

2019 Annual Results

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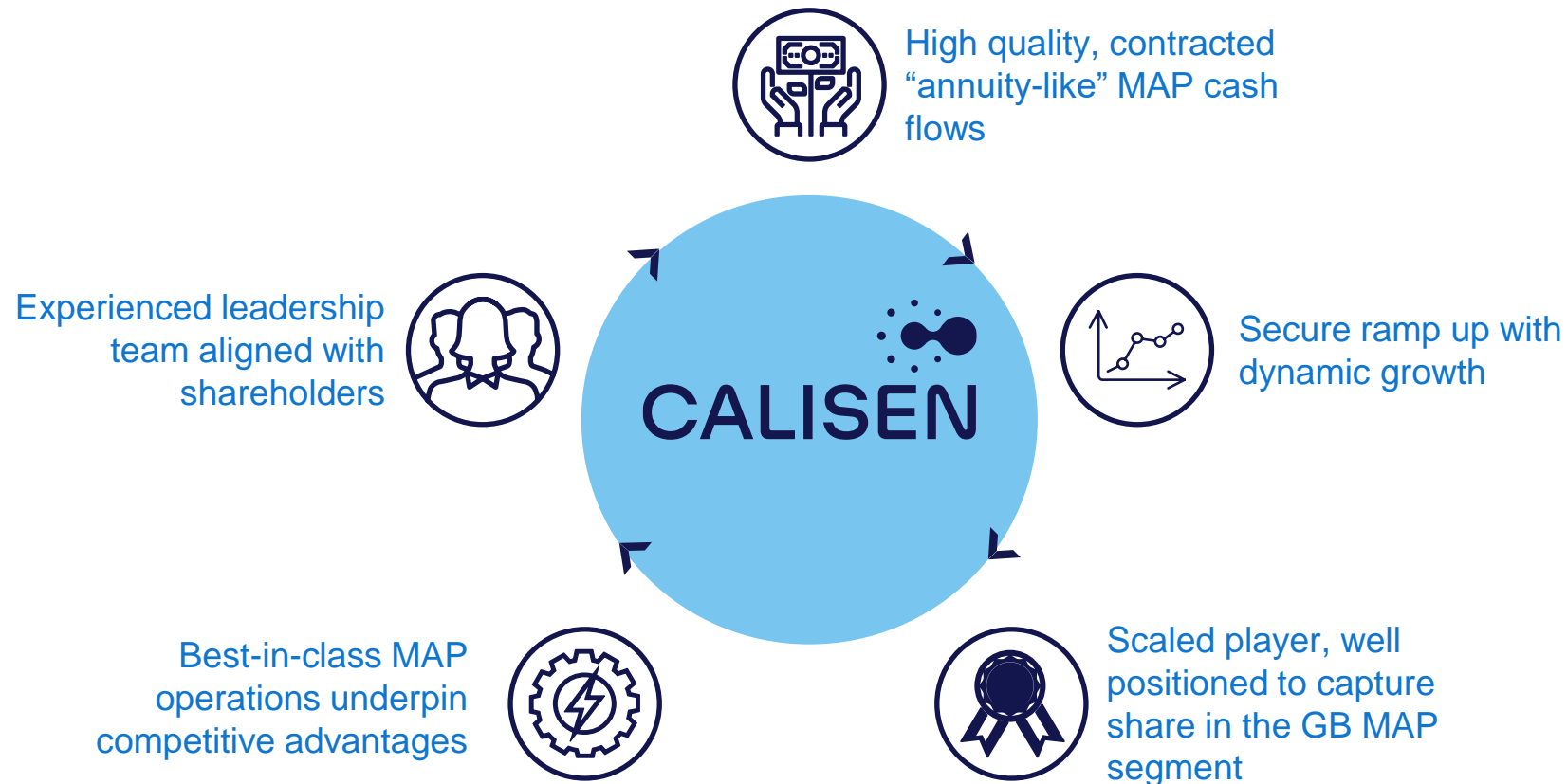
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Certain financial data has been rounded. As a result of this rounding, the totals of data presented in this presentation may vary slightly from the actual arithmetic totals of such data.

Calisen Overview

Leading player in British domestic metering market benefitting from Government-mandated smart meter roll-out



Note: MAP stands for Meter Asset Provider

Executive Summary

Resilient business model and robust balance sheet to sustain Group through 2020



1 Good progress operationally and financially in 2019

2 De-levered the balance sheet by raising £300 million⁽¹⁾ at IPO

3 Business is cash generative with strong liquidity position

4 Longer term strategy and growth expectations unchanged

1. £300 million before IPO costs.

Impact of COVID-19



Calisen's priority is the safety and wellbeing of its staff, customers and consumers

Suspension of non-essential activity

- Suspended all non-essential installations and field services at Lowri Beck
- This followed consultation with customers and government guidance
- Lowri Beck facilities open to respond to emergencies

Staff retained through furlough scheme

- 85% of Lowri Beck colleagues on furlough
- Calvin Capital staff working from home
- 20% of Executives' salaries and of NEDs' fees donated to NHS COVID-19 charity

Customers similarly affected

- Meter installations paused – though smart meter roll out obligation remains
- Some partial furloughs of their staff
- Potential impact on creditworthiness of their end consumers

Calisen remains economically resilient

- 'Annuity-like' cashflow and balance sheet remain strong
- De-levered in Q1 with £300 million⁽²⁾ raised at IPO
- Almost £1 billion of committed undrawn facilities; no meter financing maturities before October 2022
- Given uncertainty over duration of COVID-19, guidance for 2020 installations suspended

(1) Absent includes sickness, self-isolation, dependency or other forms of leave. Data as at 31 March 2020

(2) £300 million before IPO costs

Operational review

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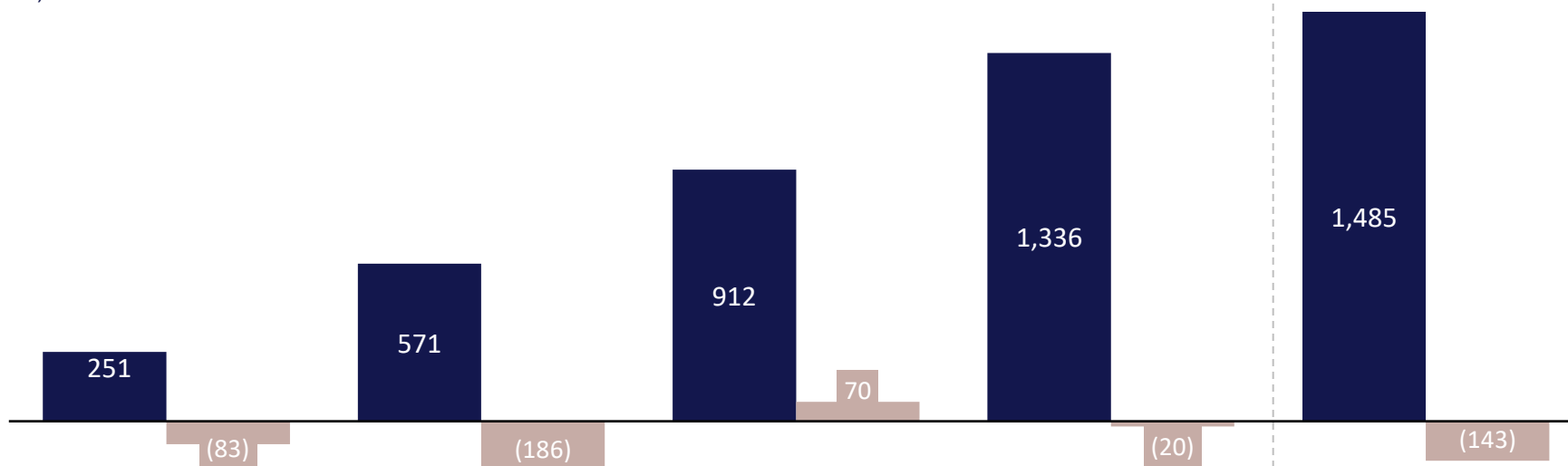
1.3 million smart meters added to portfolio in 2019



