28 September 2023

**eEnergy Group plc**
("eEnergy" or "the Group")

**12 Month Interim Results**

eEnergy (AIM: EAAS), the net zero energy services provider, is pleased to announce its unaudited interim accounts for the 12 months to 30 June 2023. On 22 June 2023 the Company announced that it had changed its accounting reference date from 30 June to 31 December. Accordingly, the Company is today presenting unaudited interim results for the 12 months to 30 June 2023. Audited full year results for the 18 months to 31 December 2023 will be announced in 2024.

**Financial Highlights**

- Revenue up 50% to £33.2 million (FY 2022: £22.0 million)
    - Energy Services revenue £19.5 million, up 87%, Adj EBITDA £2.3 million, up 131%
    - Energy Management revenue £13.6 million, up 17%, Adj EBITDA £4.4 million, up 20%
- Adj EBITDA(1) up 55% to £4.7 million (FY 2022: £3.0 million)
- Adj PBT(2) up 34% to £2.7 million (FY 2022: £2.0 million)
- PBT £1.1 million (FY 2022 Loss Before Tax: £2.2 million)
- Net Cash / (Debt) £(6.9) million (FY 2022: £(3.6) million), a consequence of £5.2 million increase in working capital, reflecting a strengthened balance sheet

**Operational highlights**

- Launch of eSolar with 29 MW under Heads of Terms or signed contract as at 30 June 2023, up 226% on 30 June 2022 (8.9 MW)
- Completion of a new €5 million two-year project funding facility with Solas Capital AG to finance LED lighting projects in Ireland
- Appointment of John Foley as Non-Executive Chairman

**Post Period end**

- Increased ownership in subsidiary, eEnergy Insights Ltd, which holds the Group's MY ZeERO smart metering and analytics platform, to 100%
- Contract with Tudor Grange Academies Trust worth £3.0 million Total Contract Value for onsite solar generation

**Harvey Sinclair, eEnergy CEO, said,** "We are pleased with both the financial and strategic progress throughout the year. We have expanded into new market segments and built strong platforms in eSolar and eCharge which are expected to be key growth drivers of the business going forward.

We achieved a significant milestone in the year in reaching profitability. The signing of Tudor Grange post period end demonstrates the sales team's cross selling abilities, and our Forward Order Book remains strong, standing at £27.5 million. Our established market position is creating larger project opportunities and Management are focused on improving cash generation to enable us to pursue these exciting projects. The Board is reviewing a number of strategic options to further strengthen our balance sheet to support our continued strong growth. We are cautiously optimistic of delivering trading expectations for the full period."

**Investor & Analyst presentations**

An online analyst briefing will be held at 11:00. Analysts wishing to attend should contact eEnergy@tavistock.co.uk to register.

Management will provide online presentations relating to the interim results for investors via the Investor Meet Company platform at 09:00, and the Equity Development platform at 15:30. Both presentations are open to all existing and potential shareholders.

Investors can sign up to Investor Meet Company for free and add to meet eEnergy Group plc via:
https://www.investormeetcompany.com/eenergy-group-plc/register-investor

Investors can register for the Equity Development for free via:
https://www.equitydevelopment.co.uk/news-and-events/eaas-investor-presentation-28sept2023

Note: (1) Adjusted EBITDA is Earnings before interest, tax, depreciation and amortisation, excluding exceptional items. Exceptional Items are those items which, in the opinion of the Directors, should be excluded in order to provide a consistent and comparable view of the underlying performance of the Group's ongoing business and include transaction-related items, restructuring and integration costs and share based payment expenses.
(2) Adjusted PBT excluding Exceptional Items and amortisation of acquired intangibles.

**Contacts:**


| | |
|---|---|
| **eEnergy Group plc**<br>Harvey Sinclair, Chief Executive Officer<br>Crispin Goldsmith, Chief Financial Officer | Tel: +44 20 7078 9564<br>info@eenergyplc.com ; www.eenergyplc.com |
| **Strand Hanson Limited** (Nominated Adviser)<br>Richard Johnson, James Harris | Tel: +44 20 7409 3494 |
| **Canaccord Genuity Limited** (Joint Broker)<br>Max Hartley, Harry Pardoe (Corporate Broking) | Tel: +44 20 7523 8000 |
| **Turner Pope Investments** (Joint Broker)<br>Andy Thacker, James Pope | Tel: +44 20 3657 0050<br>info@turnerpope.com |
| **Tavistock**<br>Jos Simson, Heather Armstrong, Katie Hopkins | Tel: +44 207 920 3150<br>eEnergy@tavistock.co.uk |


**About eEnergy Group plc**

eEnergy (AIM: EAAS) is a net zero energy services provider, empowering organisations to achieve net zero by tackling energy waste and transitioning to clean energy, without the need for upfront investment. It is making net zero possible and profitable for all organisations in four ways:

- Transition to the lowest cost clean energy through the Group's digital procurement platform and energy management services.
- Tackle energy waste with granular data and insight on energy use and dynamic energy management.
- Reduce energy use with the right energy efficiency solutions without upfront cost.
- Reach net zero with onsite renewable generation and electric vehicle (EV) charging.

eEnergy is a Top 5 B2B energy company and has been awarded The Green Economy Mark by London Stock Exchange.

