



2016 FY Results Presentation

Scott McGregor, Chief Executive Officer
Scott Laird, Finance Director

24th April 2017

2016 FY Highlights & YTD

redT

2016

- **Market Seeding Programme completed** – Gen 1 product rollout successful & key learnings transferred into Gen 2 development
- **Core Technology proven** – Successfully tested at PNDC facility, **first large containers connected**
- **Gen 2 machine engineered to market leading price** - \$490/kWh – one of the cheapest available globally
- **First Gen 2 unit sales**

2017

- Detailed **validation** of Gen 2 units
- **Team expansion** + 55%
- **Manufacturing** diversification
- Further Gen 2 sales (**5 units**), final round selection (**101 units**), active development of **customer interest pipeline**

Camco

- **Legacy businesses** continued to generate a **positive contribution** for the Company

Key Achievements...

1



Contract signed with **E.ON**

3



Core technology proven with **SSE** at PNDC site

7



1st Gen 2 manufactured to commercial price, **\$490/kWh**

1st machines arrive in Africa

Partnership with Newcastle University

Market Seeding complete

Successful Capital Raise

redT team grows by 55%

2016

1

2

3

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2017

9

10

11

Contract Signed with **E.ON**

Core Technology Proven

1st Gen 2 Unit Sale

1st Gen 2 Unit Manufactured

The Olde House Project

Gen 2 commercial sales

2



1st machines arrive in **Africa**

4



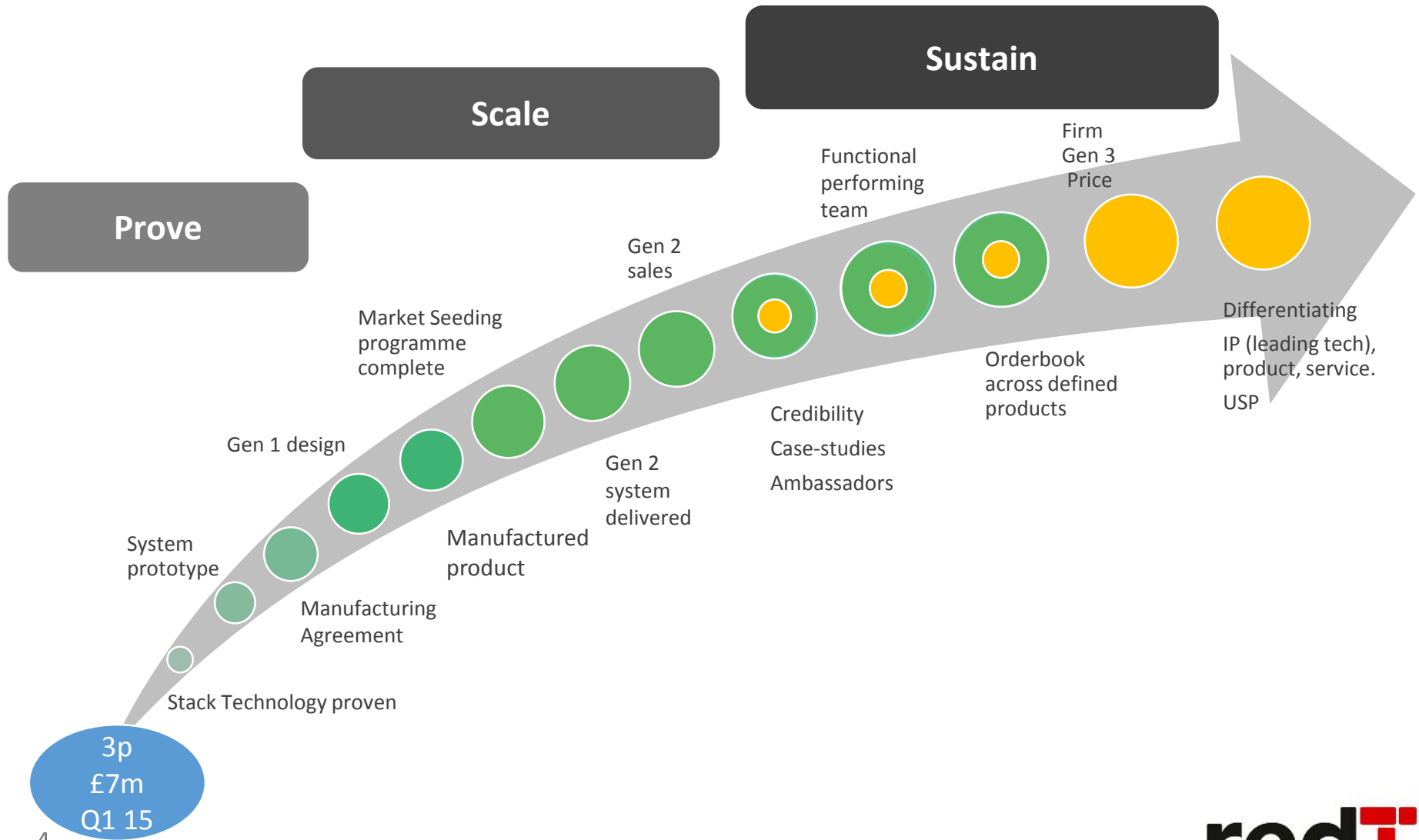
Agreement to jointly develop **Hybrid System**