Cumulative change in revenue-generating meters (Q1 2019 - Q1 2020)

(Meters in thousands)

Post-financial year end⁽¹⁾



	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020 ⁽¹⁾
Change in smart (q-o-q)	251	320	341	423	150
Change in traditional (q-o-q)	(83)	(102)	256 ⁽²⁾	(89)	(124)
Closing smart portfolio (m)	4.1	4.4	4.7	5.2	5.3
Closing total portfolio (m)	7.4	7.6	8.2 ⁽²⁾	8.5	8.6

■ Cumulative increase in revenue-generating smart meters

■ Cumulative change in revenue-generating traditional meters

Note:

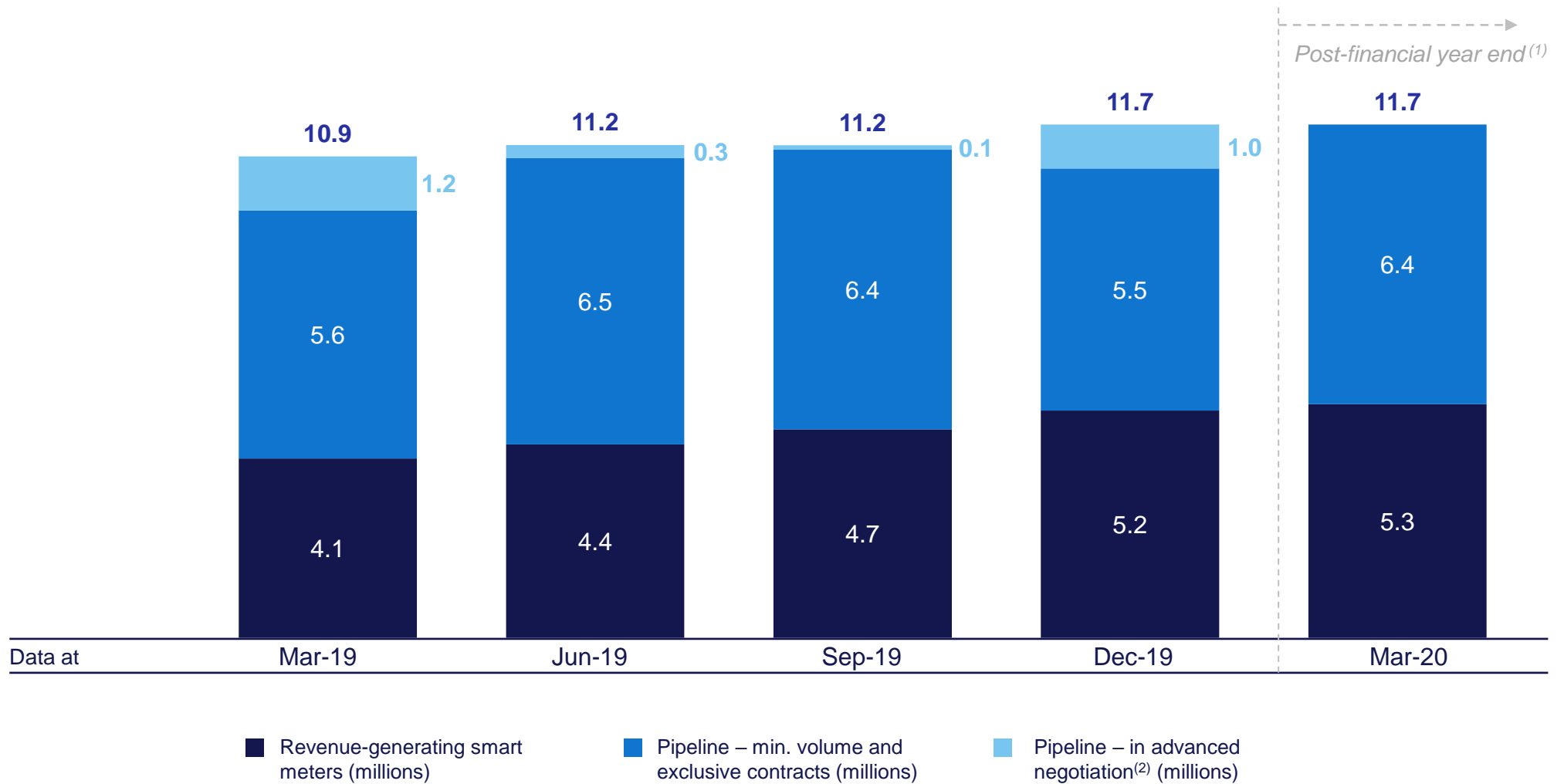
(1) Q1 2020 figures are unaudited

(2) Lowri Beck traditional meter portfolio consolidated from 16 August 2019 comprising c. 0.4m traditional meters

Pipeline de-risked by converting preferred bidder status to contracted



Minimum volume contract for 1 million meters moves from preferred bidder to fully contracted



Note: Latest pipeline excludes the 400,000 meters labelled as uncertain following Calisen termination of the associated contract. Totals may not sum due to rounding.

(1) Q1 2020 figures are unaudited

(2) Part of the Dec-19 pipeline includes January data.

