Executive Summary

- Energy storage to enable cheap baseload renewables
- Trusted energy storage expert with 20 years in the sector
- In-house proprietary flow machine technology
- Energy storage finance solutions across key sectors; C&I, Grid Storage, Large solar
- Gross pipeline £1.1bn, risked £188m
- Business model; product margin and 20 year asset management contracts
Sector Opportunity

Macro trends in global energy and the role energy storage will play in our future energy system
The Future of Energy

Distributed energy storage infrastructure is now open for business
This is real, economic, distributed infrastructure

Centralised

<table>
<thead>
<tr>
<th>Type</th>
<th>Levelised Cost (UK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coal</td>
<td>13.7p – 17.1p / kWh</td>
</tr>
<tr>
<td>Nuclear</td>
<td>8.5p – 12.3p / kWh</td>
</tr>
<tr>
<td>Gas (Peaker)</td>
<td>18.2p – 19.8p / kWh</td>
</tr>
<tr>
<td>Solar</td>
<td>5.5p – 7.6p / kWh</td>
</tr>
<tr>
<td>Wind</td>
<td>4.6p – 7.4p / kWh</td>
</tr>
</tbody>
</table>

Average cost of UK Electricity:
12p-14p/kWh (Centralised)
Source: UK Power (2018)

Large-scale PV + Storage:
9p/kWh (Distributed)
Source: BEIS, redT
A Changing Generation Mix

More renewable (wind and solar) retirement of Coal and CCGT (Gas)  
Movement towards ‘flexible’ capacity

Source: Aurora Energy Research, 2018
Solar + Storage: Tipping Point

Price of Energy
- Tending to $0/kWh
- Free abundance of energy

Power Price Volatility
- Peak Prices Rising

Grid Service Revenues
- USA, UK + others coming online

Energy storage is enabling more renewables to come online
Cheaper, cleaner energy, globally
Maximise Use of Cheap Renewables

1. Double cheap renewable generation
2. Average peak cost 12-14p
Stationary Energy Storage Market

- New market driven by economics
  - Renewable + storage (currently 0.1%)
  - Flow = pumped hydro in a box

- Grid Services (All)
- Renewable Firming (4 hours – 24 hours)
- Network Reinforcement
- Energy Trading & Arbitrage

- Pumped Hydro 99%
- Bespoke Projects
Company Update

redT energy – Key differentiators, technology and position within the sector
redT – Industrial Energy Storage

**Trusted - Energy storage solutions expert**
- 20 years in energy storage. 100's of client models
- Key clients:
  - Anglian Water
  - E.on
  - Centrica

**Technology - IP proven, patents, know how**
- Energy storage machines and Lithium batteries
- 2 million+ machine operating hours
- Gen 3 embedded functionality
- Commodity manufactured product

**Solutions & Finance - infrastructure business models**
- Low risk infrastructure, 20+ year assets, 3rd party validated

**Channel finance** into key applications:
1. C&I Sector
2. Grid (storage)
3. Grid (PV + storage) Baseload

*redT - product margin*

*redT - 20+ year asset management agreements*
2018 H1 Highlights & YTD

H1 2018
- Delivery focus for existing Gen 2 orders
- Final stage of team build out – experienced, fully functioning teams
  - H1 2018 average headcount: 70 (H1 2017: 24)
- Gen 3 product launched in June 2018
  - Best in class IP
  - Embedded functionality to maximise customer returns
- Final stage negotiations on strategic Gen 3 deals, ensuring the scale up of the business (see Post Period Activity)

Post Period Activity
- Exclusive deal signed to deliver more than 700MWh of projects to German grid (80MWh 1st phase deployment)
- Collaborative partnership signed with Anglian Water to roll out energy storage across their sites. Initial 300kWh machine sale.
- Awarded framework contract for UK Public Sector
redT – Flow Machine Technology

Differentiation within the energy storage sector

Pumped Hydro in a box - Doesn’t degrade
Lowest Levelised cost, financeable, infrastructure asset

- 60-100% Utilisation
- Multiple, Stacked Services
- Daily, Heavy Usage
- Energy-Focussed
- Cheap Energy
- No Degradation
- Low Maintenance
- 100% depth of discharge
- Fully reusable
- Safe
- No fire risk
- Disposal issues

