of '17 revenues  
€ 1,73 m



# PRODUCTS AND SERVICES



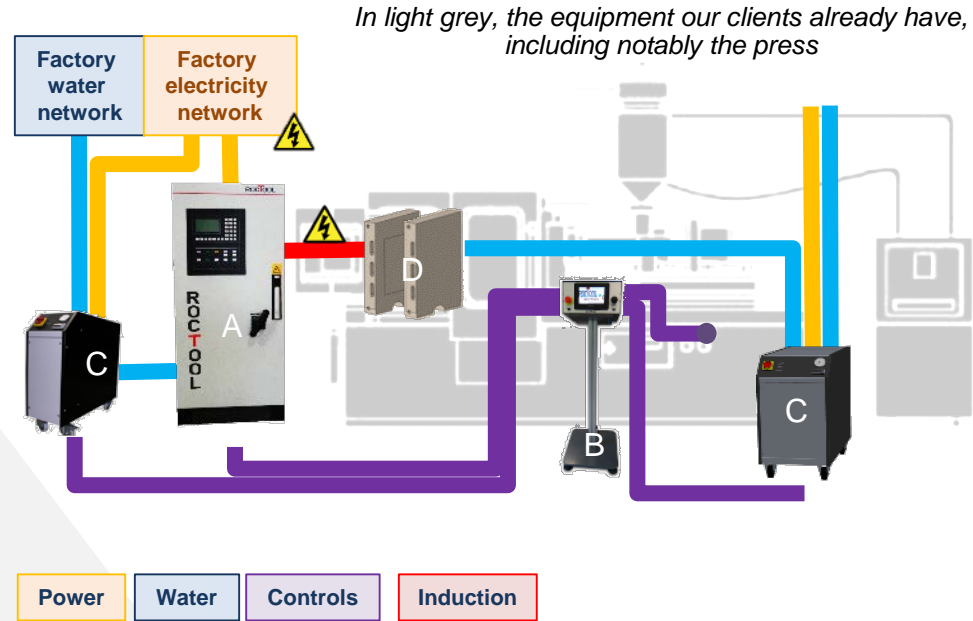
## Products

- Induction heating system
  - Generator (A)
  - Controlling unit (B)
  - Chillers (C)
- Tooling hardware (in the mold D)
- Complete turnkey solutions (including the press in light grey)



## Services

- Engineering of the mold (D) (simulations, thermal engineering and computer-aided designs) and of complete installation automation
- Installation, commissioning, and after sales services
- Leasing of products
- Trials



# THREE TYPES OF CUSTOMERS

\ **Major global brands**, which are the main target of our strategy: they are a priority for us as direct decision makers

\ **Subcontractors** are our main customers and they serve the OEMs

\ **Main stakeholders** in our industry:

- Mould makers that integrate our engineering in mould making
- Press manufacturers, namely the equipment on which RocTool's technology is installed
- Materials manufacturers which can create more materials and collaborate with us per segment

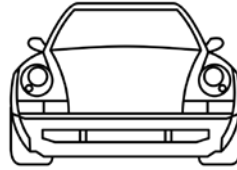
Some brands among our customers (direct and indirect):



