ENERGY ONE LIMITED (ASX:EOL)

FINANCIAL RESULTS
First Half FY2024

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NEWS AND HIGHLIGHTS

The world of energy is evolving towards net zero and Energy One intends to be the leading and most capable supplier to the wholesale energy marketplace

- Revenue growth strong 25.1mil - up 22% on prior comparative period (pcp).
- Recurring revenue $22.6mil - up 23% on pcp.
- ARR $46.4mil - up 23% on pcp (20% constant FX)
- Recurring revenue at 90% of total - less reliance on project revenue
- All growth is organic growth (no acquisition effects in the 12 month period)
- Investment in human resources of additional $3M. Growth consistent with revenue growth at 23%
- Statutory EBITDA reduced 35% due to one-offs, restructuring and increased investment in the business
- Comparative EBITDA (excluding items not expected to re-occur) at $5.0M
- Notable events in the half were STG (acquisition), Cyber-attack (now concluded) and a modest internal restructure.

FINANCIAL RESULTS SUMMARY

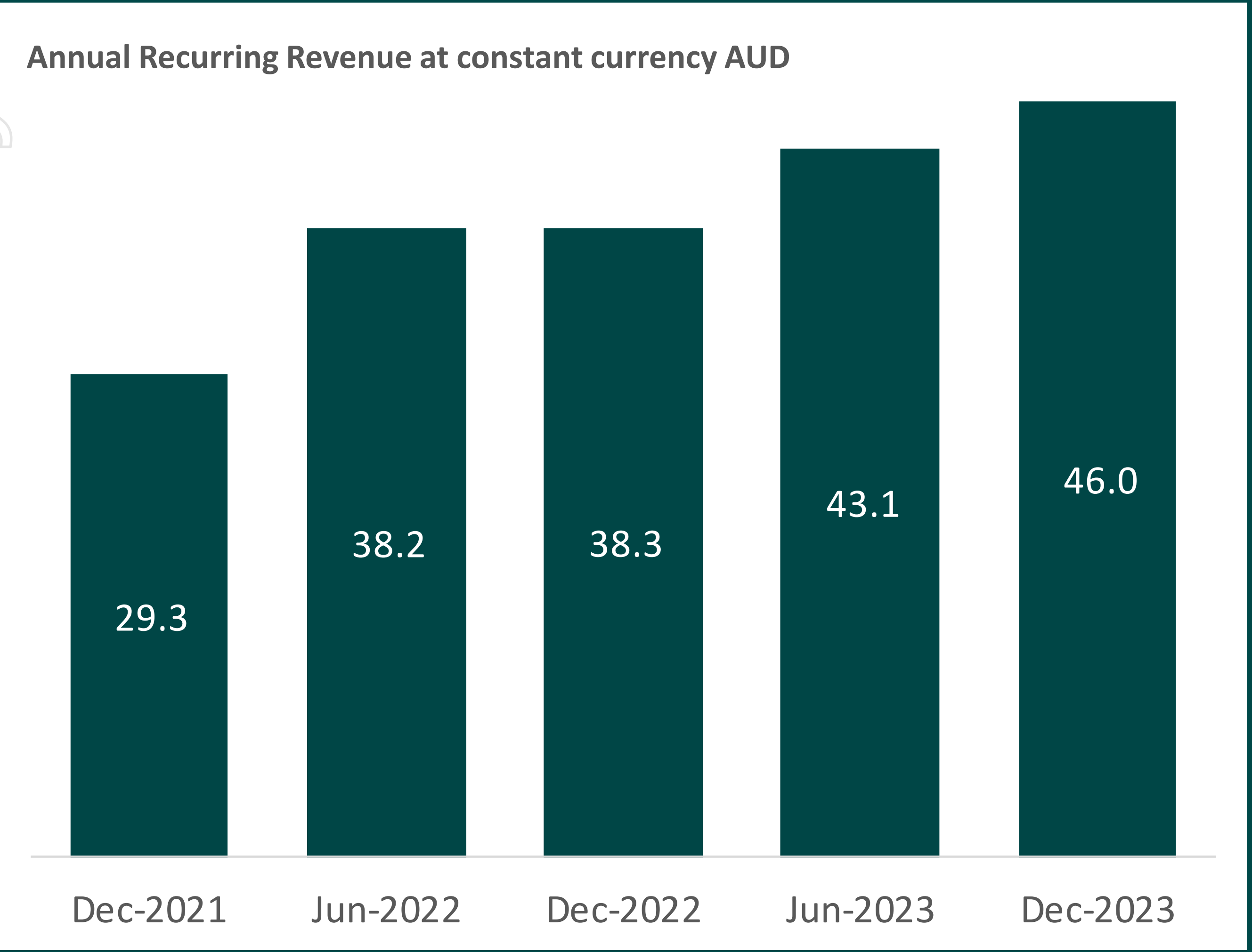
RESULTS

AUD ('mil)	H1 2024	H1 2023	CHANGE $	CHANGE %
Revenue	25.1	20.5	4.6	22% ▲
Recurring Revenue	22.6	18.4	4.2	23% ▲
