



INVESTOR PRESENTATION

H1 2020/2021

1st December 2020

Highlights H1 20/21



H1 revenue of €78.5m¹



EBITDA of €1.1m reflecting COVID-related increase in procurement costs and investments in staff



Steady progress in all strategic priorities



Integration of Boston Limited on track



Solid H2 sales momentum, full-year guidance confirmed

¹ Due to the integration of the company Boston Ltd, for which first-half data was not hitherto available, and the alignment of the dates of 2CRSi and Boston's fiscal years, i.e. from 1 March to 28 February (FY19/20 thus lasted for 14 months, from 1 January 2019 to 29 February 2020), comparable data for the first half of 2020/21 is not available.. On a reported basis, revenue for H1 2019 (1 Jan 2019 – 30 Jun 2019), prior to the acquisition of Boston Ltd, was €21.5m.



I. Profile

An established technology value proposition and a favorable niche market positioning

II. Focus on Tranquil & Boston

A successful integration as key contributors to the Group's growth

III. Advances on our 3 strategic priorities

Strong drivers of long-term growth

IV. Financial highlights

H1 2020/2021 financial results

V. Outlook



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Our core business

**Design, manufacture and sell customised,
environment-friendly high performance IT servers**

...for a diverse range of sectors



ISP – Web Hosting
Datacenters



Scientific Research
Education



Industry



Defence Governments
Local authorities



Software
developers



Processing



Storage



Network

Deep Learning
HPC - AI – Special effects (VFX) Cloud
SAN/NAS/Object

....

acrsi

Innovation is in our DNA

HEXAPHI

The best density/
computing speed

2014



OpenBLADE

Hyperconverged

2015



OCtoPus

Reduced consumption

2017



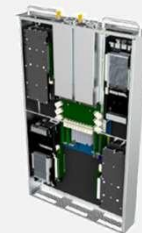
Server power
consumption reduced
by 23%



ATLANTIS

Immersion cooling for 19''
servers

2018



OPEX -60%



SERVICES

Efficient datacenters, processing,
power rental

2019/2020



ENERGY RECYCLING
(heat re-used))