High cost of degradation – Single application use
High Levelised cost, requires regular replacement

- 10-20% Utilisation
- Single service
- Occasional Managed Usage
- Power Focussed
- Short life
- Disposable
- High LCOS
- Regular maintenance & management
- 0–50% depth of discharge
- Fire risk
- Must be managed
redT – Flow Machine Technology

Differentiation vs other flow machine technologies

Gen 3 Technology with embedded functionality to enhance customer returns

Pure Vanadium Redox Flow Machines

Simple | Durable | Low-Risk

Flexible Energy Infrastructure
Development Map

Development 1999-2014
- Stack technology proven
- System prototyping & testing
- Product IP Development
- Gen 1 design finalised

Commoditise 2014-2017
- Manufacturing commoditisation
- Gen 1 market seeding, Case studies & ambassadors

Scale 2017-Present
- Functional, performing team
- Gen 3 launch (Margin product) - embedded functionality, improved power output, efficiency and capacity.
- Gen 3 orderbook & delivery
- Solutions and Finance

俭能 (Jabil)
e.on
Centrica
Anglian Water
Customer Segment Update
Segment 1: Commercial BTM C&I

redT PV + Energy Storage Infrastructure

- **Upside more revenues**
- **Locked-In Returns 80%**
- **Use more solar**
  - **Firming solar: 24/7 solar power**
  - **Requires 4-8 hours of storage**
- **Perform all services, remain flexible**
  - **Flow Machines: All Services**
- **Save more on energy bills**

- **Sector facts:**
  - Energy costs core to business (water sector 50% of site costs)
  - Low risk infrastructure investment
  - Pressure due to rising energy costs
  - Desire to reduce carbon impact – harness 2x PV

- **Sector Opportunity**
  - Simple energy solution: PV + Storage + Energy supply billing

- **Market:** 5,000+ sites & $500m capex in the UK

**Recent Contract Wins**
- Anglian Water: Collaboration agreement & Initial 4 unit order for pathfinder site. (August 2018)
- Awarded framework contract to supply the NHS and UK Public Sector (September 2018)
Segment 2: Grid Storage

**Sector Facts**
- Grid assets subject to policy and market risk
- Current market: bespoke, inflexible assets
- redT hybrid provides flexible diversified asset for 20+ years

**Sector Opportunity**
- Flexible Diversified Asset for trading advantage
- Asset can be worked hard for returns due to no degradation
- Bankable debt financeable asset

**Recent Wins**
- 700MWh exclusive portfolio of German grid project *(July 2018)*
Case Study: German Grid Storage

**Initial project**
- 11MW, 44MWh – 800 redT units

**Further Phase**
- 2nd project identical to initial project 44MWh
- Both Projects - Extensions additional 22.5MW, 90MWh
- Third project - 150MW 600MWh
- Total investment ~€400m

**German SCR Market – Energy storage 2.0**
- 4 hour service to balance grid – true balancing of grid
- redT first project 1% of current SCR market
- Current services by Coal – 5 minute ramp time
- Coal will phase out – renewables will create more SCR market
- Deep market 2GW – 8GWh Secondary Control Reserve,
Segment Three: Solar/Wind + Storage

Wind + Solar + Long duration energy storage (~6-10 hours) = Baseload Energy

(Now) < $90/MWh
(Future) < $50/MWh

Market Value: $bn’s – the future of distributed energy
2018 – marginally economic
By 2021 – Solar cost reduction will drive this as major segment
Commercial Update
## Commercial Pipeline

<table>
<thead>
<tr>
<th>Deal Stage</th>
<th>Gross</th>
<th>Conversion</th>
<th>Weighted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Development</td>
<td>£60m (1,776 units)</td>
<td>95%</td>
<td>£57m (1,687 units)</td>
</tr>
<tr>
<td>Quoted</td>
<td>£198m (4,787 units)</td>
<td>25%</td>
<td>£50m (1,197 units)</td>
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<tr>
<td>Early stage</td>
<td>£815m</td>
<td>10%</td>
<td>£81m</td>
</tr>
</tbody>
</table>