Calvin Capital: strong operational performance



Best-in-class MAP operations at scale underpin competitive advantages and high barriers to success

High levels of protection

- 83% of smart meters enjoy contractual protection in the event of premature removal

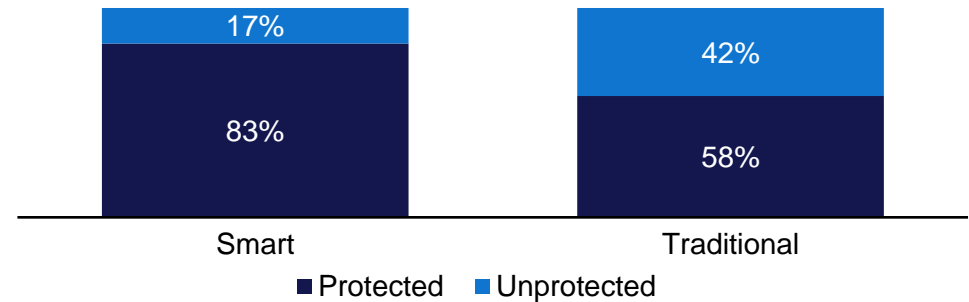
Low degradation⁽¹⁾

- c. 99% of all smart meters revenue-generating or removed and compensated

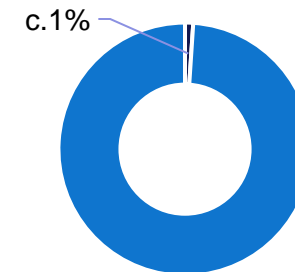
Timely and accurate billing

- System accuracy of 99.93% in tracking which Energy Retailers supply meters

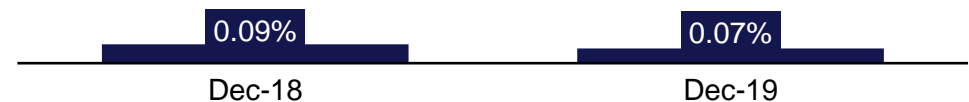
Share of protected revenue-generating meter portfolio (Dec 2019)



Smart meters not re-deployable or compensated for (cumulative)



% of portfolio with unidentified energy retailer



Note:
 (1) Degradation refers to the cumulative overall reduction in Calisen's meter portfolio from first installation of smart meters in 2013 until the end of 2019

Lowri Beck: route to market to independent energy retailers



Acquisition secured a key capability enhancement for Calisen

Lowri Beck role in independent MAP contract wins for Calvin

- Contracts covering c.1 million smart meters won under the joint marketing arrangement with Lowri Beck as installer
- Access to installation capacity remains an important part of contract tenders
- Relationships with a wide range of Energy Retailers through meter reading

New management team



Dave Taylor

CEO Lowri Beck

- Previously CEO of SSI Services, the specialist contracting arm of South Staffordshire plc

New Finance Director

- Previously Finance Director at Calvin Capital

Commercial turnaround

- Strengthened the commercial team
- Improved commercial arrangements
- Some pricing historically not reflective of cost to serve
- Seeking to re-price or exit contracts with negative or insufficient returns

Operational performance⁽¹⁾

- 221,000 meter installations in 2019
- 6.4 million billable meter reads in 2019
- 20% decrease in reported injuries vs. 2018

Note:

(1) Operational performance covers the full year ended 31 December 2019

Financial Results



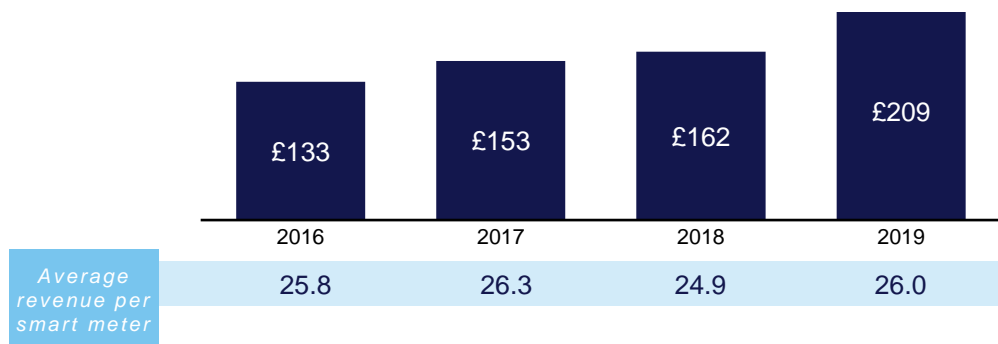
Financial overview



Stable growth and good cash conversion

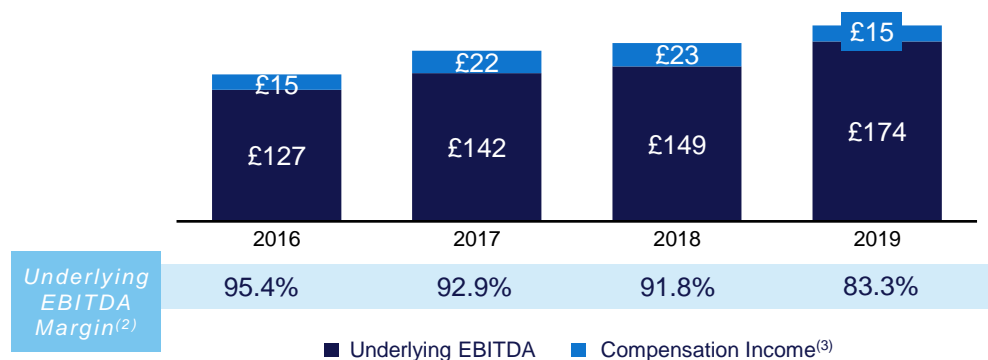
Revenue⁽¹⁾

(£ in millions)



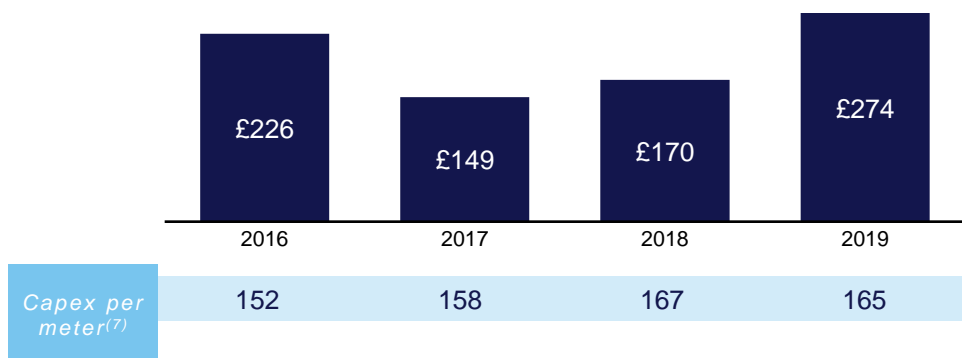
Underlying EBITDA

(£ in millions)



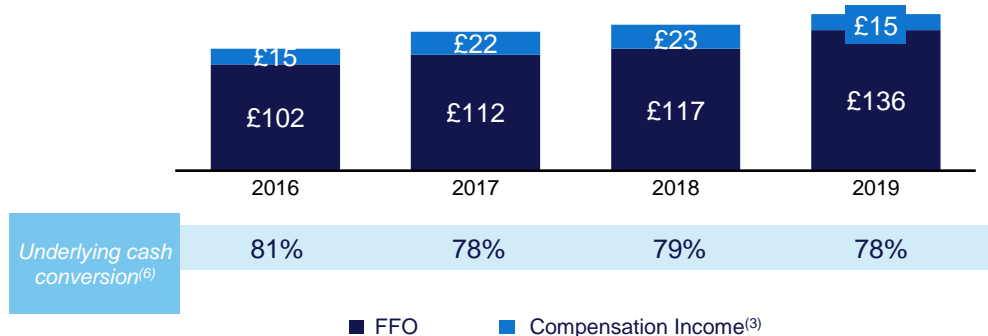
Capex⁽⁴⁾

(£ in millions)



FFO⁽⁵⁾

(£ in millions)



Source: Calisen's 2019 accounts. 2019 Revenue includes £4m one off income arising on contract change.

