

flow

Changing the way
people think about **energy**



**Flowgroup listed on AIM in 2006.
It's made up of three parts.**

flow
battery

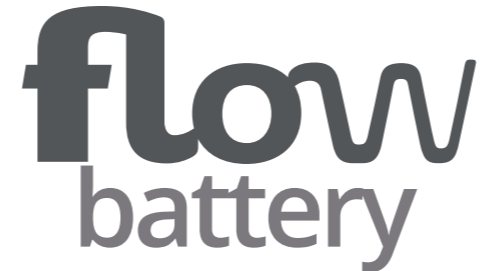
Award-winning
compressed air
backup power
products

flow
energy

Competitively-priced
home energy supply

flow
products

Game-changing
microCHP technology
platform



Award-winning

compressed air backup power products



Installing under UK National Grid framework agreement

•
Active in key North American market

•
Targeting lucrative opportunities in global data centre market



**Launched April 2013 with target
of 36,000 customer accounts**

Reached over 50,000

**Grew in a more measured way in 2014
to reach 66,000 customer accounts**

Currently generates annualised revenues of c.£50m*

* Numbers shown relate to customer contracts on supply at Dec 2014 with a projection of an average winter.
They do not represent 2014 Year End outturn and are a projection of the current run rate.

Jabil



**A world-class manufacturer
for a game-changing product**

\$16bn revenue

Worldwide reputation

Significant investment into the Flow project

**Global strategic partner with
a presence in all key markets**

Flow's vision

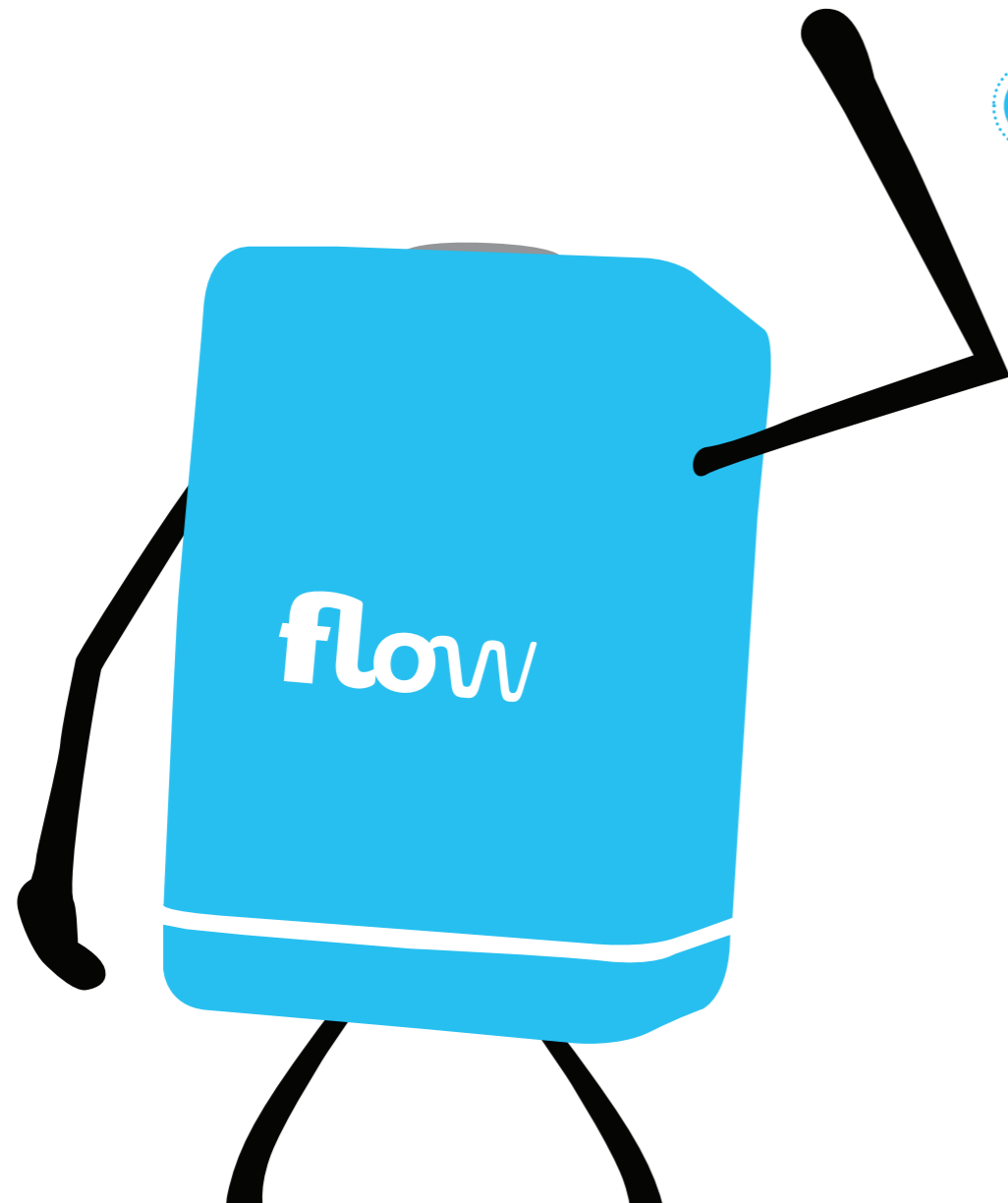
To change the way people think about energy.