**CEO Statement**

I am pleased to report that the last 12 months has proved to be another successful period for eEnergy, delivering significant growth in both revenue and profitability. Our vision of making Net Zero possible and profitable for organisations continues to be increasingly relevant as the country continues its journey to Net Zero by 2050.

Our established energy-as-a-service, end to end solution enables businesses to access the lowest cost clean energy, identify and tackle energy waste, reduce energy consumption and transition to an EV charging model through zero capital solutions.

**Energy Market**

While energy markets have started to stabilise, energy independence and moving away from the grid remains a high priority at state level, all the way down to the consumer.

Although energy prices have dropped since the spike in 2022, volatility and uncertainty remains, where a single event could see prices escalate quickly. However, even at current levels which remain significantly higher than historic trends, there is still a considerable opportunity for organisations to unlock substantial cash savings without investing their own capital in the transition to reducing carbon. Compliance and governance are increasing across the public and private sectors meaning that decarbonising is no longer an option, but rather a necessity for organisations.

**Results**

During the 12 month interim period to 30 June 2023, revenue increased by 50% to £33.2 million, up from £22.1 million, and Adjusted EBITDA increased 54% to £4.7 million. Energy Services revenue was up 87% to £19.5 million and Energy Management was up to £13.6 million, an increase of 17%. Adjusted EBITDA was £2.3 million and £4.4 million for Energy Services and Energy Management respectively, supported by a strong underlying performance from both of the Group's divisions.

The increase in revenue has resulted in Profit Before Tax of £1.1 million (FY 2022 Loss Before Tax: £2.2 million) and as at 30 June 2023 the Group's cash balance was £0.8 million, excluding £0.5 million of restricted cash balances.

Net Debt (excluding IFRS 16 lease liabilities) at 30 June 2023 was £7.0 million following the Group securing further debt finance of £2.5 million as announced on 25 November 2022 (the "Subordinated Debt"), in order to provide additional funding to the Group. The Subordinated Debt was structured as secured discounted capital bonds (the "Bonds") which are due for repayment on 24 May 2024 and 21 June 2024. £1.0 million of the Subordinated Debt was provided by each of, Hawk Investment Holdings Limited, an existing shareholder of eEnergy, and FFIH Limited, with the balance of £0.5 million being provided by Directors of the Company.

eEnergy has a fully drawn £5.0 million revolving credit facility with HSBC Innovation Finance (previously known as Silicon Valley Bank). The Company is actively engaged in discussions with a short list of debt providers and the Board expects to secure a combined refinancing facility for both debt instruments. Financing costs during the period were higher due to, inter alia, the new Subordinated Debt facility and the higher interest rate environment.

Sales across Energy Services have increased by 87% over the last 12 months, driven partly by the increasing penetration into the education sector but also due to greater diversification in the broader public sector and through the ability to cross sell to customers across the Group.

We see increasing growth opportunities developing from new products being launched in both the education sector and multi-site organisations, which will see our data services division provide the opportunity to access procurement services combined with smart granular energy data within buildings, tackling energy wastage, through the Company's unique capital free subscription service.

**Change in accounting reference date**

As announced on 22 June 2023, the Company has changed its accounting reference date and financial year end from 30 June to 31 December. The Group's business activities and revenues are weighted towards the middle of the calendar year and the Board therefore believes that a 31 December year end will be in the best interest of the Group.

**Strategy**

Since launching its renewables division, eSolar, the Company has seen strong demand, originating 29 MW of signed contracts and HOTs as at 30 June 2023, which we expect to convert to revenue over the coming 12 months. We see Solar as a significant growth area across the Group.

The Group announced on 7 June 2023 that it had entered into an initial new €5 million two-year project funding facility with Solas Capital AG ("Solas") to finance LED lighting projects in Ireland. This partnership replaces previous arrangements and reinforces the Group's commitment to its growth strategy.

The Solas Sustainable Energy Fund is supported by the European Investment Bank, the Ireland Strategic Investment Fund, and the LIFE-programme of the European Commission.

eEnergy has built a strong market position which is creating larger project opportunities. The Company has achieved a significant milestone and is now profitable. It has improved its working capital position and has made substantial reductions in legacy liabilities. Management recognises that further improvements to cash generation are necessary in order that the business can continue to scale. The Board is reviewing a number of strategic options to further strengthen the balance sheet to support growth.

