

The Profitable Path to Net Zero

Planet MicroCap Toronto | October 2026

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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.sedarplus.ca. The Company does not intend, and does not assume any obligation, to update the forward-looking statements.

The term “Adjusted EBITDA” used in this presentation is a non-IFRS measure, does not have a standardized meaning under IFRS, and may not be comparable to similar measures used by other companies. It is provided to supplement IFRS results by offering additional insight into operating performance from management’s perspective and should not be viewed in isolation or as a substitute for IFRS financial information. Please refer to our MD&A for the applicable period for a reconciliation of Adjusted EBITDA to net income (loss), the closest IFRS measure.



Thermal Energy is the proven energy efficiency and carbon emission reduction partner of leading multinational companies.

We save our customers money by reducing their fuel use and carbon emissions.

TSX-V: **TMG** | OTCQB: **TMGEF**

Investment highlights

1. Energy efficiency **saves money** and is the **fastest, cheapest, and easiest** way to reduce carbon emissions

2. Proprietary solutions provide **high ROI** and **short payback**

3. Significant **repeat business** from blue chip multinational customers

4. Track record of **profitable growth** (organic + M&A)

90%

of industrial energy use is thermal

50%

is lost as waste heat



We can recover

up to 80%

of thermal energy lost at a typical industrial site

High ROI with compelling payback



How we do it

1. Recover and upgrade waste heat and convert it into usable energy
2. Minimize steam losses
3. Improve overall thermal energy efficiency



Unique & proprietary solutions

- Suite of complementary technologies that improve thermal energy efficiency
- Highly-engineered, site-specific
- Delivered as either:
  1. Full turnkey projects, or
  2. Custom equipment



Significant repeat business

- Customers often engage across multiple facilities and deploy additional solutions over time
- Top 10 customers have ~1,000 sites combined worldwide
- Partially penetrated ~20% of these sites (total penetration <10%)



Financial results – fiscal year ended May 31, 2026

Revenue	$33.6M	+12.7%
Adjusted EBITDA[1]	$1.9M	+83.5%
Net income	$1.3M	+749.4%
Operating cashflow[2]	$2.1M	+35.5%

- Record revenue and net income
- Order intake increased 37.6% to a record $30.0 million

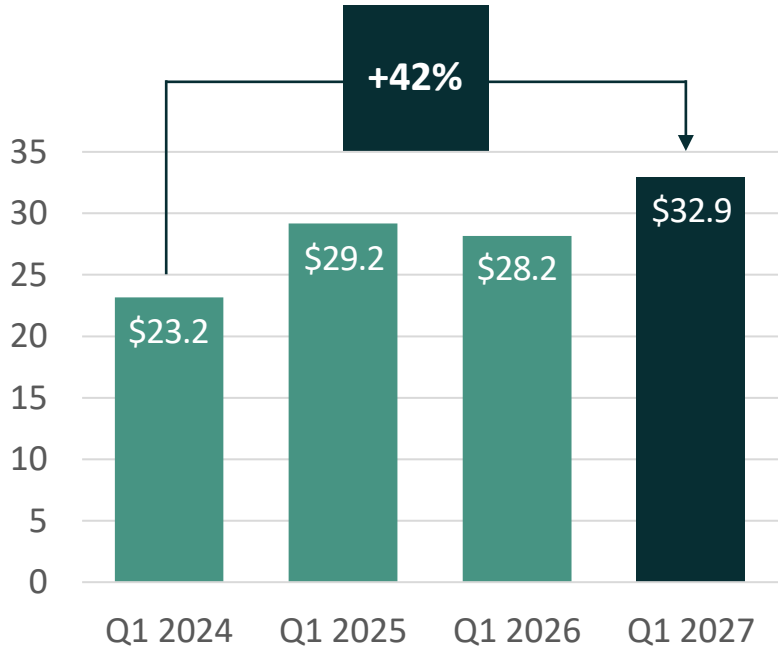
[1] Adjusted EBITDA is a non-IFRS financial measure that represents earnings before interest, taxation, depreciation, amortization, and share-based compensation expense.
[2] Excluding changes in working capital items

Revenue ($ millions)