How will we do that?

By delivering microCHP technology into the mass market for the first time.

A world's **first.**



A domestic, standard sized, wall hung and affordable electricity generating boiler

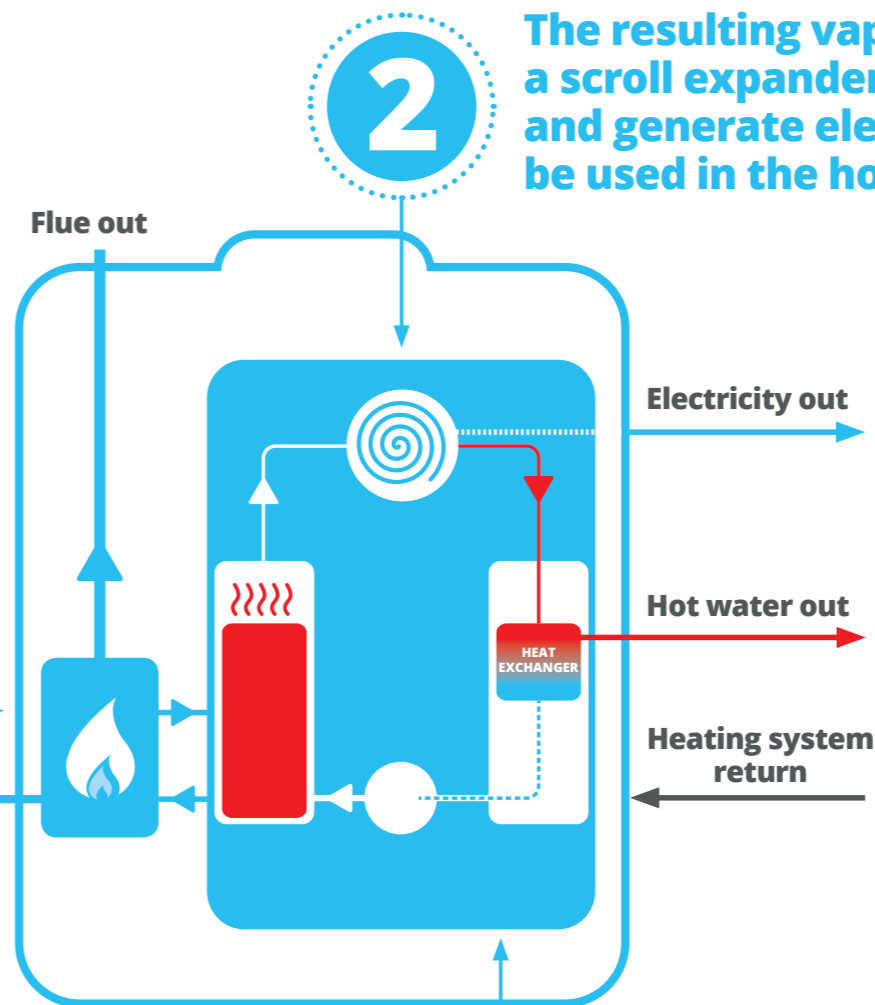
- **1kW electrical output**
- **Generates around 2000 kWh of electricity in a 3-5 bedroom home**
- **Reduces UK home energy bills by around £500 a year with the Feed in Tariff**
- **Reduces UK household emissions by around 20%**

How the Flow boiler works

Gas burns in the combustion chamber and evaporates a liquid in the microCHP power module.

1

Natural Gas or LPG goes in



2

The resulting vapour moves through a scroll expander, causing it to spin and generate electricity, which can be used in the home or exported.

Electricity out

Hot water out

Heating system return

3

The vapour then condenses in a small heat exchanger and heats the water for the heating system.

Provides a range of **wider benefits**



Reliable generation

not intermittent like
some renewables



Peak generation

generates most electricity
at times of peak demand

Local generation
reduces the need for
**big power
stations**



Efficient generation

3 times
as efficient as a
big power station

Embedding microgeneration technology into a household appliance that's a basic necessity **makes its adoption an easy decision.**

£500

Annual income from electricity generated



Our strategy



1

To build a large energy services business in the UK on the foundation of our patented microgeneration technology.