9



1MWh Olde House Project in Cornwall supported by **Centrica**

Sustainable Equity Value



Commercial Update

Production & Deployment	<ul style="list-style-type: none">• University of Strathclyde• Thaba Eco Lodge• Jabil Inala• The Olde House• Equivalent to 9 x redT tank unit modules
2017 Orders	<ul style="list-style-type: none">• 1 x 10kW-75kWh• 1 x 60kW-300kWh• Equivalent to 5 x redT tank unit modules
Letter of Intent	<ul style="list-style-type: none">• LOI signed with UK energy project developer• Potential 490MW grid-connected sites
Final Stage Customer Selection	<ul style="list-style-type: none">• €6.5m• 25 x 60kW-300kWh• 1 x 5kW-20kWh• Equivalent to 101 x redT tank unit modules
Active Customer Pipeline	<ul style="list-style-type: none">• ~€250m• ~350MWh

Active Customer Pipeline

1,500+
sales enquiries

100%
Incoming
Enquires

98%
Private
Sector

100+
Countries

Total Pipeline:
~€250 million
~350MWh

FY 2016 Financials

FY 2016 Financial Highlights

2016 financials were in line with management expectations. The Company has a robust cash position and is fully funded, following the successful capital raise announced in December 2016.

- €17.2m in available cash held as at 31 March 2017
- Loans and borrowings €Nil (2015: €Nil)
- Revenue for the year €10.8m (2015: €11.1m) (includes carbon-related activity)
- EBITDA loss for the year €5.2m (2015: loss €1.5m) (excluding exceptional & discontinued operations)
- Shareholder approval of £14.88m (before expenses) fundraise to accelerate commercialisation
- redT business - result reflective of completion of Gen 1 market seeding programme plus full year absorption of the REDH cost base
- Camco business - comprising the legacy business operations of Africa, US and Carbon - continues producing positive contributions to the Group

Income Statement

Consolidated statement of comprehensive income

For the year ended 31 December 2016

	2016	2015
	€'000	€'000
Continuing operations		
Revenue	10,829	11,106
Cost of sales	(8,563)	(6,267)
Gross profit	2,266	4,839
Administrative expenses	(7,519)	(6,323)
Share based payment	(408)	(17)
Results from operating activities	(5,661)	(1,501)
Financial income	38	26
Financial expenses	-	(1)
Foreign exchange movement	(168)	165
Net financing (expense)/income	(130)	190
Share of loss of equity-accounted investees	-	(1,417)
Gain on disposal of equity-accounted investees	-	2,016
Loss before tax	(5,791)	(712)
Income tax credit	154	12
Loss from continuing operations	(5,637)	(700)
Discontinued operations		
Profit from discontinued operations	-	1,370
(Loss)/profit for the period	(5,637)	670
Exchange differences on translation of foreign operations	(164)	351
Total comprehensive income for the period	(5,801)	1,021
EBITDA (before exceptional items and discontinued ops.)	(5,196)	(1,450)

