
Newheat secured €30 million in capital raising to develop at scale the provision of 100% sustainable renewable heat and become a European leader in the sector

- *Renewable heat has now been identified by European public and private decision-makers as a priority sector for achieving climate objectives and reducing dependence on fossil fuels.*
- *Newheat, whose focus is on decarbonising large industrial sites and district heating networks, is preparing to significantly increase its pace of development, aiming to deploy 15 new projects within three years. Its plans represent a total investment of €150 million and 200 GWh of delivered renewable heat annually.*
- *The French company, which is already a leader in the supply of solar heat in France, is now expanding its offering to include all solutions for the recovery and production of renewable heat.*

Bordeaux (France), 20 November 2023 - [Newheat](#), a supplier of renewable heat and the French leader in solar heat production, has announced the raising of €30 million from SWEN Capital Partners, via its SWIFT 2 strategy (SWEN Impact Fund for Transition 2), and its historical partners: Noria, Bpifrance through its FIEE fund, the Etchart Group and the holding company Holdheat. This is an unprecedented amount for the company, illustrating the strong interest of investors in the renewable heat sector, and more specifically in the company's unique business model and positioning. Newheat – which has deployed and operated five plants since its launch eight years ago – plans to triple this figure over the next three years.



The NARBOSOL solar thermal plant, which supplies the district heating network of the French town of Narbonne.

Renewable heat, a key energy transition issue that is finally receiving the attention it deserves

Heat is the leading energy use in France, accounting for 45% of our final energy needs. **Today, 60% of France's heat production is based on fossil fuels, and accounts for 80% of domestic gas imports**¹. Decarbonising heat is thus absolutely central and crucial to decarbonising our energy mix and, more broadly, to our energy independence. Until recently, however, this subject was a real “blind spot” in the French and European energy policy.

However, the last two years have been marked by a growing awareness of the issue, linked in particular to extreme climatic events on every continent, major tension over energy supply and exploding energy market prices. **Against this backdrop, public decision-makers finally seem determined to speed up the transition in the heat sector.**² **This shift has also been observed among private decision-makers, with growing interest from investors in renewable heat.** In particular, Newheat has seen a very sharp increase in business over the past two years, with incoming requests and keen interest from customers, whether industrial companies or local authorities and network operators.

Moreover, recent work by ADEME and the SGPE also highlighted a point for attention – **that of the limits of biomass resources and the need to prioritise uses**³.

Newheat extends its positioning as an integrated operator and its unique know-how to all solutions for the recovery and production of renewable heat

In this context, Newheat is announcing that it can now offer solutions combining all renewable heat recovery and production solutions, whose use in each project is determined by a precise merit-order based on environmental friendliness, taking into account CO2 emissions, respect for biodiversity, the availability of resources and local project constraints:

1. Recovery of waste heat at industrial sites
2. Solar thermal energy
3. Heat storage (storage tanks, geothermal probes, pit storage, etc.)
4. Industrial heat pumps
5. Combustion of renewable resources (biomass or biogas).

To deploy this vision, the company has built up considerable in-house technical expertise since its inception, enabling it to design, build and operate “made-to-measure” decarbonisation solutions, tailored to each individual case and optimised for each of its customers. This means that each project includes not only energy recovery and/or production, but also the storage, distribution and supply of energy directly to the customer's facilities.

This technical expertise, which centres on the challenges of dynamic modelling of energy systems, thermal-hydraulic design and optimisation of plant control, has been recognised through the company's ambitious, multi-award winning R&D programmes⁴ and Newheat's prestigious selection as part of the French Tech 2030 programme⁵, in September 2023.

This technical know-how and extended scope of intervention mean that Newheat can now offer its customers decarbonisation solutions replacing up to 100% of the fossil energy they currently use, all year round, thereby preserving their energy independence and putting them firmly on the path to a virtuous decarbonisation of their activities.

¹ Source: DAtaLab MTE, SDES, PPE, ADEME

² Examples include recent work by ADEME, the Secrétariat Général à la Planification Ecologique (SGPE), the AMORCE association and working groups on France's energy strategy, and the increase in the Fonds Chaleur (Heat Fund) budget (€800m in 2024 compared with €520m in 2023).

³ According to AMORCE and its partners, “biomass will continue to play a predominant role in the overall production of renewable heat, but the need to prioritise non-relocatable energy (waste heat, geothermal energy, solar thermal energy, etc.) over relocatable energy (biomass, renewable gas, etc.) should lead to strong growth in local, non-combustible energy sources”.

⁴ Two-time winner of the Innovation Competition under the Investissement d'Avenir programme, three-time winner of the European Life and Horizon programmes.

⁵ National programme to support the emergence of innovations in key strategic sectors with high potential for growth and impact

SWEN Capital Partners and Newheat's historic partners team up for this new round of financing of an unprecedented amount

It is against this backdrop that Newheat raised this latest round of financing. After raising €1.8m and €7m in 2017 and 2021, **this latest round of €30m reflects the clear acceleration in the company's business and the new interest in the sector.**

This capital is being injected by the main historical shareholders (Noria, Bpifrance via its FIEE fund and its dedicated Environmental Impact Fund team, the Etchart group and the Holdheat holding company), and by a new well-known investor, SWEN Capital Partners, who confirmed its ambition by putting in most of the amount raised, through its SWIFT 2 strategy (SWEN Impact Fund for Transition 2). This European impact strategy, launched in 2021, is dedicated to energy transition and more specifically to investment in renewable gas infrastructure (in particular biomethane and green hydrogen production assets). This leading player in sustainable private equity investment has over €8 billion under management in Europe.