**Generating boiler.
Energy supply.
Intelligent control.**

2

**To provide a
broad range of
products and
services to our
customers,**
including an
intelligent control
platform.

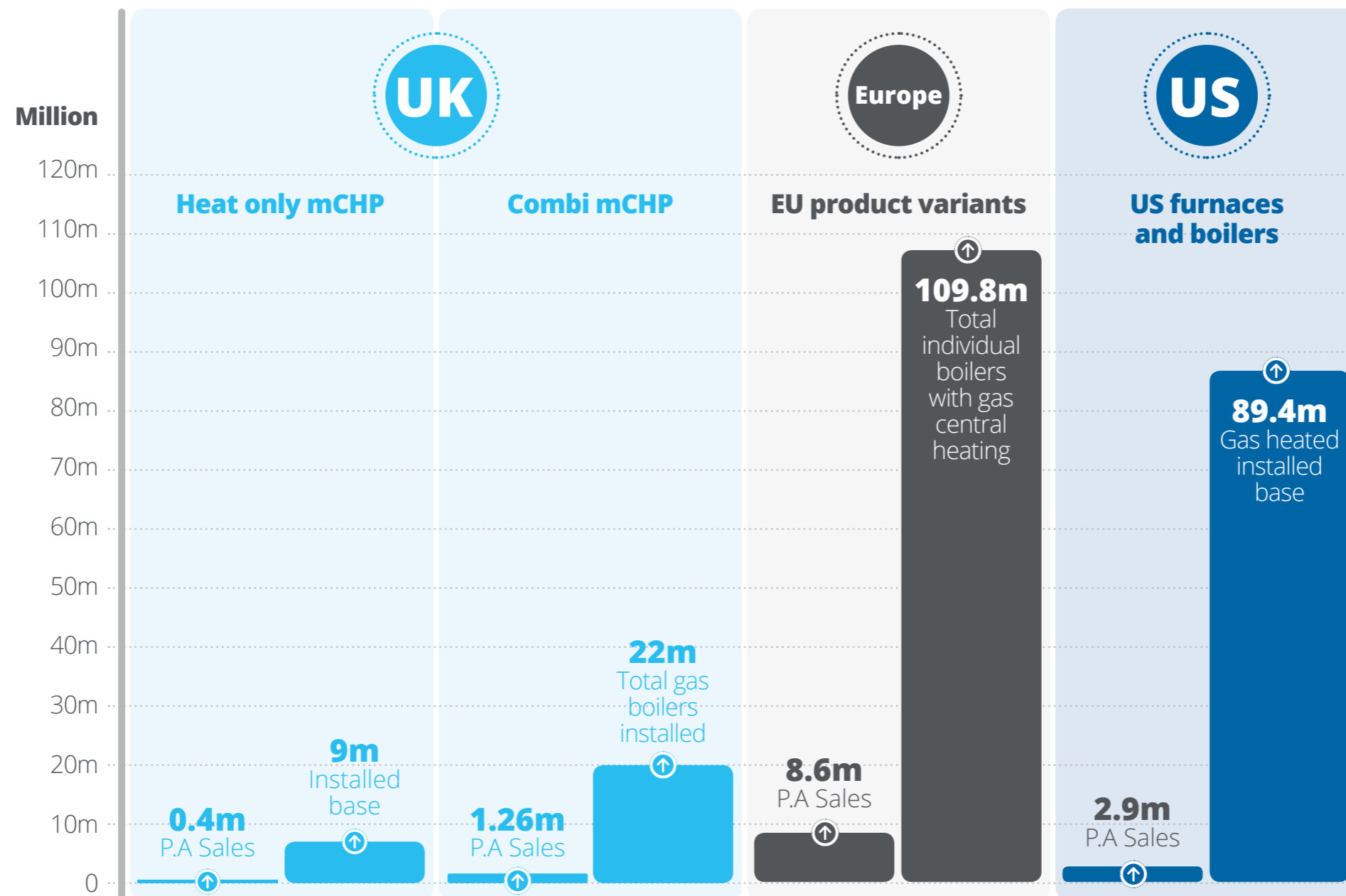
3

To become the partner of choice for companies in our key target markets for the provision of products incorporating ORC technology



