

ASX Announcement

21 May 2026

May Market Update

Key Highlights

- Energy One Limited (ASX: EOL) issues its first market and business update under new CEO Ben Tranier, who assumed the role in March 2026.
- Global energy markets continue to experience structural complexity, with two-sided power price volatility across Europe and Australia creating growing demand for EOL's integrated software and services platform.
- Sales pipeline continues to grow, with strong Tier 1 customer engagement across short-term optimisation, BESS, industrial energy management, regulatory reporting and automated workflows.
- CEO transition complete; former CEO Shaun Ankers to transition to Non-Executive Director role at the commencement of FY27.
- Contracted ARR remains strong; billed ARR expected to grow approximately 13% for FY26, slightly below prior projections due to timing of project commencements with two large multinational industrial customers.
- FY26 one-off costs to include CEO search and transition costs (~\$0.5m) and non-cash accelerated share-based payment expense (~\$0.8m) relating to Shaun Ankers' vested service-based awards.
- Two strategic initiatives underway: sharpening the long-term product portfolio direction and accelerating practical AI integration focused on decision-support within mission-critical energy market workflows.
- The Company is actively reviewing potential acquisition opportunities consistent with its disciplined inorganic growth strategy. There is no certainty that any opportunity currently under review will proceed.
- The Company remains confident in its outlook, with structural energy market trends continuing to support demand for EOL's one-stop-shop software and services platform.

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Dear Shareholders,

I'd like to welcome our Shareholders to my first *market/business update* since becoming CEO of Energy One Limited (EOL) in March 2026. The purpose of this and future reports, is to share market and company news, and keep you updated on developments as I lead our company into its next successful chapter.

Market News

Complexity across global energy markets continues to increase, reflecting a structural shift rather than cyclical volatility.

Over recent months (in Europe) this has been particularly visible in power markets, where volatility is increasingly two-sided. Markets are seeing more frequent negative prices during periods of renewable surplus, but also sharp positive price periods when demand rises, renewable output falls, interconnectors are constrained or gas-fired generation remains the marginal source of supply.

Across the EU-27, day-ahead markets recorded 1,223 negative-price hours in Q1 2026, more than double the level recorded in Q1 2025. Spain and Portugal were among the clearest examples of this trend, reflecting the growing impact of renewable oversupply, grid constraints and limited system flexibility.¹

However, the market signal is not only of negative pricing. It is the widening spread between periods of surplus and periods of scarcity. In Q1 2026, most major European power markets still averaged above €90/MWh, while Spain and Portugal averaged approximately €44/MWh and €42/MWh respectively. Italy averaged approximately €131/MWh, and Nordic prices increased significantly year-on-year. This divergence highlights the increasing fragmentation of European power markets and the growing importance of local flexibility, interconnection, storage and operational optimisation.²

Gas markets continue to reinforce this complexity. TTF front-month futures averaged approximately €40/MWh in Q1 2026, up materially from Q4 2025, supported by lower storage levels and supply-risk concerns. As gas remains an important marginal fuel during

¹ Source: <https://www.pv-magazine.com/2026/05/08/europes-negative-electricity-price-hours-double-in-q1-amid-renewables-surpluses-market-imbalances/>

² <https://transparency.entsoe.eu/transmission/physicalFlows>

tight periods, gas volatility continues to feed into power price spikes, balancing costs and risk management requirements.

This is why Battery Energy Storage Solutions (BESS) and flexible assets are becoming increasingly important. Batteries are no longer only decarbonisation assets; they are trading, balancing and optimisation assets. Their value is created by absorbing energy during periods of surplus, discharging during scarcity periods, managing imbalance exposure and participating across multiple market timeframes.

Australia provides a clear example of this structural change. In Q1 2026, negative or zero prices occurred in 14.9% of dispatch intervals across the National Electricity Market, including 31.3% in South Australia and 26.2% in Victoria. During daytime hours, negative prices occurred in 67% of intervals in South Australia and 53% in Victoria. At the same time, battery charge and discharge set prices in 32% of NEM intervals, showing that storage is becoming a central market-shaping asset.³

These observations describe the famous *Duck Curve* which continues to shape the evolution of our electricity markets and is both an outcome and a driver, of renewable generation and storage.

The same logic applies to industrials, VPPs and behind-the-meter assets. As price spreads widen, flexible consumption, embedded generation, batteries and controllable load become economically more valuable. These assets increasingly need to optimise, trade, dispatch, nominate, schedule and settle across multiple markets. This creates demand not only for our software, but also for our operational services, automation and 24/7 market access.

These trends and macro tailwinds reinforce the strength of Energy One's positioning as a one-stop-shop provider of software and services, rather than a collection of individual tools.