On 10 August 2023, the Company announced that it had increased its ownership to 100% in its subsidiary, eEnergy Insights Ltd ("EIL"), which holds the Group's MY ZeERO smart metering and analytics platform, through the acquisition of the minority holdings of two former management shareholders. The acquisition of the final tranche of MY ZeERO allows the differentiated offering to be fully integrated into the eEnergy proposition.

**Board**

Further to the Group's debt financing in November 2022, John Foley was formally appointed as Non-Executive Chairman of eEnergy in March 2023, while David Nicholl moved to Non-Executive Director. Derek Myers resigned from the Board on 2 May 2023.

**Outlook**

Energy remains high on the agenda across the UK, and we continue to see strong appetite from new and existing customers for our suite of products and services.

Post period end, the Company secured a significant contract with a Total Contract Value ("TCV") of £3.0 million, resulting in £1.9 million revenues, from existing customer Tudor Grange Academies Trust, for a solar energy generation project across its collection of academies. This illustrates the Company's ability to execute against its cross selling strategy within its existing customer base.

Whilst market conditions tightened over the summer period, eEnergy's contracted revenue book remains significant, giving strong visibility on revenues for the final six months of the financial period. Contracted forward revenues (the "Forward Order Book") at 30 June 2023 were £27.5 million (31 December 2022: £26.4 million), of which £14.1 million are expected to convert into revenues in the six months to 31 December 2023.

The Group remains confident that eEnergy's proposition is more relevant than ever, further supported by a continued shift in regulatory and structural growth drivers. The Group remains cautiously optimistic of delivering results for the 18 month period ending 31 December 2023 in line with market expectations.

**Harvey Sinclair**
**Chief Executive Officer**
**28 September 2023**

**CFO Statement**

**Group key performance indicators**

| | 12m Period to 30 June 2023 £'000 | 6m Period to 31 December 2022 £'000 | Year to 30 June 2022 £'000 | 6m Period to 31 December 2021 £'000 | Year to 30 June 2021 £'000 |
|---|---|---|---|---|---|
| Revenue | 33,159 | 15,124 | 22,096 | 9,592 | 13,596 |
| Adj. EBITDA | 4,665 | 1,508 | 3,021 | 807 | 830 |
| Adj. EBITDA% | 14.10% | 10.00% | 13.70% | 8.40% | 6.10% |
| Cash & cash equivalents (exc. restricted balances) | 818 | 1,050 | 1,380 | 2,430 | 3,332 |
| Net Cash / (Debt) (excl. Of IFRS16) | (6,935) | (6,567) | (3,642) | (516) | 1,486 |

**Summary performance**

The 12 months to June 2023 ("P1 FY23") was another period of significant growth for the Group. Revenue of £33.2 million was up 50% from FY22, driving a 54% increase in Adjusted EBITDA to £4.7 million and delivering Profit Before Tax of £1.1 million (FY22 Loss Before Tax: £2.2 million).

Net Debt increased by £3.3 million in the period, funded by an additional £2.5 million in debt funding through a new Subordinated Bond in November 2022. The increase in Net Debt was largely a consequence of a £5.0 million increase in working capital. This was primarily driven by an increase in net accrued revenues, representing future contracted cash due to the business, repayment of legacy (non-trade) liabilities and a reduction in the provision for earnout consideration relating to the acquisition of UtilityTeam.

The six-months to June 2023 ("H2 FY23") saw the working capital position improve as a result of management actions, with an increase in Net Debt of £0.4 million after settling £0.9 million of legacy overdue HMRC balances. Whilst this represented a significant improvement on previous periods (£2.9 million increase for H1 FY23) and demonstrated that underlying operating cash flows are starting to come through, it was below the internal cash generation targets set.

The business has successfully built strong market positions across its product set giving a good platform for growth. It is a key focus for management to deliver on this growth opportunity in a way which is more cash generative.

**Divisional Performance**

***Energy Services***

The strong momentum in new contract wins continues to drive accelerated revenue growth. Revenues of £19.5 million for P1 FY23 represented growth of 87% compared to FY22 and drove substantial growth of 131% in Adjusted EBITDA to £2.3 million (FY22 £1.0 million).

Strong execution and focus on cost management helped the Group deliver a 0.9% improvement on Gross Margins to 35.1% (FY22 34.2%), despite inflationary pressures and a changing product mix with growing eSolar and eCharge revenues generating lower product Gross Margins. Energy Services is segmented into three verticals – Measure (primarily MY ZeERO), Reduce (primarily lighting) and Connect (eSolar and eCharge). Target Gross Margins vary from 50% in Measure, 38% in Reduce to 25%-30% in Connect (depending on the product).

£26.4 million of new contract signings were delivered during the period, representing an increase of 76% on FY22. This accelerating momentum has continued into the final period of FY23, in particular with the award of the eSolar contract worth £3.0 million in TCV and £1.9 million in revenues with Tudor Grange Academies Trust in September 2023.