Q1 2027

- Revenue of $6.2M was down 9.2% primarily due to:
  - Heat recovery projects delayed due to customer site readiness issues
  - GEM™ shipment timing issue

TTM[1] ended August 31



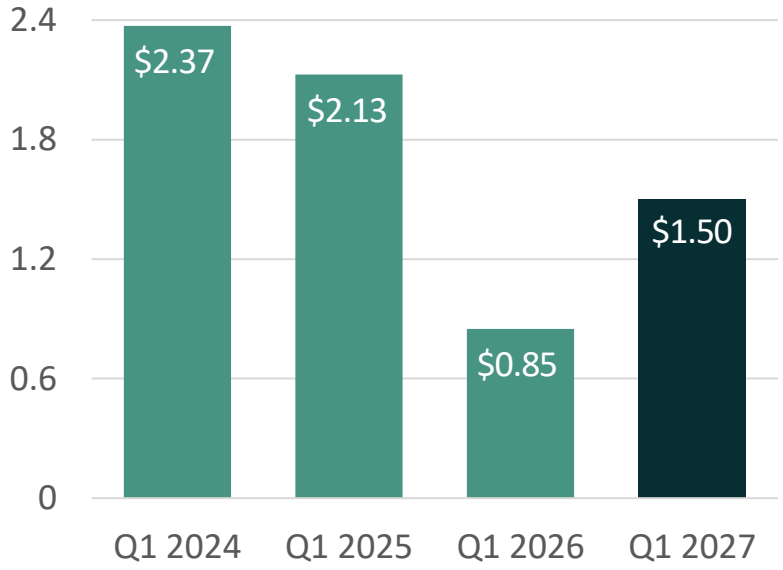
[1] *Trailing twelve months ended August 31, 2026*

Adjusted EBITDA[1] ($ millions)