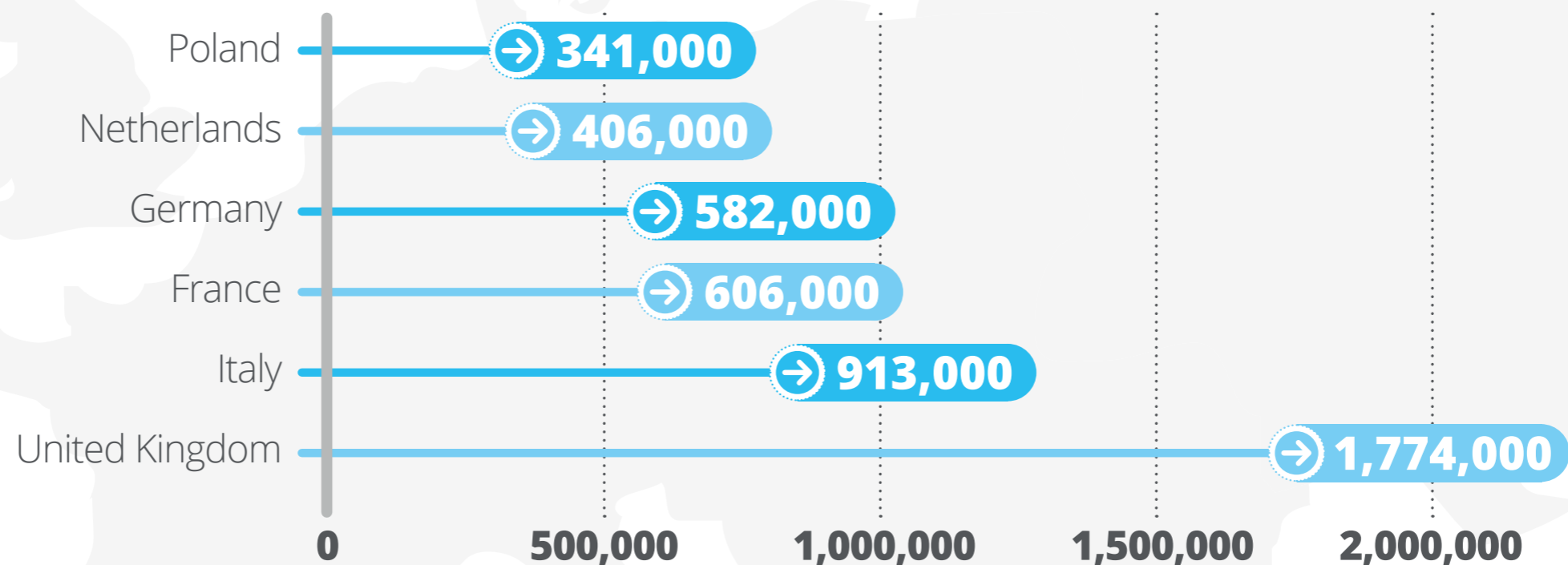
**Installing in excess of
1 million
boilers a year**