**Total:** £1,073m  £188m

### Core Segments

1. C&I BTM: £115m
2. Grid-Scale: £702m
3. Large Solar & Storage: £256m
HY 2018 Financials
Highlights

- Revenue from continuing operations up 33% to £1.2m (H1 2017 £0.9m)
- Trading loss £5.4m (H1 2017: £2.8m loss)
- Operating loss from continuing operations £5.7m (H1 2017: loss £3.1m)
- Half year end free cash £3.9m (31 December 2017: £6.6m)
- Loans and borrowings £Nil (H1 2017: £Nil)
- Profit from discontinued operations £Nil (H1 2017 £Nil)
## Income Statement

<table>
<thead>
<tr>
<th></th>
<th>H1 18 £m</th>
<th>H1 17 £m</th>
<th>Movement £m</th>
<th>%</th>
<th>FY 2017 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Continuing operations:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>1.2</td>
<td>0.9</td>
<td>0.3</td>
<td>33</td>
<td>2.2</td>
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<tr>
<td>Cost of sales</td>
<td>(0.4)</td>
<td>-</td>
<td>(0.4)</td>
<td>n/a</td>
<td>(0.3)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>0.8</td>
<td>0.9</td>
<td>(0.1)</td>
<td>(15)</td>
<td>1.9</td>
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<tr>
<td>Administrative expenses (excl. SBP)</td>
<td>(6.2)</td>
<td>(3.7)</td>
<td>(2.5)</td>
<td>(66)</td>
<td>(9.0)</td>
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<tr>
<td><strong>Trading loss</strong></td>
<td>(5.4)</td>
<td>(2.8)</td>
<td>(2.6)</td>
<td>(92)</td>
<td>(7.1)</td>
</tr>
<tr>
<td>Share-based payments (SBP)</td>
<td>(0.3)</td>
<td>(0.3)</td>
<td>-</td>
<td>17</td>
<td>(0.1)</td>
</tr>
<tr>
<td><strong>Operating loss</strong></td>
<td>(5.7)</td>
<td>(3.1)</td>
<td>(2.6)</td>
<td>(82)</td>
<td>(7.2)</td>
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<tr>
<td>Net financing expense (mainly FX)</td>
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<td>(0.1)</td>
<td>-</td>
<td>(60)</td>
<td>(0.1)</td>
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<tr>
<td><strong>Loss before tax</strong></td>
<td>(5.8)</td>
<td>(3.2)</td>
<td>(2.6)</td>
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<td>(7.3)</td>
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<tr>
<td>Income tax</td>
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<td>0.1</td>
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<tr>
<td><strong>Loss from continuing operations</strong></td>
<td>(5.8)</td>
<td>(3.2)</td>
<td>(2.6)</td>
<td>(82)</td>
<td>(7.2)</td>
</tr>
<tr>
<td>Loss from discontinued operations</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>n/a</td>
<td>(0.1)</td>
</tr>
<tr>
<td><strong>Loss for the period</strong></td>
<td>(5.8)</td>
<td>(3.2)</td>
<td>(2.6)</td>
<td>(84)</td>
<td>(7.3)</td>
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<tr>
<td><strong>Trading loss</strong></td>
<td>(5.4)</td>
<td>(2.8)</td>
<td>(2.6)</td>
<td>(92)</td>
<td>(7.1)</td>
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<tr>
<td>Add back depreciation</td>
<td>0.1</td>
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<td>0.1</td>
<td>n/a</td>
<td>0.1</td>
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<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>(5.3)</td>
<td>(2.8)</td>
<td>(2.5)</td>
<td>(89)</td>
<td>(7.0)</td>
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# Segmental Analysis

