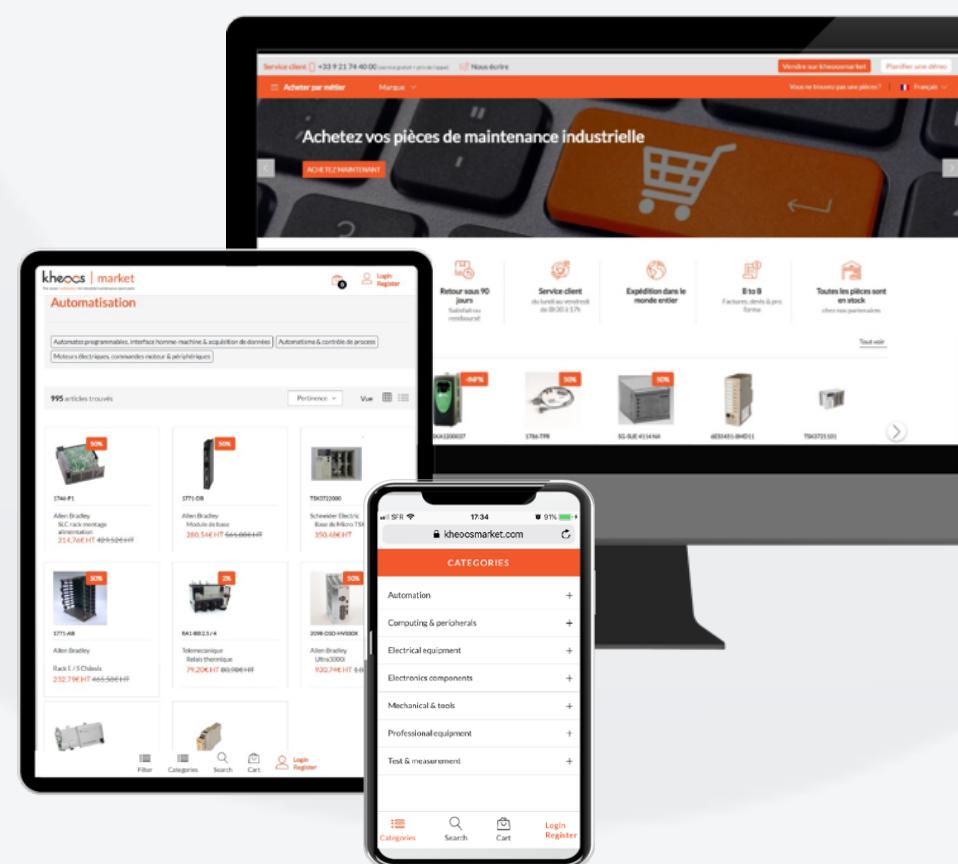




THE 1ST AI-POWERED MATCHING SOLUTION FOR THE MASSIVE RE-USE OF INDUSTRIAL PARTS



kheoos deck

Dominique Mercier
2022 November 23rd

News kheoos à date 31/10/2022

- **Business**
 - 350 clients actifs dans 37 pays (x2 en 1an)
 - CA 2022 YTD : 333 k€, vs. 234 k€ en 2021 sur la même période (+42%)
- **Contrats de revente de pièces de maintenance dormantes signés depuis juin 2022 (soit 3 mois)**
 - Philip Morris International Corporate, tous sites Europe : (9 M€ pour Italie et Grèce)
 - Faurecia CZ (700 k€)
 - Serimax (all plants, 500 k€)
 - EuroAPI (90 k€), KOeBO (80 k€), Schott (60 k€)...
- **Contrats de revente de pièces de maintenance dormantes en négo avancée**
 - Michelin Corporate Europe hors FR (4.5 M€)
 - Bosch Rexroth (190 k€), Valeo MX et USA (70 k€)...
 - Plastic Omnium Corporate (1.7 M€)
- **Contrats d'achat de pièces dormantes signés depuis juin 2022**
 - Volvo-Renault Trucks, Hyundai Motor, Les Chantiers de l'Atlantique, Robert Bosch, JTEKT, Aserti, EU Automation...
- **Contrats de cleaning de base de données signés depuis juin 2022**
 - Michelin (120 k€)
- **R&D – Releases et développements récents**
 - Nos algorithmes de matching s'appuient sur une base de **75 millions de références** et plus de **4 000 marques** : x2 en 6 mois
 - Connecteur eBay v2 (publication des offres, gestion des commandes)
 - Punch-out pour les systèmes Oracle et SAP
 - kheoosmarket : comptes corporate, 7 langues, mode public/privé

- ➔ Les montants indiqués correspondent à la valeur des stocks dormants. Total ~12 M€
 ➔ Revenus annuels récurrents escomptés après mise en ligne: 0.9 M€



kheoos winner of EIT
Circular Economy Prize

A body of the European Union



Executive summary

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Today, industrial companies struggle with the spare parts inventory they built to maintain their production lines. Up to **30% turns out to be dead stock** after a couple of years. Because of a lack of an easy and effective solution to sell them, they are unfortunately sent for **destruction**, although they could still be useful for other production plants, within the same group or not.

This is the reason why we created kheoosmatch, the 1st digital solution that fully automates the whole process, **unveiling a new market**: the market for the reuse of dead maintenance stocks.

We aim to **save 90% of dead industrial spare parts** from destruction, which weigh **3 B€ in Europe**, and consequently also **extend lifetime** of production lines by few years, **reduce line shortage** and improve **supply efficiency at lower cost**. As a consequence, looking back in the value chain, we aim to address the **raw material scarcity and geopolitical strategic issue with new perspective : reducing the need of it**.

Our algorithms match thousands of parts, generate product data sheet and selling price and automatically push offers on various marketplaces in a matter of days. Once a part is sold, we manage the **entire supply chain** to ensure customer satisfaction.

Our technology, supported by Grenoble Alpes University, was proven last year with Michelin, over 21,000 references.

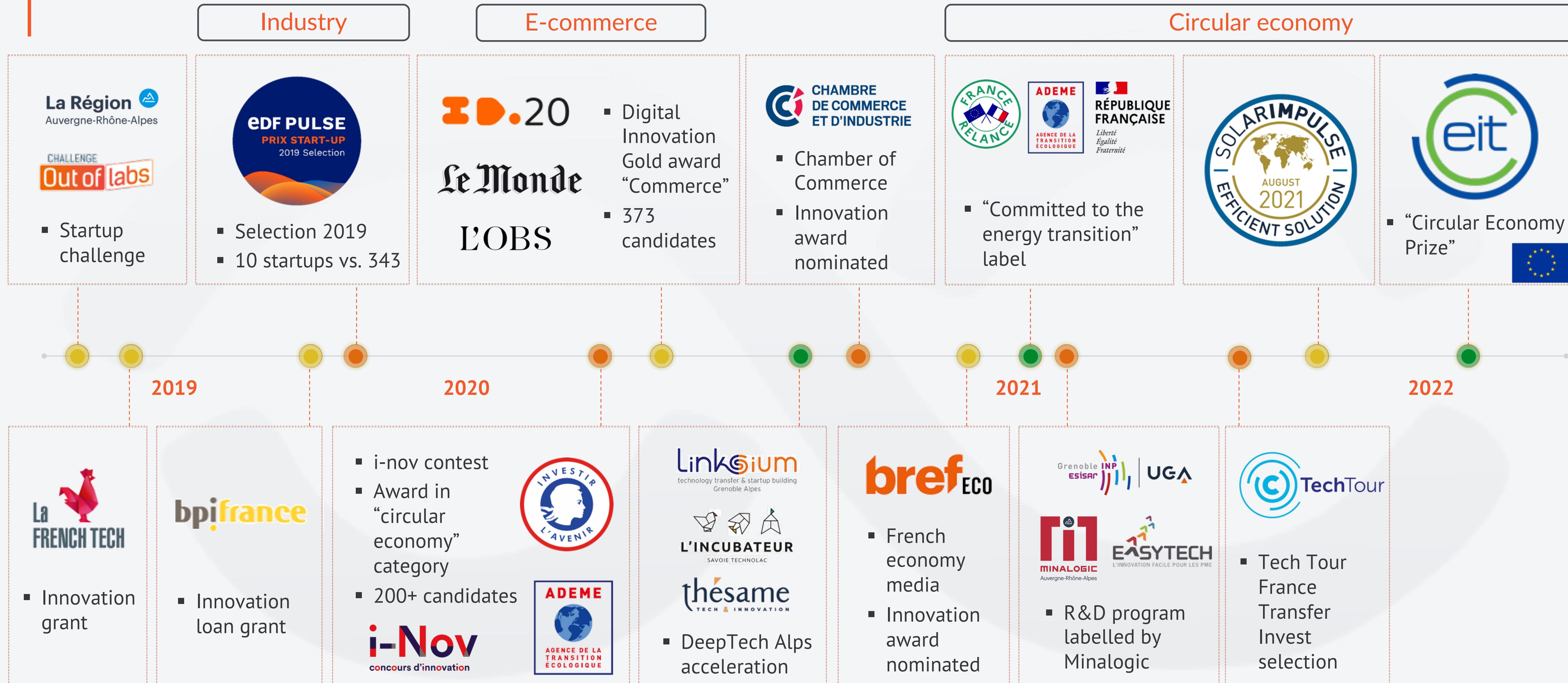
Thanks to Sanofi, EDF, Valeo early adopters, we identified a stock worth 3 M€ which is now available online on our own **marketplace**.

Aside the business, **7,500,000** maintenance spare parts can be saved, representing **450,000 t CO2 equivalent** or **45,000 m3**, not to mention overall energy and earth resources saved.

kheoos brings a complete solution to both address business and sustainability.

After an initial investment of 1.2 M€ dedicated to R&D and first sales in France and 33 countries, we are now raising a pre-seeds 1+ M€ for business acceleration.

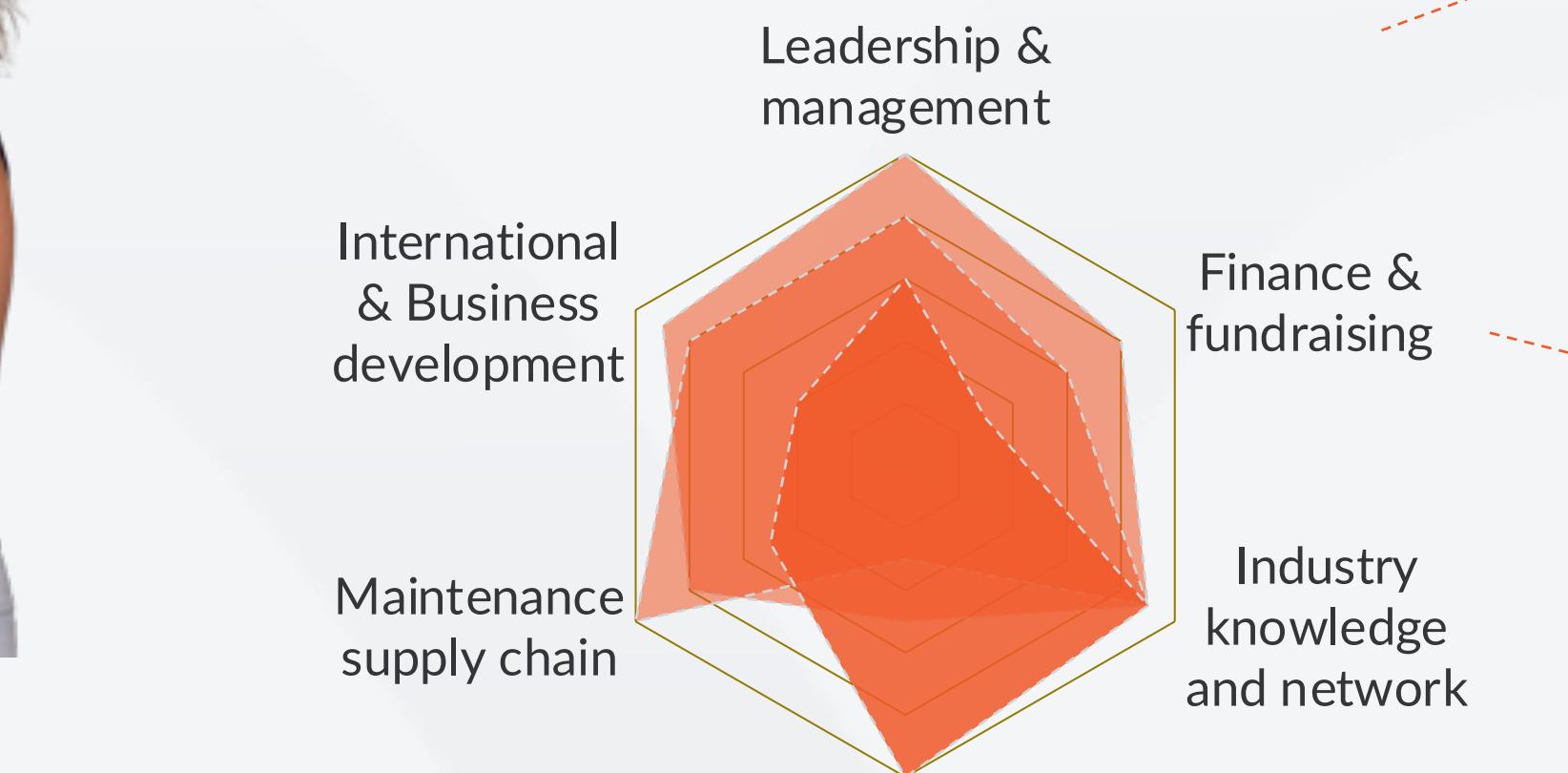
With the help of VC funds, as well as our organic growth options, we will drive the emergence of this global dead stock market on a European scale and beyond.