(1) Revenue excludes Compensation Income.

(2) Underlying EBITDA margin (2019 includes impact of consolidating Lowri Beck).

(3) Compensation Income defined as contractually agreed-upon cash payments for premature meter removals; Compensation Income contribute to Adj. EBITDA.

(4) Capex defined as purchase of property, plant and equipment.

(5) FFO is defined as underlying EBITDA less movements in trade and other receivable / payable working capital items, interest (excl. shareholder loan interest, letters of credit and swap break costs), cost of derivatives and tax. Excludes Compensation Income.

(6) Cash conversion defined as Underlying FFO divided by Underlying EBITDA.

(7) Defined as total capex adjusted for trade creditors and one off capital flows divided by total installations during period.

Calisen Group: Income statement overview



<i>(£ million unless otherwise stated)</i>	2018	2019
Revenue	162.1	208.8
Cost of sales	(82.7)	(111.7)
Gross profit / (loss)	79.4	97.1
Administrative expenses	(13.3)	(16.8)
Other expenses	-	(11.3)
Amortisation of intangible assets	(40.8)	(42.3)
Operating profit / (loss)	25.4	26.7
Interest receivable and similar income	0.2	0.2
Interest payable and expenses	(91.4)	(109.1)
Profit / (loss) before tax	(65.8)	(82.2)
Taxation	3.3	2.1
Profit / (loss) for the period	(62.5)	(80.1)
Other comprehensive income/(expense) for the period	-	-
Total comprehensive income for the period	(62.5)	(80.1)
Proforma adjusted earnings per share excluding amortisation	-	3.5p

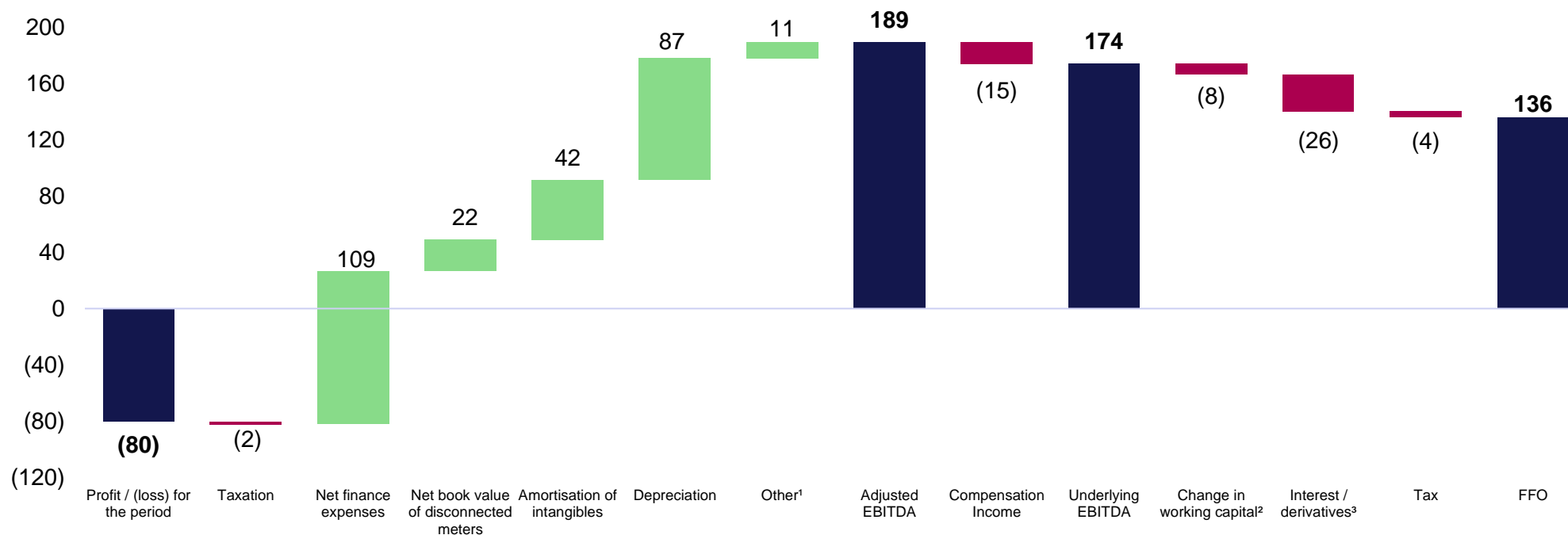
Source: Calisen's IFRS accounts.
 Note: Not all figures sum due to rounding.

PBT loss not reflective of strong cash generation



FFO for the year ended 31 December 2019

(£ in millions)



	Profit / (loss) for the period	Taxation	Net finance expenses	Net book value of disconnected meters	Amortisation of intangibles	Depreciation	Other ¹	Adjusted EBITDA	Compensation Income	Underlying EBITDA	Change in working capital ²	Interest / derivatives ³	Tax	FFO
2019	(80.1)	(2.1)	108.9	22.2	42.3	86.8	11.3	189.3	(15.3)	174.0	(7.7)	(26.1)	(4.3)	135.9
2018	(62.5)	(3.3)	91.2	28.7	40.8	76.9	(0.3)	171.5	(22.6)	148.9	(0.7)	(27.8)	(3.2)	117.2

Source: Calisen's IFRS accounts.

Note: Not all figures sum due to rounding.

(1) Includes IPO costs incurred in 2019.

(2) Includes change in trade and other receivables and change in other payables.

(3) Interest (excl. shareholder loan and letters of credit) and cost of derivatives.

Segment reporting overview



Calvin Capital remains the primary driver of Group results

Year ended 31 December 2019 (£m)	Calvin Capital	Lowri Beck	Group
Revenue	189.7	19.1	208.8
Cost of sales, depreciation and fixed asset disposal	(92.4)	(19.3)	(111.7)
Gross profit / (loss)	97.3	(0.2)	97.1
Administrative expenses ⁽¹⁾	(66.5)	(4.0)	(70.4)
Operating profit / (loss)	30.9	(4.2)	26.7
<hr/>			
Adjusted EBITDA	191.5	(2.2)	189.3
Compensation income	(15.3)	-	(15.3)
Underlying EBITDA	176.2	(2.2)	174.0

Based on 16th August Consolidation

Calvin Capital

- Group functions accounted for in Calvin Capital segment
- Comparable to three one-year financial periods up to December 2018

Lowri Beck

- Consolidation with effect from acquisition on 16 August 2019
- No prior year period

Source: Calisen's IFRS accounts.

Note: Not all figures sum due to rounding.