DIRECT LIQUID COOLING

liquid contact cooling

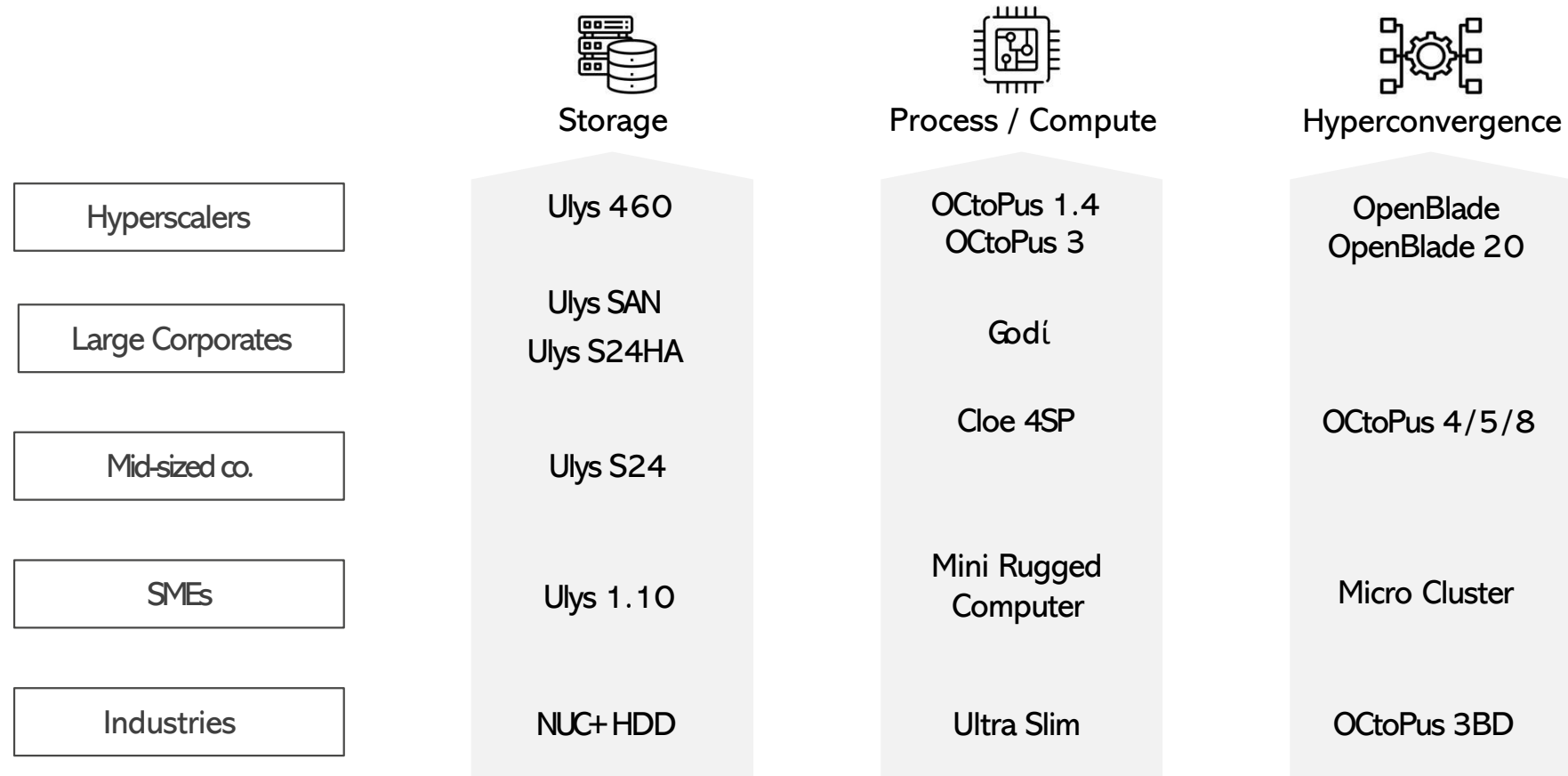
2019/2020



Fatal heat re-use
system



A wide range covering 80% of market needs



High-value solutions to capture sizable market opportunities

\$87.1bn
(2019)

Growth drivers:

- Big data, blockchain, IoT, cloud services, cloud gaming, AI
- Shifting infrastructure needs caused by global pandemic

Source: IDC, Worldwide Quarterly Server Tracker, 2Q20

Investor presentation H1 2020/2021 - 1 December 2020



HIGH PERFORMANCE

Power, speed, energy savings



CUSTOMISED

Optimised products, tailored solutions
Use-based invoicing (buy or lease)



SMART DESIGNS

Simple, flexible and scalable designs



OPERATIONAL AGILITY

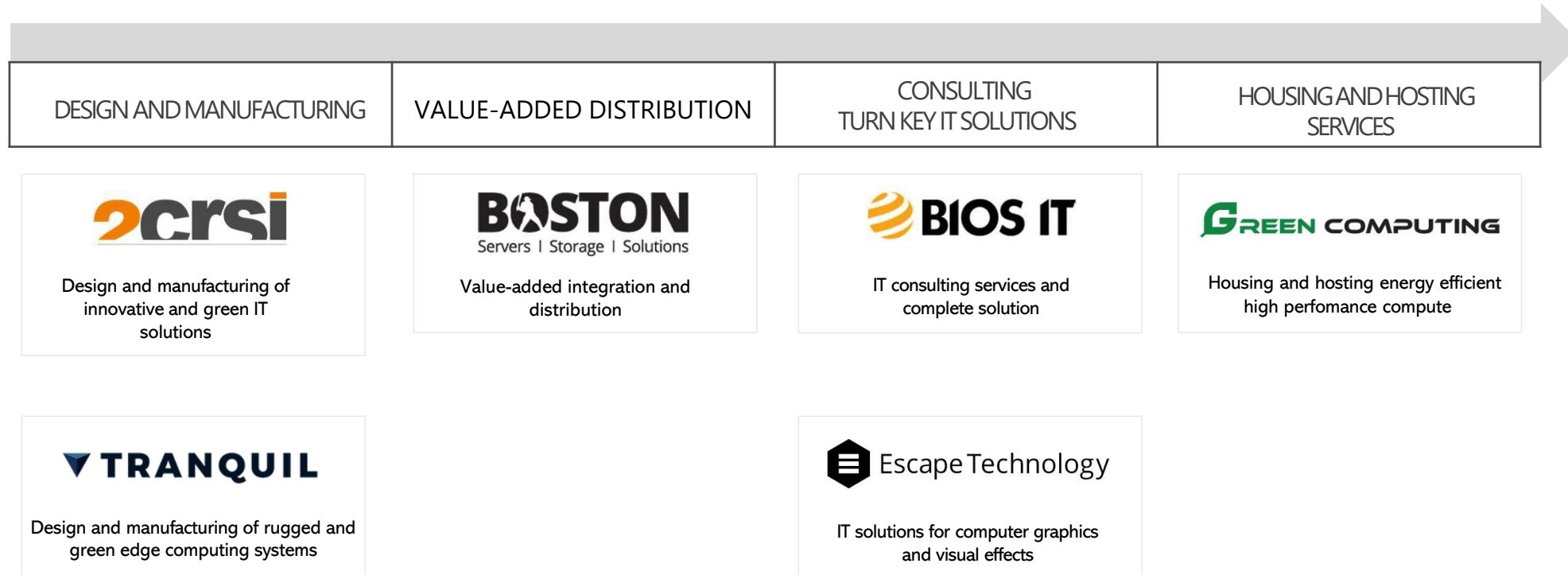
Specific resources allocated to each project