Balance Sheet

Consolidated statement of financial position

At 31 December 2016

	2016	2015		2016	2015
	€'000	€'000		€'000	€'000
Non-current assets			Equity attributable to equity holders of the parent		
Property, plant and equipment	103	101	Share capital	4,679	4,098
Goodwill	8,167	8,167	Share premium	89,201	85,375
Intangible assets	6,822	6,822	Share-based payment reserve	1,118	773
Deferred tax assets	175	132	Retained earnings	(79,340)	(73,823)
	15,267	15,222	Translation reserve	729	893
Current assets			Other reserve	(1,621)	(1,621)
Prepayments and accrued income	509	381	Non-controlling interest	(129)	(9)
Trade and other receivables	775	1,058	Total equity	14,637	15,686
Other financial assets	-	2,420			
Corporate tax receivable	7	-			
Cash and cash equivalents	2,753	2,935			
	4,044	6,794			
Total assets	19,311	22,016			
Current liabilities					
Trade and other payables	(3,972)	(5,522)			
Deferred income	(480)	(408)			
Corporate tax payable	-	(150)			
	(4,452)	(6,080)			
Non-current liabilities					
Deferred income	(222)	(250)			
	(222)	(250)			
Total liabilities	(4,674)	(6,330)			
Net assets	14,637	15,686			

Cash Flow

Consolidated statement of cash flow

For the year ended 31 December 2016

	2016 €'000	2015 €'000		2016 €'000	2015 €'000
Cash flows from operating activities			Cash flows from investing activities		
(Loss)/profit for the year	(5,637)	670	Proceeds from disposal of discontinued operations	-	731
Adjustments for:			Acquisition of a subsidiary, net of cash	-	607
Depreciation, amortisation and impairment	57	34	Acquisition of property, plant and equipment	(72)	(52)
Foreign exchange loss/(gain) on translation	168	(165)	Net cash inflow from investing activities	(72)	1,286
Financial income	(38)	(26)	Cash flows from financing activities		
Financial expense	-	1	Proceeds from the issue of share capital	4,406	-
Impairment of receivables - bad debt write-off	(36)	-	Proceeds from other financial assets	2,420	-
Share of loss of equity accounted investees	-	1,417	Interest received	38	26
Gain on disposal of equity-accounted investee	-	(2,016)	Interest paid	-	(1)
Gain on sale of discontinued operations, net of tax	-	(1,370)	Net cash inflow from financing activities	6,864	25
Equity settled share-based payment expenses	345	17	Net increase in cash and cash equivalents	448	(1,236)
Taxation	(59)	(12)	Cash and cash equivalents at 1 January	2,935	4,057
	(5,200)	(1,450)	Effect of exchange rate fluctuations on cash held	(630)	114
Decrease in trade and other receivables	170	121	Net cash and cash equivalents at 31 December	2,753	2,935
(Decrease) in trade and other payables	(1,314)	(1,218)			
	(1,144)	(1,097)			
Net cash outflow from operating activities	(6,344)	(2,547)			