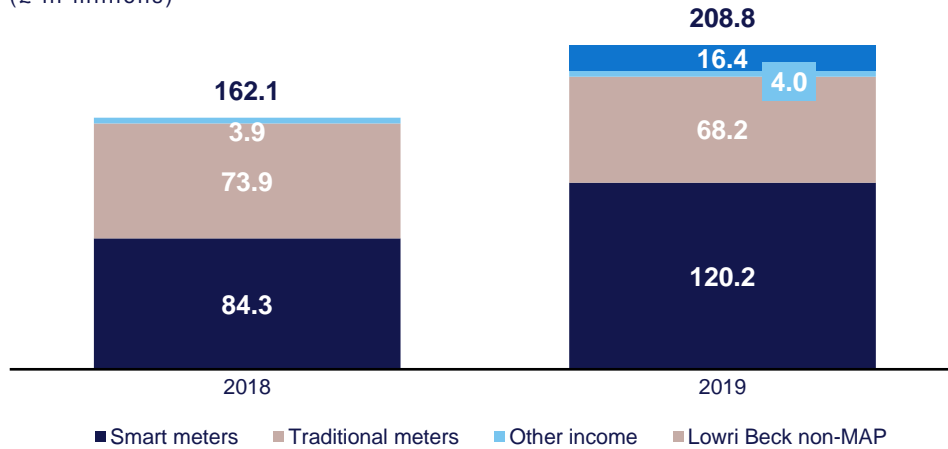
(1) Includes administrative expenses of £16.8m, other expenses of £11.3m and amortisation of intangible assets of £42.3m.

Top-line growth driven by record new meter numbers



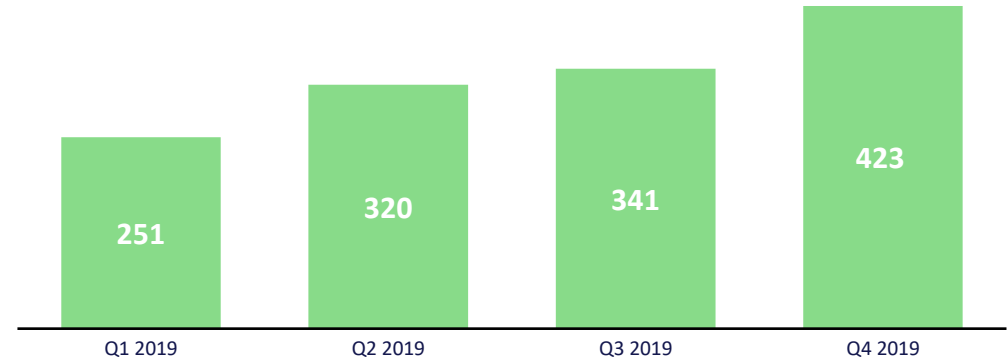
Revenue⁽¹⁾

(£ in millions)



Net increase in revenue-generating smart meters (Q1-Q4 2019)

(Additional meters in thousands)



Revenue generating meters

(In millions)

	2018	2019 ⁽³⁾
Traditional	3.4	3.4
Smart	3.8	5.2
Total	7.2	8.5

Average revenue per meter⁽²⁾

(£ per annum)

	2018	2019 ⁽³⁾
Traditional	20.3	20.3
Smart	24.9	26.0
Average	22.5	23.5

Source: Calisen's IFRS accounts.

(1) Revenue excludes Compensation Income.

(2) Revenue per meter is calculated based on MPCs, and other income is not included in the calculation of revenue per meter.

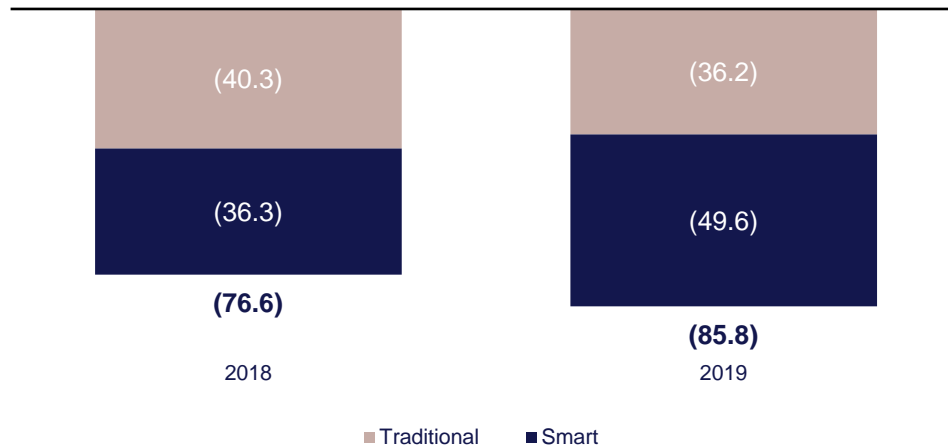
(3) Includes 0.4m traditional smart meters owned by Lowri Beck. Totals may not sum due to rounding.

Elements of cost of sales



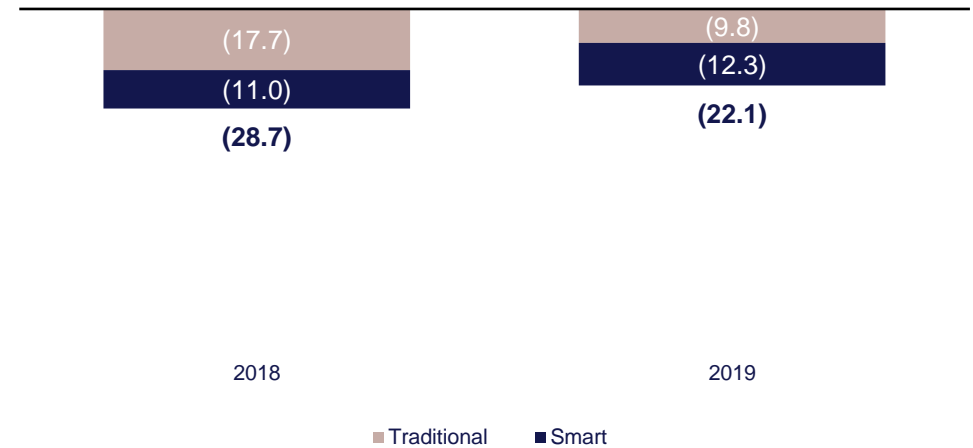
Depreciation⁽¹⁾

(£ in millions)



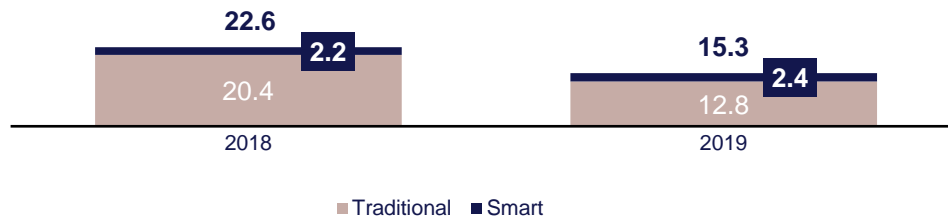
Net book value of disconnected meters

(£ in millions)



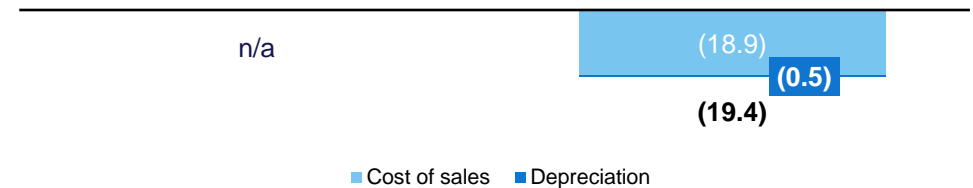
Compensation income⁽²⁾

(£ in millions)



Lowri Beck cost of sales⁽³⁾

(£ in millions)



Source: Calisen's IFRS accounts.