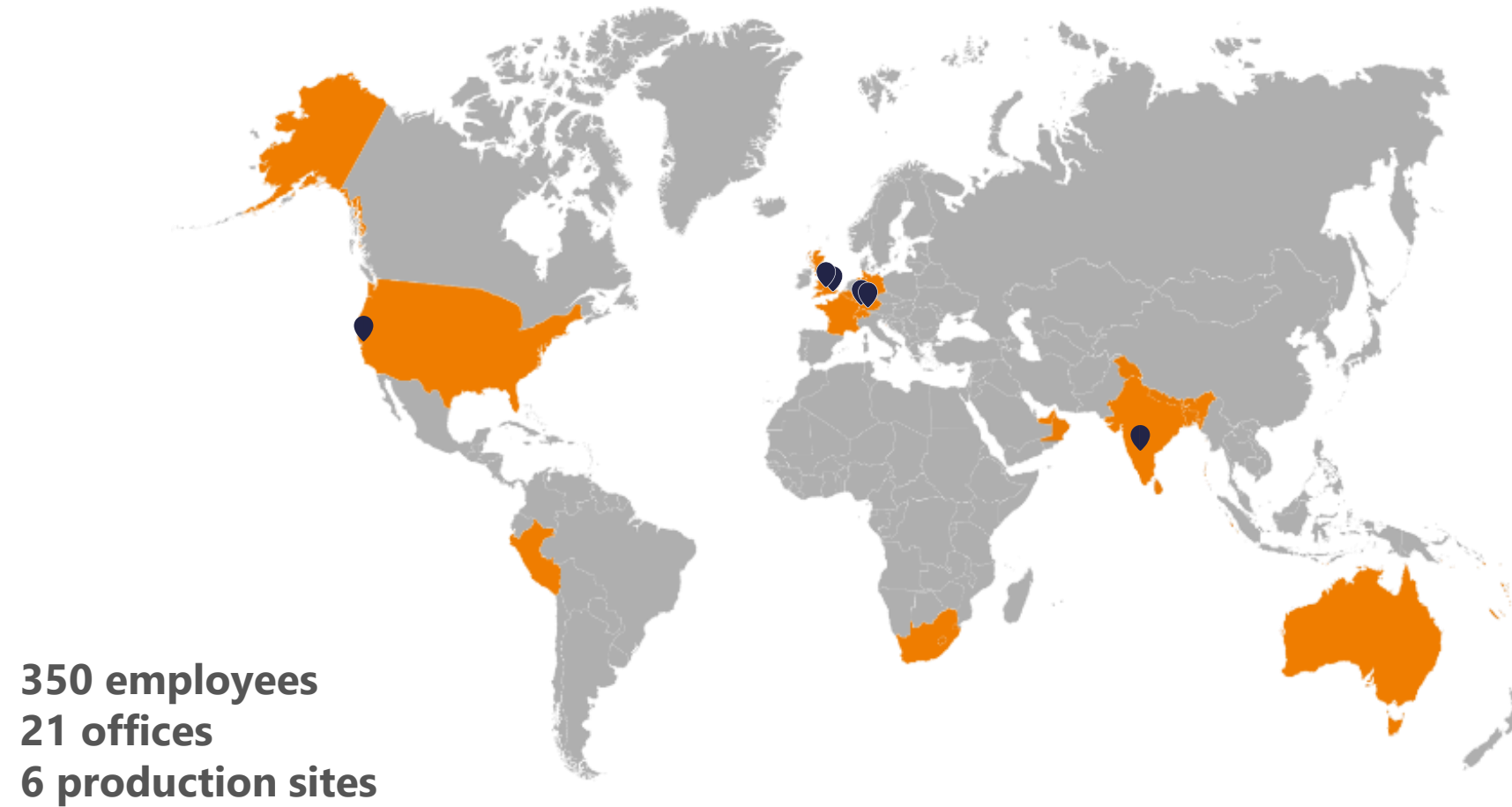
GREEN IT

Reducing the carbon footprint of investments and operating costs

Complementary coverage of the entire value chain



