

Preliminary Results 2009

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Executive and Presentation Team



Adrian Hutchings – CEO Energetix, Executive Chairman VPhase

Adrian has a degree in Chemical Engineering. Adrian is the founder of Energetix Group plc, previously he was the Managing Director of International Energy Systems Ltd (“IES”), a subsidiary of BNFL which developed, manufactured, and marketed a high technology flywheel for storing electrical energy, for the UPS and distributed generation markets. Before this, Adrian was a Commercial Manager with BNFL New Business Ventures. His role was identifying technologies and business opportunities based on internal intellectual property, for non-nuclear applications, as part of a diversification program. Prior to this he was the BNFL Project Manager for a £50m capital, £500m life cycle, design and construction project for a major facility at the Sellafield Site.



Rick Smith – CFO Energetix, CFO VPhase

A Fellow of the Chartered Institute of Management Accountants with an MBA from Warwick University, he was previously Finance Director for Ultraframe (UK) Limited (2001-2004). Before joining Ultraframe, Rick was the Finance Director for Norcros Adhesives Limited (1997-2001) which comprised subsidiary, joint venture and licensee operations in the UK, Europe, the Middle East and India. From 1995 to 1997 Rick worked with Adrian Hutchings as the Finance Director for IES and prior to this was the Financial Controller for Robinson Healthcare, a division of Robinson Limited that manufactured consumables for the healthcare industry.



Lee Juby – CEO VPhase

Dr Lee Juby is a Chartered Engineer with a doctorate in electronics and over ten years’ experience in the development and commercialisation of advanced technology gained within a variety of different roles. Lee joined VPhase from Rolls-Royce Distributed Generation Systems (RRDGS) where he was Head of Product Planning for five years. Other positions included Lee acting as Consultant Engineer at EA Technology where he assisted in the development of voltage optimisation for large commercial applications and among other roles he acted as Lead Technical Expert for a number of banking clients for investment Due Diligence activities.



Neil Bright – Ops Director Energetix*

Neil Bright joined the Energetix Group from Exide Technologies, one of the world’s largest producers of lead-acid batteries, where he was the President of the Group’s global Industrial Energy Division from 2000 to 2006.

He was responsible for an \$800m turnover division, managing industrial battery sales, manufacturing and logistics operations throughout Europe, the Middle East & Asia Pacific within a global telecommunications, UPS, and materials handling market worth \$3bn. Neil has lived and worked in Singapore, Cairo, Paris and Madrid in this industry, and is an acknowledged global expert on industrial batteries and stored power systems and their applications.

Neil has an honours degree in Economics from the University of Manchester and a post graduate Diploma in Marketing.

* not presenting



Energetix

Smart Products Smart Energy

www.energetixgroup.com

 **Genlec**
An Energetix Group Company
Domestic Heat & Power

 **VPhase**
An Energetix Group Company
Home Voltage Optimisation

 **Pnu Power**
An Energetix Group product
Clean & Reliable Backup Power

Overview



2009 a Year of Transition
From Technology to Products



2010 a Year of Transition
to Commercial Sales and Marketing

Genlec



Today the unveiling of Kingston

Fully integrated compact wall hung microCHP Appliance for the UK market

Discussions with a UK boiler manufacturer for production and UK utilities for routes to market



The economic case for Genlec



Economic Model Results



Based on this Delta analysis, ORC payback period is between 2.5 and 6 times better than Stirling engines or fuel cells.

	Organic Rankine Cycle 2010	Organic Rankine Cycle 2020?	Stirling Engine 2010	Stirling Engine 2020?	Fuel Cell 2012	Fuel Cell 2020?
Paybacks without Incentives (yrs)	17	4	109	14	56	17
Paybacks with Incentives (yrs)	7	2	15	5	10	5
Annual Energy Cost Savings with FIT (£)	385	433	400	463	1,033	
Annual Energy Cost Savings without FIT (£)	155	169	141	176	343	

The values presented in the table above are illustrative and do not necessarily represent actual performance of a particular product.