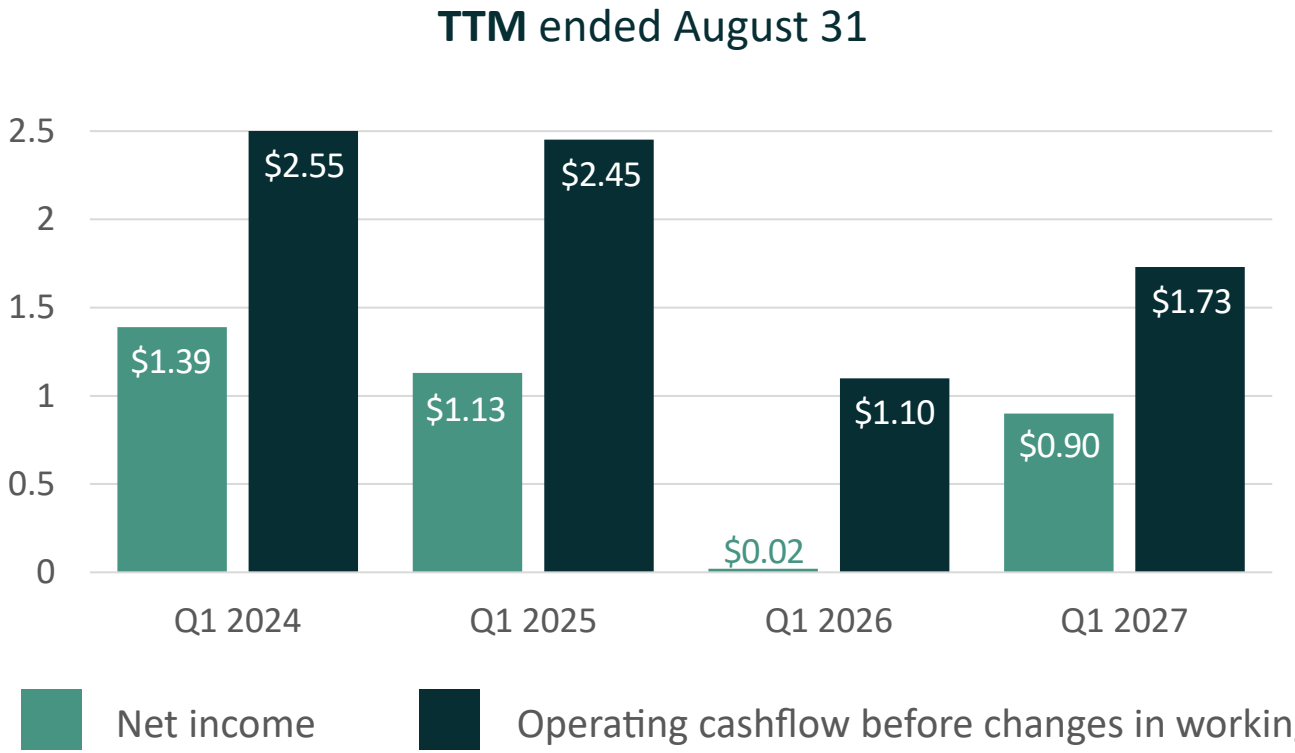
Q1 2027

- Adjusted EBITDA was -$80K; down $430K YoY
- Operating expenses up $283K
  - $122K unfavourable foreign exchange variance
  - General inflationary cost increases

TTM ended August 31



Net income vs operating cashflow[1] ($ millions)



- Profitable for the last 4 years with total net income over **$3.4M**
- Operating cashflow[1] over that time totaled **$7.8M**

[1] *Before changes in working capital items.*

Strong balance sheet

As at August 31, 2026

Cash	Working Capital	Bank Debt
$4.5 M	$3.8 M	$0.3 M

Orders subsequent to quarter end

$3.2 Million

order for a turnkey project with a dairy and agricultural co-operative

- New customer
- Order received October 26, 2026

$2 Million

order for the 12th turnkey project with a global nutrition company

- Repeat business
- Order received October 28, 2026

$8 Million

total orders received since Q1 ended August 31.

$21 Million

order backlog[1] as of October 28, 2026

[1] *Order backlog represents purchase orders that have been received but not yet reflected as revenue in the Company's published financial statements.*

What’s new?

After making substantial reinvestments in the business over the past few years, our strategic focus is:

- Making the most of those investments
- Scaling the business



Focused on scaling the business

- Develop & promote standardized equipment packages
  - Already received $1.3M in related orders in YTD FY2027
- Develop indirect sales channels in North America and Europe
  - Recently hired channel managers for North America and Europe



Focused on scaling the business

- Establish HeatSponge manufacturing in Europe
- Streamlined HeatSponge turnkey offering launched last year
  - Simplified installation, no controls, no PDA required = quicker close, quicker revenue
  - Higher margin for us, better ROI for customers
  - ~$5M in orders since launch



Summary

1. Energy efficiency is the fastest, cheapest, and easiest way to reduce carbon emissions
2. High ROI and short payback
3. Significant repeat business from blue chip multinationals
4. Track record of profitable growth





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Appendix

Proven growth strategy

1. Leverage existing blue chip customer base
2. Expand complementary product offering
3. Grow team and global presence

Grow organically and through accretive acquisitions

Acquisition criteria

1. Accretive to bottom line
2. Companies with commercialized products with potential revenues between $2M-$20M
3. Companies or products with complementary market positioning or access *(i.e TEI products can be marketed through Targetco channels)*
4. Products that can be marketed through existing TEI channels

Key strategic initiatives to scale the business, driving increased sales growth and margin improvement