Residential Gas Fired Boiler Market

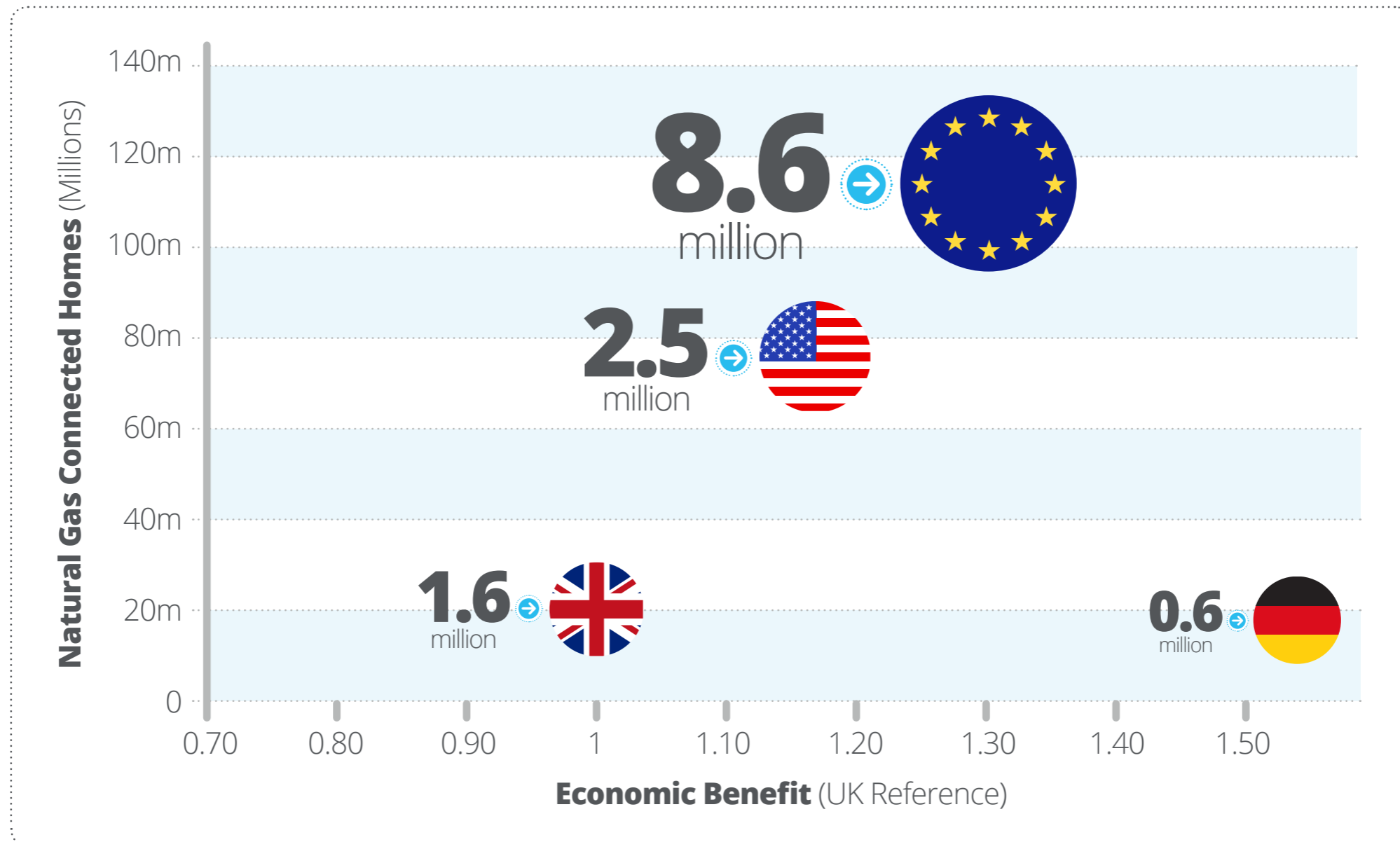


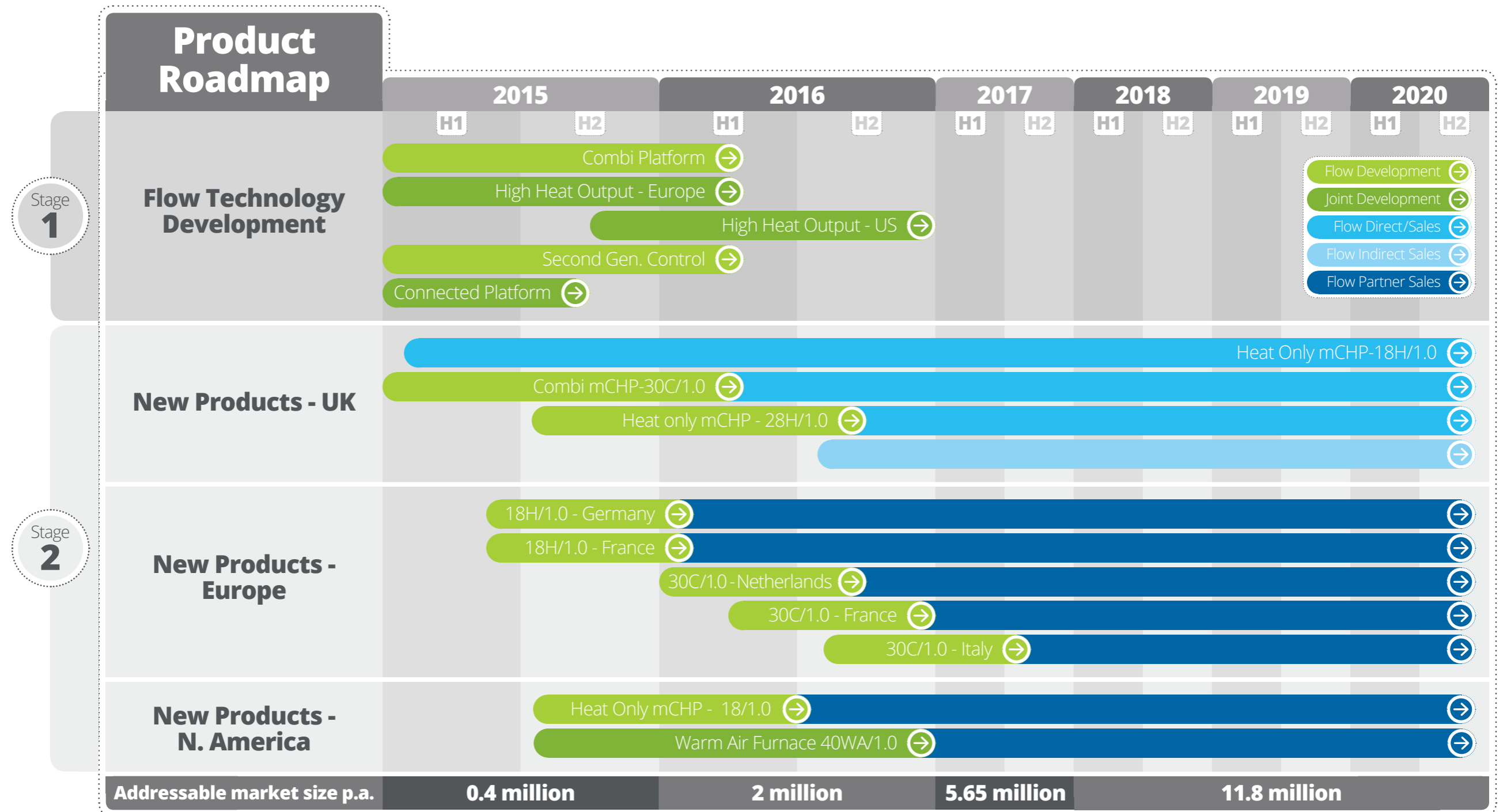
Europe

Example Primary Targets



Relative Attractiveness - Key Markets







We're celebrating our
UK launch
with an **innovative offer**



Boiler + home energy =
guaranteed five year payback

A string of triangular bunting flags hangs across the top of the slide. The flags are blue and grey, with the 'flow' logo printed on the blue ones.

Flow Finance



Customer gets a personal loan from Zopa for the cost of the boiler, avoiding its upfront cost

Flow Freedom



Customer buys the boiler, as they would any other boiler

Generation + FiT + energy, installation and boiler margin allows us to return more than the cost of the boiler to each customer over five years. De-risks the customer.