Annual Recurring Revenue (ARR)	46.4	37.8	8.6	23% ▲
Statutory EBITDA	3.3	5.0	(1.7)	(35%)
Comparative EBITDA*	5.0	5.4	(0.4)	(7%)
NPBT	(0.5)	1.8	(2.3)	(128%)

* Normalised for costs not expected to re-occur (refer page 7)

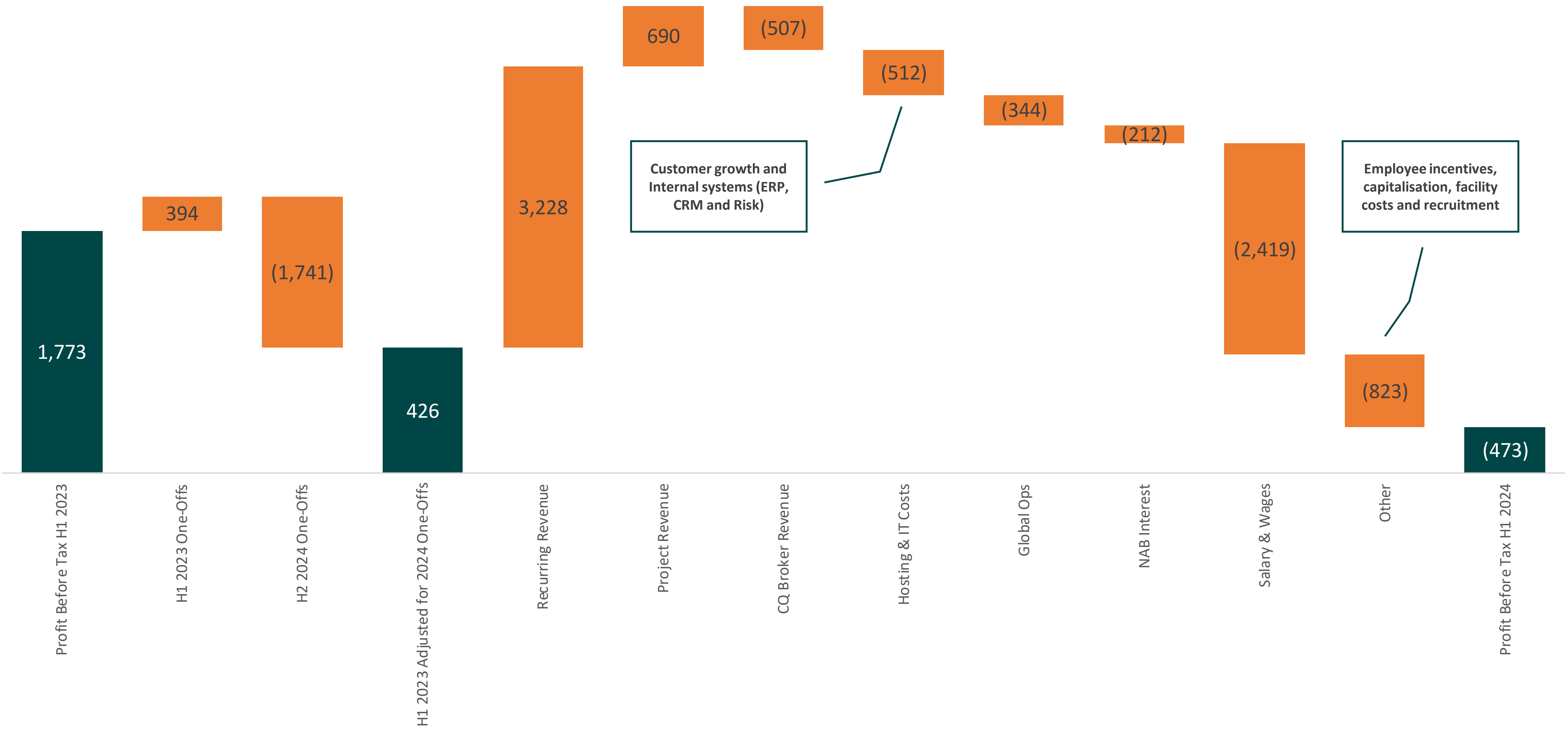
- Revenue growth of $4.6mil - 22% up on pcp
- ARR growth of $8.6mil - up 23% on pcp (20% at constant FX). Continues strong growth in recurring revenues of $2.5mil representing revenue from *new* customers at a net retention rate (NRR) of 114% (attrition 3.3%)
- Project revenue of $2.2mil was up 71% for both new and current customer projects (mainly Europe). CQ Brokerage/advisory revenue of $0.3mil (67% down), mainly due to reduced capacity in re-insurance markets (arising from global energy price volatility). Market activity expected to return in the months ahead.
- Comparative EBITDA lower due to investment in resourcing for growth. Resourcing increase remains in line with revenue growth (23%)
- Profit Before Tax also affected by increased interest on debt and D&A
- Capitalisation was 9% of revenue (12% pcp) due to project work flow. Capitalisation (as a percentage) is expected to reduce over long term with more services business in the mix.