Worldwide presence achieved





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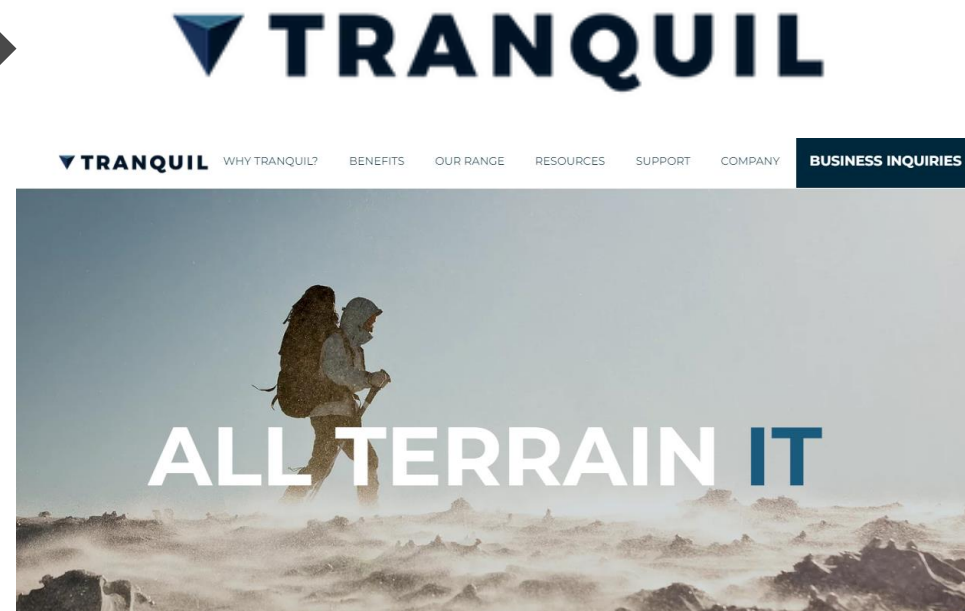
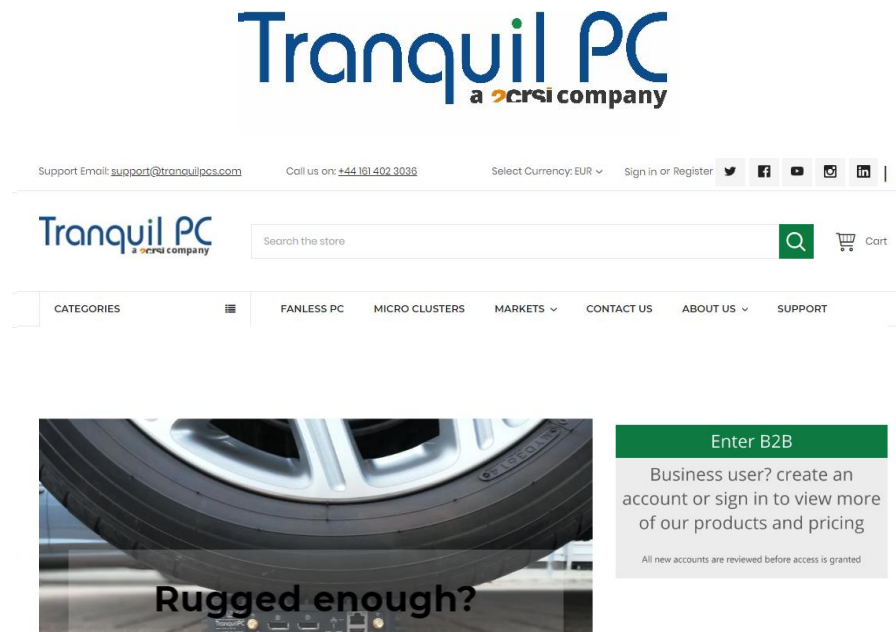
IV. Financial highlights