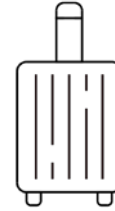
# SECTORS



\ **ELECTRONICS**



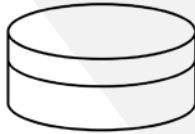
\ **AUTOMOTIVE**



\ **CONSUMER PRODUCTS**



\ **AEROSPACE**



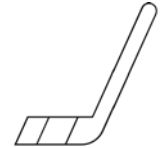
\ **COSMETICS**



\ **ENERGY**



\ **MEDICAL**

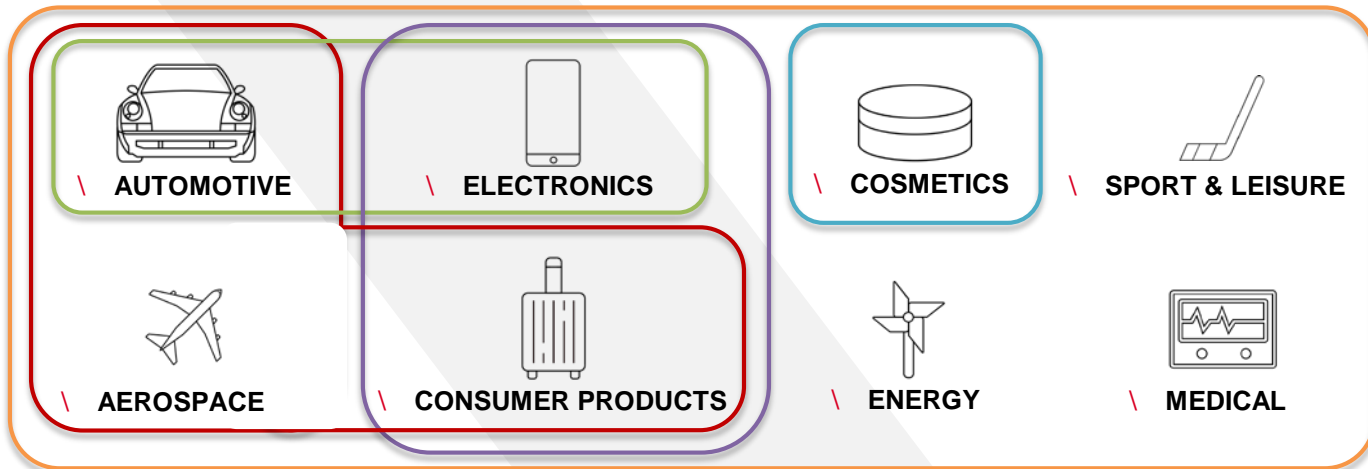


\ **SPORT & LEISURE**

# RESEARCH & INNOVATION

\ Adaptation of Roctool technologies to new processing methods and new materials

Light Induction Tooling <sup>TM</sup>	Induction Dual Heating <sup>TM</sup>	Metal	Blow molding	Radiation heating	Connections
• <i>Composite molding</i>	• <i>Hybrid plastic injection &amp; composite molding</i>	• <i>Thycomolding</i> • <i>Amorphous alloys</i>	• <i>Injection stretch blow molding</i>	• <i>Plastic injection</i> • <i>Composite molding</i>	• <i>All</i>



# A DISRUPTIVE TECHNOLOGY

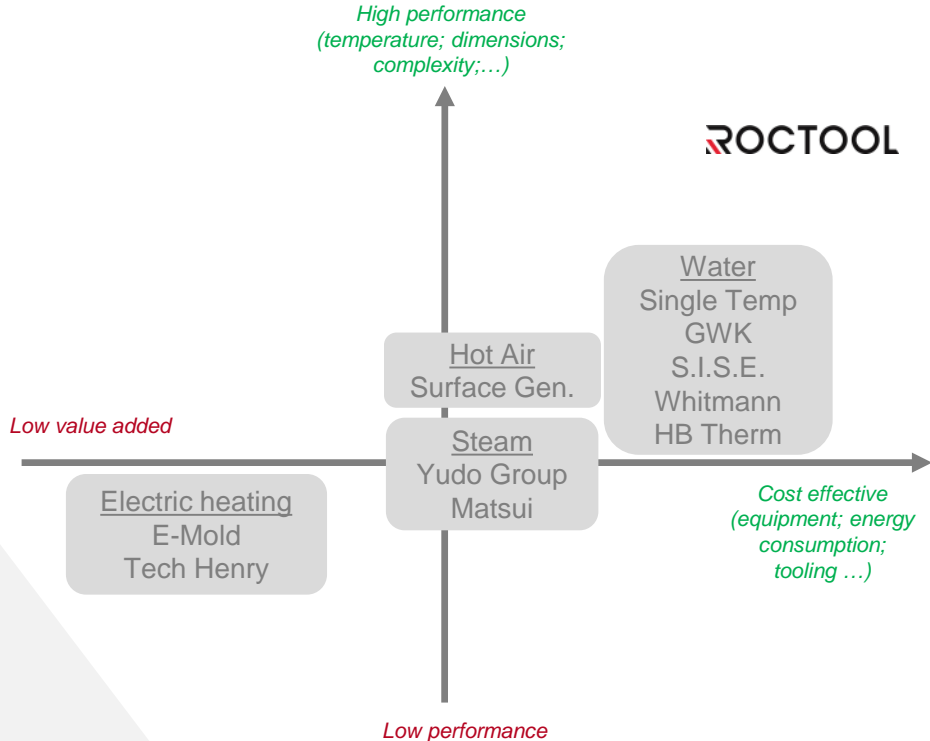
## Direct competitors:

