

Regulatory Story

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RedT Energy PLC - RED Interim Results 2018
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RedT Energy PLC
13 September 2018

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redT energy plc
("redT" or the "Company")
Interim Results 2018

redT energy plc (AIM:RED), the energy storage solutions company, is pleased to announce its results for the six months ended 30 June 2018

HIGHLIGHTS

Financial

- Revenue from continuing operations up 33% to £1.2m (H1 2017 £0.9m)
- Trading loss⁽¹⁾ £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)

2018 interim financials were in line with management expectations. The Group has substantially completed its scale up for growth during H1 2018, with redT's functional teams and key facilities now substantially in place to commence manufacturing of the Company's third generation ("Gen 3") flow machine, which was launched commercially in June at EES (Electrical Energy Storage) Europe in Munich, Europe's largest and most international exhibition for batteries and energy storage systems.

In April 2018, the Group successfully raised additional equity funding of £3.85m, the placing for which was oversubscribed.

Following the exit from the Euro denominated Carbon business in January 2018, the Group now predominantly comprises the GBP denominated redT business. The Board therefore decided to change the Group's reporting currency to GBP with effect from 1 January 2018.

(1) Operating loss from continuing operations excluding share-based payments

Operational

During H1 2018 redT continued its focus on scaling and streamlining operations for growth, gaining significant commercial traction within new and existing markets and finalising the development of our Gen 3, margin-generating product.

redT energy storage business:

- Development of our new Gen 3 product is progressing well, with delivery of the first machine to a customer expected around the 2018 year end.
- Final stage negotiation on strategic deals to secure the scale up of the business, examples of which can be seen below in Post Period Activity.
- Focus during the first half has also been on construction, testing and dispatch of existing Gen 2 orders. Commissioning of these systems will take place in the second half, allowing recognition of the associated revenue.
- Most teams across the business are now at full strength allowing the business to drive forward on the completion of our Gen 2 orders and commence manufacturing of the Gen 3 system.
- Company headcount levelled out at an average of 70 for the first half, compared to 24 for the half year to 30 June 2017.

Camco business:

- The Carbon and African investment advisory businesses were exited in January 2018, generating £Nil operating profit prior to exit (H1 2017: £Nil).
- The remaining US asset management business made a positive contribution in H1 2018, generating an operating profit of £0.1m (H1 2017: £0.1m)

Post Period Activity

- Exclusivity deal signed to deliver more than 700MWh of projects supporting the German grid, with 80MWh as first phase deployment
- Collaborative partnership agreement reached with Anglian Water to optimise energy storage across their water utility sites, commencing with an initial sale of a 300kWh energy storage machine

Commercial Update Q3 2018

redT is pleased to provide the following commercial pipeline update for Q3 2018. The commercial strategy of the Company is to focus on sales of its technically advanced Gen 3 product into the core segments outlined below. As such, redT is no longer actively marketing its Gen 2 product range although it will fulfil its current Gen 2 orders and actively service and operate these on behalf of its customers to generate revenue and energy savings.

Deal Stage	Gross	Estimated Conversion	Weighted
Project Development	£60m (1,776 units)	95%	£57m (1,687 units)
Quoted	£198m (4,787 units)	25%	£50m (1,197 units)
Early stage	£815m	10%	£81m
Total	£1,073m		£188m

Core segments (Gross)	
Commercial & Industrial	£115m
Grid-scale	£702m
Large Solar & Storage	£256m

Outlook

The Company is now fully focussed on delivering its technically advanced Gen 3 product across its core target segments and scaling up production via its manufacturing partners to meet 2019 and 2020 deliveries.

The team will continue to progress its large-scale grid projects to financial close.

Commenting on the results, redT CEO, Scott McGregor said:

"redT has validated its commercial and grid scale energy storage solutions with the recent deals in Germany and with Anglian Water and the UK public sector confirming the suitability of redT's technology for both "mega projects" at grid level and as a long-term infrastructure solution for the Commercial and Industrial sector. redT will now focus for the near term solely on deployment of its Gen 3 product."