A highly experienced and complementary team with an **industrial proven track-record.**



- INSA Engineer + Master in Advanced Manufacturing, London
 - 20+ years in semiconductor industry
 - STMicroelectronics Industrial Engineering Expert
 - AI, Database modelling, Big Data, complex IT projects, SAP...
- Ecole Centrale Engineer + HEC MBA
 - 25+ years in various industry sectors - Automotive, Semiconductor & Energy
 - STMicroelectronics: Corporate Sourcing Manager \$400 mn/y
 - Photowatt - EDF: Board of Directors (Sales, marketing, supply) 12 years



Technology



Photowatt



Awards



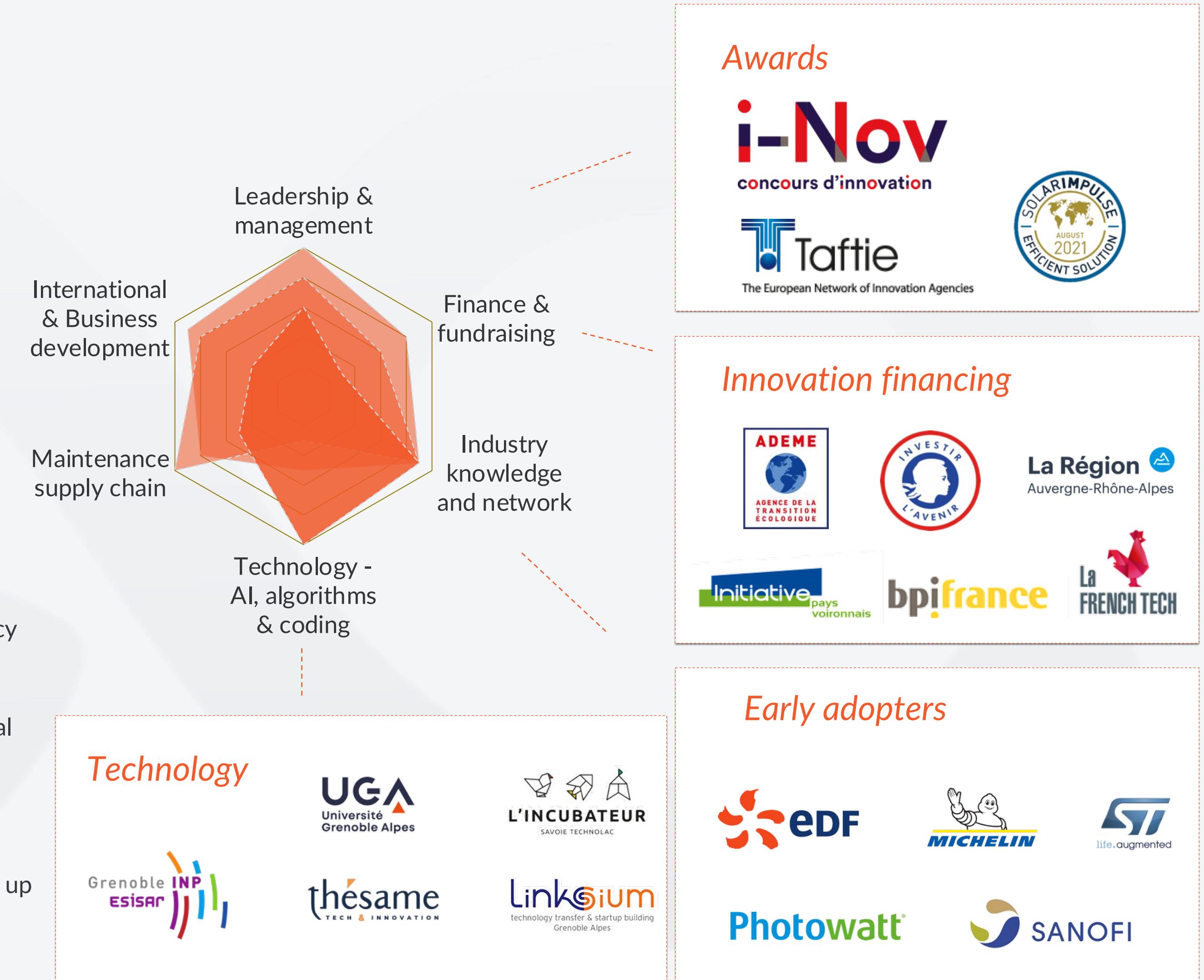
Innovation financing



La Région
Auvergne-Rhône-Alpes



Early adopters



Governance: **Strategic Committee** composed with highly experienced professionals constituted in November 2022



Annaïk Barbé

- Deeptech expert – European Innovation Council
- Innovation Director – Prisma Media Group, Bertelsmann
- Director of Design – A&MB (co-founder)
- MSc Design Ecole Boulle | MBA HEC Paris | MSc HR Panthéon Assas



Didier Miraton

- CEO Michelin – and R&D Director
- CEO - Pierre Fabre – French multinational pharmaceutical and cosmetics company
- Director – Vilmorin – French seed producer
- Advisor for 12 techno startups



Denis Gihan

- Expert Corporate finance – 300+ transactions
- Dailymotion – Premier investisseur
- Keyrus – GM 2000-03
- BCG & Oliver Wyman – Manager 97-99
- Schneider Electric – M&A 90-96
- HEC Paris 1990



Vivien Sayve

- Head of Finance & Strategy – Exaison (Blockchain & Cloud)
- Senior Associate, Operational Turnaround – Albus Partners
- Chargé d'affaires VC – EDF Venture
- MSc Corporate Finance & Banking, EDHEC Business School

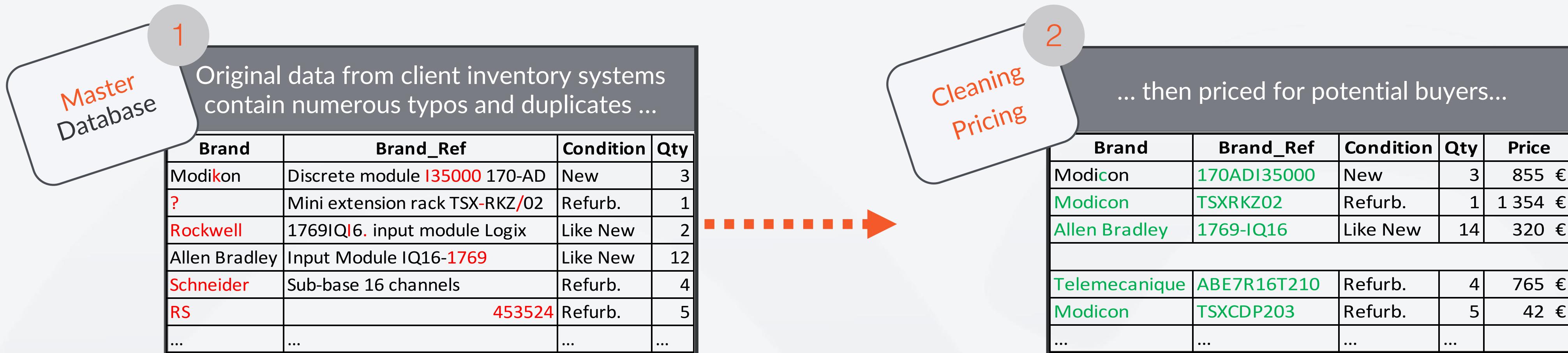
What is the issue ? Dead stock accounts for 30.0 % of total maintenance stock over time and is likely to be destroyed, although high demand across other plants and industries is a reality. No massive efficient solution exists for obsolete and orphan parts.

Pitch



kheoos|market[©] : The 1st AI-powered B2B platform solution for dead spare parts massive reuse challenge : stock identification, price, sell, buy, pool.

Pitch



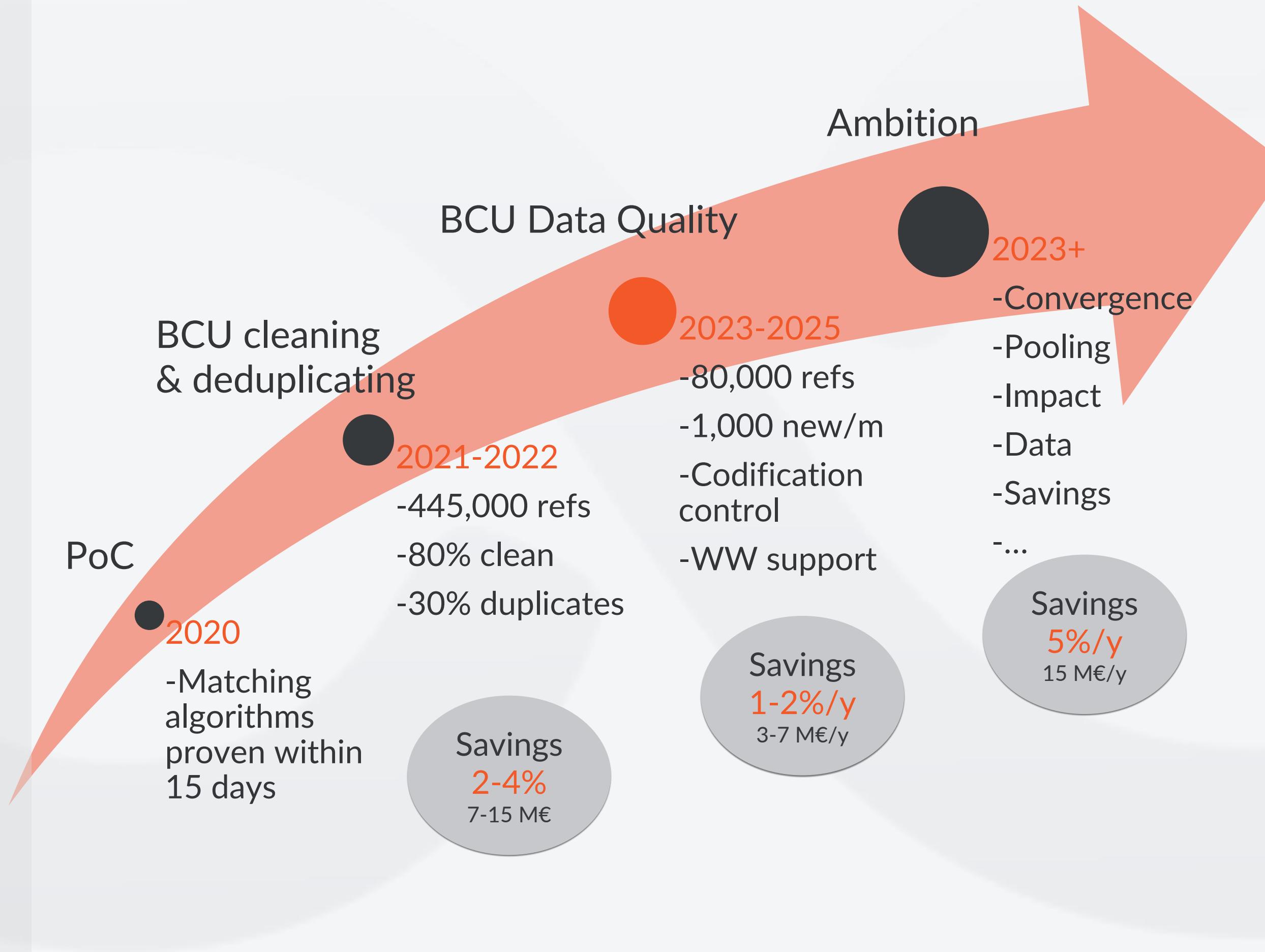
kheoos and Michelin real case : case from automotive sector early adopter for a potential 30 M€ revenues over 8 years.