- An established market dominated by the use of conventional moulding technologies that do not use Heat and Cool technology and with/without the use of secondary operations such as IML (In-Mould Labelling), IMD (In-Mould Decoration), or painting
- Stakeholders in *Heat and Cool* technology: although our technology has proven itself in terms of performance and is far ahead of the others, these competitors can compete especially with regards to pricing

## Indirect competitors:

Among our indirect competitors, there are those which are developing:

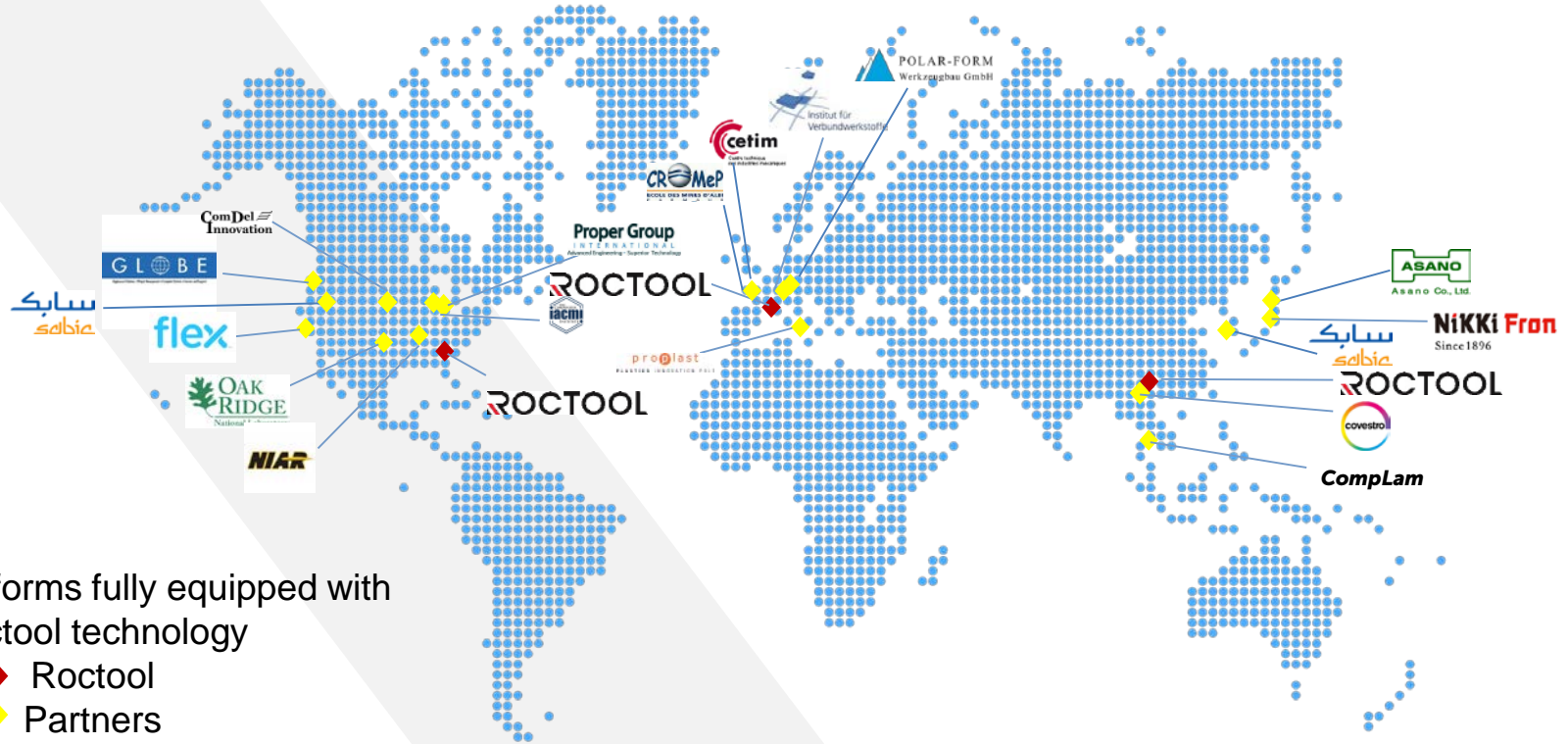
- New materials which do not need an efficient moulding process
- New production technologies
- Cheaper secondary operations