UK market driving sales



Innovative launch offer

Significant campaigns to support product and brand awareness

Sales from independent installer networks

Volume sales through larger installer networks

Affinity partnerships with big brands

Tie ins with social housing networks

International markets **driving sales**

Existing connections



France



USA



Poland

Primarily targeting utilities

Everyone is vying for space in the connected home

Our boiler can be its heart.

And our controller can be its brain.



Intelligent products are
rapidly becoming the norm.



Innovation is
accelerating.

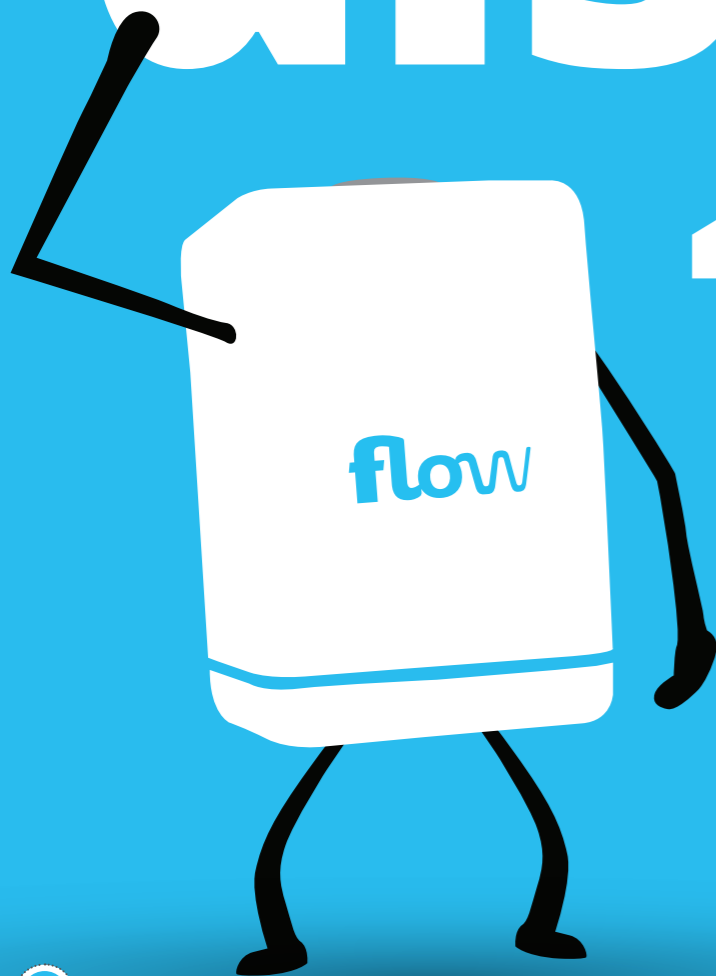


In every industry
huge disruption
is potentially just round the corner...