Case

- **SLIM Project challenge**
 - Reduce maintenance inventory from 500 M€ → 350 M€
 - Issue : 2 ETP full time for 20 years needed to clean up BCU

Key success factor
Enabling fully automated creation of enriched references catalog with duplicates identification.



Solutions

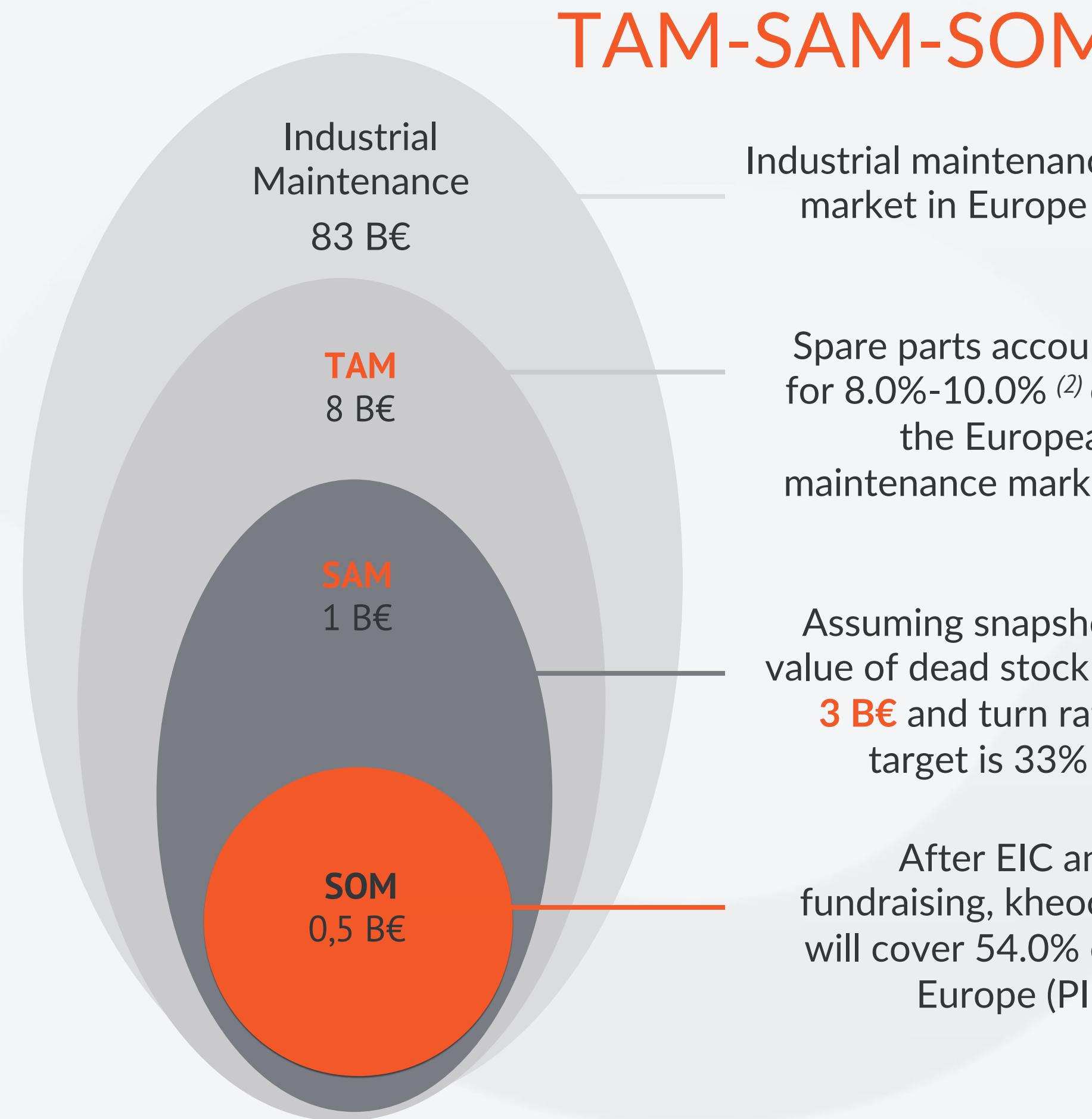
- **Team**
 - Experienced R&D and maintenance professionals
- **Technology**
 - Matching algorithms (75M+ refs database, AI)
 - Pooling
 - Enriched catalog
 - Market place for reuse

Key success factor
Drastically enhance knowledge database to encompass new brands

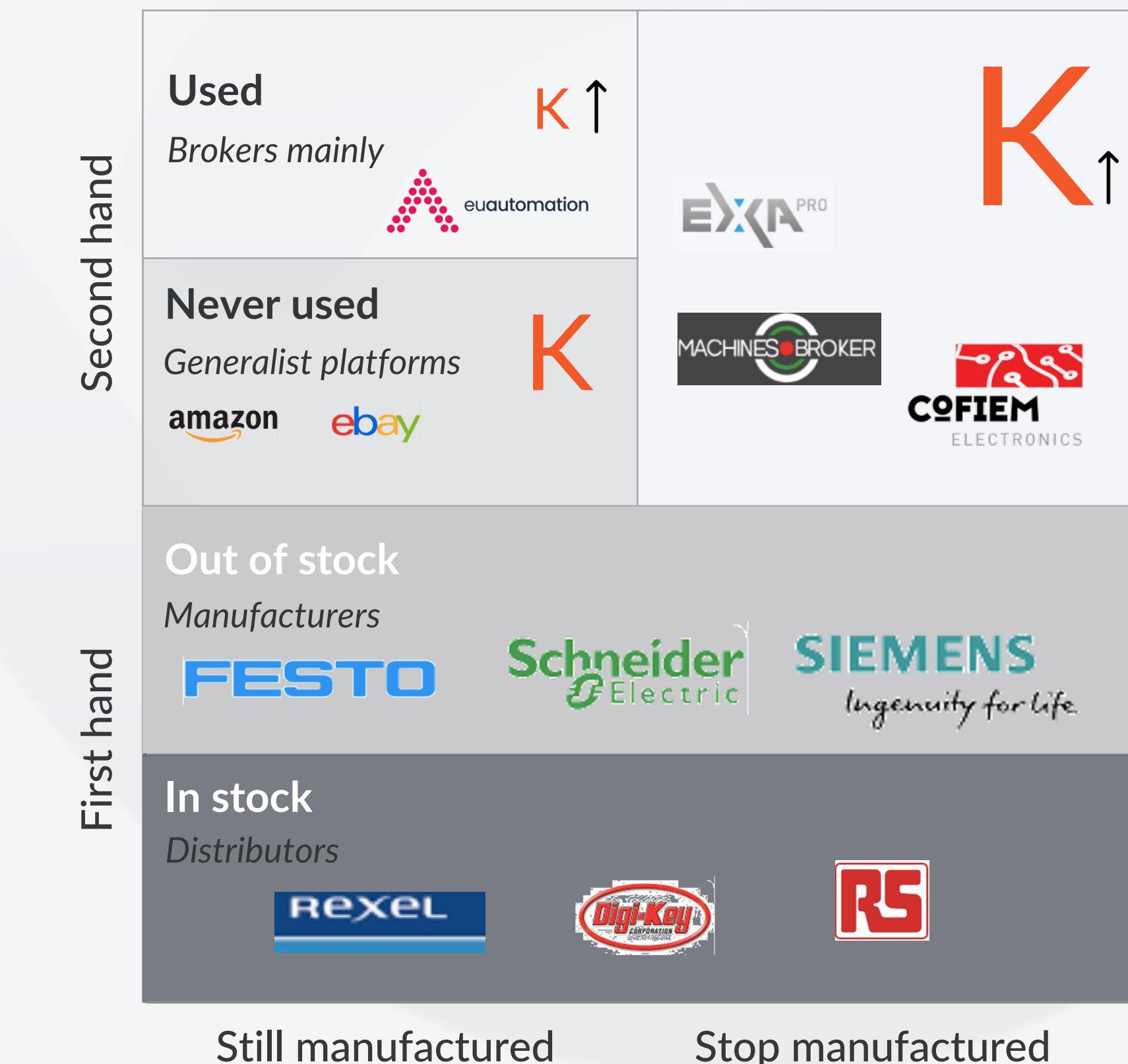
A 8 B€ maintenance parts market dominated by equipment makers and distributors : a giant market awaiting for re-used CSR organic growth.

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Pitch



Competition landscape



⁽¹⁾ Les Echos Etudes Nov. 2018 ⁽²⁾ Internal est. ⁽³⁾ Full calculation in appendix

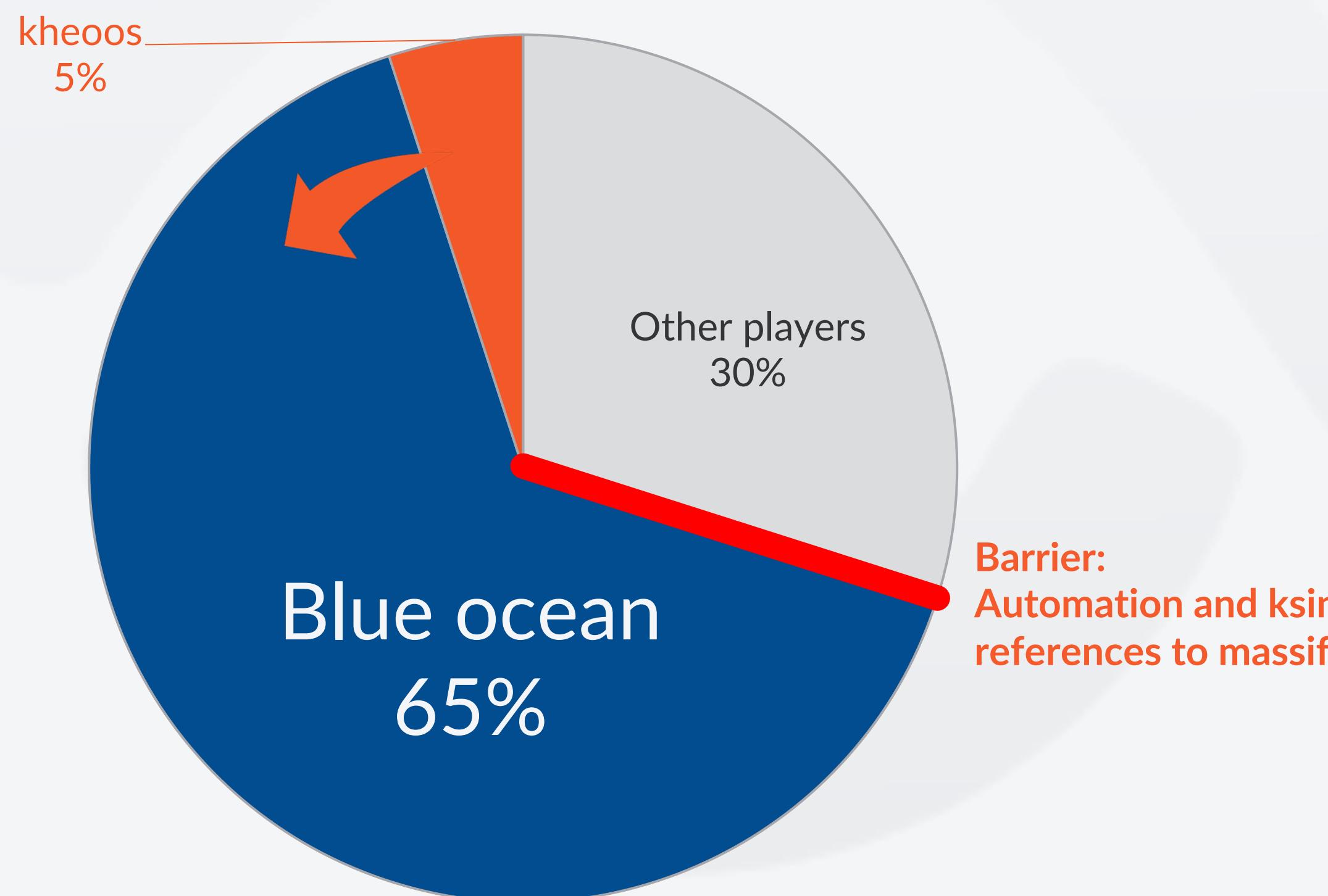
A 1 B€ maintenance dead stock market dominated by narrow segmented brokers. Brokers only address less than 10% of dead stock.