Note: Not all figures sum due to rounding.

(1) Depreciation charge for meters only, excludes Lowri Beck depreciation as it is not included in cost of sales

(2) Compensation income consists of contractually agreed-upon cash payments for premature meter removals

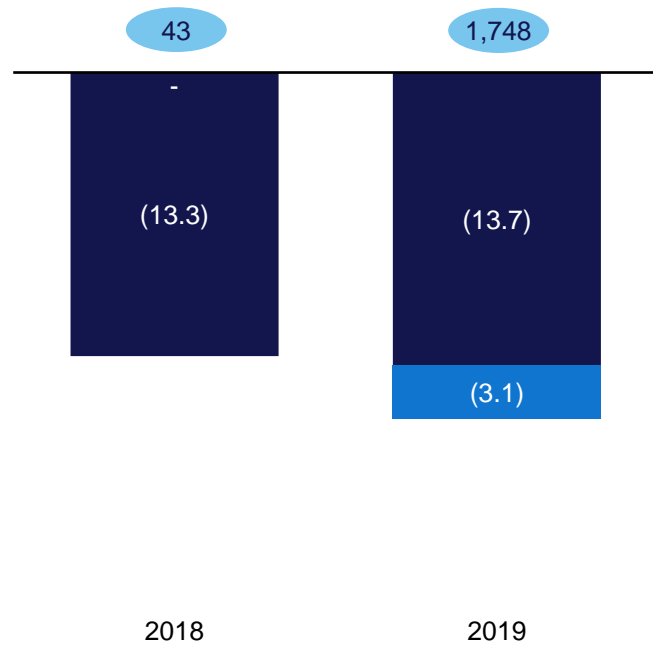
(3) Lowri Beck consolidated from 16 August 2019

Other expense items



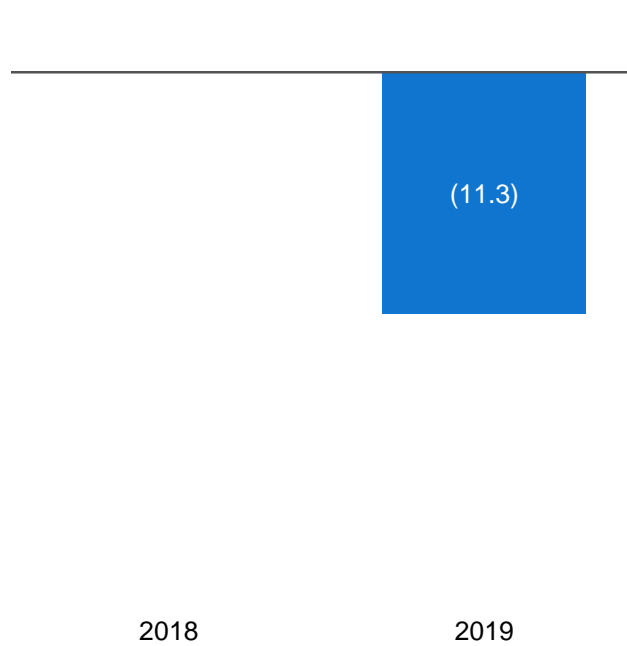
Administrative expenses

(£ in millions)



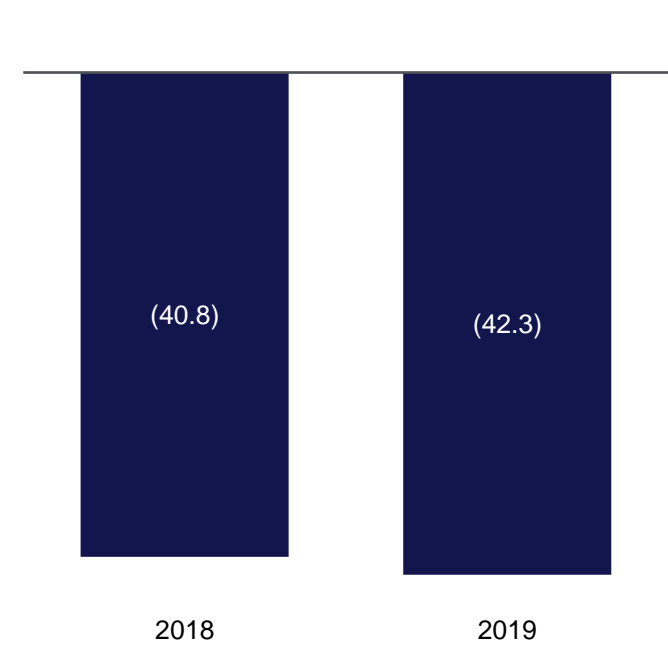
Other expenses

(£ in millions)



Amortisation expenses

(£ in millions)



■ Calisen and Calvin Capital ■ Lowri Beck

■ 2019 IPO costs

■ Amortisation

Period end employees

Source: Calisen's IFRS accounts.

Interest expense and debt balances reflect pre-IPO capital structure



Senior debt costs lower in 2019 despite higher debt balance due to successful refinancing in late 2018

Debt

(£ in millions)

	2018	2019
Net debt and shareholder loan⁽³⁾		
Senior debt	524.3	622.9
Equity bridge loan (excluding debt issue costs)	202.5	226.5
Invoice discounting facility and HP	-	5.3
Total debt⁽⁴⁾	726.8	854.8
Cash	(71.6)	(50.3)
Net debt	655.2	804.4
Shareholder loan	583.1	583.2
<i>NB: items not part of post-IPO capital structure</i>		

Interest payable and expenses

(£ in millions)

	2018	2019
Interest expense		
Senior debt and hedging	(19.4)	(17.3)
Equity bridge loan and hedging ⁽¹⁾	(4.5)	(4.9)
Total bank loans and swaps	(23.9)	(22.2)
Lease interest	(0.1)	(0.2)
Senior debt commitment fees	(4.2)	(3.7)
Interest / derivatives⁽²⁾	(28.1)	(26.1)
Shareholder loan interest	(50.6)	(53.2)
Mark-to-market movements	8.2	(15.5)
Letter of credit fees	(9.1)	(10.2)
Debt issuance costs	(11.8)	(4.1)
Interest payable and expenses	(91.4)	(109.1)

Source: Calisen's IFRS accounts.

Note: Not all figures sum due to rounding.

(1) Company's has repaid Equity Bridge Loans following IPO.

(2) Includes change in trade and other receivables / payables.

(3) Outstanding debt balances excludes interest accrued and any associated debt issue costs.