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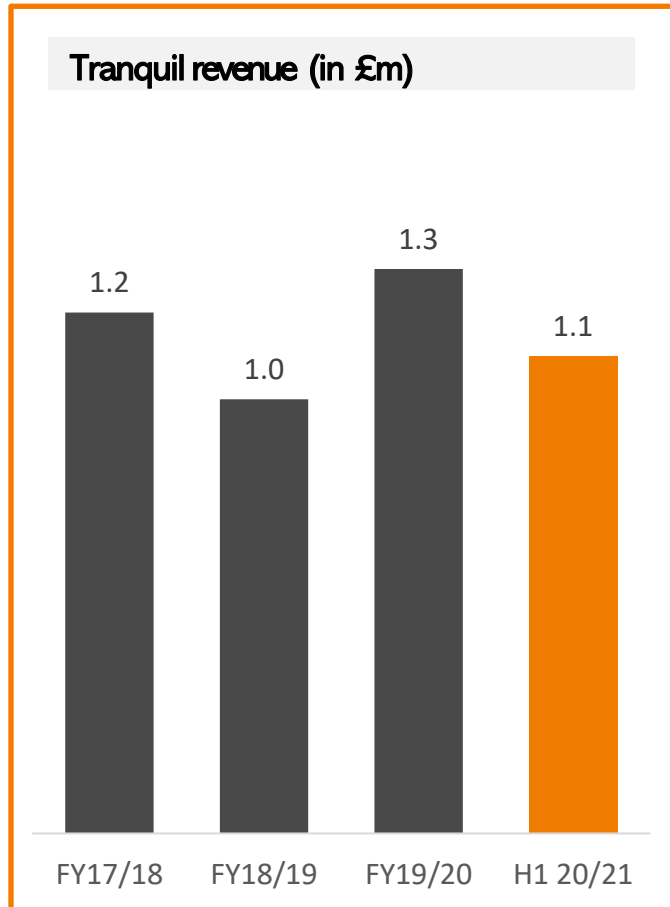
V. Outlook

Rebranding of Tranquil

- Repositioning of Tranquil as a premium brand
- Rugged, fanless, low-energy IT systems for the world's harshest environments: **All Terrain IT**



Tranquil: a success story



Increased commercial effort

- Product & sales training
- Reviewed pricing policy
- Integration in distribution network

Continued growth

- Driven by OEM clients, maritime, and digital signage
- Expected acceleration in H2
- Production capacity significantly increased

Boston Ltd: integration progress in line with plan



Consolidation of key suppliers

Sales training

- Completed in Aug 2020

Alignment of corporate support functions

- Almost achieved

Synergies through

- Increased purchase volumes
- Shared marketing & central costs
- Complementary product range

Joint sales opportunities

Boston Training Academy





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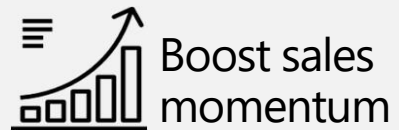
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Progress across our 3 strategic priorities

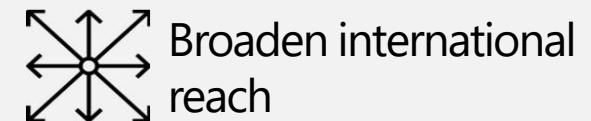
1



2



3



COVID-19 boosts investments in cloud and gaming

1



Boost sales
momentum

Confirmation of the Blade order – c. €25m

- April 2020
- Cloud PC
- c. 40% recognised in H1, remainder expected in H2

Linkoffice – c. €6.5m

- May 2020
- Virtual Desktop Infrastructure
- c. €0.8m recognised in H1, c. €1.6m expected in FY20/21