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Notes to Editors

About redT energy

redT energy plc are experts in energy storage, specialising in the design, manufacture, installation and operation of energy storage systems which create revenue alongside reliable, low-cost renewable generation for businesses, industry and electricity distribution networks. Using patented vanadium redox flow technology to store energy in liquid, redT's own energy storage machines can be run continually with no degradation: charging and discharging for over 25 years, matching the lifespan of renewable assets in on-grid, off-grid and weak-grid settings.

redT's energy storage solutions, developed over the past 15 years, address today's changing energy market by providing a flexible platform for time shifting surplus renewable power, securing electricity supplies and earning revenue through grid services. The company has operating machines deployed with customers in the UK, Europe, sub-Saharan Africa, Australia and Asia Pacific. redT energy plc is listed on the London Stock Exchange (AIM:RED) and has offices in the UK, Africa and the USA. For more information, visit www.redTenergy.com

For sales, press or investor enquiries, please contact the redT team on +44 (0)20 7061 6233.

Financial review

Overall Group result

The Camco Carbon and African investment advisory businesses were discontinued early in January 2018 leaving the Camco US consultancy business. This continued to have a significant influence on the overall H1 2018 result, particularly at revenue and gross profit level as can be seen from the table below.

Continuing operations	redT				Camco				Group				
	First Half		Variance		First Half		Variance		First Half		Variance		
	2018	2017	£m	%	2018	2017	£m	%	2018	2017	£m	%	
Revenue	0.2	0.2	-	10	1.0	0.7	0.3	38	1.2	0.9	0.3	33	
Gross profit		-	0.2	(0.2)	(91)	0.8	0.7	0.1	3	0.8	0.9	(0.1)	(16)
Admin (excl. SBP ⁽¹⁾)	(5.5)	(3.1)	(2.4)	(76)	(0.7)	(0.6)	(0.1)	(12)	(6.2)	(3.7)	(2.5)	(66)	
Trading (loss)/profit	(5.5)	(2.9)	(2.6)	(86)	0.1	0.1	-	(46)	(5.4)	(2.8)	(2.6)	(92)	
SBP ⁽¹⁾	(0.2)	(0.3)	0.1	17	-	-	-	-	(0.2)	(0.3)	0.1	17	
Operating loss	(5.7)	(3.2)	(2.5)	(77)	0.1	0.1	-	(36)	(5.7)	(3.1)	(2.6)	(82)	

⁽¹⁾ SBP - Share-based payments

Group revenue from continuing operations of £1.2m (2017 £0.9m) was principally due to the residual Camco consultancy business. Revenue recognised for the redT business was minimal despite machines containing 37 units being completed and in testing by the period end. As revenue is only recognised on commissioning the value of these machines was included in the £1.2m work in progress at 30 June 2018.

Group operating loss for the period was £5.7m (H1 2017: £3.1m loss) which, excluding non-cash, share-based payments, corresponds to a trading loss of £5.4m (H1 2017: £2.8m loss), £2.6m more than H1 2017 due to the expansion of redT's operations as explained below.

redT energy storage business

The redT business model is to be an energy storage expert as well as a supplier of its own patented energy storage machines. In H1 2018 the focus has continued to be on building up the team and developing our products to achieve this.

Overall the redT business generated a trading loss of £5.5m (2017: £2.9m loss).

The revenue of £0.2m (H1 2017: £0.2m) relates to the delivery of some small machines in the period. Revenue is yet to be recognised on most of the Gen 2 orders as commissioning of these systems was not completed by 30 June 2018.

Strengthening the product development, engineering and commercial teams increased overall average staff numbers from 38 in H1 2017 to 69 in H2 2018. Increased staff and product development costs accounted for substantially all of the £2.4m (76%) increase in redT administrative expenses (excluding SBP) to £5.5m (H1 2017: £3.1m). As only a small amount of Gen 2 sales revenue was recognised at the end of H1 2018, amortisation of redT's £6.0m R&D intangible asset did not commence during the period.

Camco business

The Camco business historically comprised the legacy Carbon and consultancy activities in Africa and the USA. The Group divested its holdings in Camco Africa on 5 January 2018 for a nominal amount and ceased its Carbon activities on 10 January 2018. These businesses constitute the discontinued operations in these financials.

The remaining Camco USA business continues to focus on the management of the previously disposed biogas assets via a service contract agreement. This business was break even at operating profit level during the period (H1 2017: £0.1m).

