

Growth & Innovation Forum

Tuesday 31 January 2017



REDSTONE
CONNECT

About RedstoneConnect

- **RedstoneConnect** is a leading technology and solutions provider for smart buildings and smart commercial spaces
- Our businesses provide the **infrastructure capabilities** and the **software applications** to deliver smart buildings and smart workspace solutions for smart offices, stadia, shopping centres and smart cities
- **3 principal interrelated business streams**
 - Smart Infrastructure - design & installation of network infrastructure
 - Managed Services - network & device maintenance & support
 - Smart Software & Technology - bringing smart buildings and commercial spaces to life

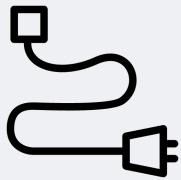
A selection of our blue chip customers:



A compelling end-to-end smart building solution

SMART INFRASTRUCTURE

- Our design & installation business creates integrated IT & digital infrastructure for buildings & commercial spaces
- Integrates 'siloed' intelligent systems to create 'smart' buildings
- Guarantees business assets, personnel & data are all secure



MANAGED SERVICES

- Managed services provides integrated network, IoT & device maintenance & support
- Enhances productivity & drives operational savings through a bespoke service
- Recently acquired Commensus platform provides hosted cloud-based IT support services internationally



SMART SOFTWARE

- Significantly improves building utilisation & efficiency
- Aids engagement by users with building or space
- Provides data & analytics to increase building efficiency
- OneSpace occupancy management tool is central to our software offering



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Opportunity to cross-sell solutions across business streams

'Onespace' – our smart office software solution

Smart office

OneSpace, state of the art management occupancy tool:

- Addresses clients' need to improve workspace efficiency and helps employees engage with the workplace
- Provides management with tools to sweat real estate assets, generating significant ROI
- Potential to accelerate annuity revenue base
- Full sales deployment in 2017

Recent clients deployments include:



- Transformed occupancy from 1 to 1.4 people per desk
- Reduced capital cost of London office
- Significantly reduced operating costs
- Reduced energy consumption by 57%
- Installed New York, testing throughout global estate for expanded roll out



- 3-year global agreement
- SaaS-based model, price per seat, per month
- Golden Lane & 5 Broadgate live
- 8,000 seats estate of 100,000
- Testing in multiple international locations