€30 million earmarked mainly for investment in projects developed by the company

The aim of this new round of financing is to continue accelerating Newheat's activity.

The vast majority of the funds raised will be used to invest directly in heat plant projects developed by the company, for which it plans to systematically have majority ownership. After proving the relevance of this business model by completing its first five projects for a total investment of €15 million, partly financed by bank debt, Newheat plans to complete 15 projects for a total investment of €150 million over the next three years. These projects are mostly located in France, and represent 200 GWh of delivered renewable heat a year.

This announcement marks a clear increase in both the pace of development of Newheat's projects which will speed up fivefold, and their scale, with capacity planned to increase threefold.

After doubling its workforce over the last 18 months, mainly to structure its Business Development departments, Newheat now has 45 employees and plans to double its **workforce again to around 80 by 2025/2026, in particular by strengthening** the Operations teams (Engineering, Construction and Operation) as well as support functions (Finance and Administration).

Olivier Aubert, Managing Director at SWEN Capital Partners: *"We are convinced that tomorrow's energy mix will include renewable heat and it is clear that Newheat is one of the most advanced and relevant players to meet this challenge thanks to its positioning and expertise. We are delighted to support them in achieving the ambitious targets they have set themselves."*

"We are delighted to complete this transaction with our historic investors and to welcome SWEN Capital Partners as shareholders. The confidence of this major player in the financing of energy transition gives us both recognition and a lever for accelerating the development of our business", said Hugues Defréville, co-founder and CEO of Newheat. "2023 is a pivotal year in the energy transition in Europe and France. The challenge of decarbonising heat is a major one. It accounts for almost half of the energy consumed in France, and is still largely dependent on imported fossil fuels. According to a forecast to 2035 produced by a platform of associations representing local authorities, renewable heat production should reach 284 TWh in 2035, covering almost 60% of needs. That's what we've been working towards since 2015, and that's the ambitious challenge that this fundraising campaign will enable us to help meet on a massive scale!"

Investor representatives:

6. SWEN Capital Partners: Thibault Thuillez, Gabrielle Hubert
7. Noria: Christophe Guillaume, Geoffroy de Carbonnières
8. Bpifrance: Samia Ben Jemaa, Gautier Danes, Sophie Paquin
9. Holdheat: Paul-François Croisille

10. Etchart: Romain Schwager

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Media kit: [Download Newheat's press kit, visuals and latest press releases at this link](#)

About Newheat: Founded in 2015, Newheat is a supplier of renewable heat and the leader for solar heat in France. The company provides innovative decarbonisation solutions for large consumers of heat, large-scale industrial sites and district heating networks.

Its activities involve developing, designing, building, financing and operating heat production facilities that can combine waste heat recovery, solar thermal energy, short- and long-term thermal storage systems, industrial heat pumps, and, where necessary, the combustion of renewable resources as a supplement. The company is based in Bordeaux and currently has five sites in operation with a total capacity of 40 MW. Newheat currently employs 42 staff and aims, by 2030, to have an installed base representing a cumulative investment of €1 billion and an annual volume of delivered renewable heat of 1.5 TWh, avoiding almost 300,000 tonnes of CO2 emissions per year. www.newheat.com

About SWEN Capital Partners: SWEN Capital Partners is a leading player in sustainable investment in private equity, infrastructure and mezzanine debt, with more than €8 billion (amount of cumulative liabilities) under management and/or advisory, and now has nearly 100 employees. The management company, owned by the Ofi Invest group (whose main shareholders are entities of the Aéma group: Macif, Abeille Assurances holding, Aésio Mutuelle) and Crédit Mutuel Arkéa, as well as its team, has always placed the ESG & impact approach at the heart of its approach and offers its clients innovative and sustainable investment solutions. SWEN CP supports entrepreneurs and its partners in their efforts to address social, societal and/or environmental issues and to create sustainable value, which it believes is essential for useful financing.

About Bpifrance and the FIEE Fund 1: Bpifrance finances businesses – at every stage of their development – through loans, guarantees and equity investments. It provides support to businesses for innovation and export projects, including through a broad range of export insurance products. Bpifrance also provides extra-financial services for entrepreneurs, such as consulting, training, start-up networks and accelerators. Thanks to Bpifrance and its 50 regional offices, entrepreneurs have a single local contact to help them through the challenges they face.

The FIEE (France Investissement Energie Environnement) fund, launched in 2017, aims to support key players in energy and environmental transition in France, in renewable energies, energy efficiency and e-mobility, the circular economy and environmental services.

For more information, please visit: www.Bpifrance.fr – Follow us on Twitter: @Bpifrance - @BpifrancePresse

About Noria: Noria is a Lille-based family investment structure and has been committed to integral ecology since its creation in 2005. As a long-term investor, Noria has invested in the capital and governance of around twenty companies, from seed capital through to more advanced stages of development, with a resolutely specialised business approach, a factor of competence, experience and anchoring. A majority of its holdings are, like NewHeat, developing low-carbon energy production infrastructure, e.g. Kyotherm, Dualsun, Eléments, Lhyfe, Waga Energy, Ciel & Terre International, LMK Energy, BW Ideol, Jimmy Energy, TLS Geothermics and Geosophy.

More information at: <https://www.noria.eu/>

About Etchart: Etchart is an independent family-owned group (1,830 staff and € 520 million in revenue) whose historical businesses are construction and public works. The group has also diversified into energy, the trading, production and recycling of materials, and community services. For a number of years now, the group has been drawing on its entrepreneurial DNA, financial strength, values and local roots to support the growth and innovative projects of start-ups.