Solid pipeline development in other segments

Client diversification continues in H1

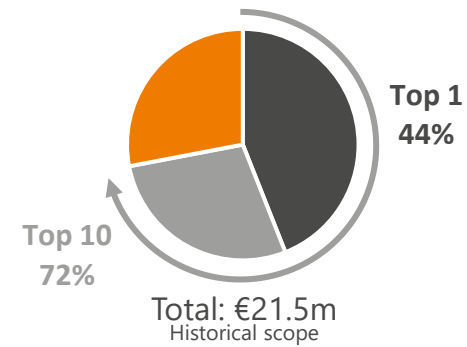
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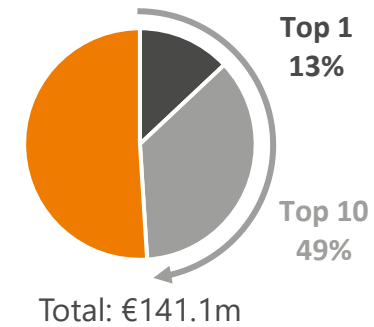
Diversify
customer
portfolio

Decreased client revenue concentration

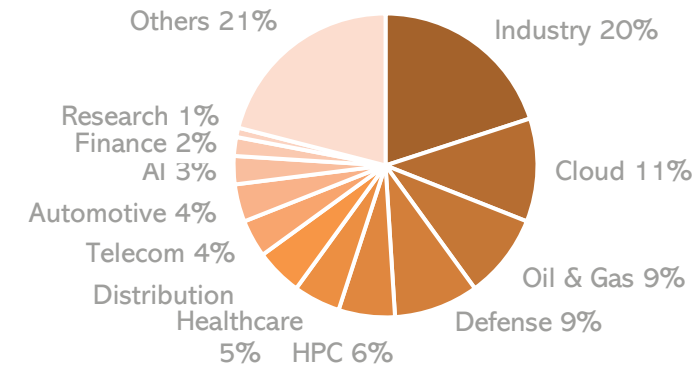
H1 2019



H1 2020/21

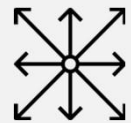


FY 2019/20
Sector
breakdown



International coverage keeps expanding further

3

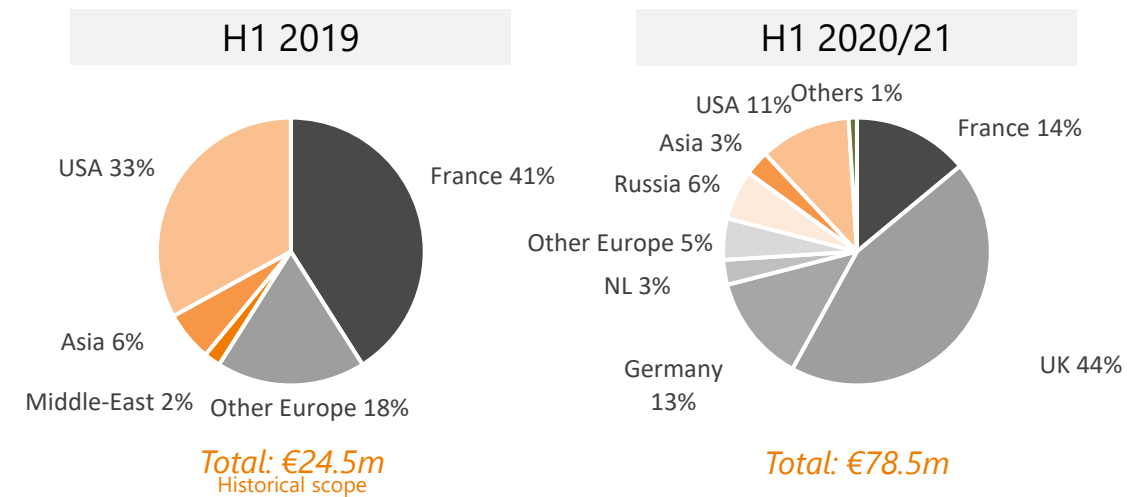


Broaden international reach

2 new subsidiaries opened

- Singapore
- The Netherlands

Appointment of Wally Liaw to oversee US & Eastern Asia





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H1 Revenue: a satisfactory first half

Entity	<u>Published data</u>		<u>pro forma data</u>	
	2CRSi (historical scope)	Boston Limited	2CRSi (consolidated)	2CRSi (consolidated)
Period	Mar 1, 2020 – Aug 31, 2020	Mar 1, 2020 – Aug 31, 2020	Mar 1, 2020 – Aug 31, 2020	Mar 1, 2019 – Feb 29, 2020
Duration	6 months	6 months	6 months	12 months
Consolidated revenue (in million euros)	24.5	53.9	78.5	141.1