Fundraising

On 13 April 2018 the Company announced that it had raised £3.85 million (before expenses) from institutional investors through the placing of 65,392,342 ordinary shares, at a price of 5.9p, and the new shares were admitted to trading on AIM on 19 April 2018. Following admission, the Company's enlarged issued share capital now comprises 719,315,766 Ordinary Shares.

Cash and cash equivalents

At 30 June 2018, the Group held free cash reserves of £3.9m (31 December 2017: £6.6m). The Group continues to have no loans or borrowings. The key movements in cash during H1 2018 were proceeds from issue of share capital of £3.7m and cash outflow from operating activities of £5.7m. £0.4m was also placed in an escrow account as security for a bank guarantee issued to a customer.

Basis of preparation

As foreseen in previous and the current management's forecasts and mentioned in market analysts' projections, it will be necessary for the Group to raise additional financing to fund operations until production and sales are increased to a level at which the business becomes cash generative. The Board is confident that the Group will be able to secure the necessary funding in the appropriate time scale and therefore consider it appropriate to present these financials on a going concern basis.

Consolidated Statement of Financial Position

At 30 June 2018

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Non-current assets			
Property, plant and equipment	574	194	428
Intangible assets and goodwill	3 13,265	13,174	13,303
Deferred tax assets	85	151	87
	13,924	13,519	13,818
Current assets			
Inventory	4 1,785	-	550
Prepayments and accrued income	5 989	874	947
Trade and other receivables	6 696	481	1,974
Corporation tax receivable	-	6	6
Cash and cash equivalents	7 4,319	11,605	6,603
	7,789	12,966	10,080
Total assets	21,713	26,485	23,898
Current liabilities			
Trade and other payables	8 1,390	1,819	1,487
Deferred income	9 1,558	728	1,789
	2,948	2,547	3,276
Non-current liabilities			
Deferred income	9 46	-	62
	46	-	62
Total liabilities	2,994	2,547	3,338
Net assets	18,719	23,938	20,560
Equity attributable to equity holders of the parent			
Share capital	6,135	5,560	5,560
Share premium	95,325	92,198	92,198
Share-based payment reserve	1,904	1,530	1,707
Retained earnings	(84,211)	(74,106)	(78,207)
Translation reserve	988	349	883
Other reserve	(1,422)	(1,422)	(1,422)
Non-controlling interest	-	(171)	(159)
Total equity	18,719	23,938	20,560

Consolidated Statement of Comprehensive Income

For the 6 months to 30 June 2018

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Continuing operations			
Revenue	1,197	900	2,228
Cost of sales	(439)	(3)	(356)
Gross profit	758	897	1,872
Administrative expenses	(6,420)	(4,005)	(9,104)
Results from operating activities	(5,662)	(3,108)	(7,232)
Financial income	13	-	1
Foreign exchange movement	(168)	(97)	(68)
Net financing expense	(155)	(97)	(67)
Loss before tax	(5,817)	(3,205)	(7,299)
Income tax credit	(7)	(1)	(48)
Loss from continuing operations	(5,824)	(3,206)	(7,347)
Discontinued operations			
(Loss)/profit from discontinued operations (net of tax)	(21)	33	85
Loss for the period	(5,845)	(3,173)	(7,262)
Other comprehensive income			
Exchange differences on translation of foreign operations	105	(663)	(129)
Total comprehensive loss for the period	(5,740)	(3,836)	(7,391)
Loss for the period attributable to:			
Equity holders of the parent	(6,004)	(3,112)	(7,213)
Non-controlling interest	159	(61)	(49)
Loss for the period	(5,845)	(3,173)	(7,262)
Total comprehensive loss attributable to:			
Equity holders of the parent	(5,899)	(3,775)	(7,342)
Non-controlling interest	159	(61)	(49)
Total comprehensive loss for the period	(5,740)	(3,836)	(7,391)
Basic loss per share in £ pence			
From continuing operations	10	(0.85)	(0.52)
From continuing and discontinued operations	10	(0.86)	(0.51)
Diluted loss per share in £ pence			
From continuing operations	10	(0.85)	(0.52)
From continuing and discontinued operations	10	(0.86)	(0.51)