<table>
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<tr>
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<th>redT</th>
<th>Camco</th>
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<tbody>
<tr>
<td></td>
<td>H1 18</td>
<td>H1 17</td>
<td>Movement</td>
</tr>
<tr>
<td><strong>Continuing operations:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>0.2</td>
<td>0.2</td>
<td>-</td>
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<tr>
<td>Cost of sales</td>
<td>(0.2)</td>
<td>-</td>
<td>(0.2)</td>
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<tr>
<td>Gross profit</td>
<td>-</td>
<td>0.2</td>
<td>(0.2)</td>
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<tr>
<td>Admin</td>
<td>(5.5)</td>
<td>(3.1)</td>
<td>(2.4)</td>
</tr>
<tr>
<td><strong>Trading loss</strong></td>
<td>(5.5)</td>
<td>(2.9)</td>
<td>(2.6)</td>
</tr>
<tr>
<td>Share-based</td>
<td>(0.3)</td>
<td>(0.3)</td>
<td>-</td>
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<tr>
<td>payments</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>Operating loss cont.</strong></td>
<td>(5.8)</td>
<td>(3.2)</td>
<td>(2.6)</td>
</tr>
<tr>
<td>Operating loss discont.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating loss total</strong></td>
<td>(5.8)</td>
<td>(3.2)</td>
<td>(2.6)</td>
</tr>
<tr>
<td>Trading loss</td>
<td>(5.5)</td>
<td>(2.9)</td>
<td>(2.6)</td>
</tr>
<tr>
<td>Add back depreciation</td>
<td>0.2</td>
<td>-</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>(5.3)</td>
<td>(2.9)</td>
<td>(2.4)</td>
</tr>
</tbody>
</table>

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redT energy storage
## Cash flow

<table>
<thead>
<tr>
<th></th>
<th>H1 18 £m</th>
<th>H1 17 £m</th>
<th>Movem't £m</th>
<th>FY 18 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loss for the year</strong></td>
<td>(5.8)</td>
<td>(3.2)</td>
<td>(2.6)</td>
<td>(7.3)</td>
</tr>
<tr>
<td>Add back:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SBP</td>
<td>0.2</td>
<td>0.4</td>
<td>(0.2)</td>
<td>0.9</td>
</tr>
<tr>
<td>depreciation</td>
<td>0.2</td>
<td>-</td>
<td>0.2</td>
<td>0.2</td>
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<tr>
<td>FX movements</td>
<td>0.2</td>
<td>-</td>
<td>0.2</td>
<td>0.1</td>
</tr>
<tr>
<td>taxation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.1)</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>(5.2)</td>
<td>(2.8)</td>
<td>(2.4)</td>
<td>(6.2)</td>
</tr>
<tr>
<td>Movement in:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>receivables</td>
<td>1.2</td>
<td>(0.3)</td>
<td>1.5</td>
<td>(1.8)</td>
</tr>
<tr>
<td>inventory</td>
<td>(1.2)</td>
<td>-</td>
<td>(1.2)</td>
<td>(0.6)</td>
</tr>
<tr>
<td>payables</td>
<td>(0.2)</td>
<td>(1.6)</td>
<td>1.4</td>
<td>(2.0)</td>
</tr>
<tr>
<td>deferred income</td>
<td>(0.2)</td>
<td>0.3</td>
<td>(0.5)</td>
<td>1.2</td>
</tr>
<tr>
<td><strong>Increase in working capital</strong></td>
<td>(0.4)</td>
<td>(1.6)</td>
<td>1.2</td>
<td>(3.2)</td>
</tr>
<tr>
<td><strong>Operating cash outflow</strong></td>
<td>(5.6)</td>
<td>(4.4)</td>
<td>(1.2)</td>
<td>(9.4)</td>
</tr>
<tr>
<td><strong>CAPEX</strong></td>
<td>(0.3)</td>
<td>(0.1)</td>
<td>(0.2)</td>
<td>(0.5)</td>
</tr>
<tr>
<td><strong>Proceeds from share issues</strong></td>
<td>3.7</td>
<td>14.6</td>
<td>(10.9)</td>
<td>14.6</td>
</tr>
<tr>
<td><strong>Increase in cash</strong></td>
<td>(2.2)</td>
<td>10.1</td>
<td>(12.3)</td>
<td>4.7</td>
</tr>
<tr>
<td>Opening cash</td>
<td>6.6</td>
<td>2.4</td>
<td></td>
<td>2.3</td>
</tr>
<tr>
<td>FX on cash balances</td>
<td>(0.1)</td>
<td>(0.8)</td>
<td></td>
<td>(0.8)</td>
</tr>
<tr>
<td><strong>Closing cash</strong></td>
<td>4.3</td>
<td>11.7</td>
<td></td>
<td>6.2</td>
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</tbody>
</table>
## Balance sheet