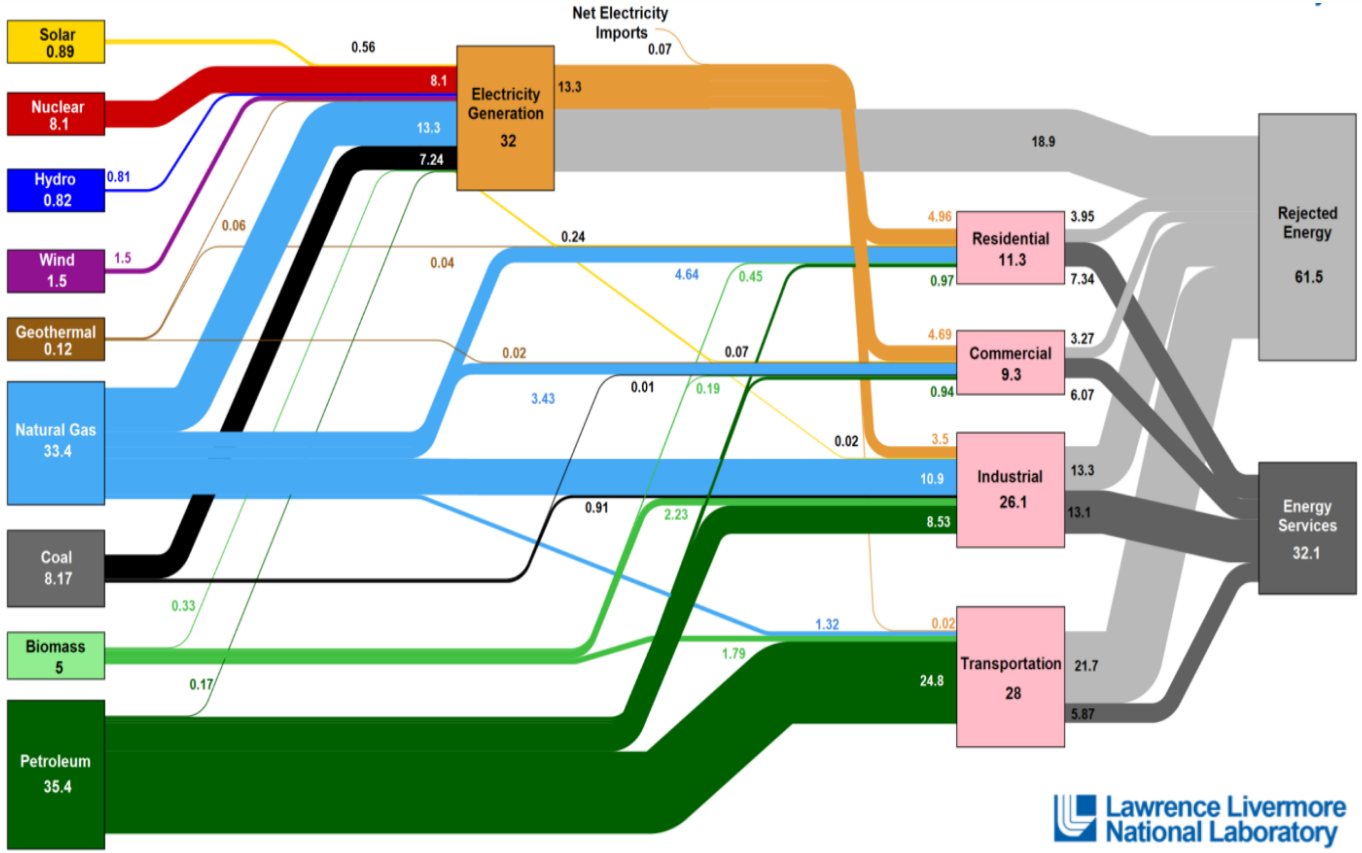
- Develop indirect sales channels in North America and Europe
  - Leverage Independent Manufacturers' Representative companies ("IMRs") to free up internal sales team to focus on larger, more strategic opportunities
- Develop & promote standardized equipment packages
  - Leads to faster sales cycle and opens smaller opportunities ideal for IMRs
- Establish BEI manufacturing in Europe
- Leverage our proprietary digital CREST platform across all sales channels

Carbon Reduction & Efficiency Scoping Tool (“CREST”)

- Quickly identifies energy savings and carbon reduction opportunities on site
- Catalyst for cross-selling; repeat business
- Speeds up overall sales cycle
- Reduces time needed for internal sales team and IMRs training and ramp up



Estimated U.S. Energy Consumption in 2023



"Energy efficiency, the world's first fuel" – IEA

- *~2/3rds of the energy is lost due to inefficiency*
- *Energy efficiency can have much greater impact than renewable energy*
- *Reduces emissions & saves money!*

Our focus: Industrial

- ~90% of industrial energy use is thermal
- Industrial energy efficiency < 50%
- Industrial thermal market is > 2x residential and commercial combined