...we believe

for the energy industry we can be that

**disruptive
force**



.....
flow

Appendices

October 2014

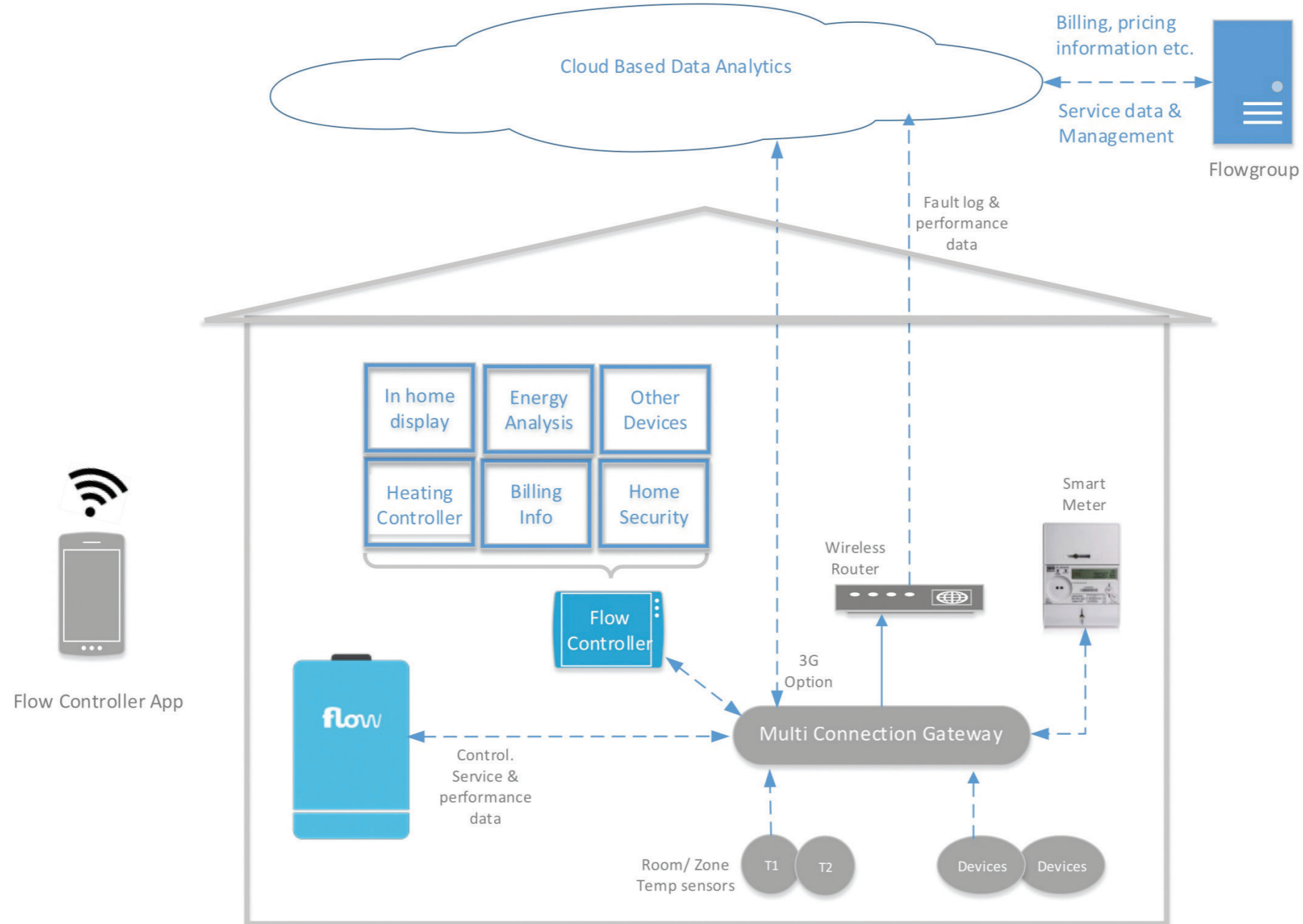
Interim Statement Financial Highlights

- **Flow Energy revenue £15,991,000 (2013: £466,000)**
- **Operating loss of £4,712,000 (2013: £4,685,000)**
- **Cash in hand at 30 June 2014 of £11,464,000 (2013: £5,705,000)**
- **Cash in hand at 29 September 2014 of £11,531,000**

May 2014

Annual Report Financial Highlights

- **Revenue of £13.8m (2012: £.01m)**
- **Gross profit of £1.8m (13.1%)**
- **Operating loss of £7.7m (2012: £4.8m) reflecting continuing investment in the business as the Group moves towards commercialisation of the Flow microCHP boiler**
- **Intangible fixed assets of £14.7m (2012: £11.9m)**
- **£16.4m raised (net) to continue with commercialisation of Flow and Flow Battery products**
- **Cash at 31 December 2013 of £17.4m (as at 31 December 2012: £12.1m)**



Board of directors



Clare Spottiswoode CBE
Non-Executive Chairman

Clare has considerable experience in the public sector, the energy markets and the financial services sector, as well as through setting up and managing her own businesses.

A mathematician and economist by training, Clare worked for the UK Treasury; Director General of Ofgas, the UK gas regulator; she was a policyholder advocate for Norwich Union's with-profits policyholders at Aviva; a Non-Executive Director of Tullow Oil plc; and a member of the Independent Commission on Banking and the Future of Banking Commission. Her current roles include being a Non-Executive Director at G4S, Enquest, Energy Solutions Corp and Chairman of Magnox.