In addition, energy/fuel price volatility and geo-political considerations increase the complexity and risk management landscape for market participants. Energy One's risk-management solutions, consulting and expertise continue to help our customers manage such market risk.

³ https://www.aemo.com.au/-/media/files/major-publications/qed/2026/qed-q1-2026.pdf?rev=f6c1205d357742108ff08563cc0da0e8&sc_lang=en

Business Update

The CEO transition is now complete. I would like to acknowledge Shaun Ankers for his outstanding commitment throughout the transition period. Shaun will move into a Non-Executive Director role from the start of the new financial year, helping ensure continuity and governance strength for the Company.

The sales pipeline continues to grow, supporting the positive trajectory outlined at our Half Year results. This is a direct result of market trends but also the investments we have made in sales and marketing resources and tools. Engagement from Tier 1 customers remains strong, reflecting the relevance of our offering as markets continue to evolve and increase in complexity. As always with larger customers, the timing and scope of acquisition and project ramp-up is a live management challenge. Nonetheless, these customers are well worth pursuing, bringing long term value and cross-sell opportunity.

We are seeing customer interest across several areas directly linked to the market trends described above, including short-term optimisation, BESS, industrial energy management, regulatory reporting, gas and power operations, and more automated operational workflows.

Large industrial customers are also becoming more active in energy markets. While some parts of European manufacturing remain under pressure from energy costs and broader macroeconomic conditions, we are seeing larger and more sophisticated industrials focus on better tools to manage energy exposure.

The same trend is visible in BESS, VPPs and behind-the-meter activity. As flexible assets become more market-facing, customers increasingly require integrated capability across optimisation, trading workflows, scheduling, market connectivity and operational support.

We are actively reviewing potential acquisition opportunities, consistent with our long-term strategy of combining organic growth with disciplined inorganic growth. Our focus remains on opportunities that strengthen our position in core markets, add relevant capability or customer reach, are value accretive and align with the Company's culture. There is no certainty that any opportunity currently under review will proceed.

As previously communicated during our February investor presentation, and (as part of my approach) I have introduced a review and focus on two key initiatives:

- sharpening the long-term direction of our product portfolio
- accelerating our approach to AI, with a clear emphasis on embedding practical, decision-support capabilities into our products.

Our AI focus is practical and product-led. The opportunity is not generic AI, but decision support, automation and workflow acceleration within mission-critical energy market processes.

These initiatives are directly addressing (and aligned with) the structural changes we are seeing across energy markets and are intended to ensure our platform continues to meet the needs of customers operating in increasingly dynamic environments – as well as staying ahead of competitors and retaining our unique selling proposition, being the one-stop-shop.

Financial Update

Contracted (signed) Annual Recurring Revenue remains strong. Billed (actual) ARR may finish slightly below our projections, at around 13% growth (at constant currency), primarily due to timing of project commencements, which will fall into FY27 instead. This timing impact is largely explained by two large multinational industrial customers increasing the scope of their projects, which has extended the scoping phase and pushed the project start date. These projects, with combined ARR value of approximately \$1M, will be forthcoming in FY27.

The underlying pipeline remains extremely strong and customer engagement continues to support our medium-term growth expectations.

On the costs side, and as outlined at the Half Year (to 31/12/25), the current FY26 financial year includes certain one-off costs. These include CEO transition. In addition, the Board has approved the acceleration of Shaun Ankers' service-based share awards, those having met the relevant performance conditions.

- CEO search & transition costs of approximately \$0.5 million
- the accelerated share-based payment expense of approximately \$0.8 million

As noted, the Board has approved the acceleration of Shaun Ankers' service-based share awards to vest in the current financial year. This expense is non-cash and reflects the Board's recognition of Shaun's contribution to the business. The acceleration simplifies the equity structure and positions the Company to enter FY27 with a clean baseline.

On an underlying basis (net of these one-offs), our metrics are currently expected to remain in line with consensus.

As we continue to pursue potential acquisition opportunities, the Company will likely incur further one-off M&A-related costs in this FY. Any such costs will be managed carefully and assessed in the context of disciplined inorganic growth.

We also note that foreign exchange movements will have some effect due to the global nature of the business and the current macro environment.

Outlook

Overall, Energy One is performing very well, with many positives across the Company.

Energy markets are evolving in a way that reinforces the need for our software and services. Increased price dispersion, more granular trading, BESS growth, industrial energy optimisation, behind-the-meter activity and regulatory complexity are all increasing the need for integrated, mission-critical platforms and operational support.

The pipeline continues to expand, customer engagement remains strong, and our product and AI initiatives are closely aligned with long-term structural market trends.

We remain confident in the outlook for the business, I am excited about the opportunities ahead.

I will look to publish additional updates in between reporting periods, to keep shareholders updated on developments.

Ben Tranier
Chief Executive Officer