A UNIQUE TECHNOLOGY LEADING THE MARKET IN TERMS OF TECHNICAL AND COST EFFECTIVE PERFORMANCE



# ROCTOOL & PARTNERS PLATFORMS



Existing platforms fully equipped with  
Roctool technology

- ◆ Roctool
- ◆ Partners



# INCREASING ROCTOOL USERS IN ASIA

\ List of manufacturers equipped with Roctool systems



*Current focus on consumer electronics, wearables, notebooks*

***Priority: get to production phase asap***



# ROCTOOL SHANGHAI

\ **The biggest investment** in Roctool history, located in Shanghai



\ **The largest Roctool facility** with 2'500 sqm



\ **The latest technologies** including a 600 tons press





# ROCTOOL SHANGHAI TO REACH TOP US BRANDS

Examples of  
brand customers

\ **E-commerce & cloud computing**  
(\$178bn revenues)

\ **Software and PC maker**  
(\$90bn revenues)

\ **Computer technologies**  
(\$55bn revenues)

\ **PC & printers brand**  
(\$48bn revenues)

\ **Wearable connected devices**  
(\$2bn revenues)

\ **Consumer tech devices**  
(\$884mn revenues)



# 2017 KEY FACTS

- \ **€5.5m** capital raise in March
- \ **€0.9m** convertible bonds refinancing in May (with simple bank loan)
- \ **Strategic agreement** signed with the leading press manufacturer Krauss Maffei
- \ **2017 Preferred Supplier Awards** prize received from Flex in May
- \ **Strategic partnership** signed with Detroit IACMI (Institute for Advanced Composites Manufacturing Innovation)
- \ **R&D partnership** with Oak Ridge national laboratory based in Tennessee (ORNL)
- \ **Materials & application designers** team launched in autumn (based in Paris and San Francisco)
- \ **Asia presence strengthened** with launch of Roctool Shanghai (opening in June 2018)



# 2017 RESULTS

- \ **+26% consolidated revenues**  
up to € 8m
- \ **+23% operational costs**  
driven by recruiting
- \ **€ -0.5k financial result**  
of which € -0.3m of exchange losses
- \ **€ -1.5m net result**

P&L €	31/12/2017	31/12/2016	Δ
<b>Revenues</b>	<b>8 032 932</b>	<b>6 375 378</b>	<b>26%</b>
Sale of goods	5 072 149	3 478 166	46%
Cost of good solds	2 987 719	1 628 455	83%
<b>Goods gross profit</b>	<b>2 084 430</b>	<b>1 849 711</b>	<b>13%</b>
Licesing	591 977	611 547	-3%
Royalties	1 140 295	1 046 376	9%
Other services	1 228 511	1 239 288	-1%
<b>Sale of services</b>	<b>2 960 783</b>	<b>2 897 211</b>	<b>2%</b>
<b>Total gross profit</b>	<b>5 045 212</b>	<b>4 746 922</b>	<b>6%</b>
<b>Operational costs</b>	<b>6 177 509</b>	<b>5 008 605</b>	<b>23%</b>
<i>Personnel</i>	<i>3 491 175</i>	<i>2 670 063</i>	<i>31%</i>
<i>Other current costs</i>	<i>2 686 334</i>	<i>2 338 541</i>	<i>15%</i>
Subsidies	360 372	371 211	-3%
<b>EBITDA</b>	<b>(747 808)</b>	<b>109 365</b>	<b>0%</b>
Capitalized production, provisions write-back, etc.	540 439	538 688	0%
Depreciations and amortizations	807 697	651 290	24%
<b>EBIT</b>	<b>(1 015 066)</b>	<b>(3 237)</b>	<b>-</b>
<b>Financial result</b>	<b>(469 574)</b>	<b>25 066</b>	<b>0%</b>
<b>Current result</b>	<b>(1 484 640)</b>	<b>21 829</b>	<b>0%</b>
<b>Extraordinary result</b>	<b>(92 060)</b>	<b>(104 815)</b>	<b>12%</b>
<b>Income tax</b>	<b>(11 589)</b>	<b>17 375</b>	<b>0%</b>
<b>Net income (loss)</b>	<b>(1 565 111)</b>	<b>(100 361)</b>	<b>-</b>