Note: post balance sheet cash @ Mar17 = €17.2m

Segmental Analysis

Operating segments

For the year ended 31 December 2016

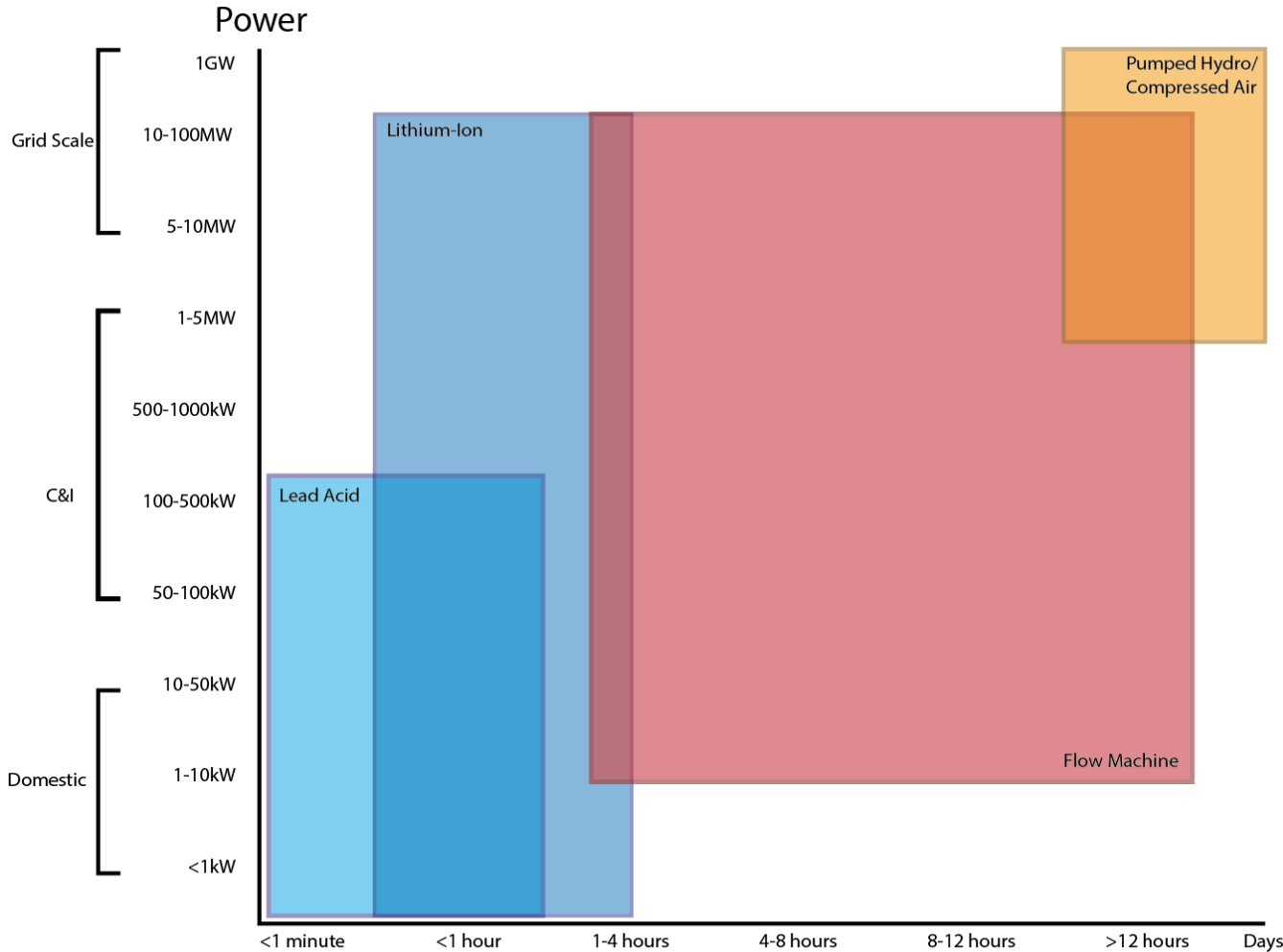
	redT		Camco		Consolidated	
	2016 €'000	2015 €'000	2016 €'000	2015 €'000	2016 €'000	2015 €'000
Segment revenue	302	426	10,527	10,680	10,829	11,106
Segment gross margin	(1,540)	256	3,806	4,583	2,266	4,839
Segment administrative expenses	(4,680)	(3,037)	(2,875)	(3,286)	(7,555)	(6,323)
Segment result	(6,220)	(2,781)	931	1,297	(5,289)	(1,484)
Impairment of receivables	-	-	36	-	36	-
Share-based payments					(408)	(17)
Results from operating activities					(5,661)	(1,501)
Finance income					38	26
Finance expense					-	(1)
Foreign exchange movement					(168)	165
Share of loss of equity accounted investees					-	(1,417)
Gain on original investment					-	2,016
Taxation					154	12
Gain from discontinued operation					-	1,370
(Loss)/profit for the year					(5,637)	670
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Total comprehensive income for the year					(5,801)	1,021

redT - 2017 next steps

- Focussed 2017 **customer deployment**, cautious ramp to ensure **happy customers & validation of Gen 2** units
- **Build out functional teams**; implementation, software, commercial, engineering
- **Gen 2 sales** key segments & **product differentiation**
- **Orderbook** for 2018
- **Gen 3 stack and electrolyte** cost down