The Group has built a strong pipeline of solar opportunities over the last 12 months and had 29.0 MW under signed contracts or Heads of Terms as at 30 June 2023 (up from 8.9 MW at 30 June 2022). Lead times on eSolar projects are long given the number of stakeholders involved and consents required. After a long development cycle these projects are now converting into revenue, accelerating growth during the remainder of FY23 and into FY24.

***Energy Management***

The Energy Management business has continued to perform well despite a challenging market backdrop of unprecedently high volatility in energy prices and a period where the primary focus has been on integration rather than growth.

Underlying organic revenue growth of 5% was boosted by annualisation of the UtilityTeam acquisition (completed September 2021) to record overall 17% revenue growth to £13.6 million (FY22: £11.6 million). Adjusted EBITDA of £4.4 million represented robust 20% growth (FY22: £3.7 million).

A significant majority (c.95%) of revenue is generated from commissions paid by energy suppliers linked to long-term customer supply contracts with a retention rate on renewal of 85%+. The Board believes this dynamic gives the business unit an attractive quality of earnings.

Service delivery continues to be a key focus of the Company following completion of the UtilityTeam integration. The Group has invested in both the enlarged team and the delivery platform to ensure a best-in-class customer experience through the life of the relationship which should maintain and enhance retention rates, as well as giving a differentiated proposition for new business acquisition. This investment is now delivering returns and EBITDA margin has increased to 32.4% in the period (FY22: 31.6%).

**Cash Flow and Working Capital**

Net cash outflow from operating activities for the period was £1.2 million (FY22 net cash outflow: £6.2 million). Management actions during the period, as detailed below, have improved operating cash flows, delivering a cash inflow from operating activities of £0.7 million for H2 FY23 (H2 FY22 net cash outflow: £3.0 million). Nevertheless, this was below the internal cash generation targets set for the business.

The operating cash outflow was a result of a £5.0 million increase in net working capital. Whilst this represents a strengthened Balance Sheet which should support improved cash generation going forward, it led to a funding requirement for the business in the period.

The single biggest contributor to this was an increase in net accrued revenue of £6.2 million. This increase partly reflects longer project lead times in eSolar, with strong contract signings in the final quarter of the reporting period, together with the organic growth of the business in both Energy Management and Energy Services. Accrued revenue is recognised where revenue generating activity within a given period is rewarded by cashflow in future periods. Accrued revenue therefore represents contracted future cash receipts for the business.

The increase in accrued revenue was mitigated by increases in accruals and trade payables, which have scaled as revenues have increased, resulting in a net increase in trade working capital of £1.3 million.

Payments of £1.8 million were made against legacy (non-trade and non-recurring) liabilities during the period. £1.6 million related to historical Time-to-Pay arrangements with HMRC, clearing historical overdue amounts, and £0.2 million related to legacy liabilities in Ireland.

There was also a largely non-cash reduction of £0.9 million in contingent consideration, relating to the acquisition of UtilityTeam.

Cash flow also reflected a £0.8 million investment in the period in continuing to develop the Group's proprietary technology platforms, including a new self-service client portal in Energy Management and MY ZeERO's cloud analytics.

Initiatives implemented by management in the period have improved working capital during H2 FY23.

Operating cash conversion in Energy Management is on an improving trajectory as a result of improved contract terms negotiated with energy suppliers and growing contracted cash flows from customer contracts signed in previous periods. Operating cash conversion increased from 34% for the 12 months to March 2023 to 63% for the 12 months to June 2023 and is targeted to improve further to 75% in FY24.

Energy Services is now the key focus area for improving cash generation, with a clear plan to increase operating cash conversion from 50% for P1 FY23 to a targeted 75% for FY24.

The Group is now working with a range of funding partners able to fund all customer and product types. Off-balance sheet funding has been secured for MY ZeERO eMeters with the first drawdowns against this facility being made post period end. In addition, post period end, a funding partner in Solas has been secured for eSolar projects.

There is also a focus on improving operating margins, for example by consolidating operational delivery teams.

**Borrowings and Funding**

The increase in Net Working Capital during the period was principally financed through the issue of £2.5 million of Subordinated Bonds in November 2022.

The Group's senior secured revolving credit facility with HSBC Innovation Finance (previously known as Silicon Valley Bank) is scheduled to be repaid in February 2024. The Subordinated Bonds are scheduled to be repaid in May 2024. The Board is working to complete a refinancing of these facilities ahead of the scheduled repayment dates.

During the reporting period the Company has achieved profitability, improved its working capital position and has made substantial reductions in legacy liabilities. Management are now focusing on delivering further improvements to cash generation in order that the business can continue to scale. The Board is reviewing a number of strategic options to further strengthen the balance sheet to support growth.