Consolidated Statement of Changes in Equity

For the 6 months to 30 June 2018

	Share Capital £'000	Share premium £'000	Share-based payment reserve £'000	Retained Earnings £'000	Translation reserve £'000	Other reserve £'000	Total equity attributable to shareholders of the Company £'000	Equity attributable to non- controlling interest £'000	Total equity £'000
Balance at 1 January 2018	5,560	92,198	1,707	(78,207)	883	(1,422)	20,719	(159)	20,560
Total comprehensive loss for the period	-	-	-	(6,004)	-	-	(6,004)	159	(5,845)
Other comprehensive income	-	-	-	-	105	-	105	-	105
Foreign currency translation differences	-	-	-	-	105	-	105	-	105
Total comprehensive loss for the period	-	-	-	(6,004)	105	-	(5,899)	159	(5,740)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Share-based payments	-	-	197	-	-	-	197	-	197
Issuance of shares	575	3,352	-	-	-	-	3,927	-	3,927
Transaction costs arising on share issues	-	(225)	-	-	-	-	(225)	-	(225)
Total contributions by and distributions to owners	575	3,127	197	-	-	-	3,899	-	3,899
Changes in ownership interests in subsidiaries									
Acquisition of subsidiary through issuance of shares	-	-	-	-	-	-	-	-	-
Balance at 30 June 2018	6,135	95,325	1,904	(84,211)	988	(1,422)	18,719	-	18,719

For the 6 months to 30 June 2017

	Share Capital £'000	Share premium £'000	Share-based payment reserve £'000	Retained Earnings £'000	Translation reserve £'000	Other reserve £'000	Total equity attributable to shareholders of the Company £'000	Equity attributable to non-controlling interest £'000	Total equity £'000
Balance at 1 January 2017	3,979	79,790	1,260	(70,994)	1,012	(1,422)	13,625	(110)	13,515
Total comprehensive loss for the period	-	-	-	(3,112)	-	-	(3,112)	(61)	(3,173)
Loss for the period	-	-	-	(3,112)	-	-	(3,112)	(61)	(3,173)
Other comprehensive income	-	-	-	-	(663)	-	(663)	-	(663)
Foreign currency translation differences	-	-	-	-	(663)	-	(663)	-	(663)
Total comprehensive loss for the period	-	-	-	(3,112)	(663)	-	(3,775)	(61)	(3,836)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Share-based payments	-	-	270	-	-	-	270	-	270
Issuance of shares	1,581	12,512	-	-	-	-	14,093	-	14,093
Transaction costs arising on share issues	-	(104)	-	-	-	-	(104)	-	(104)
Total contributions by and distributions to owners	1,581	12,408	270	-	-	-	14,259	-	14,259
Changes in ownership interests in subsidiaries									
Acquisition of subsidiary through issuance of shares	-	-	-	-	-	-	-	-	-
Balance at 30 June 2017	5,560	92,198	1,530	(74,106)	349	(1,422)	24,109	(171)	23,938

For the year ended 31 December 2017

	Share Capital £'000	Share premium £'000	Share-based payment reserve £'000	Retained Earnings £'000	Translation reserve £'000	Other reserve £'000	Total equity attributable to shareholders of the Company £'000	Equity attributable to non-controlling interest £'000	Total equity £'000
Balance at 1 January 2017	3,979	79,790	1,260	(70,994)	1,012	(1,422)	13,625	(110)	13,515
Total comprehensive loss for the year	-	-	-	(7,213)	-	-	(7,213)	(49)	(7,262)
Loss for the year	-	-	-	(7,213)	-	-	(7,213)	(49)	(7,262)
Other comprehensive income	-	-	-	-	(129)	-	(129)	-	(129)
Foreign currency translation differences	-	-	-	-	(129)	-	(129)	-	(129)
Total comprehensive loss for the year	-	-	-	(7,213)	(129)	-	(7,342)	(49)	(7,391)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Share-based payments	-	-	447	-	-	-	447	-	447
Issuance of shares	1,581	12,512	-	-	-	-	14,093	-	14,093
Transaction costs arising on share issues	-	(104)	-	-	-	-	(104)	-	(104)
Total contributions by and distributions to owners	1,581	12,408	447	-	-	-	14,436	-	14,436
Changes in ownership interests in subsidiaries									
Acquisition of subsidiary through issuance of shares	-	-	-	-	-	-	-	-	-
Balance at 31 December 2017	5,560	92,198	1,707	(78,207)	883	(1,422)	20,719	(159)	20,560