Pnu Power



- 2009 Trial sales to:
 - Harris Corp, Florida State Trooper Network
 - National Grid, UK
 - Telecom Italia
 - P&E Automation, USA
 - Abertis Infraestructuras Spain
- 2010 Trial sale of two units to National Grid USA, first one delivered and installed
- Multiple unit follow-on orders from these trial customers under discussion
- Awarded full accreditation under ISO9001
- New design to deliver 48V DC and 120V AC from single Pnu Power unit enables close to first cost competitive against battery UPS in telecoms sector – already first cost competitive in utility grid switching



VPhase



- Sales team recruitment in progress to deliver sales
- Trials in progress with Scottish and Southern Energy, British Gas, and a Housing Association
 - Delay in installation of SSE units leading to CERT delay until end Q2
- First VPhase staff home trial results:
 - Annualised savings of between £75 and £135 p/a
- Commercial sales underway with repeat orders being received from Electrical Contractors
- City Electrical Factors launch VPhase enabled consumer unit



Financials

Energetix Group Results Summary

	2009			2008	
	H1	H2	Total	Change	
	£'000	£'000	£'000	£'000	£'000
Sales	123	132	255	32	223
Operating loss	(2,007)	(2,002)	(4,009)	(4,202)	193
Loss before tax	(1,967)	(2,015)	(3,982)	(1,662)	(2,320)
Cash flow before fund raising	(2,743)	(2,625)	(5,368)	(5,058)	(310)
Monthly cash utilisation	(457)	(438)	(447)	(422)	(26)

Energetix Group Income Statement

	2009 £'000	2008 £'000
Revenue	255	32
Gross profit	33	-
Administrative expense	(4,042)	(4,202)
Operating loss	(4,009)	(4,202)
Net finance (costs)/Income	(3)	911
Other gains	30	1,629
Loss before income tax	(3,982)	(1,662)
Income tax	135	-
	<u>(3,847)</u>	<u>(1,662)</u>

Energetix Group Cash flow

	2009 £'000	2008 £'000
Loss before income tax	(3,982)	(1,662)
Depreciation and amortization	797	461
Finance Income, other income, other gains	(9)	(2,540)
Changes in working capital	(645)	539
Other	35	269
Cash consumed by operations	(3,804)	(2,933)
Tax received	135	-
Cash flows from investing activities		
- Intangible assets	(1,393)	(2,255)
- Property plant and equipment	(76)	(335)
- Interest received	45	615
	(1,424)	(1,975)
Cash flows from financing activities		
- Net proceeds from issue of ordinary shares	-	3,305
- Repayment of financial liabilities	(232)	(150)
- Share buy back	(43)	-
	(275)	3,155
Net decrease in cash and cash equivalents	(5,368)	(1,753)
Cash and cash equivalents at the end of the year	<u>5,657</u>	<u>11,025</u>

Energetix Group

Statement of Financial Position

	2009 £'000	2008 £'000
Intangible assets	9,865	9,063
Goodwill	311	311
Tangible assets	284	415
	10,460	9,789
Cash and cash equivalents	5,657	11,025
Current assets	647	415
Current liabilities	(1,029)	(1,619)
	(382)	(1,204)
Non current liabilities	(1,600)	(1,625)
	<u>14,135</u>	<u>17,985</u>

VPhase Results Summary

	2009			2008	
	H1 £'000	H2 £'000	Total £'000	Change £'000	Change £'000
Sales	60	64	124	-	124
Operating loss	(420)	(572)	(992)	(853)	(139)
Loss before tax	(412)	(569)	(981)	(769)	(212)
Cash flow before fund raising	(677)	(849)	(1,526)	(654)	(872)
Monthly cash utilisation	(113)	(142)	(127)	(55)	(73)

VPhase Income Statement

	2009 £'000	2008 £'000
Revenue	124	-
Gross profit	28	-
Administrative expense	(1,020)	(853)
Operating loss	(992)	(853)
Net finance (costs)/Income	11	84
Other gains	-	-
Loss before income tax	(981)	(769)
Income tax	5	-
	<u>(976)</u>	<u>(769)</u>

VPhase Cash Flow

	2009 £'000	2008 £'000
Loss before income tax	(981)	(769)
Depreciation and amortization	53	5
Finance Income, other income, other gains	63	103
Changes in working capital	(486)	221
Cash consumed by operations	(1,351)	(440)
Tax received	5	-
Cash flows from investing activities		
- Intangible assets	(176)	(221)
- Property plant and equipment	(15)	(76)
- Interest received	11	84
	(180)	(213)
Cash flows from financing activities		
- Net proceeds from issue of ordinary shares	-	3,305
Net decrease in cash and cash equivalents	<u>(1,526)</u>	<u>(653)</u>
Cash and cash equivalents at the end of the year	<u><u>1,677</u></u>	<u><u>3,203</u></u>

VPhase

Statement of Financial Position

	2009 £'000	2008 £'000
Intangible assets	371	222
Tangible assets	61	72
	432	294
Cash and cash equivalents	1,677	3,203
Current assets	561	143
Current liabilities	(266)	(334)
	295	(191)
	<u>2,404</u>	<u>3,306</u>