Only 40% of the Blade order (for a total amount of c. €25m) have been recognised as revenue in H1

H1 20-21: Consolidated income statement

In million euros ongoing limited review - IFRS	H1 2020-2021 Mar 1, 2020 – Aug 31, 2020	FY2019-2020 pro forma Mar 1, 2019 – Feb 29, 2020 ^(1,2)	H1 2019 Jan 1, 2019 – 30 Jun 2019
Revenue	78.5	141.1	21.5
Change in finished goods inventories	1.1	0.2	0.8
Other ordinary operating income	0.2	0.8	0.3
Cost of sales	(65.6)	(109.0)	(17.6)
External expenses	(4.2)	(11.7)	(1.9)
Personnel expense	(8.5)	(16.8)	(3.7)
Tax expense	(0.4)	(0.6)	(0.2)
EBITDA	1.1	3.8	(0.8)
<i>EBITDA margin</i>	<i>1.5%</i>	<i>2.7%</i>	<i>(3.9)%</i>
Other current operating income		(0.6)	
Depreciation, amortisation and impairment	(3.2)	(4.8)	(1.4)
Current operating income	(2.1)	(1.6)	(2.2)
Operating profit	(2.1)	(1.7)	(2.2)
Financial income (expense)	(1.0)	0.9	(0.2)
Consolidated net income	(2.6)	(0.6)	(2.2)
Group net profit	(2.5)	(0.8)	(2.2)

(1) Unaudited & estimated data – (2) Pro forma data, Boston Limited consolidated over 12 months (Mar 1, 2019 – Feb 29, 2020)

H1 20-21: Balance sheet - Assets

In million euros ongoing limited review – IFRS	Aug 31, 2020	Feb 29, 2020
Goodwill	6.7	7.1
Intangible assets	15.5	15.8
Tangible assets*	22.1	23.6
Non-current financial receivables	15.1	10.9
Other non-current assets	4.7	4.0
Total non-current assets	64.1	61.4
Inventory	38.9	34.5
Receivables	22.7	21.8
Other current assets	11.4	17.8
Current financial receivables	11.6	11.8
Cash & cash equivalents	5.3	10.2
Total current assets	89.9	96.1
TOTAL ASSETS	153.9	157.5

* Including items related to rights of use (IFRS 16)

H1 20-21: Balance sheet - Liabilities

In million euros ongoing limited review - IFRS	Aug 31, 2020	Feb 29, 2020
Group equity	43.5	47.2
Minority interests	(0.2)	(0.1)
Consolidated equity	43.3	47.1
Non-current financial debt (including lease liabilities)	52.6	53.0
Other non-current liabilities	3.2	3.5
Total non-current liabilities	55.7	56.5
Payables	22.3	20.3
Current financial debt (including lease liabilities)	16.9	16.6
Other current liabilities	15.7	17.0
Total current liabilities	54.9	53.9
TOTAL LIABILITIES	153.9	157.5



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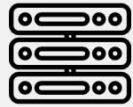
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2 factors driving sales momentum in H2 and beyond