Appendix

Stationary Energy Storage Market



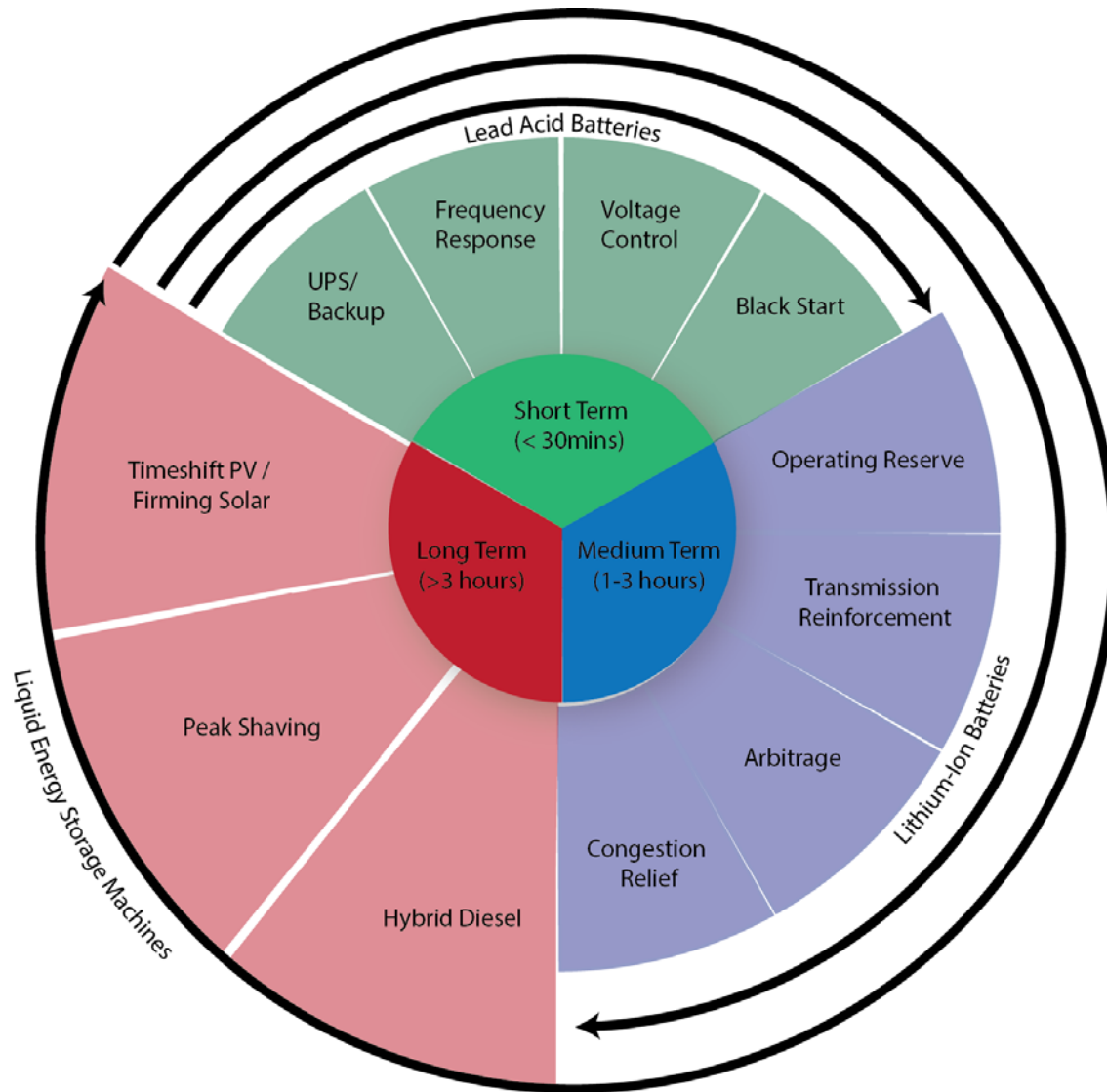
Vanadium Flow Machine market estimated at approx. \$5.4 billion in potential revenue (Lux Research)

Assumes developers can reach a target of \$750 per kilowatt hour for a fully installed system.