# 2017 RESULTS

**\ Significant receivables**  
up to €3.7m due to strong Q4

**\ Important inventory**  
€0.9m

**\ Reinforced equity**  
up to €6m

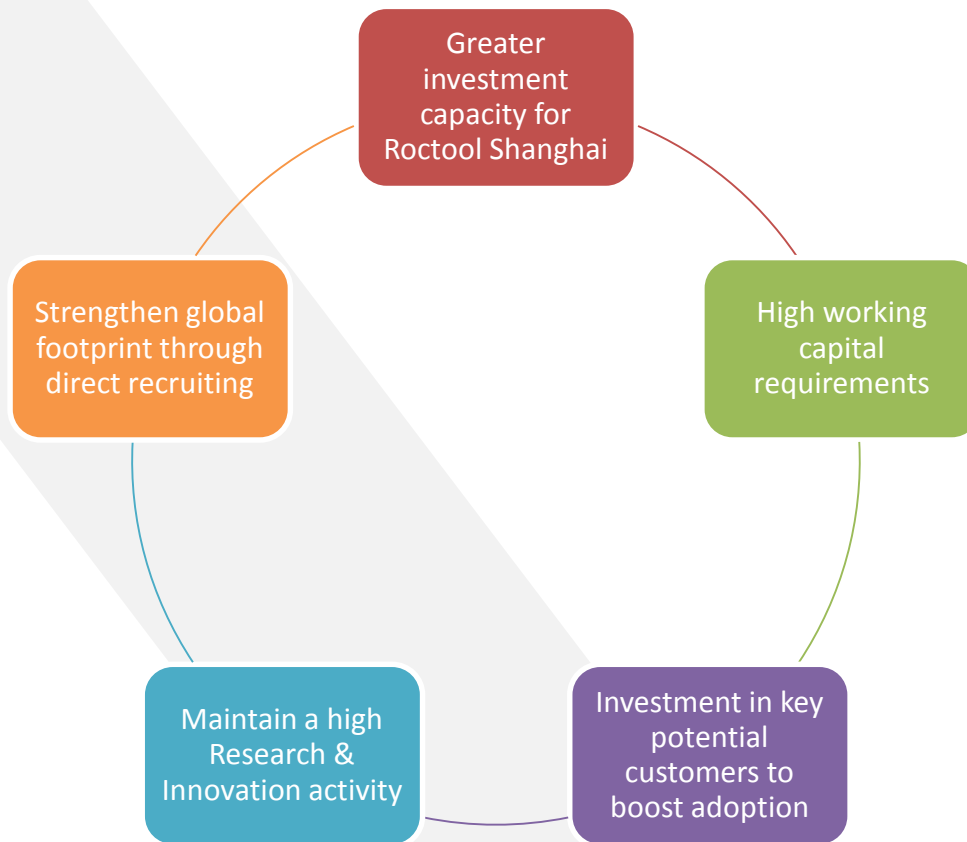
**\ Decreasing financial debt**  
€1.7m

Assets	31-Dec-17	31-Dec-16	Δ
Uncalled capital			
Goodwill			
Intangible assets	1 614 370	1 335 165	21%
Tangible assets	404 308	462 072	-13%
Financial assets	159 682	79 040	102%
Equity affiliates			
<b>Fixed assets</b>	<b>2 178 361</b>	<b>1 876 276</b>	<b>16%</b>
Inventory	941 520	619 272	52%
Accounts receivable	3 704 572	1 651 383	124%
Deferred taxes	29 533	19 178	54%
Other receivables	1 416 371	760 616	86%
Marketable securities	254 000		
Cash	1 690 874	1 080 183	57%
<b>Current assets</b>	<b>8 036 870</b>	<b>4 130 631</b>	<b>95%</b>
<b>Total assets</b>	<b>10 215 231</b>	<b>6 006 907</b>	<b>70%</b>