INTENSIFICATION OF SALES EFFORTS IN 5 KEY VERTICALS



Internet Service
Provider, Cloud, 5G



Finance



Entertainment



Industries



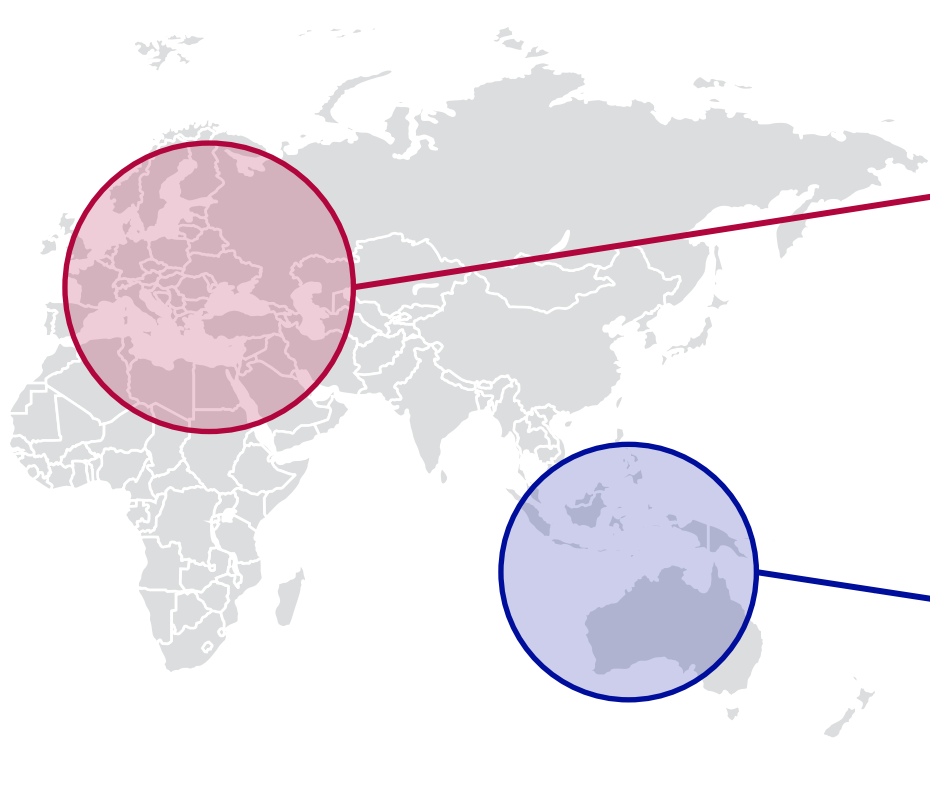
Defence &
security

Impact
COVID 

Impact
COVID 

FIRST IMPACT OF COMMERCIAL INTEGRATION OF BOSTON

Already resulting in 2 recent major wins



go2cloud

New Top10 client: go2cloud

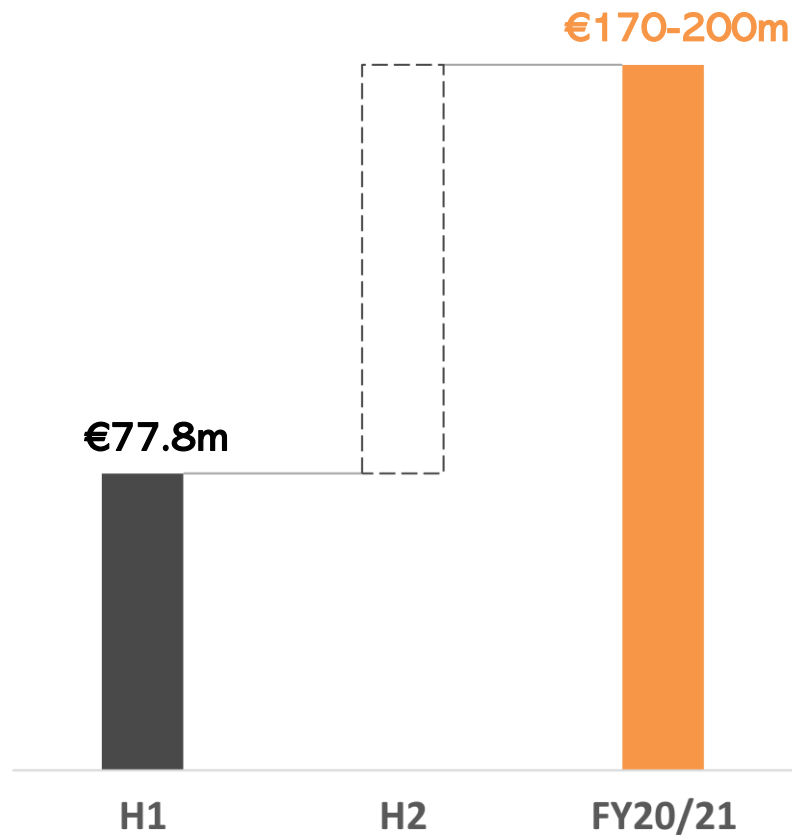
- Additional capacity for go2cloud HPCaaS in Europe & in the Middle-East
- Completion expected by the end of 2020

OVHcloud

New contract with OVH in Asia

- Servers for OVH's Public Cloud offer in Singapore & Australia
- Deployment to start in December 2020

FY20-21 objectives confirmed



FY20-21 objectives

- Strong revenue growth
- Improvement in profitability



2crsi

Q&A

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THANK YOU!

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