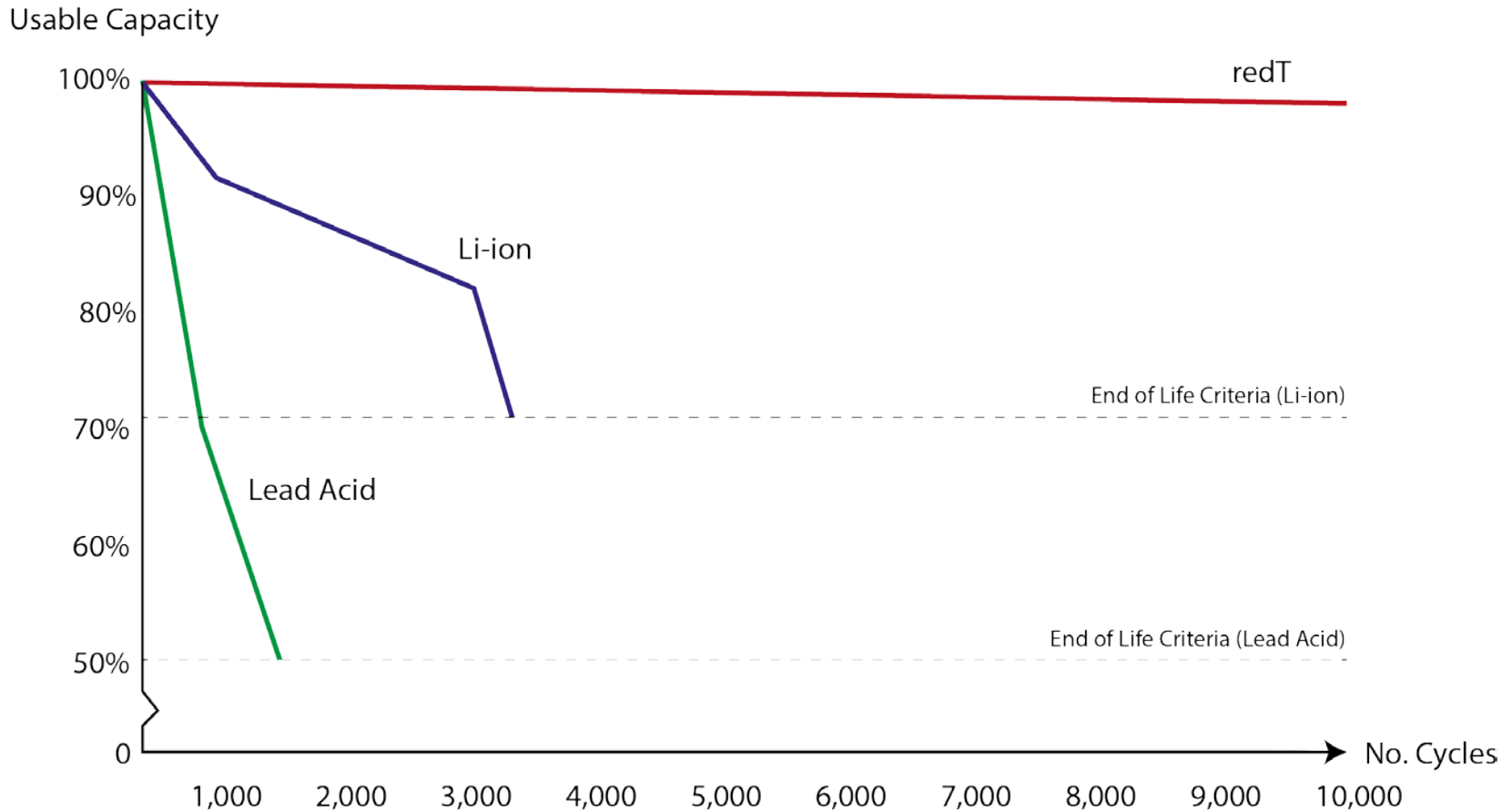
Application Duration



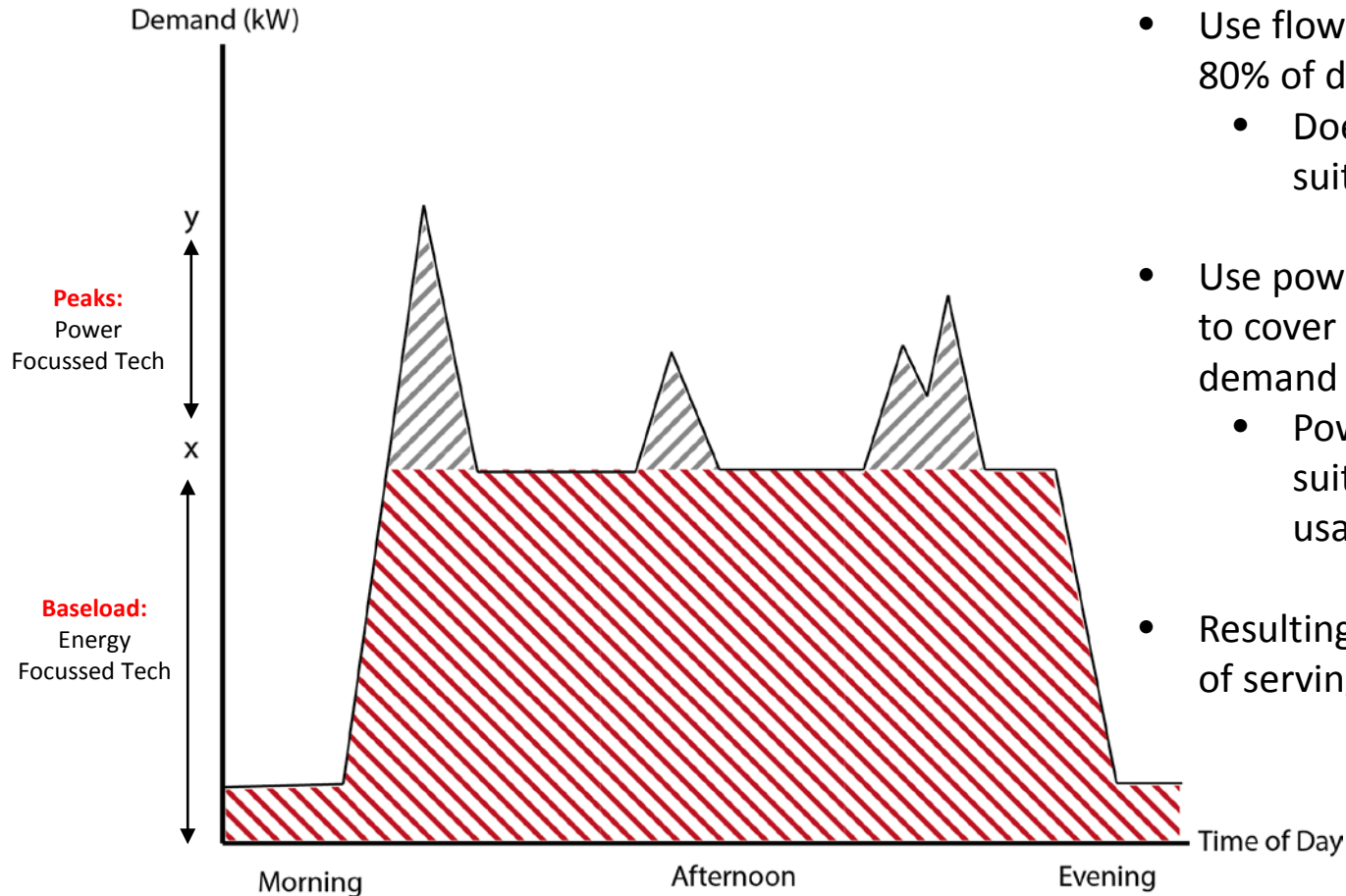
Comparing Storage Technologies by Application



Comparing Storage Technologies by Degradation



Hybrid Energy Storage System



- Use flow machines plus PV for 80% of demand
 - Does not degrade so well suited to daily, heavy cycling
- Use power-focussed technology to cover short term spikes in demand
 - Power focussed tech, more suitable for occasional usage
- Resulting Hybrid system capable of serving entire market