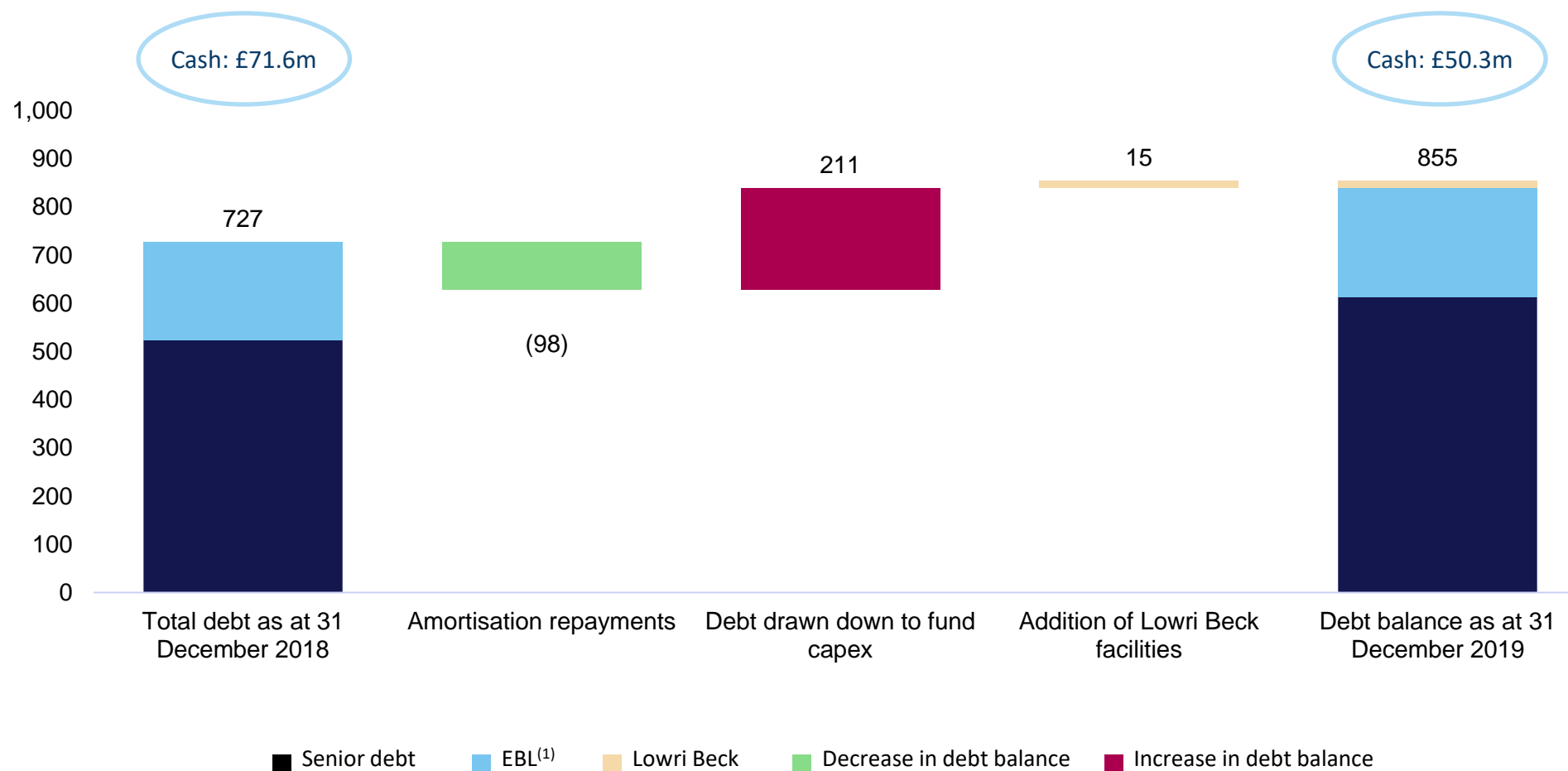
(4) Total Debt includes Senior debt (£622.9m), Invoice discounting and hire purchase (£5.3m) and Equity bridge loan (£226.5m).

Business will de-lever in absence of capex in 2020



Movement in debt balance

(£ in millions)



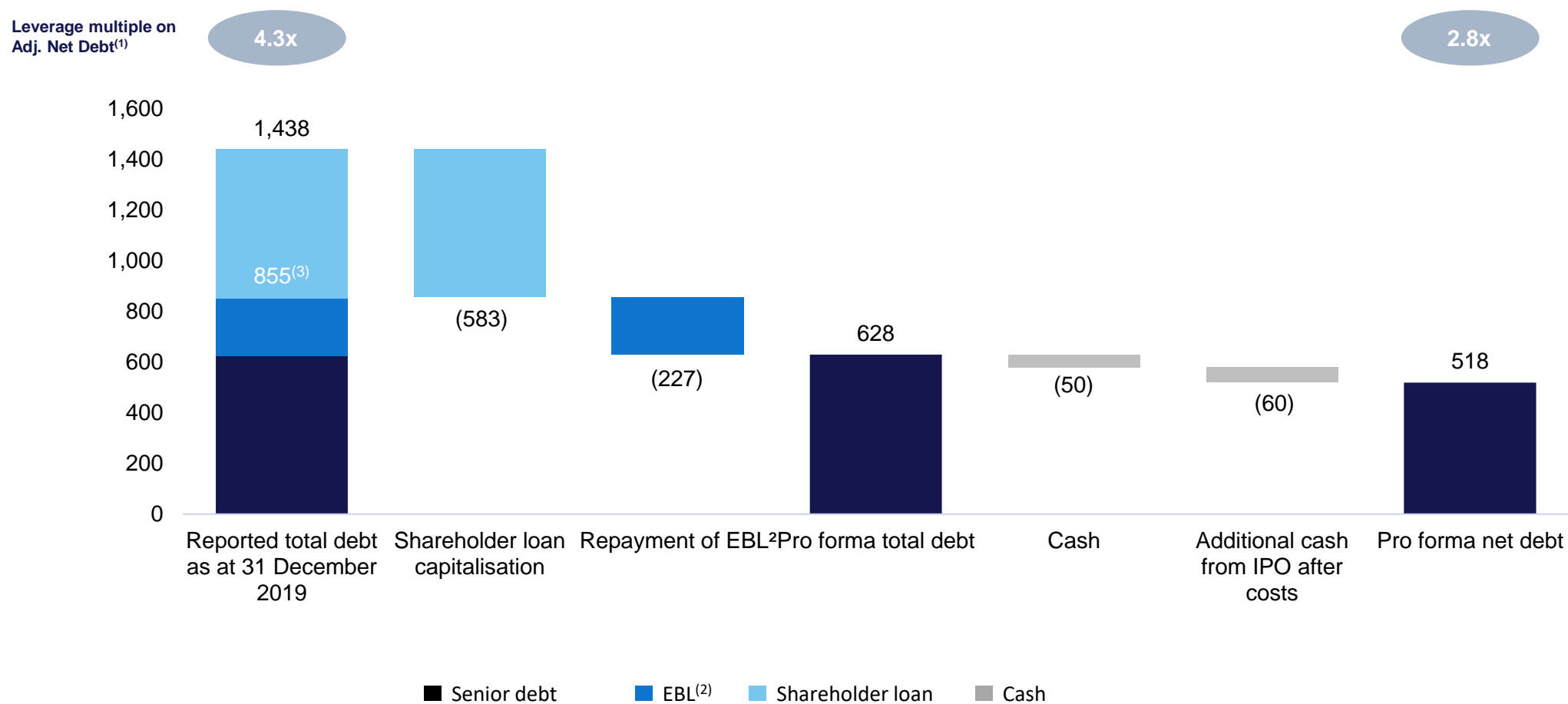
Source: Calisen's IFRS accounts.
 (1) EBL balance shown excluding debt issue costs.