**H3 FY23 Outlook**

Momentum across both parts of the business means that, going into Q6, the foundations are in place to meet the Board's expectations for the full-year out-turn. As at 27 September 2023, there is visibility on 90% of the revenue expectation for the full period.

Energy Services continues to benefit from accelerating momentum and has developed a strong pipeline of revenues in attractive new market segments, in particular eSolar. It is important that this momentum is converted in a way which improves cash generation.

Continued investment in capabilities and infrastructure in Energy Management is delivering an enhanced customer proposition and user experience, supporting retention and new business wins.

The final quarter of FY23 is expected to benefit from strong revenue growth in eSolar, now converting the pipeline of opportunities built over the last 12 months and leveraging off the existing Group cost base.

**Crispin Goldsmith**
**Chief Financial Officer**
**28 September 2023**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**For the year ended 30 June 2023**

| | Note | Year to 30 June 2023 £'000 | Year to 30 June 2022 £'000 |
|---|---|---|---|
| **Continuing operations** | | | |
| Revenue from contracts with customers | | 33,159 | 22,096 |
| Cost of sales | | (15,474) | (9,131) |
| **Gross profit** | | 17,685 | 12,965 |
| Operating expenses | | (14,163) | (12,233) |
| Included within operating expenses are: | | | |
| - Other exceptional items | 4 | 1,143 | 2,289 |
| Adjusted operating expenses | | (13,020) | (9,944) |
| **Adjusted earnings before interest, taxation, depreciation and amortisation** | | 4,665 | 3,021 |
| **Earnings before interest, taxation, depreciation and amortisation** | | 3,522 | 732 |
| Depreciation and amortisation | | (1,387) | (2,636) |
| Finance costs | | (1,050) | (323) |
| **Profit (Loss) before taxation** | | 1,085 | (2,227) |
| Income tax | | (485) | 736 |
| **Profit (Loss) for the year from continuing operations attributable to the owners of the company** | | 600 | (1,491) |
| **Attributable to:** | | | |
| Owners of the company | | 608 | (1,431) |
| Non-controlling interest | | (8) | (60) |
| | | 600 | (1,491) |
| **Other comprehensive income – items that may be reclassified subsequently to profit and loss** | | | |
| Translation of foreign operations | | 11 | (125) |
| **Total other comprehensive profit (loss)** | | 11 | (125) |
| **Total comprehensive profit (loss) for the year** | | 611 | (1,616) |
| **Total comprehensive profit (loss) attributable to:** | | | |
| Owners of the company | | 619 | (1,556) |
| Non-controlling interest | | (8) | (60) |
| | | 611 | (1,616) |
| Basic earnings (loss) per share from continuing operations | 5 | 0.17p | (0.44)p |
| Diluted earnings (loss) per share from continuing operations | 5 | 0.14p | (0.44)p |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
**As at 30 June 2023**

| | Note | As at 30 June 2023 £'000 | As at 30 June 2022 £'000 |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | | 492 | 458 |
| Intangible assets | 6 | 28,812 | 28,733 |
| Right of use assets | | 680 | 777 |
| Deferred Tax Asset | | 745 | 1,071 |
| **Total non-current assets** | | 30,729 | 31,039 |
| Inventories | | 1,116 | 809 |
| Trade and other receivables | | 22,876 | 16,022 |
| Financial assets at fair value through profit or loss | | 44 | 21 |
| Cash and cash equivalents | | 1,305 | 1,802 |
| **Total current assets** | | 25,341 | 18,654 |
| **TOTAL ASSETS** | | **56,070** | **49,693** |
| **NON-CURRENT LIABILITIES** | | | |
| Lease liability | | 456 | 399 |
| Borrowings | 7 | - | 5,011 |
| Other non-current liabilities | | 2,125 | 2,252 |
| Deferred Tax Liability | | 1,477 | 1,318 |
| Provisions | | 860 | 860 |
| **Total non-current liabilities** | | 4,918 | 9,840 |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | | 18,972 | 16,802 |
| Lease liability | | 365 | 492 |
| Borrowings | 7 | 7,753 | 11 |
| **Total current liabilities** | | 27,090 | 17,305 |
| **TOTAL LIABILITIES** | | **32,008** | **27,145** |
| **NET ASSETS** | | **24,062** | **22,548** |
| **EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT** | | | |
| Issued share capital | | 16,386 | 16,373 |
| Share premium | | 47,667 | 47,360 |
| Other reserves | | 844 | 261 |
| Reverse acquisition reserve | | (35,246) | (35,246) |
| Foreign currency translation reserve | | (127) | (138) |
| Accumulated losses | | (5,377) | (5,985) |
| **Total equity attributable to owners of the parent** | | 24,147 | 22,625 |
| Non-controlling interest | | (85) | (77) |
| **TOTAL EQUITY** | | **24,062** | **22,548** |