RECURRING REVENUE HAS REBOUNDED STRONGLY



- Recurring revenue slowed in December 22 half however has recovered strongly in the last two halves back to historical levels
- 25% CAGR since December 2021
- Strong growth in Europe in particular, with solid growth in Australia
- Combination of software and services provides differentiation and underpins growth

Comparative Profit Bridge



Non-recurring expenses in Half 1 - comparative

AUD ('000)	H1 2024	H1 2023	Var
Inbound acquisition offer costs (one-off)	410	10	413
One-off acquisition costs	-	186	(186)
European founder exit/non-compete (ends 3/24)	298	198	100
Globalisation – restructuring/exits	784	-	784
Cyber incident response (one-off)	249	-	249
Total Impact on EBITDA	**1,741**	**394**	**1,360**

- The H1 24 acquisition costs relate to management of the inbound STG non-binding offer proposal in late 2023.
- One-off fees in H1 2023 related to CQ acquisition.
- eZ-nergy founders have a 12-month paid non-compete (expires 31 March 2024).
- Restructuring costs relate to the move to an integrated operating model. See restructuring slide
- Cyber costs relate to costs incurred with respect to responding and remediating the event, including regulatory reporting
- **These non-recurring costs of $1.74M not expected to repeat in H2, leading to stronger second half**

Restructuring Rationale and Benefits

- The Group has been progressively moving to a more integrated model over the last 18 months assisted by the work of the Globalisation project
- The integrated model has seen the creation of functions that incorporate those of each of the businesses and included Information Technology, Information Security, People and Culture with Finance already largely operating on a functional basis
- The intent of the integrated model is to drive consistent and efficient delivery of services to the businesses
- Resultant from the move to an integrated functional model the Region CEO’s roles are no longer required, therefore these two roles were removed.
- This and other (modest) restructuring expected to provide annual cost savings of ~$2mil per annum from FY25
- Both Dan and Simon were key drivers of the business over many years, were key to our success and we wish both the best in their future endeavours

Customers continue to stick and grow

$mil	H1 24 (12 months)	FY23	H1 23	FY 22	FY 21
ARR	46.4	43.9	37.7	36.8	28.9
Customer Installs	377	370	358	346	230
Churn (loss/cancels)	3.3%	2.3%	3.3%	2.3%	2.9%
Average LTV/Customer ($mil)	3.5	3.2	2.3	2.9	2.5
Net Revenue Retention	114%	107%	105%	-	-
LTV/CAC	36.5	38.1	28.3	29.4	28.9
Typical Contract Length	1-5 year initial term then annual renewal				
Gross Margin	62%	64%	62%	63%	62%