10

Pitch

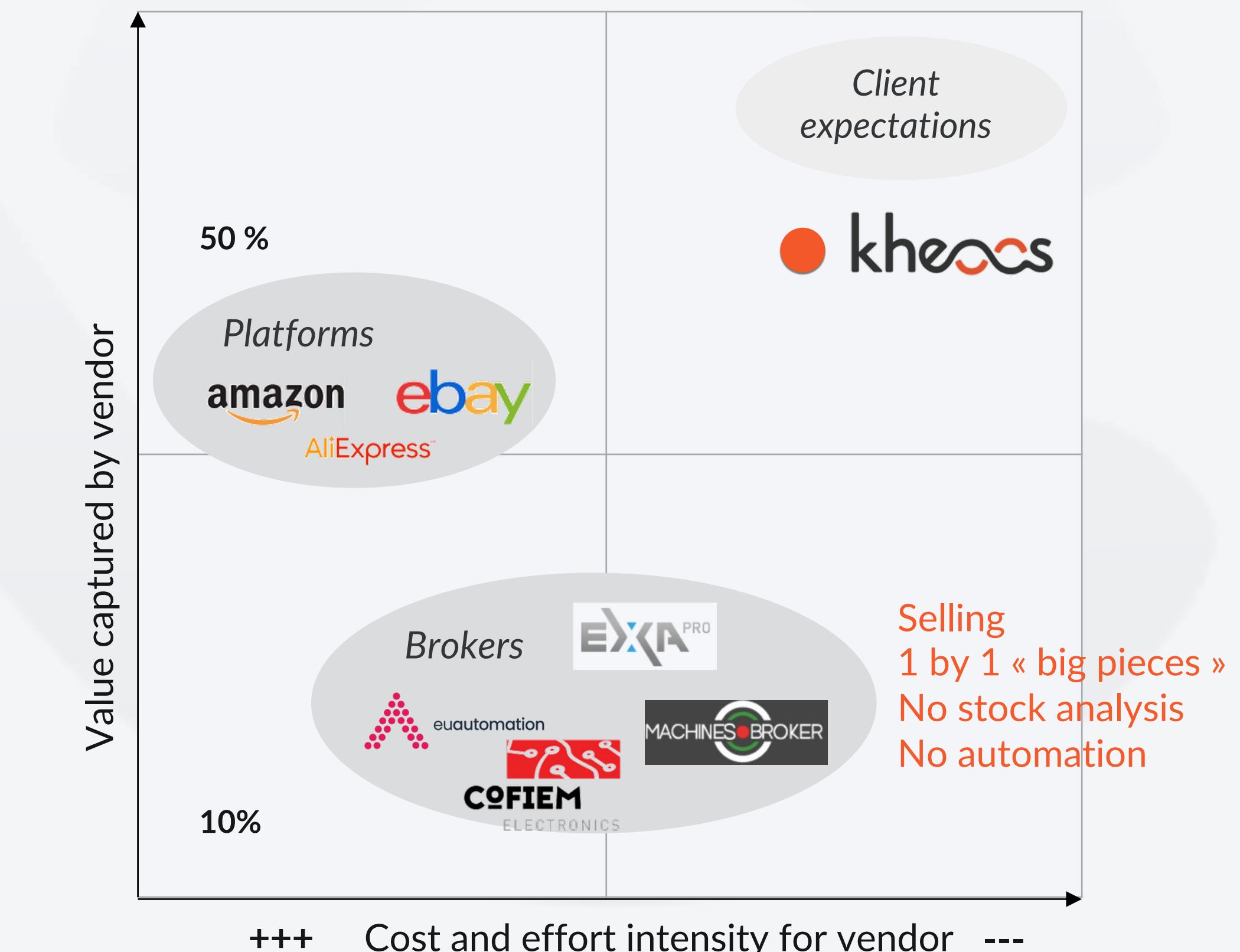
SAM breakdown 1B€ 2026 est.

Currently, the biggest portion of dead stock is invisible due to the lack of solution like kheoosmatch to massively identify these references.



kheoos competitive advantages

- .100 % digital .Matching algorithms .Deduplication
- .No entry cost .Fair value sharing .Confidentiality



Competitive landscape evolution : who uberise who? Building strategic partnership and business alliance to accelerate growth and overperform CSR shift.

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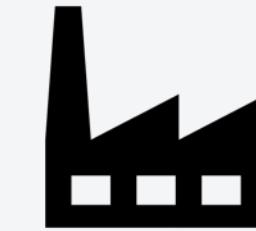
Appendix

Stakes : Historical players (brokers) must reinvent their working capital-intensive model. New entrants (CMMS & manufacturers) are limited by the perimeters of their communities. Market places are lacking industry-specific matching tools to be efficient. On the other side, kheoos needs to enhance its route to market and enlarge its scope of offers to be seen as pure player. Kheoos has already started to deal with CMMS and is under deal discussion with brokers.

	Stock management	Dead stock qualification	Matching & automation	Out of catalog extension	Pooling Selling	Capacity vs Gap	kheoos
CMMS  	✓	✗ → ✓	✗	✗	✗ → ✓	★★★	kheoos : route to market CMMS : org growth + CSR
Manufacturers  	✗	✗ → ✓	✗	✗ → ✓	✗	★★★	kheoos : route to market Man. : become sellers
Brokers  	✗	✗ → ✓	✗ → ✓	✓	✗ → ✓	★★★	kheoos : add strategic part Brokers : become sellers
Market places  	✗	✗	✗ → ✓	✓	✓	★★★	kheoos : grow with built up M pl. : grow turnover
kheoos  	✗	✓	✓	✓	✓	★★★	win-win strategy growth Sustainability increasing.

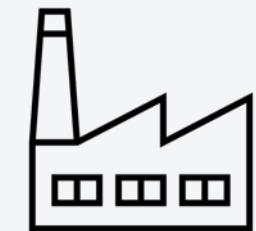
kheoos clients : industrial companies with spare parts stocks to maintain their production lines and speed up their growth while increasing their impact.

12



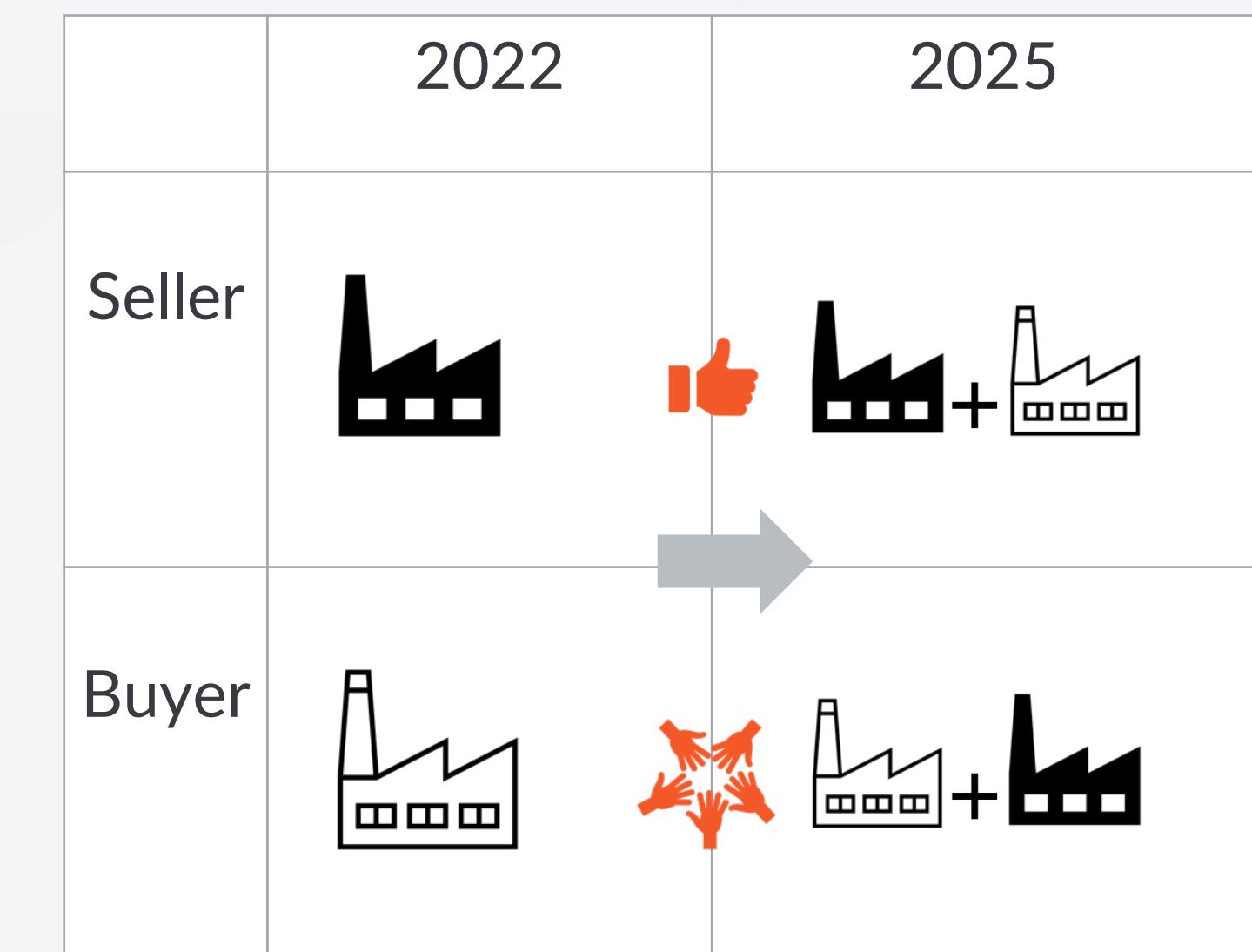
Large companies

- **Situation**
 - Multi-plants with silos
 - Mature (operations)
 - Increasing CSR operation & scaling
- **Issues : 4.0 RSE industry**
 - More autonomy / Agility
 - Growth drivers
 - Industrial CSR impact with KPIs



Midcaps companies

- **Situation**
 - Local and national
 - Worldwide clients
 - Not mature (digitalisation)
- **Issues : competitiveness**
 - Competitiveness
 - Digitalisation
 - Innovation



Competitiveness & CSR

kheoos as a solution

To shift from stock depreciation
to stock value and grow WCR

➔ Stock valuation to leverage
economy and CSR

Accessibility to innovation

kheoos as an end purpose

To increase their offer
Dead stocks for value creation
➔ Turn over, Innovation, CSR

Convert sellers into buyers

Integrate reuse practices into
buying strategy

Enhance cost and lead time without
sacrificing quality

➔ Emergence of a reuse market

Benefits : a «more for less» model to maximise the value from each stakeholder perspective and take the chance to create a new worldwide CSR market.