Consolidated Statement of Cash Flow**For the 6 months to 30 June 2018**

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Cash flows from operating activities			
Loss for the year	(5,845)	(3,173)	(7,262)
Adjustments for:			
Depreciation, amortisation and impairment	130	33	116
Foreign exchange loss on translation	168	97	68
Financial (income)/expense	(13)	-	(1)
Impairment of receivables - bad debt write-off	-	-	4
Equity settled share-based payment expenses	225	271	906
Taxation	7	1	48
	(5,328)	(2,771)	(6,121)
Decrease/(increase) in trade and other receivables	1,243	(263)	(1,763)
Increase in inventory	(1,235)	-	(550)
Decrease in trade and other payables	(343)	(1,437)	(646)
	(335)	(1,700)	(2,959)
Net cash from operating activities	(5,663)	(4,471)	(9,080)
Cash flows from investing activities			
Acquisition of property, plant & equipment	(276)	(137)	(461)
Net cash from investing activities	(276)	(137)	(461)

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Cash flows from financing activities			
Proceeds from the issue of share capital	3,702	14,625	14,625
Interest received/(paid)	13	-	1
Net cash from financing activities	3,715	14,625	14,626
Net (decrease)/increase in cash and cash equivalents	(2,224)	10,017	5,085
Net cash and cash equivalents at 1 January	6,603	2,347	2,347
Effect of foreign exchange rate fluctuations on cash held	(60)	(759)	(829)
Net cash and cash equivalents at period end	4,319	11,605	6,603

Notes

Significant accounting policies

redT energy plc (the "Company") is a public company incorporated in Jersey under Companies (Jersey) Law 1991. The address of its registered office is 3rd floor, Standard Bank House, 47-49 La Motte Street, St Helier, Jersey, JE2 4SZ. The consolidated interim financial report of the Company for the period from 1 January 2018 to 30 June 2018 comprises the Company and its subsidiaries (together the "Group").

Basis of preparation

The annual financial statements of the Group for the year ended 31 December 2017 have been prepared in accordance with IFRSs as adopted by the EU ("Adopted IFRSs"). The interim set of financial statements included in this half-yearly report has been prepared in accordance with the recognition and measurement requirements of IFRSs as adopted by the EU. The interim set of financial statements has been prepared applying the accounting policies and presentation that were applied in the preparation of the company's published consolidated financial statements for the year ended 31 December 2017. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2017.

This interim financial information has been prepared on the historical cost basis. The accounting policies applied are consistent with those adopted and disclosed in the annual financial statements for the period ended 31 December 2017. The accounting policies have been consistently applied across all Group entities for the purpose of producing this interim financial report.

The financial information included in this document does not comprise of statutory accounts within the meaning of Companies (Jersey) Law 1991. The comparative figures for the financial year ended 31 December 2017 are not the company's statutory accounts for that financial year within the meaning of Companies (Jersey) Law 1991. Those accounts have been reported on by the company's auditors and delivered to the Jersey Financial Services Commission. The report of the auditors was unqualified.

Estimates

The preparation of the interim financial report in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1 Segmental Reporting

Operating segments

The Group reports these results in line with the following main reporting segments:

redT - redT provides energy storage solutions with financing options, using various energy storage technologies including its own durable and robust energy storage machines based upon proprietary vanadium redox flow technology. The redT segment also contains the corporate costs of the Group.

Camco - continuing operations comprises the Camco US asset management business which manages divested biogas and carbon offset assets via asset management agreements. The discontinued operations comprise the former Carbon and African investment advisory businesses which were exited in January 2018.

Inter segment transactions are carried out at arm's length.

Operating segments	redT			Camco			Consolidated		
	H1 2018	H1 2017	FY 2017	H1 2018	H1 2017	FY 2017	H1 2018	H1 2017	FY 2017
	(unaudited) £'000	(unaudited) £'000	(audited) £'000	(unaudited) £'000	(unaudited) £'000	(audited) £'000	(unaudited) £'000	(unaudited) £'000	(audited) £'000
Revenue	192	174	722	1,005	726	1,506	1,197	900	2,228
Gross profit	16	174	370	742	723	1,502	758	897	1,872
Administrative expenses	(5,520)	(3,134)	(7,058)	(675)	(600)	(1,140)	(6,195)	(3,734)	(8,198)
Trading loss	(5,504)	(2,960)	(6,688)	67	123	362	(5,437)	(2,837)	(6,326)
Share-based payments	(225)	(271)	(906)	-	-	-	(225)	(271)	(906)
Results from continuing operations	(5,729)	(3,231)	(7,594)	67	123	362	(5,662)	(3,108)	(7,232)
Discontinued operations	-	-	-	(21)	33	85	(21)	33	85
Results from operating activities	(5,729)	(3,231)	(7,594)	46	157	447	(5,683)	(3,075)	(7,147)

2 Share based payments

During the period, the Group operated share-based incentive plans. The expense recognised in the period in respect to the plans is set out below.