**CONSOLIDATED STATEMENTS OF CASHFLOWS**
**For the year ended 30 June 2023**

| | Year to 30 June 2023 £'000 | Year to 30 June 2022 £'000 |
|---|---|---|
| **Cash flow from operating activities** | | |
| Operating profit (loss) – continuing operations | 600 | (1,491) |
| Adjustments for: | | |
| Depreciation and amortisation | 1,383 | 2,636 |
| Finance cost (net) | 672 | 264 |
| Share based payment | 583 | 520 |
| Gain on derecognition of contingent consideration | (448) | (1,032) |
| Operating cashflow before working capital movements | 2,790 | 897 |
| (Increase) in trade and other receivables | (6,902) | (9,857) |
| Increase in trade and other payables | 2,777 | 165 |
| (Increase) in inventories | (308) | (95) |
| Decrease in deferred income | 404 | 2,650 |
| Net cash outflow from operating activities | (1,239) | (6,240) |
| **Cash flow from investing activities** | | |
| Cash acquired on acquisition of business | - | 4,007 |
| Cash paid to acquire subsidiaries | - | (11,081) |
| Expenditure on intangible assets | (1,067) | (401) |
| Purchase of property, plant and equipment | (124) | (294) |
| Net cash (outflow) from investing activities | (1,191) | (7,769) |
| **Cash flows from financing activities** | | |
| Interest (paid) received | (316) | (188) |
| Repayment of lease liabilities | (510) | (347) |
| Net proceeds from the issue of shares | - | 11,382 |
| Proceeds from loans and borrowings | 2,775 | 4,891 |
| Repayment of borrowings | (10) | (3,287) |
| Net cash inflow from financing activities | 1,939 | 12,451 |
| **Net decrease in cash and cash equivalents** | (491) | (1,558) |
| Effect of exchange rates on cash | (6) | 28 |
| Cash and cash equivalents at the start of the period | 1,802 | 3,332 |
| **Cash and cash equivalents at the end of the period** | 1,305 | 1,802 |

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**For the year ended 30 June 2023**

| | Share Capital £'000 | Share Premium £'000 | Reverse Acqn. Reserve £'000 | Other Reserves £'000 | Foreign Currency Reserve £'000 | Accum. Losses £'000 | Non Control Interest £'000 | Total Equity £'000 |
|---|---|---|---|---|---|---|---|---|
| **At 1 July 2021** | **16,071** | **33,014** | **(35,246)** | **601** | **(13)** | **(4,554)** | **-** | **9,873** |
| Other comprehensive loss | - | - | - | - | (125) | - | - | (125) |
| Profit for the period | - | - | - | - | - | (1,431) | (60) | (1,491) |
| Total comprehensive loss for the period | - | - | - | - | (125) | (1,431) | (60) | (1,616) |
| Issue of shares for cash | 240 | 11.760 | - | - | - | - | - | 12,000 |
| Issue of shares for acquisition of subsidiary | 55 | 2.903 | - | - | - | - | - | 2,958 |
| Issue of shares in exchange for loan notes | 7 | 301 | - | - | - | - | - | 308 |
| Acquisition of non-controlling interest | - | - | - | - | - | - | (17) | (17) |
| Acquisition of put-option relating to non-controlling interest | - | - | - | (3.921) | - | - | - | (3.921) |
| Utilisation on acquisition of non-controlling interest | - | - | - | 3,061 | - | - | - | 3,061 |
| Share based payments | - | - | - | 520 | - | - | - | 520 |
| Cost of share issue | - | (618) | - | - | - | - | - | (618) |
| Total transactions with owners | 302 | 14.346 | - | (340) | - | - | (17) | 14,291 |
| **At 1 July 2022** | 16,373 | 47,360 | (35,246) | 261 | (138) | (5,985) | (77) | 22,548 |
| Other comprehensive loss | - | - | - | - | 11 | - | - | 11 |
| Profit for the period | - | - | - | - | - | 608 | (8) | 600 |
| Total comprehensive loss for the period | - | - | - | - | 11 | 608 | (8) | 611 |
| Issue of shares during the period | 13 | 307 | - | - | - | - | - | 320 |
| Share based payments | - | - | - | 583 | - | - | - | 583 |
| Total transactions with owners | 13 | 307 | - | 583 | - | - | - | 903 |
| **Balance at 30 June 2023** | 16,386 | 47,667 | (35,246) | 844 | (127) | (5,377) | (85) | 24,062 |

**SELECTED NOTES TO THE FINANCIAL INFORMATION**
**For the year ended 31 June 2023**

## 1. BASIS OF PREPARATION

The condensed consolidated interim financial statements of eEnergy Group plc (the "Group") for the six month period ended 31 December 2023 have been prepared in accordance with Accounting Standard IAS 34 Interim Financial Reporting.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022, which was prepared under UK adopted international accounting standards (IFRS), and any public announcements made by eEnergy Group plc during the interim reporting period and since.