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Pitch

T/3

Hunting time for
obsolete parts /3

-30%

Stock value reduction
-20 to -40 % in volume

0-1

0 effort selling
1 click buying

2 y

2 years warranty for parts,
same as brand new part

-50%

Cutting price by up to
50% compared to new

Customer benefits

- Digital twins assessed
- Eliminate duplicates
- 100% error free
- Fully automated
(6 months vs 20 y)

Vendors benefits

- Clean spare parts database
- Sell dormant stocks
- Free up space
- Stop destroying dead stock
- Anticipate EU waste rules

Buyer benefits

- Find obsolete parts
- Avoid retrofit
- Extend equipment lifetime 3-5y
- Sustainable purchasing
- Reaching non affordable parts

Kheoos benefits

- 50/50 on selling price
- ksin kheoos ref growing assets
- Free from manufacturer
- First 4.0 industry with impact

Maintainance benefits

- Best spare part at any time
- Criticity program optimised
- Shortage avoided
- Offer at 1 click

Purchasing benefits

- Eliminate double inventories
- Cross-location synergies
- Reduce clarification efforts
- Sustainable and valuable
- Scalable across BU and sites

Branding & HR benefits

- Sustainability with KPIs
- Enrich brand promises
- Image protection (k endorsement)
- Modern brand image
- Talent attraction

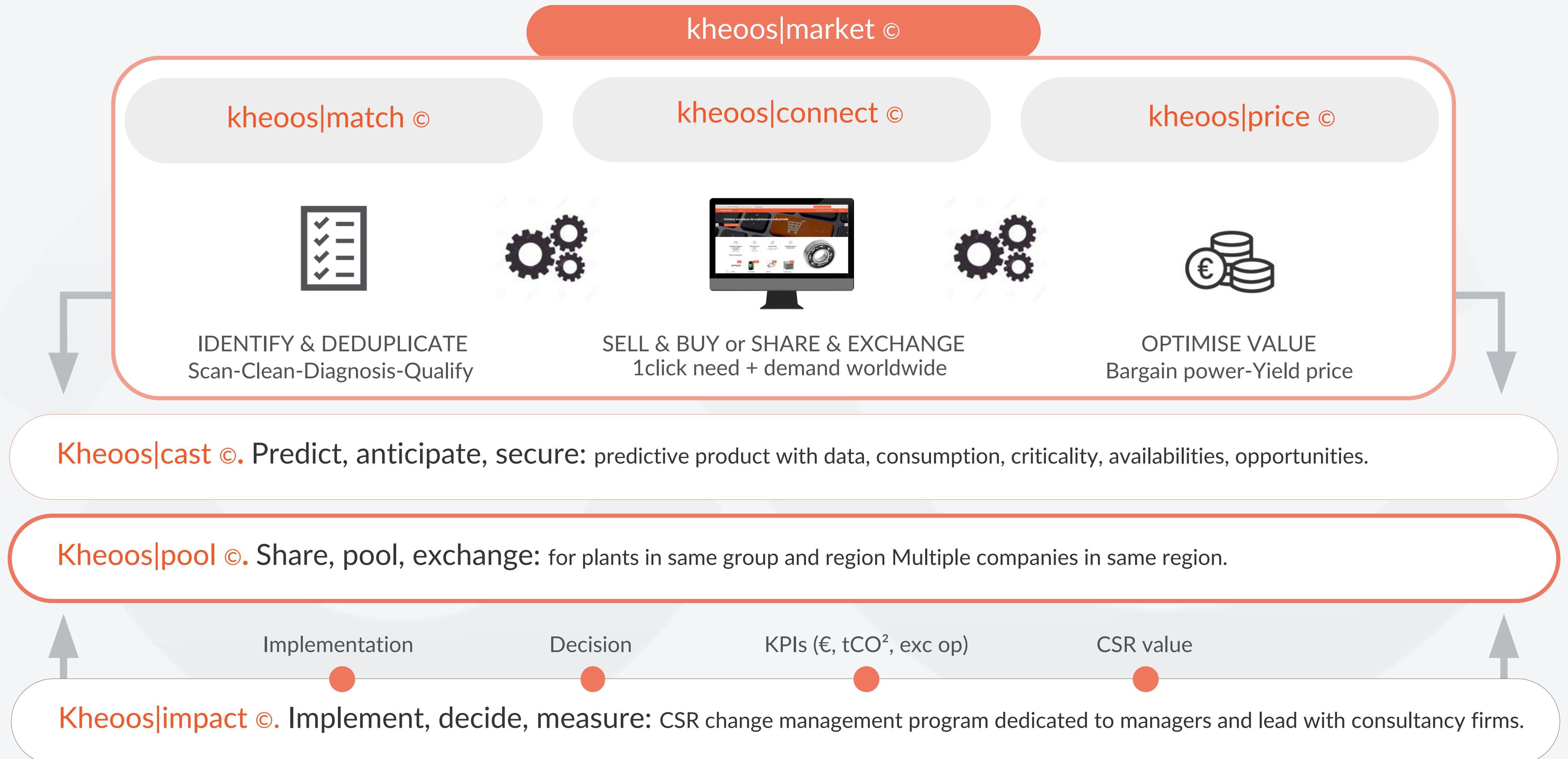
Sales benefits

- Increasing desirability
- Enhance sales arguments
- Modernity
- Differentiation

Kheoos value system, products and features : currently focus on kheoos|market©, the heart of the system, and aiming to cover 100% by 2024.

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Appendix



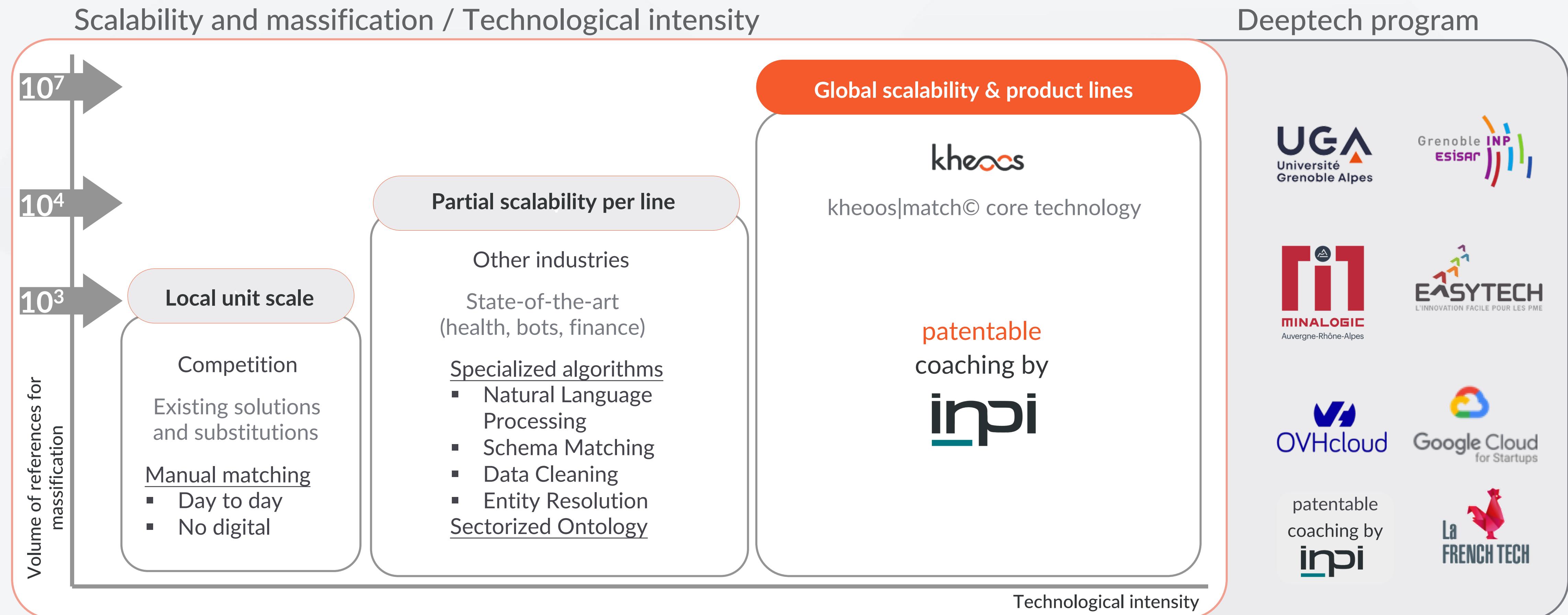
kheoos|match©, deeptech technology : enabling us to address the industry issue and to open a path to industry maintenance 4.0 with impact.

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Pitch

Our unique technological selling point, far above competition.

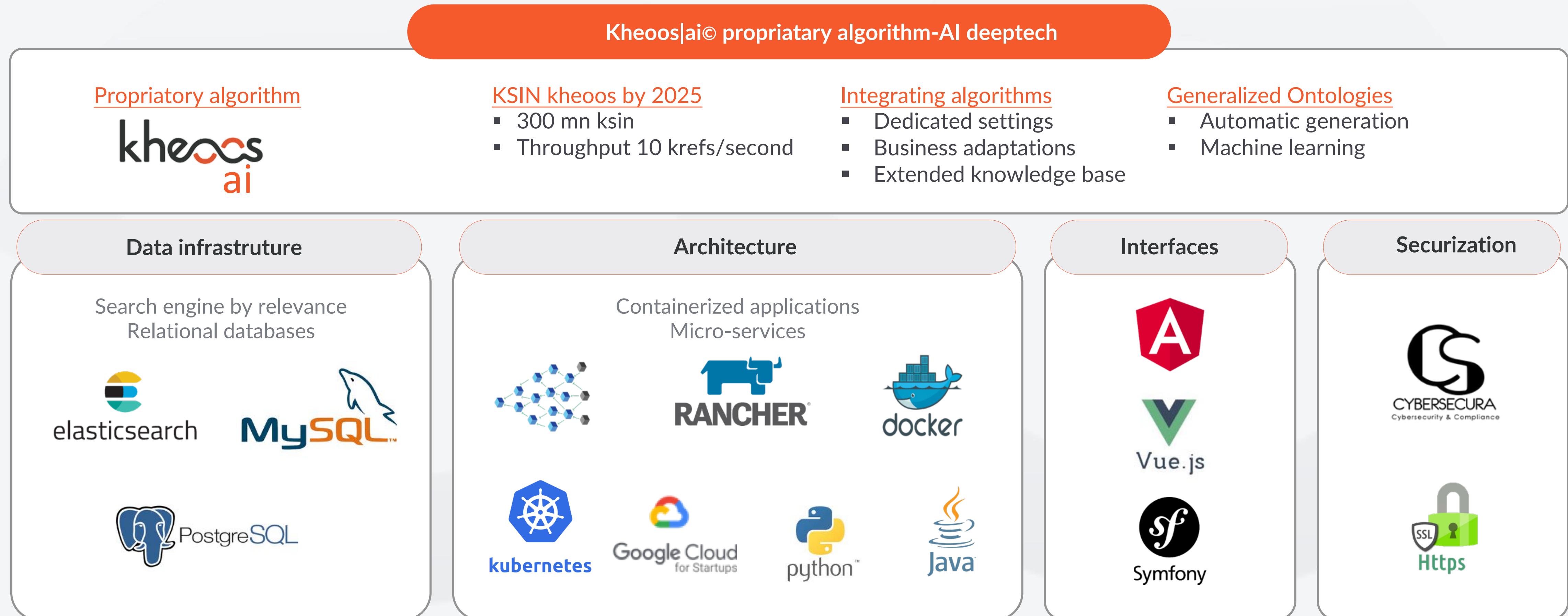
It is the main KSF component to address our subject. It enables us to scale across all industry sectors and product lines. Kheoos|match algorithm and automation is spread over all our product, to fix massively maintenance dead stock issue.



Technical stack : proprietary algorithm, rooted from research laboratories and lasting collaboration between kheoos, universities, and competitive clusters.

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Deeptech context : Kheoos could start from a strong academic basis 3 years ago, executed by a post-doctorate IT PhD at Grenoble Alpes University – IT lab and supported by DeepTech Alps consortium exclusively for 1 year. After being awarded i-NOV contest by BPI-Ademe (deeptech and sustainability winner) - which finances highly innovative projects- , we started a 6-months project with engineering school Grenoble INP Esisar involving 3 full time Phd students, financed by competitive cluster Minalogic and Easytech.