Our 'Connect platform' focuses on smart real estate opportunities

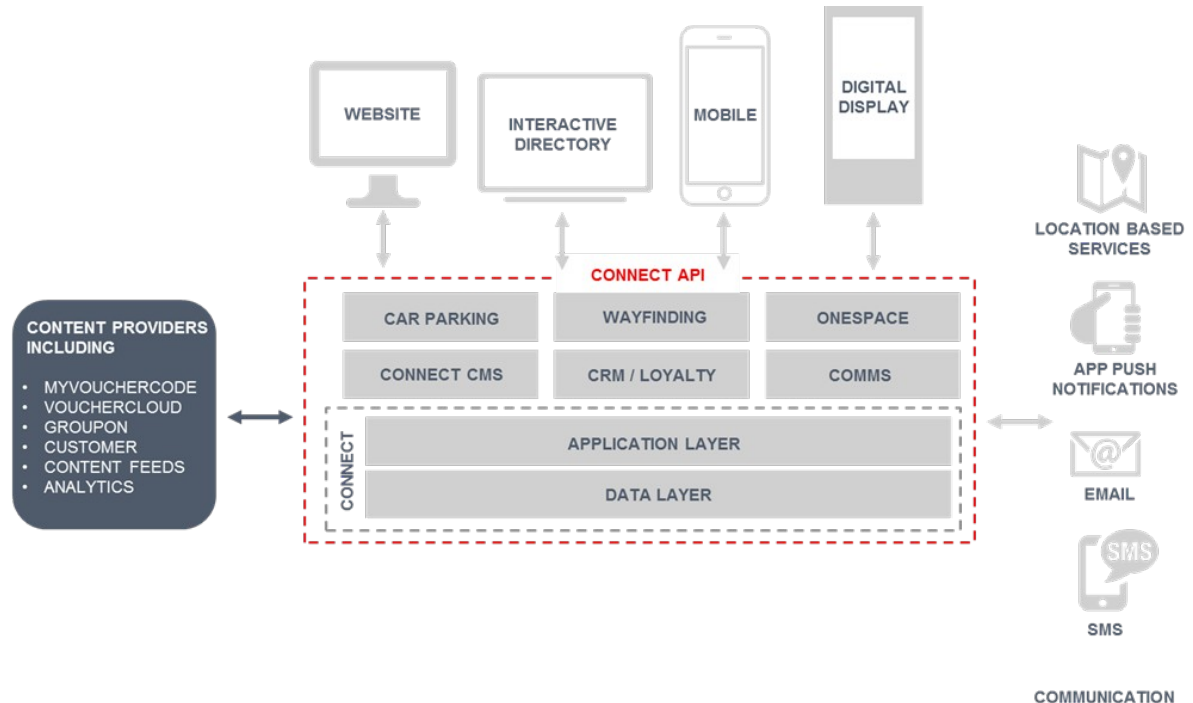
Smart stadia & retail platform



Complete end-to-end experience:

- Mapping & wayfinding
- Ticketing
- Car parking & 'Find My Car'
- Hospitality, food & beverage
- Merchandising
- CRM
- Loyalty, rewards & offers
- In-app purchases

The Connect Platform:



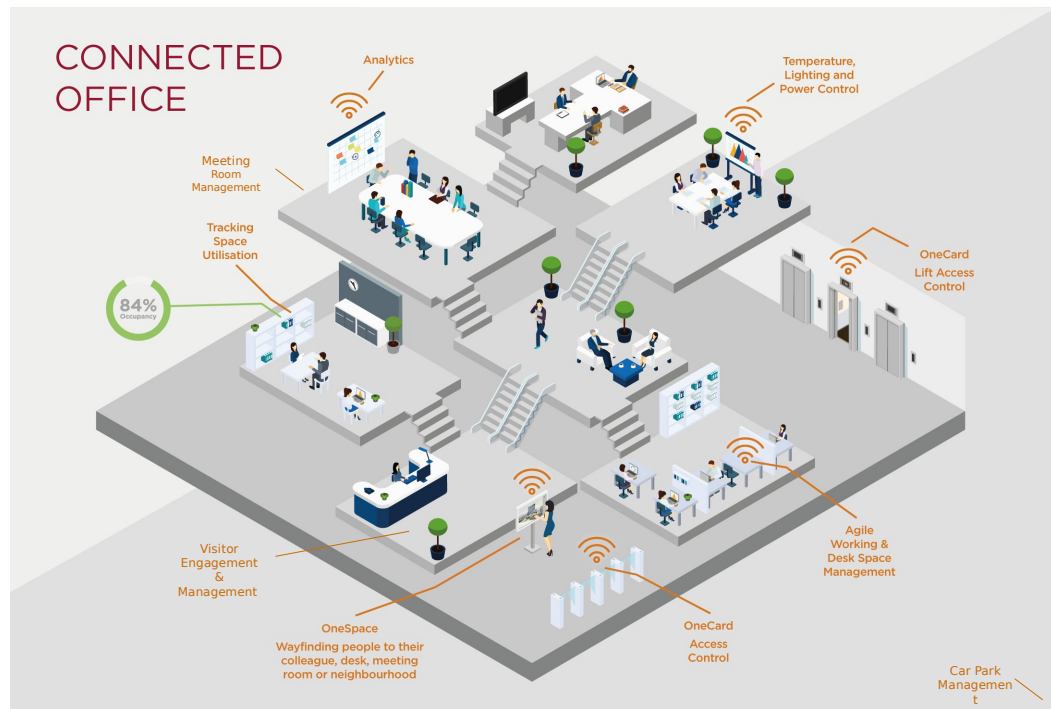
Developing a complete solution for our customers

Bringing together the OneSpace and Connect platform to form a complete modular & scalable solution

Creating an end-to-end space utilisation, management and analytics platform delivering cost savings, management reporting and end user applications to ensure your space is efficient, your workplace engaging and your building smart