These condensed consolidated interim financial statements do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 30 June 2022have been prepared under IFRS and have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 498(2) of the Companies Act 2006. These condensed consolidated interim financial statements have not been audited.

During the period, the Group changed its accounting reference date to 31 December and consequently will report again for the 18 month period ending 31 December 2023.

*Basis of preparation – going concern*

The Directors have a reasonable expectation that the Company and Group have sufficient resources to continue to operate for the foreseeable future. The Group continues to show improvement in revenue and operating profitability over the past several periods. The scale of organic growth and associated working capital requirement, particularly in the Energy Services business, continues to be a key focus area of management action to continue to improve the operating cash flow of the business going forward. The Group expects to be able to refinance its existing £7.8 million borrowing, repayable within the next 12 months (see Note 7), before the scheduled repayment dates. At 30 June 2023 the Group had unrestricted cash reserves of £0.8 million (30 June 2022: £1.4 million).

In assessing whether the going concern assumption is appropriate, the Directors have taken into account all relevant information about the current and future position of the Group and Company. These include the current level of resources, the ability to trade within the terms and covenants of its loan facility, the assumed success of the debt refinancing and the ability of the Group to raise additional equity or debt capital if required. After taking these matters into consideration, the Directors consider that the continued adoption of the going concern basis is appropriate. The interim financial statements do not reflect any adjustments that would be required if they were to be prepared other than on a going concern basis.

*Accounting policies*

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

**2. SEGMENT REPORTING**

The following information is given about the Group's reportable segments:

The Chief Operating Decision Maker is the Board of Directors. The Board reviews the Group's internal reporting in order to assess performance of the Group and has determined that in the year ended 30 June 2023 the Group had three operating segments, being Energy Services, Energy Management and Central.

| | Energy Mgmt | Energy Services | Central | Group |
|---|---|---|---|---|
| **30 June 2023** | **£'000** | **£'000** | **£'000** | **£'000** |
| Revenue – UK | 13,619 | 17,746 | | 31,365 |
| Revenue – Ireland | - | 1,794 | - | 1,794 |
| Revenue – Total | 13,619 | 19,540 | - | 33,159 |
| Cost of sales | (2,784) | (12,690) | - | (15,474) |
| Gross Profit | 10,835 | 6,850 | - | 17,685 |
| Operating expenses | (6,426) | (4,595) | (1,999) | (13,020) |
| **Adjusted EBITDA** | 4,409 | 2,255 | (1,999) | 4,665 |
| Depreciation and amortisation | (347) | (141) | (899) | (1,387) |
| Finance and similar charges | (38) | (86) | (926) | (1,050) |
| Profit (loss) before exceptional items | 4,024 | 2,028 | (3,824) | 2,228 |
| Exceptional items | (239) | (299) | (605) | (1,143) |
| Profit (loss) before tax | 3,785 | 1,729 | (4,429) | 1,085 |
| Taxation credit | - | - | (485) | (485) |
| Profit (loss) after tax | 3,785 | 1,729 | (4,914) | 600 |
| | | | | |
| **Net Assets** | | | | |
| Assets | 35,667 | 18,396 | 2,007 | 56,070 |
| Liabilities | (8,971) | (12,431) | (10,606) | (32,008) |
| Net assets | 26,696 | 5,965 | (8,599) | 24,062 |

| 30 June 2022 | Energy Mgmt £'000 | Energy Services £'000 | Central £'000 | Group £'000 |
|---|---|---|---|---|
| Revenue – UK | 11,634 | 8,518 | - | 20,152 |
| Revenue – Ireland | - | 1,944 | - | 1,944 |
| Revenue – Total | 11,634 | 10,462 | - | 22,096 |
| Cost of sales | (2,251) | (6,880) | - | (9,131) |
| Gross Profit | 9,383 | 3,582 | - | 12,965 |
| Operating expenses | (5,709) | (2,607) | (1,628) | (9,944) |
| **Adjusted EBITDA** | 3,674 | 975 | (1,628) | 3,021 |
| Depreciation and amortisation | (789) | (124) | (159) | (1,072) |
| Finance and similar charges | (82) | (244) | 3 | (323) |
| Profit (loss) before exceptional items | 2,803 | 607 | (1,784) | 1,626 |
| Impairment of brands | (1,564) | - | - | (1,564) |
| Exceptional items | (797) | (346) | (1,146) | (2,289) |
| Profit (loss) before tax | 442 | 261 | (2,930) | (2,227) |
| Taxation credit | 736 | - | - | 736 |
| Profit (loss) after tax | 1,178 | 261 | (2,930) | (1,491) |
| | | | | |
| **Net Assets** | | | | |
| Assets | 33,930 | 12,930 | 2,833 | 49,693 |
| Liabilities | (10,483) | (8,702) | (7,960) | (27,145) |
| Net assets | 23,447 | 4,228 | (5,127) | 22,548 |