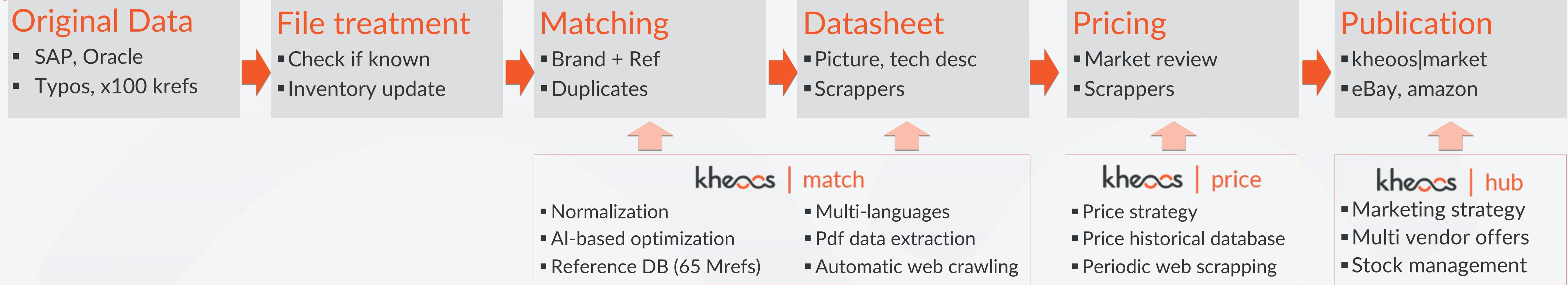


Full process and services automation to enable scale-up

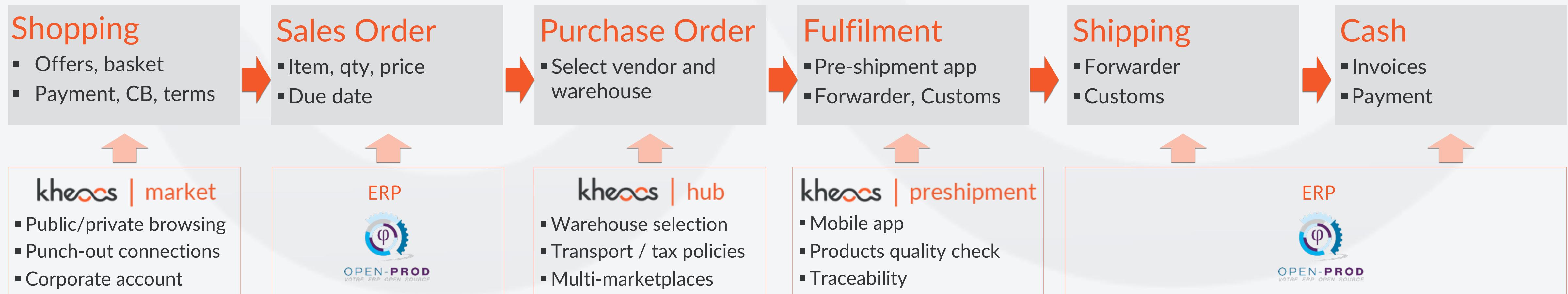
17

Pitch

1) Vendor-to-offer



2) Order-to-cash



Kheoos business models: designed for optimal adoption, with several upsides.

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Pitch

Perimeters : we divide our products and features to build a brand strategy, with a dedicated perimeter for each. This allows us to identify the value of each feature from the client perspective. It also allows us to value step by step our system and monetise it. We aim to run “beta test” of willingness to pay, with kheoos|price, kheoos|pool and kheoos|cast by 2026.

Product line	Business model	YRR (M€)					
		2021	2022	2023	2024	2025	2026
kheoos market - Marketplace - Buy / sell second-hand spare parts	- 0 entry cost (tbd s2 2022) - Value sharing 50/50 on success fee	0.21	0.47	0.87	2.03	5.63	17.35
kheoos match - Matching algorithms - Deduplicating, Master data cleaning	- Engineering fee 0.5-0.8€ / reference (tbd s2 2022)	0.20	0.15	0.18	0.22	0.26	0.31
kheoos price - Prices benchmark - Better leverage for price reduction	- 0 entry cost for dormants - Subscription fee for living stock				Upside tbd		
kheoos pool - Virtual Stock Pooling - Share for stock reduction	- Subscription fee				Upside tbd		
kheoos cast - Market Intelligence - Market tension prediction	- Subscription fee					Upside tbd	

Michelin : testimonials from our early adopter - when purchasing and buying team meet sustainability and transform it at scale with working capital creation.

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Alexandre Ortigier

Corporate buyer EEA, Michelin

linkedin.com/in/alexandre-ortigier-600b74a8



« Implementing the SLIM strategic project was a huge challenge : we had to get a clear picture of the maintenance parts, in order to identify duplicates. We did the « maths » : this task would last for 20 years with 2 collaborators at full time. There were no automatic existing solution neither among our CMMS suppliers, nor among the most advanced innovative brokers . We tried to do something with one of them but it failed. We met kheoos and within 2 weeks a successful POC was realised. Not only could we get a clear and unprecedent enriched ref catalogue, but we could also send them through their market place. In addition to this, the « easy and smooth » relationships with kheoos team definitely turns the POC into a full purchase order.

We are also very excited by hearing about the kheoos pool sustainable project, to fulfil broader sustainable corporate objectives. »



Hélène Vermont

Sustainable purchasing manager, Michelin

linkedin.com/in/helene-vermont-50b20a6

"As the person in charge of purchasing and sustainable development projects at the Group level, we are constantly seeking to help cross-functional and regional teams find the right solutions to achieve our 4Rs objectives: Reduce, Reuse, Recycle, Renew. At Michelin - like our peers in the industry- the question of sustainable development is no longer an issue. On the other hand, implementation is sometimes difficult because it is not only a matter of changing mindsets but also of operating on a large scale while meeting the group's financial objectives. The stakes are high, because either the levers of sustainable development are not all identified, or the solutions to operate the transformation do not exist, or the costs are too high. kheoos takes up these three challenges, which is unique. We will soon carry out co-design sessions to go further downstream in their next innovative actions, such as pool, price and cast."

Market traction for kheoos: strong 2022 commercial pipe at limited acquisition cost, mostly from the seller side who are about to move to buyer side.

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Pitch

A bi-facial model: current pipe involves diversified industry sectors ; automotive, energy, pharmaceutical, food and building. 70% are sellers hearing from us by “word of mouth” (pull model). 20% have already switched to buyer, but we must transform more into buyers. We definitely need to move fast and set a strong offer to balance the bi-facial model.

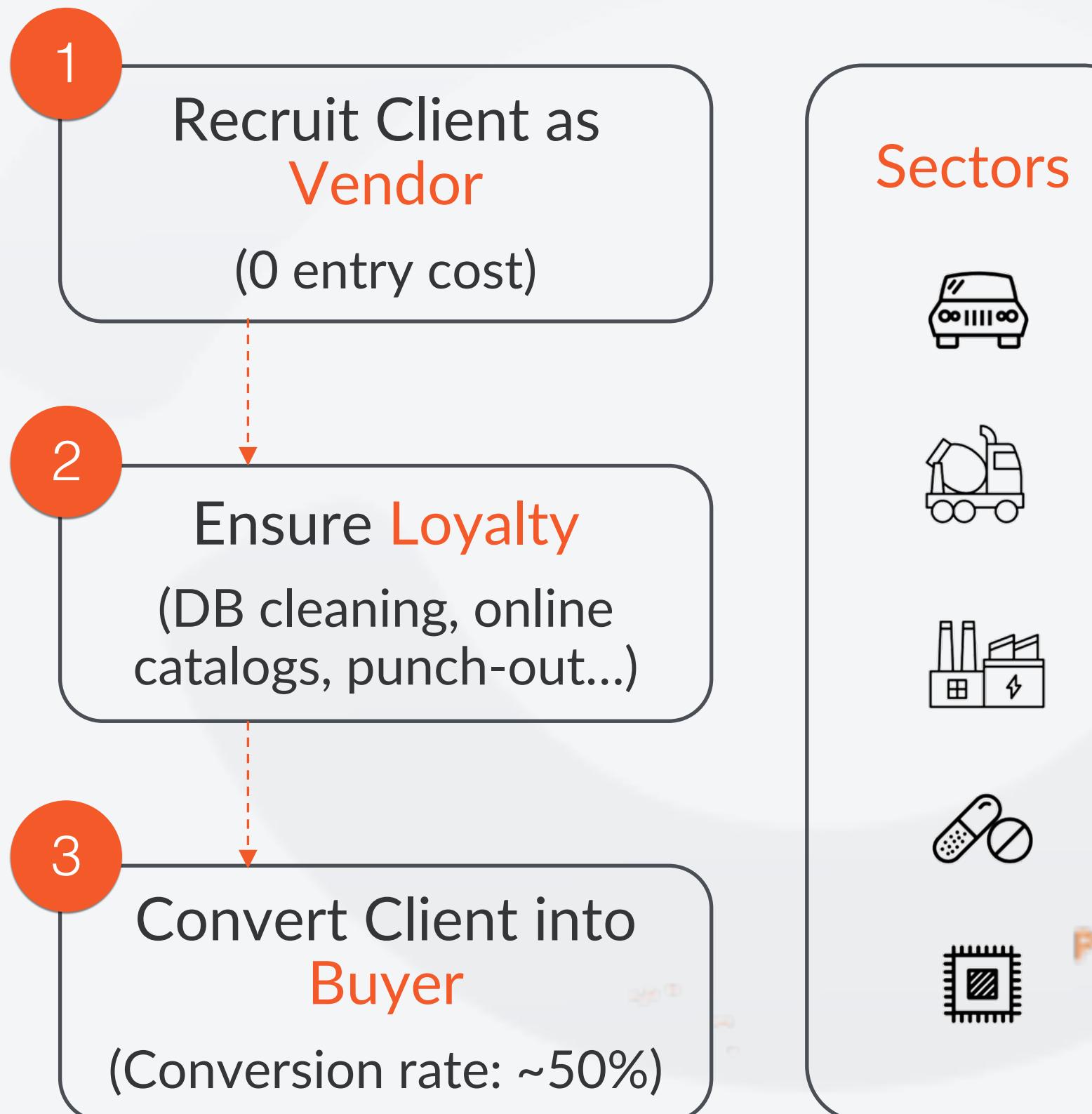


Go-to-Market : a proven business approach applied to selected industry sectors and regions.