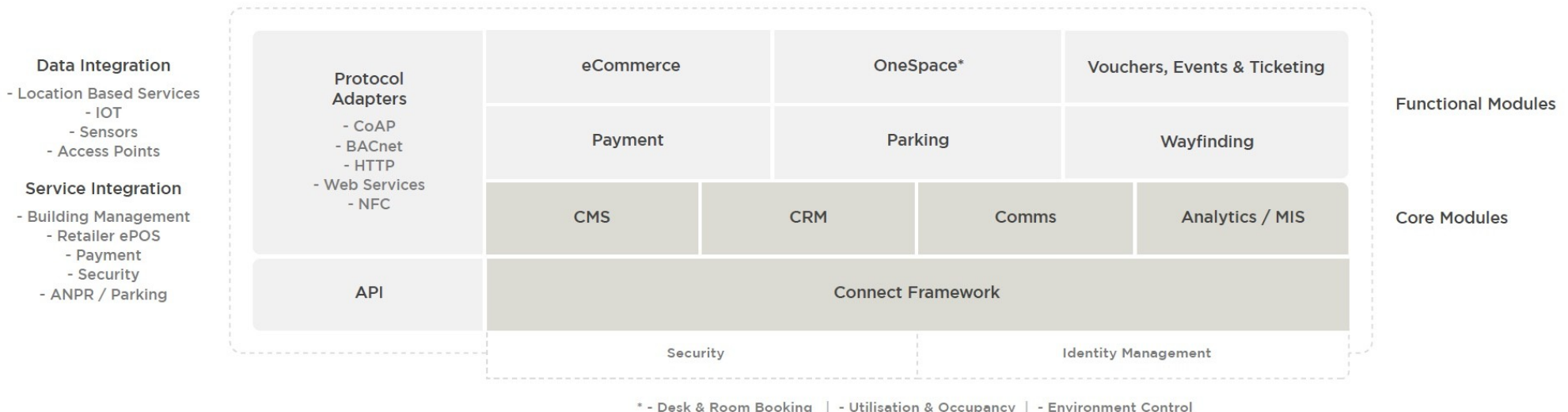
Product Stack

- Desk Booking
- Room Booking
- Visitor Management
- Car Parking
- Wayfinding
- Location Based Services
- Access Control
- Integration IoT
- MIS & Analytics



Strong platform architecture provides scalability

- One integrated platform provides configurable solutions to meet most exciting opportunities



Delivering improvements to business mix and margins

- Continued progress changing the quality and mix of business
- Margins improving in all lines of business
- Focus on operational efficiency delivering tangible results