Liabilities	31-Dec-17	31-Dec-16	Δ
Capital	670 076	500 076	34%
Share premiums	12 841 352	7 741 166	66%
Revaluation reserve			
Loss carried forward	(5 991 868)	(5 884 119)	-2%
<b>Net result</b>	<b>(1 565 111)</b>	<b>(100 511)</b>	<b>-1457%</b>
<b>Equity</b>	<b>5 954 450</b>	<b>2 256 612</b>	<b>164%</b>
<b>Minority interests</b>			
Other equities			
Goodwill			
Provisions	471 055	390 588	21%
<b>Provisions</b>	<b>471 055</b>	<b>390 588</b>	<b>21%</b>
Financial debt	1 660 044	1 890 982	-12%
Accounts payable	1 422 154	923 338	54%
Other debts	707 529	545 387	30%
<b>Debts</b>	<b>3 789 727</b>	<b>3 359 707</b>	<b>13%</b>
<b>Total liabilities</b>	<b>10 215 231</b>	<b>6 006 907</b>	<b>70%</b>



# USE OF PROCEEDS



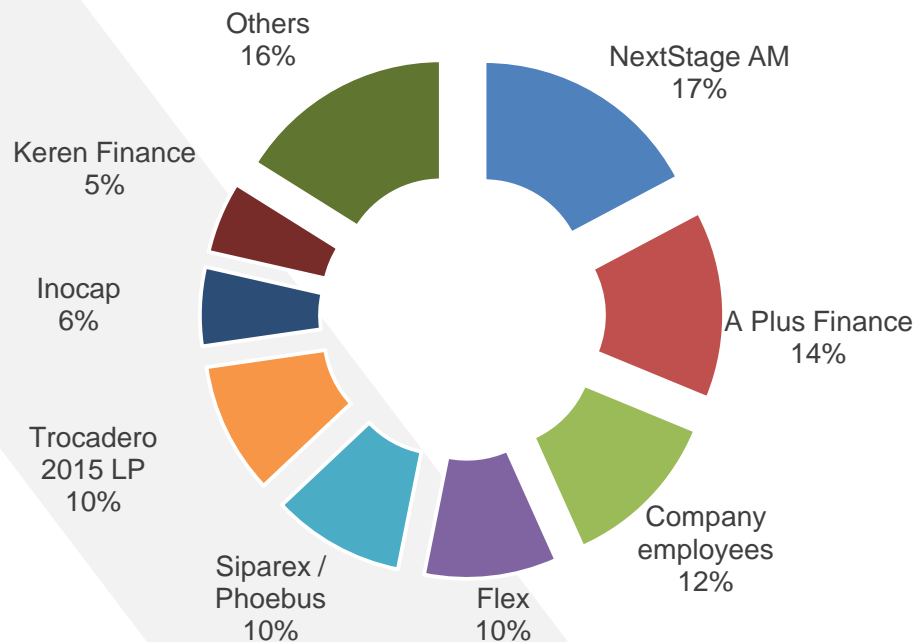
# WHY INVEST IN ROCTOOL

- \ High potential for growth and solid capabilities to capture value
- \ Roctool revolutionizes rapid molding processes for composites, plastic injection and metal
- \ Technology and process protected by over 18 patent families over 23 countries
- \ Important potential of the addressable markets (multi billion plastics, composites, and metal industries)

**Make Roctool an international company and  
a reference in the world of molding technology  
used by leading brands**



# SHAREHOLDERS



\ Fully diluted, as of March 2018



**ROCTOOL**  
MOLDING MATTERS.