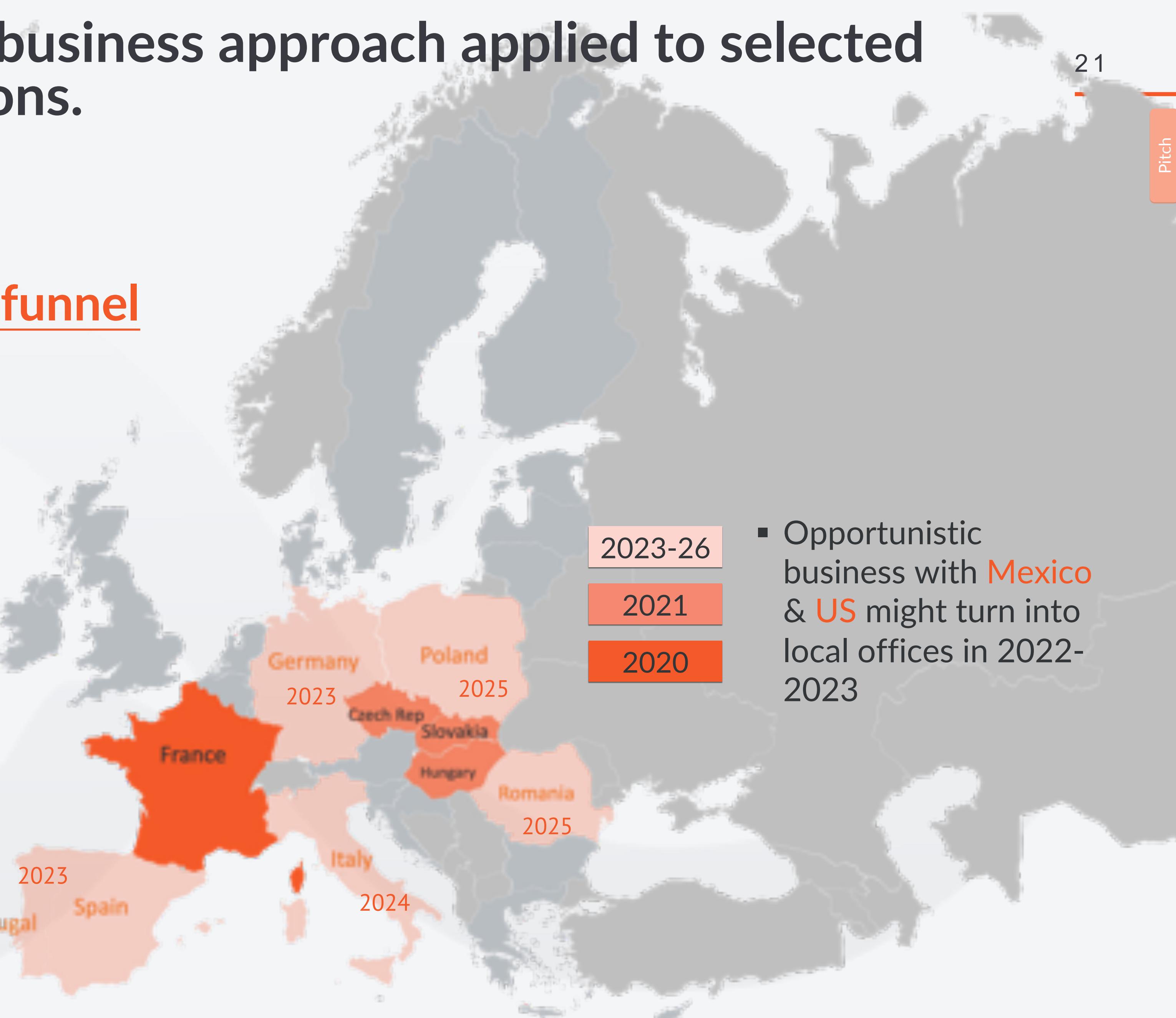
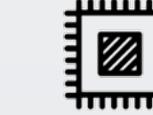
21

Pitch

Sales & Acquisition strategy funnel



Sectors



- Opportunistic business with Mexico & US might turn into local offices in 2022-2023

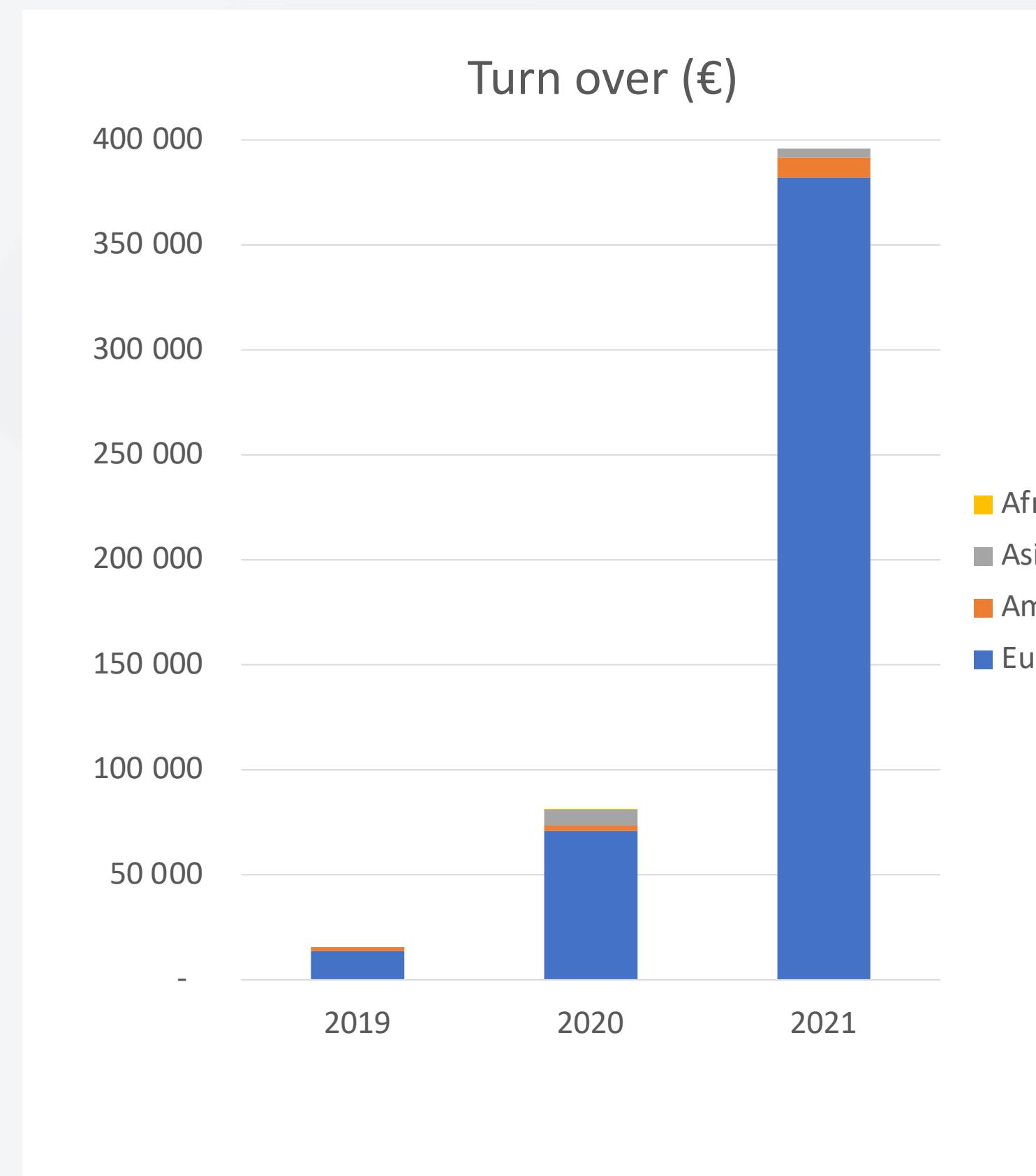
Scale business & organic growth since 2019 : showing product market fit.

27

Kheoos turnover: turnover x5 year after year since 201

Customers acquisition acceleration: as of today, we have 330 B-to-B customers buyers over 37 countries, mainly midcaps companies. We need to size up with large company as sellers

Turnover



Active customers



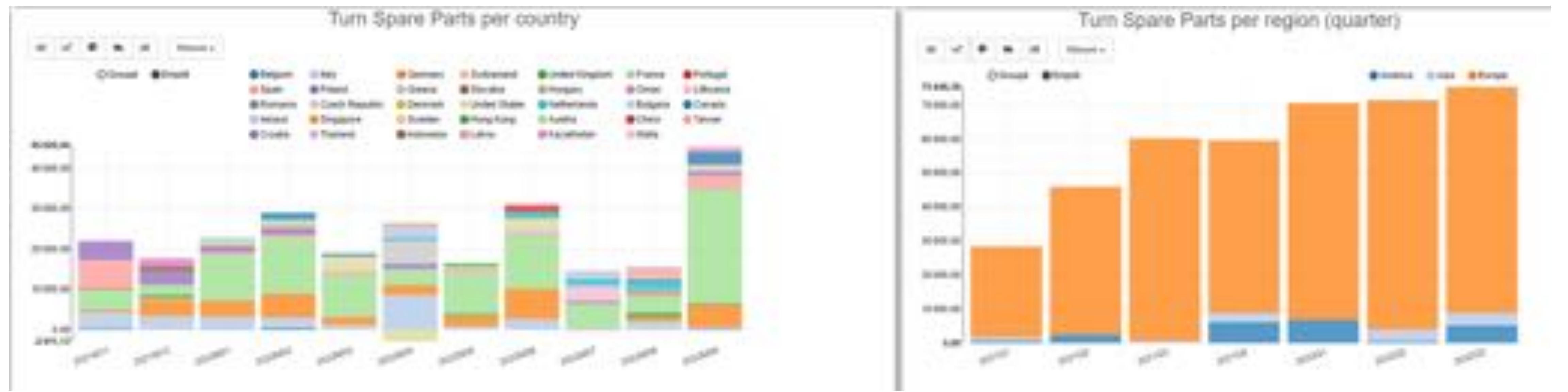
Scale business & organic growth since 2019 : showing product market fit.

28

Kheoos turnover: turnover x5 year after year since 2019.

Appendix

Turnover Spare Parts



Kheoos development plan 2022-2026 : fuel innovation and marketing plan to reach critical size and shorten time-to-market.

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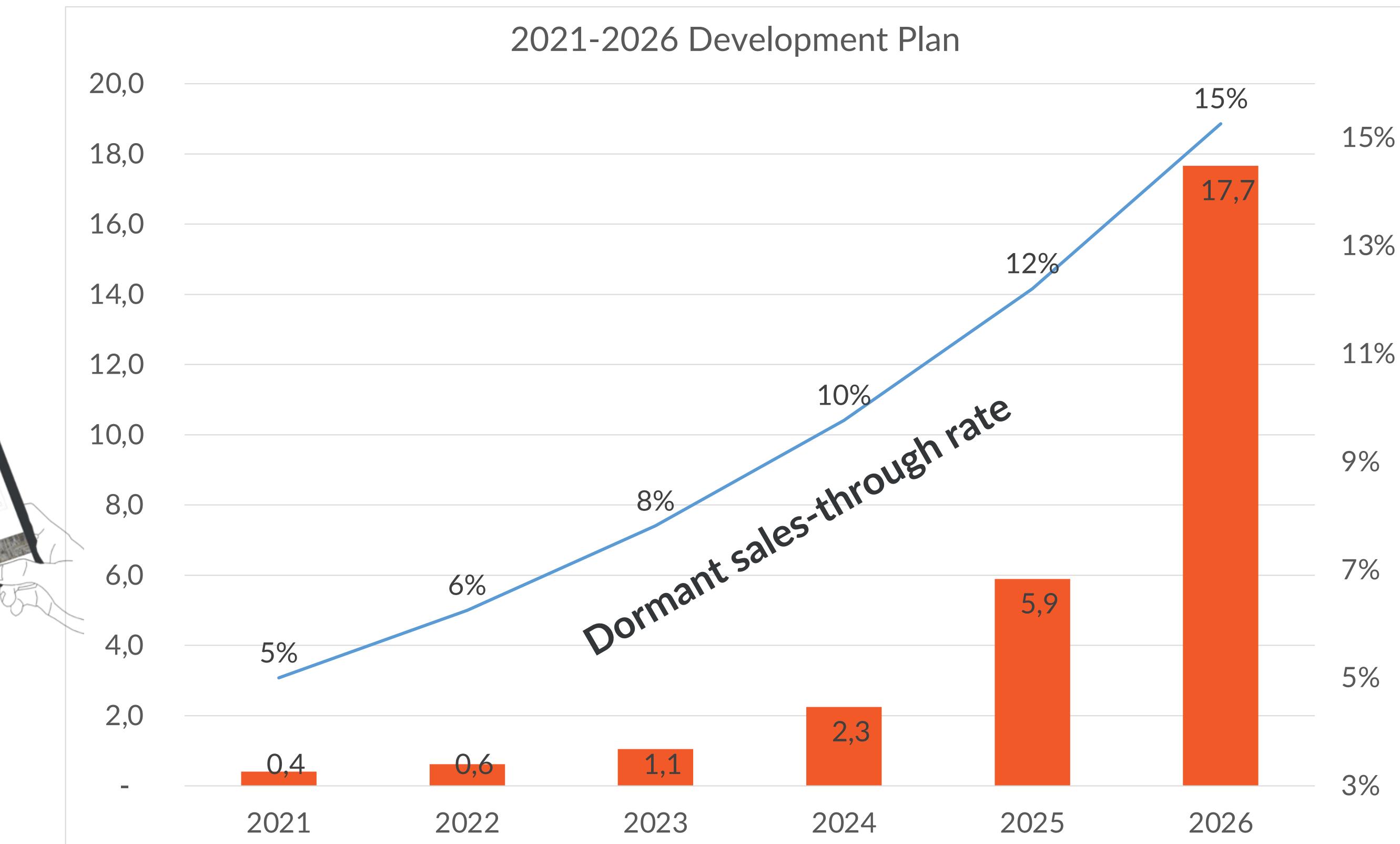
Pitch

Innovation

- Reduce parts processing costs
- Improve covering rate

Marketing plan

- Develop new countries
- Recruit big size vendors
- Improve sales-through rate



An ambitious 3 M€ plan for acceleration.