<table>
<thead>
<tr>
<th></th>
<th>30 June 18</th>
<th>31 Dec 17 Movement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Property, plant and equipment</strong></td>
<td>£m</td>
<td>£m</td>
</tr>
<tr>
<td></td>
<td>0.6</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Intangible assets and goodwill</strong></td>
<td>13.3</td>
<td>13.3</td>
</tr>
<tr>
<td><strong>Deferred tax assets</strong></td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td><strong>14.0</strong></td>
<td><strong>13.8</strong></td>
</tr>
<tr>
<td><strong>Inventory</strong></td>
<td>1.8</td>
<td>0.6</td>
</tr>
<tr>
<td><strong>Receivables</strong></td>
<td>1.7</td>
<td>2.9</td>
</tr>
<tr>
<td><strong>Payables</strong></td>
<td>(1.4)</td>
<td>(1.5)</td>
</tr>
<tr>
<td><strong>Deferred income</strong></td>
<td>(1.6)</td>
<td>(1.8)</td>
</tr>
<tr>
<td><strong>Working capital</strong></td>
<td><strong>0.5</strong></td>
<td><strong>0.2</strong></td>
</tr>
<tr>
<td><strong>Cash</strong></td>
<td>4.3</td>
<td>6.6</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td><strong>18.8</strong></td>
<td><strong>20.6</strong></td>
</tr>
</tbody>
</table>

### Equity

<table>
<thead>
<tr>
<th></th>
<th>30 June 18</th>
<th>31 Dec 17 Movement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Share capital &amp; premium</strong></td>
<td>101.5</td>
<td>97.8</td>
</tr>
<tr>
<td><strong>Share-based payment reserve</strong></td>
<td>1.9</td>
<td>1.7</td>
</tr>
<tr>
<td><strong>Retained earnings</strong></td>
<td>(84.2)</td>
<td>(78.2)</td>
</tr>
<tr>
<td><strong>Translation reserve</strong></td>
<td>1.0</td>
<td>0.9</td>
</tr>
<tr>
<td><strong>Other reserve</strong></td>
<td>(1.4)</td>
<td>(1.4)</td>
</tr>
<tr>
<td><strong>Non-controlling interest</strong></td>
<td>-</td>
<td>(0.2)</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td><strong>18.8</strong></td>
<td><strong>20.6</strong></td>
</tr>
</tbody>
</table>
Appendix
Leadership

* Also a member of the Board

Management Team

- **Scott McGregor**
  *Chief Executive Officer*
  CEO since 2009, extensive experience within mining, finance and technology industries

- **Fraser Welham**
  *Chief Finance Officer*
  Joined 2018 from Green Investment Bank. Previous C-level experience with Element power, Shanks Group plc.

- **Dave Stewart**
  *Chief Operating Officer*
  Joined 2017 from Jabil inc. extensive experience within high growth tech companies (HP, Keysight)

- **Jean-Louis Cols**
  *Technology Director*
  Joined 2017 from Logan Energy, previously Group Engineering Director at Intelligent Energy

- **Adam Whitehead**
  *Head of Research*
  Joined 2017 from competitor Gildemeister energy storage, where he held Head of Research position

- **Fraser Welham**
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  Joined 2017 from competitor Gildemeister energy storage, where he held Head of Research position

Board of Directors

- **Dr. Jeff Kenna**
  *Chairman of the Board of Directors*
  Joined 2006. 30 years managing business in energy sector, policy advisor to EC, World Bank, UN and UK Government

- **Neil O’Brien**
  *Non-Exec Director*
  Joined 2016, previously CEO of Alkane Energy from 2008.

- **Jonathan Marren**
  *Non-Exec Director*
  Joined 2016, Advisor to company since 2006 with 16 years industry experience. redT CFO 2012-16.

- **Michael Farrow**
  *Non-Exec Director*
  Joined 2006. Founder and director of Consortia Partnership Limited, Jersey.