Note: Compared to 31 December 2022 half year Australian GM has increased from 63% to 67% and Europe 59% to 63%

- Strong revenue growth for the 12 months
- Organic Annual Recurring Revenue growth up 23%
- Restructuring and investment increased our costs in this half.
- Return to profitability expected in second half
- Exciting global opportunity and Energy One is ahead of others to realise need and supply solutions
- Board offers revenue guidance at $51M (total revenue) and $45M recurring revenue

SUMMARY

ENERGY ONE'S VISION IS TO BE THE WORLD'S LEADING PROVIDER OF WHOLESALE ENERGY SOFTWARE AND SERVICES SOLUTIONS

STRONGLY POSITIONED TO PROVIDE TECHNOLGY SOLUTIONS FOR THE CARBON TRANSITION AND RENAWABLE ENERGY GROWTH.

Questions?

ENQUIRIES

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Appendix

Comparative Profit & Loss

	31-Dec-23	31-Dec-22	Variance fav / (unfav)	
	$m	$m	$m	%
Recurring Revenue	22.6	18.4	4.2	23%
Project & Other Operating Revenue	2.3	1.4	0.9	64%
CQ Broker & Advisory	0.3	0.8	(0.5)	(63%)
Total Revenue	**25.2**	**20.6**	**4.6**	**22%**
Operating Expenses	(19.4)	(14.7)	(4.7)	(32%)
Global Operations Project	(0.8)	(0.5)	(0.3)	(60%)
Underlying EBITDA	**5.0**	**5.4**	**(0.4)**	**(7%)**
Depreciation & Amortisation of Software	(2.4)	(2.0)	(0.4)	(20%)
Total Expenses	(22.6)	(17.2)	(5.4)	(31%)
Underlying EBIT	**2.6**	**3.4**	**(0.8)**	**(24%)**
Finance Costs	(1.0)	(0.8)	(0.2)	(25%)
Underlying Profit Before Tax	**1.6**	**2.6**	**(1.0)**	**(38%)**
Acquisition and Non Repeating Costs	(1.7)	(0.4)	(1.3)	(325%)
Depreciation & Amortisation of Customer Lists	(0.4)	(0.4)	0.0	0%
Profit Before Income Tax	**(0.5)**	**1.8**	**(2.3)**	**(128%)**
Income Tax	0.0	(0.5)	0.5	(100%)
Net Profit After Tax	**(0.5)**	**1.3**	**(1.8)**	**(138%)**

Balance Sheet Management

	31-Dec-23	30 June 2023	Variance fav / (unfav)	
	$m	$m	$m	%
Assets				
Cash and cash equivalents	1.6	1.0	0.6	60%
Trade and other receivables	7.5	7.4	0.1	1%
Property, plant and equipment	0.5	0.5	0.0	0%
Lease right-of-use asset	2.8	3.3	(0.5)	(15%)
Software development	22.7	22.4	0.3	1%
Intangible assets	52.4	53.0	(0.6)	(1%)
Other assets	3.3	3.6	(0.3)	(8%)
Total Assets	**90.7**	**91.1**	**(0.4)**	**(0%)**
Liabilities				
Trade and other payables	5.0	6.0	1.0	17%
Lease liabilities	3.0	3.5	0.5	14%
Borrowings	22.7	20.6	(2.1)	(10%)
Contract liabilities	5.1	5.7	0.6	11%
Employee provisions	2.2	2.2	0.0	0%
Deferred tax liability	6.0	6.0	(0.0)	(0%)
Total Liabilities	**44.0**	**44.0**	**0.0**	**0%**
Equity				
Contributed equity	40.5	40.1	0.4	1%
Reserves	1.1	1.5	(0.4)	(27%)
Accumulated profits / (losses)	5.1	5.5	(0.4)	(7%)
Total Equity	**46.7**	**47.1**	**(0.4)**	**(1%)**

Net debt (borrowing – cash) has increased by $1.6mil through an equivalent reduction in trade payables, lease liability and revenue in advance

NAB realigned covenants and approved an additional temporary $2.0mil facility limit (expires 31 March) to ensure adequate access to liquidity

At 31 December the group had access to $6.5mil of liquidity through either cash of debt draw-down

Cash balances are also impacted due to the timing of cyber related payments

Other assets includes income tax refundable