	H1 2018 (unaudited)	H1 2017 (unaudited)	FY 2017 (audited)
redT Employee Share Plans	225	271	906
	225	271	906

3 Intangible assets and goodwill

Goodwill - Subsidiary acquisition (REDH)

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Cost at 1 January	7,257	6,962	6,962
Acquisitions	-	-	-
Effects of movements in foreign exchange	(28)	216	295
Cost at end of period	7,229	7,178	7,257

Intangible assets - R&D (REDH)

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Cost at 1 January	6,046	5,815	5,815
Acquisitions	-	-	-
Effects of movements in foreign exchange	(10)	181	231
Cost at end of period	6,036	5,996	6,046

Total Goodwill & Intangible Assets

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Cost at 1 January	13,303	12,777	12,777
Acquisitions	-	-	-
Effects of movements in foreign exchange	(38)	397	526
Cost at end of period	13,265	13,174	13,303

4 Inventory

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Stock	234	-	297
Work in progress	1,192	-	101
Finished goods	359	-	152
	1,785	-	550

5 Prepayments and accrued income

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Prepayments	850	786	858
Accrued income	139	88	89
	989	874	947

6 Trade and other receivables

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Trade receivables	332	303	1,386
Other receivables	364	178	588
	696	481	1,974

7 Cash and cash equivalents

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Cash	3,939	11,605	6,603
Restricted cash	380	-	-
	4,319	11,605	6,603

Restricted cash relates to a escrow account deposit to secure a bank guarantee issued to a customer.

8 Trade and Other Payables

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Trade payables	452	374	265
Other accruals	938	1,445	1,222
	1,390	1,819	1,487

9 Deferred Income

	H1 2018 (unaudited) £'000	H1 2017 (unaudited) £'000	FY 2017 (audited) £'000
Non-current liabilities			
Deferred income	46	-	62
Current liabilities			
Deferred income	1,558	728	1,789

10 Loss per share

Loss per share attributable to equity holders of the company is as follows:

	H1 2018 (unaudited) £ pence per share	H1 2017 (unaudited) £ pence per share	FY 2017 (audited) £ pence per share
Basic loss per share			
From continuing operations	(0.85)	(0.52)	(1.15)
From continuing and discontinued operations	(0.86)	(0.51)	(1.14)
Diluted loss per share			
From continuing operations	(0.85)	(0.52)	(1.15)
From continuing and discontinued operations	(0.86)	(0.51)	(1.14)
	£'000	£'000	£'000
Loss used in calculation of basic and diluted loss per share			
From continuing operations	(5,824)	(3,206)	(7,347)
From continuing and discontinued operations	(5,845)	(3,173)	(7,262)
Weighted average number of shares used in calculation			
Basic	682,464,833	620,012,819	637,107,480
Diluted	682,464,833	620,012,819	637,107,480
	H1 2018 (unaudited) Number	H1 2017 (unaudited) Number	FY 2017 (audited) Number
Number in issue at 1 January	653,923,424	467,928,894	467,928,894
Effect of share options exercised	-	-	-
Effect of shares issued in the year	28,541,409	152,083,925	169,178,586
Weighted average of basic shares at end of period	682,464,833	620,012,819	637,107,480
Effect of share options granted not yet exercised which are not anti-dilutive	-	-	-
Weighted average number of diluted shares at end of period	682,464,833	620,012,819	637,107,480

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the period.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential shares. Where the inclusion of potentially issuable shares decreases the loss per share (anti-dilutive), the potentially issuable shares have not been included. This was the situation for both the 2018 and 2017 calculations. The weighted average number of shares not included in the diluted share calculation because they were anti-dilutive was 50,632,374 (HY 2017: 37,295,044, FY 2017: 41,294,430).

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