H1 2015

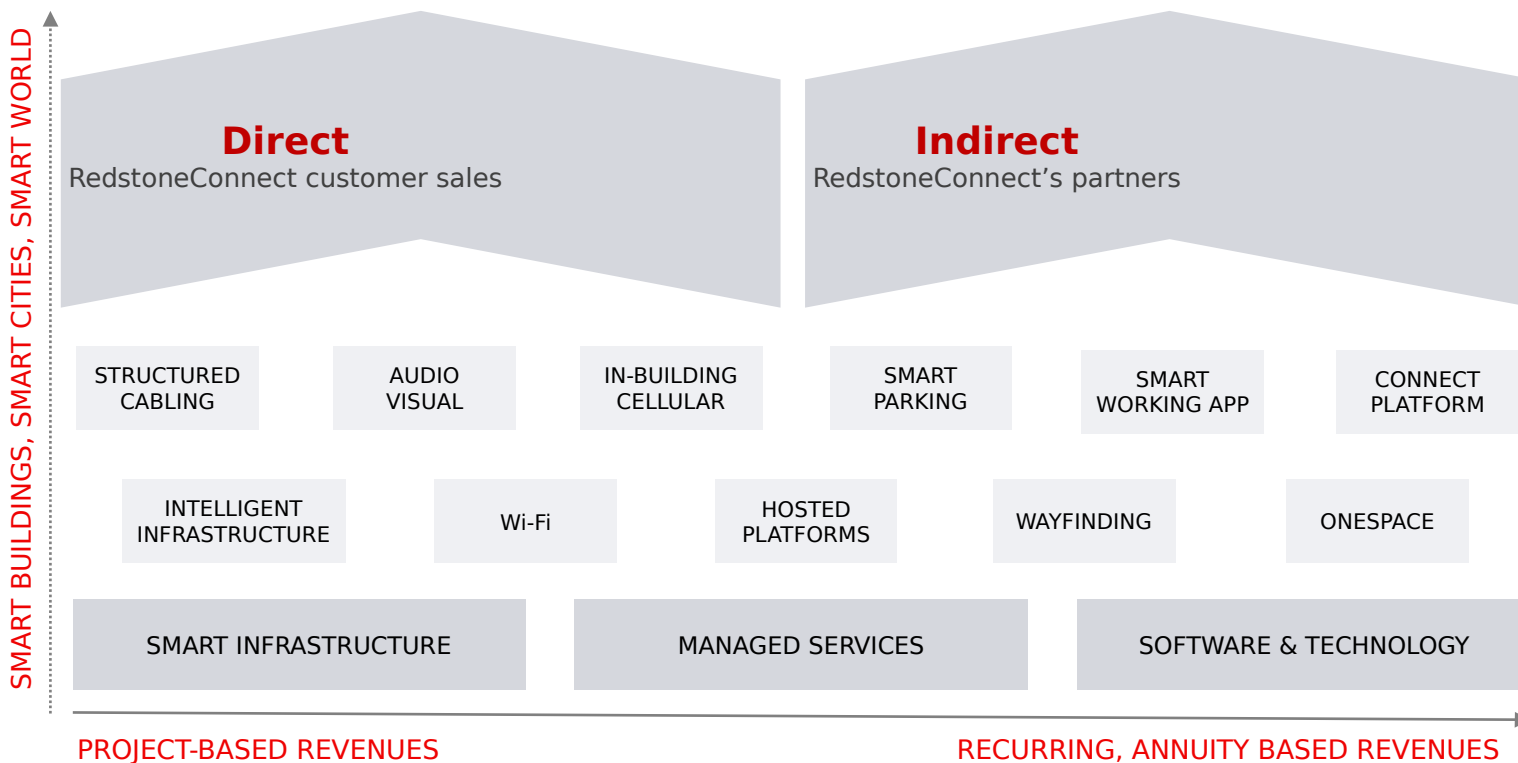
	SI	Services	Software	Group	Total
Revenue	£12,478	£8,048	£0		£20,526
Gross Profit	£1,456	£1,823	£0		£3,279
GP %	11.7%	22.6%			16%
EBITDA	£190	£876	(£2)	(£439)	£625
% of Rev	1.5%	10.9%			3.0%

H1 2016

	SI	Services	Software	Group	Total	Variance
Revenue	£12,473	£7,733	£604		£20,810	£284
Gross Profit	£1,717	£1,680	£495		£3,892	£613
GP %	13.8%	21.7%	81.9%		19%	300-bps
EBITDA	£347	£887	£127	(£485)	£876	£251
% of Rev	2.8%	11.5%	21.1%		4.2%	120-bps

Continue to evolve the Group's revenue model

- Ongoing transition to more annuity-based, higher margin recurring revenue contracts
- Leverage strong foundation in smart infrastructure contracts
- Potential to develop indirect channels through emerging relationships with Philips Lighting, Sunwave, IBM, Cisco, etc.



Strong performance in 2016

Recent 'business update' confirmed the following:

- Strong performance through to year end, EBITDA to be at upper end of market expectations¹
- Strong demand for all service lines; software, managed services & smart infrastructure
- OneSpace extended into New York with UBM, UBS expected to follow
- Deployment of smart parking, smart retail & wayfinding applications in Milton Keynes Smart City
- 3-year, £5.4m managed services contract renewed/expanded at tier one global investment bank
- Contract to deploy innovative In-Building Cellular solution (IBC) for global internet-related technology firm, using IBC technology that RedstoneConnect has exclusive UK distribution for

1Market expectations for adjusted EBITDA for the year ending 31st January 2017 of £1.5m - £1.8m

Summary

- Continue to evolve the Group's revenue mix towards higher margin, recurring revenue streams
- Capitalise on the growing need for smarter, connected offices and real estate
- Focus on owning and exploiting valuable IP alongside targeted R&D activities
- Continue to evaluate selective strategic acquisition opportunities
- Order book and sales pipeline underpinning medium term growth expectations



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