30

Pitch

1 Capitalization table 2019

Shareholder	Share (k€)	Share (%)
D. Mercier	84	56%
E. Paris	28	19%
G. Lepelletier	28	19%
Linksium SATT	10	7%
Total	150	100%

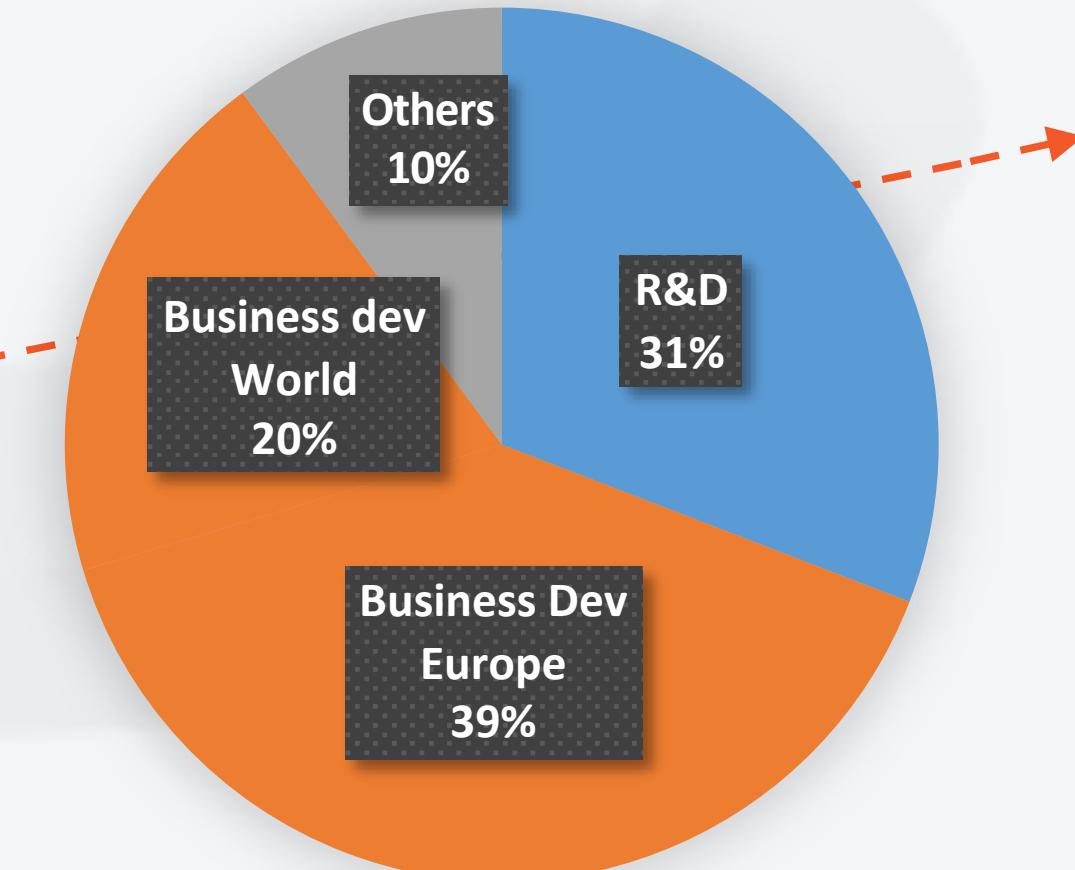
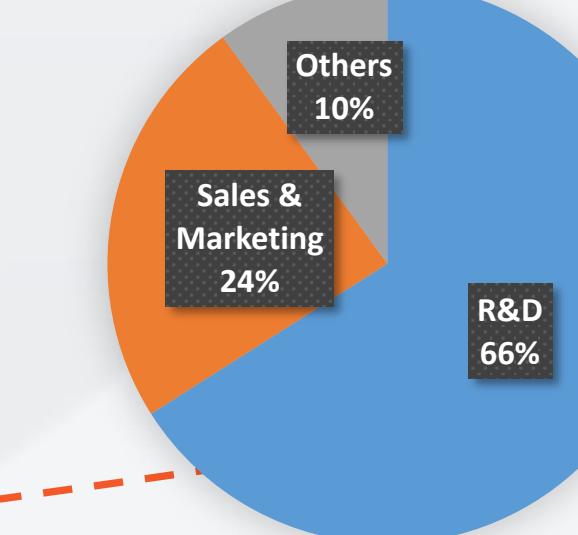
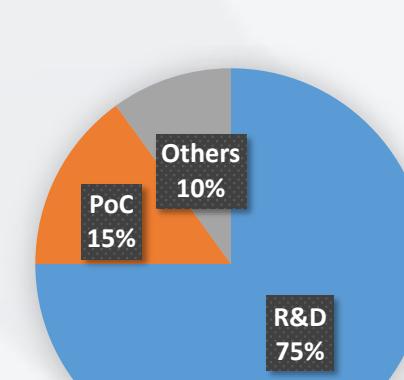
2 Non-dilutive financing (k€) 2020-2021

Source	Grants	Loans	Total
BPI	21	216	237
Ademe	300	100	400
Banks	-	150	150
Incubator	263	100	363
Total (k€)	584	566	1 150

3 Seeds fundraising 2022-24

Source	Loans	Grants	Equity	Total
Investors				
Non dilutive				
Total (k€)				

Various scenarii
to reach 3 M



Acceleration partnership ecosystem : kheoos has closed a 2021 partnership ecosystem dedicated to business growth, technology efficiency and awareness.

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Pitch

2021 achievements : kheoos has become member of competitive clusters and professional organizations in France, Hungary, Czech Republic and Slovakia. We provide their members with innovative solutions and awareness; we get business back.

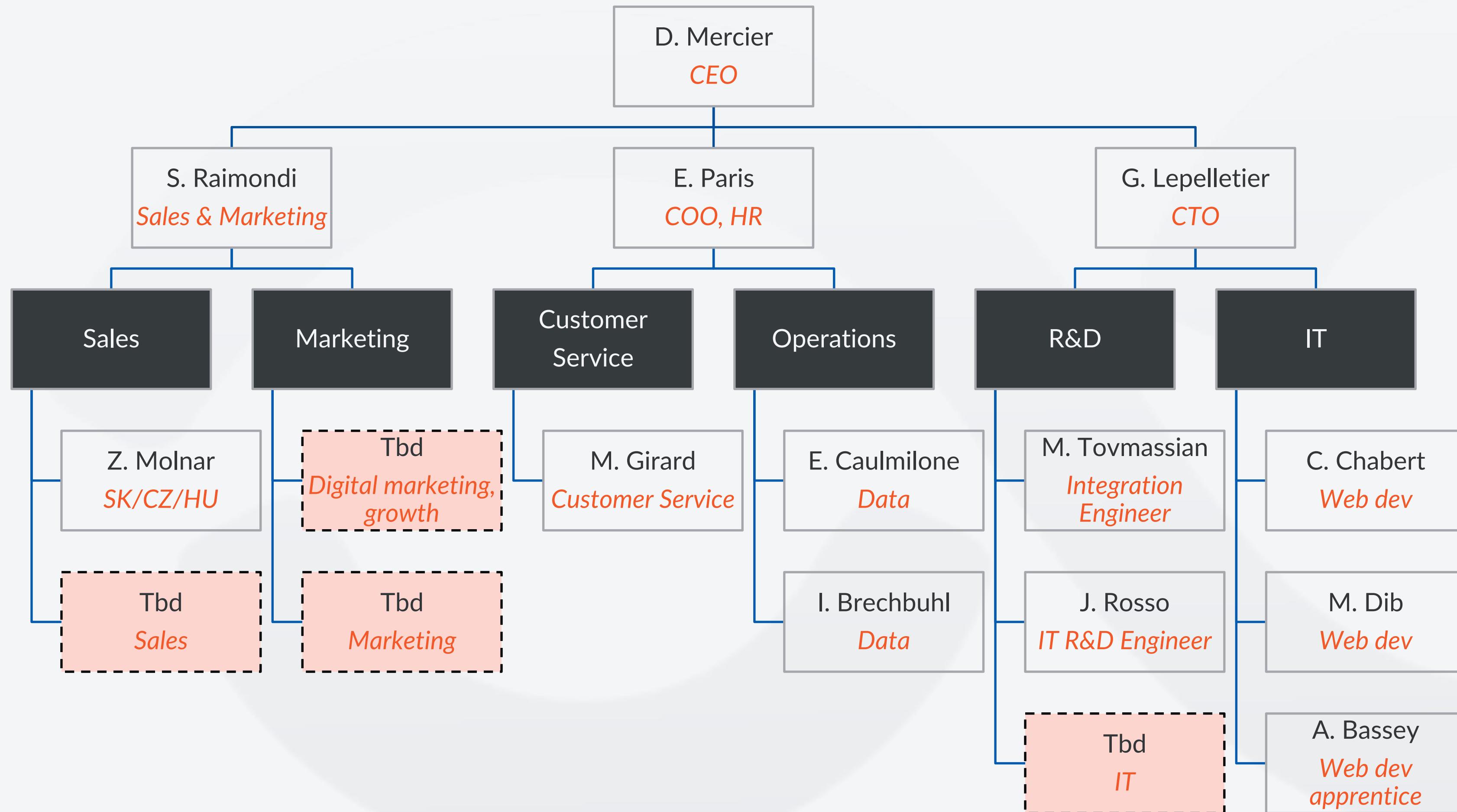
R&D deeptech DNA partnerships: kheoos has emerged from the French innovation ecosystem and has initiated partnerships with engineering schools and universities from its creation, to support R&D efforts and reinforce technological barriers.



Organization chart 2022-2024

As of 23/11/2022

32



Legend

Currently on payroll

J. xxxx
IT R&D Engineer

Tbd
Sales Admin.

2022-2024 horizon

Potential impact in Europe with full success



Pitch

90%

Dormant parts saved
from destruction

3-5 y

Lifetime extension
of production lines

40%

Line shortage
reduction

450 k t CO₂

Equivalent directly saved

7500 k

Number of
pieces saved

-30%

Equivalent free-up
plant space

15 k t

Weight spare
part saved

+3 billion €

Value saved by industrials

3,5 millions tons

Equivalent raw mobilized material (data) including rare earth (ademe source)

Key take-aways

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- 3 B€ maintenance dead stocks being unveiled, as industrial companies are moving to **circular economy**.
- Unique matching **technology** to massively process and make dead stocks visible worldwide.
- 100% scalable breakthrough business model outperforming historical brokers to face blue ocean.
- Experienced and complementary team ready to take on the challenge of leading this emerging market in Europe and beyond.
- Sustainable impact on ecological transition: CO2, earth resources.
- A unique value proposition to industrial companies to value “planet and profit” with dead stock
- A unique momentum to bring solutions to our industry to face climate change

Thank you !

Dominique Mercier

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dominique.mercier@kheoos.com

kheoosmarket has received the “Solar Impulse Efficient Solution” Label



The Label, rewards **profitable** solutions to **protect** the environment

■ FEASIBILITY

- **Credibility:** Can the technology be constructed and operated as designed?
- **Scalability:** Is the distribution of the Solution at scale technically feasible?



■ ENVIRONMENT

- **Environmental benefits:** Can the Solution deliver an incremental environmental benefit versus a mainstream alternative, considering the lifecycle (production, use and disposal stages) of its value chain?



■ PROFITABILITY

- **Client's economic incentive:** Is the total cost of ownership of the Solution lower (or same) compared to the mainstream alternative?
- **Seller's profitability:** Could the Solution itself be profitable for the seller within 5 years?



Our commitment:

“Avoid the destruction (and manufacturing or re-engineering) of 250,000 pcs (500t) of valuable unused industrial maintenance parts over 5 years”