Beyond 2019: De-levered capital structure following IPO



Pro forma capital structure

(£ in millions)



Source: Calisen's IFRS accounts.

(1) Adjusted Net Debt / Adj. EBITDA for the year ended 31 December 2019. Defined as Adjusted Net Debt (incl. bank borrowing, EBLs and cash but excl. shareholder loan, trade payables and debt issue costs).

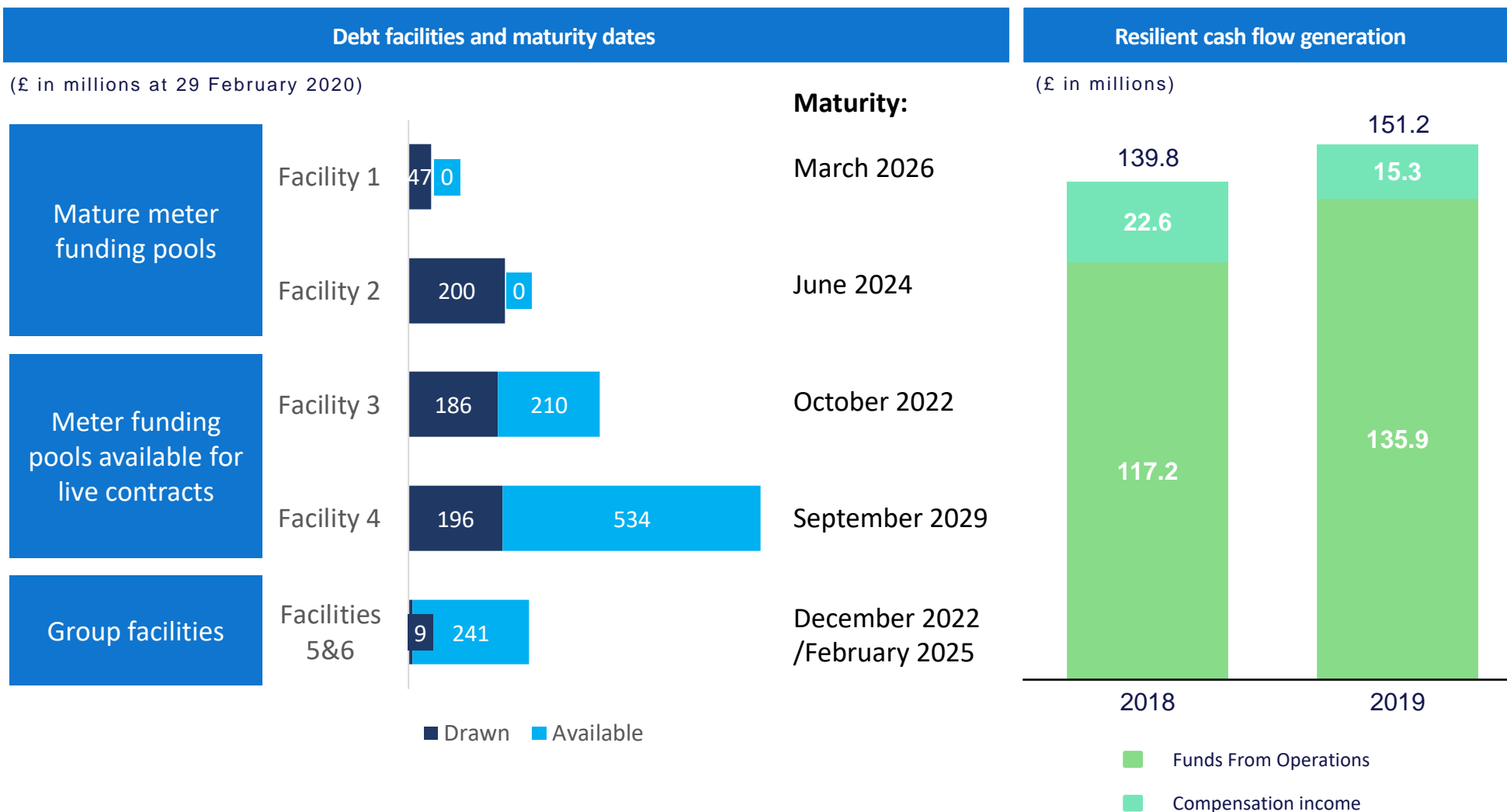
(2) EBL balance shown excluding debt issue costs.

(3) Represents a subtotal of senior debt and EBLs

Well positioned to fund resumption of growth later in 2020

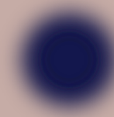
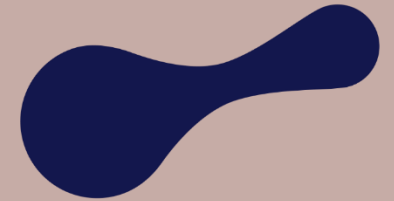


Almost £1 billion of committed undrawn debt facilities and no meter funding facility matures before Q4 2022



- Sufficient facilities in place to meet short and medium term requirements
- Additionally, cash generated from meters (£136 million Underlying FFO and £15 million compensation income in 2019)

Outlook



2020: Preparations for lifting of COVID-19 restrictions

Planning already underway for eventual resumption of installation activity



**Rolling
installation
appointments
forwards**

- **Lowri Beck call centre to start contacting customers to reschedule April appointments for late May / June**

**Dialogue
with customers
and suppliers**

- **Planning meetings with customers continue**
- **Regular dialogue with meter manufacturers re: supply chains**
- **Emerging expectation in the industry of three month ramp up before installations regain previous scale**

**Resumption of
installations and
field services at
Lowri Beck**

- **Safety of staff, customers and consumers will be paramount when restrictions are eventually lifted**
- **Planning eventual phased return to work for staff on furlough**
- **Three months to ramp up installations yet to be proven**

2020 guidance and medium term outlook

Medium term outlook unchanged



2020 outlook

Smart meters

- Guidance for 2020 installations suspended

Lowri Beck

- Expected to remain loss making at operating level in FY 2020

Existing meters

- Existing portfolio produces majority of existing and recurring cash flow
- Minimal impact from measures to tackle COVID-19 to date

Impact of lower capex

- Lower levels of capex but continued cash generation to drive increase in net cash flow

Outlook beyond 2020

Growth

- Impact from COVID-19 not material to medium term plans for growth

Strategy

- Opportunities beyond the smart meter roll-out

Conclusion

Resilient business model and robust balance sheet to sustain Group through 2020



1 Good progress operationally and financially in 2019

2 De-levered the balance sheet by raising £300 million⁽¹⁾ at IPO

3 Business is cash generative with strong liquidity position

4 Longer term strategy and growth expectations unchanged

1. IPO proceeds of £300 million before costs.



Q&A