Tony Stiff
Group Chief Executive Officer

Tony was Commercial Director of Bglobal plc ("Bglobal"), the AIM-listed smart-metering company. At Bglobal Tony helped prove the concept of their smart-metering products and was responsible for securing commercial contracts with leading energy suppliers. In 2000, Tony founded Atlantic Electric and Gas Limited, a business backed by US-based Semptra Energy, Inc. The business quickly became one of the UK's leading independent energy suppliers, with over 300,000 customers. In 1994, Tony founded Webbins Limited ("Webbins"), in order to exploit the gap in the market for a software product that customers could use to evaluate energy contracts. Having grown Webbins into a company with over 100 staff and £10m turnover, Tony negotiated the sale of the company to MMT Computing plc, and continued to manage the business for three years afterwards.



David Grundy
Non-Executive Director

David joined Grant Thornton in 1989 and qualified as a Chartered Accountant in 1992. In 2000 David was appointed a Partner, one of the youngest partners in the firm, at the age of 31. David worked primarily in the Corporate Finance team but also acquired secondary audit responsibilities. David was integral to the flotation of Energetix in 2006 as Lead Partner and Reporting Accountant for the IPO.

In 2006, David was appointed National Head of Transaction Services, including oversight of the development of the Transaction Services offering across Grant Thornton International. David was then appointed in 2009, as Managing Partner for the North West practice of Grant Thornton, encompassing offices in Liverpool and Manchester which employ in excess of 300 staff.

David brings with him a wealth of experience and knowledge to the Board. David established his own consultancy business in 2012 supporting growing and dynamic businesses in the achievement of their objectives.



Dr Henry J Cialone
Non-Executive Director

Dr Henry Cialone is President and CEO of EWI, North America's leading independent materials joining technology organisation. Henry became a Non- Executive Director on 14 March 2008.

Prior to joining EWI in 2005, Henry was an Executive at Battelle Memorial Institute, where he led the commercial energy business and served on the governing board of the National Renewable Energy Laboratory. While at Battelle, Henry's team developed the scroll-based Organic Rankine Cycle technology that underpins the Flow boiler.

Henry is a member of the Ohio State University College of Engineering Advisory Council and the Miami University Research Advisory Council; Trustee of the Manufacturing Institute in Washington, DC; Trustee of the Midwest Research Institute in Kansas City; a Non-Executive Director of Algaeventure Systems in Ohio; and a former Non- Executive Director of the NanoSteel Company, a venture-backed spinout from Idaho National Laboratory.

Henry received his BS degree in Materials Engineering from Brown University, and his MS and PhD degrees in Materials Science, also from Brown, where his area of specialisation was hydrogen enhanced fracture.



John Johnston
Non-Executive Director

John was most recently Managing Director of Institutional Sales at Nomura Code from 2011 to 2013. He was previously Director of Sales and Trading at Seymour Pierce from 2008 to 2011. In 2003, he founded Revera Asset Management, where he oversaw an investment trust, a unit trust and a hedge fund, which he ran until 2007. He joined Legg Mason Investors for three years as Director of Small Companies Technology and Venture Capital Trusts, from 2000 to 2003, having previously spent two years as Head of Small Companies with Murray Johnstone. From 1992 to 1997, John was Head of Small Companies at Scottish Amicable, before spending a year at Ivory and Sime, again as Head of Small Companies from 1997 to 1998.

He began his investment career at the Royal Bank of Scotland in 1981, working in the Trustee and Investment department, before moving to General Accident in 1985, holding the position of Head of Retail Funds before his move to Scottish Amicable.



Nigel Canham
Chief Financial Officer

Nigel Canham has worked for Danaher Corporation, the \$19B revenue NYSE listed global science and technology company, for the last 12 years. Since 2011 he was Finance Director of Fluke Corporation's emerging markets group. Fluke is a market-leader in the test and measurement sector. Nigel helped create a team and infrastructure that drove revenue growth, increased profitability and improved working capital across the regions. From 2009 to 2011 Nigel was Finance Director and EU Accounting Director for Gilbarco Veeder-Root, the manufacturer of fuel dispensers and integrated fuelling solutions. From 2007 to 2009, Nigel was based in California as Finance Director for Kerr Corporation, Danaher's leading global dental consumables business. From 2002 to 2007 he was Financial Controller of Linx Printing Technologies, a Danaher business in the coding, marking and industrial printing market. Prior to Danaher Nigel held finance positions with several UK companies including Dialight Plc and Strand Lighting, businesses supported by investment from Permira, the international private equity firm, and Vinten Broadcast. Nigel is a qualified chartered management accountant and is an Associate member of the Chartered Institute of Management Accountants.