### 3. EXCEPTIONAL ITEMS

Operating expenses include items that the Directors consider to be exceptional by their nature. These items are:

| | Year to 30 June 2023 £'000 | Year to 30 June 2022 £'000 |
|---|---|---|
| Acquisition related expenses | - | 1,273 |
| Changes to initial recognition of contingent consideration | (435) | (1,032) |
| Incremental restructuring and integration costs | 995 | 1,181 |
| Share based payment expense | 583 | 520 |
| Other strategic investments | - | 347 |
| Total exceptional expenses | 1,143 | 2,289 |

Acquisition expenses from the prior period are the costs incurred in completing the "Buy and Build" strategy associated with acquisitions and strategic investments. The costs incurred in completing the acquisition of UtilityTeam in September 2021 are described in Note 8.

The share based payment charge reflects the non cash cost of the Management Incentive Plan awards made on 7 July 2020 and the award of options made to the senior management team on 7 December 2021 which are being amortised over their three year vesting period.

### 4. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares in issue during the year.

| | Year to 30 June 2023 | Year to 30 June 2022 |
|---|---|---|
| Profit / (loss) profit for the year from continuing operations attributable to owners of the Company – £ | 608,000 | (1,431,000) |
| Weighted number of ordinary shares in issue | 350,406,333 | 323,783,394 |
| **Basic earnings per share from continuing operations – pence** | 0.17p | (0.44)p |
| Weighted number of dilutive instruments in issue | 83,991,424 | - |
| Weighted number of ordinary shares and dilutive instruments in issue | 434,397,757 | 323,783,394 |
| **Diluted earnings per share from continuing operations – pence** | 0.14p | (0.44)p |

Share options and warrants could potentially dilute basic earnings per share in the future but were not included in the calculation of diluted earnings per share in the prior period year as they are anti-dilutive.

## 5. INTANGIBLE ASSETS

| | Goodwill £'000 | Software £'000 | Customer relation-ships £'000 | Trade names £'000 | Total £'000 |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 July 2022 | 23,816 | 1,258 | 4,311 | 1,594 | 30,979 |
| Adjustment to goodwill on acquisition | (215) | - | - | - | (215) |
| Additions in the period | - | 1,063 | - | - | 1,063 |
| At 30 June 2023 | 23,601 | 2,321 | 4,311 | 1,594 | 31,827 |
| | | | | | |
| **Amortisation** | | | | | |
| At 1 July 2022 | - | (219) | (433) | (1,594) | (2,246) |
| Amortisation in the period | - | (381) | (388) | - | (769) |
| At 30 June 2023 | - | (600) | (821) | (1,594) | (3,015) |
| | | | | | |
| Net book value at 30 June 2022 | 23,816 | 1,039 | 3,878 | - | 28,733 |
| Net book value at 30 June 2023 | 23,601 | 1,721 | 3,490 | - | 28,812 |

## 6. BORROWINGS

| | 30 June 2023 £'000 | 30 June 2022 £'000 |
|---|---|---|
| **Current** | | |
| Borrowings | 7,753 | 11 |
| | 7,753 | 11 |
| **Non-current** | | |
| Borrowings | - | 5,011 |
| | - | 5,011 |

During the current period the Group secured a further £2.5 million in Subordinated Debt which has been structured as secured discounted capital bonds. The Bonds are being issued at a 21.29% discount to their face value (equivalent to a discount rate of 1.25% per month plus a 2% repayment fee) and are due to be redeemed by the Company (through the payment of in aggregate £3.2 million) on or before 24 May 2024 (in respect of £2.0 million) and on or before 21 June 2024 (in respect of £0.5 million).

In February 2022 the Group refinanced substantially all of its existing bank indebtedness and consolidated its borrowings into a single £5.0 million, three year, revolving credit facility provided to eEnergy Holdings Limited, an intermediate holding company in the Group. A term of the additional Subordinated Debt requires the business to refinance this loan in February 2024, one year earlier than originally planned. The facility is secured by way of debentures granted to the lender by all of the Group's trading subsidiaries. The facility includes covenants relating to debt service cover and gearing.

Maturity of the borrowings as of 30 June 2023 are as follows:

| | £'000 |
|---|---|
| Current | 7,753 |
| Due between 1-2 years | - |
| Due between 2-5 years | - |
| Due beyond 5 years | - |
| | 7,753 |

## 7. RELATED PARTY TRANSACTIONS

Key management personnel are considered to be the Board of Directors. The amount payable to the Board of Directors for the 12 months ended 30 June 2023 was £0.9 million (FY22: £0.8 million).

Directors' remuneration includes contractual payments to the former Chief Financial Officer after he left the Board.

## 8. EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events that occurred after the balance sheet date.