Chairman's Address

Energy One Limited
2019 Annual General Meeting
Level 13, 77 Pacific Highway
North Sydney.

Welcome to the 2019 Annual General Meeting, please allow me to introduce our directors, Ottmar Weiss, Ian Ferrier, Vaughan Busby and the Managing Director Shaun Ankers

It is with pleasure that I am able to report that Energy One has achieved its sixth consecutive year of profitability.

In FY2019, Energy One began to see the benefits flowing from acquisitions made in prior years. Revenues (+62%) and underlying earnings (EBITDA) (+54%) both grew very strongly, as did net profit before tax which increased by 26% from 2018. Finally, completing this set of robust financial metrics, net profit after tax was also higher by 26% from the year prior to $1.04M.

This year was marked by the very successful acquisition of Contigo in the United Kingdom and continuing organic growth of the Australian operations.

Contigo was an acquisition of a Company of similar size to EOL, with a product set we understood in a market with many similarities to Australia. The integration process has proceeded very well. The product set has been robustly written, and EOL is completing API development that will allow Contigo's products in the UK and Europe to interface with the EOL Energy Flow platform as well as other EOL and client products.

Contigo's product development has been refined, to introduce the gateway project management processes that have been successful and profitable in EOL. The sales effort has been focussed on the customer types that lead to more sales revenue for the effort, and to seek out the European niches suited to our product.

Energy One's local operations are also growing. The Enterprise grade products (Energy One Trading (EOT), Energy One Offer (EO) and Energy Flow (EF)) are growing their penetration of the Australian market. EOT sold two major installations during the year, which will deliver implementation and licence revenues. Our major customers also are increasing their utilisation of our product portfolio which provides organic growth. Major customers often commence our relationship with the EOT product, to bring a robust modern enterprise solution to their Risk & Trading systems. Our experience then is that the other products are subsequently added to the mix, to solve the specific and systemic problems they were designed for. In addition, the products continue to evolve, increasing their capability and attractiveness to the customer. During the year the EO product was enhanced to Bid Batteries, which will be increasingly important to a wide variety of energy companies in the near future.

The products in the Creative Analytics suite also provide strong organic growth. The products are very valuable to smaller energy companies and new entrants. While some of these may not be able to afford the Enterprise systems, nether can they afford the critical risks of managing their trading and risk position on spreadsheets or using small suppliers to build an ok-for-now solution.

The pypIT product serves the very specific needs of the gas infrastructure markets, and when combined with other EOL products creates a powerful cross portfolio capability for energy companies. The pypIT product roadmap this year included several significant regulatory and policy changes, which aided its specific profitability.

The combination of the above means that our Recurring revenue is approaching 70%.

Over the past few years, Energy One has pursued growth through both organic expansion and targeted acquisitions. The integration process has provided experience and insights which will prove valuable during similar exercises in the future. Whilst integration has proceeded as planned, both management and the Board have continued to focus on evaluating additional investment and acquisition opportunities. Importantly, the recent experience gained, when combined with the current capital structure, available debt facilities and stronger cash flows, affords the

Company considerable financial capacity to continue pursuing further synergistic acquisition opportunities – if and when they should arise.

Looking forward, the domestic energy market will be undergoing significant change in the next 2-3 years, as regulatory adjustments to market structure (such as Australia's cutting edge adoption of the 5-minute market) become reality. This requires front ended investment (which has already commenced) to allow customers to meet these but will create future opportunities as customers with legacy or less flexible product suites struggle to comply.

The opportunities in Europe will expand as our sales focus in the UK and exploration of European niches flow through to revenues, and existing UK customers are exposed to the capability of products like Energy Flow.

Energy One's Board remains committed to improving the liquidity in the Company's traded shares on ASX. In this regard the volume of shares traded on ASX during FY2019 continued to increase, the number of shareholders increased and pleasingly the bid ask spread continues to narrow. The ongoing availability of the dividend reinvestment plan, in conjunction with the payment of an increased final dividend this year, is intended to provide a further incremental improvement to this ongoing matter.

I reiterate that the Board of Energy One remains committed to maximising shareholder value by both growing, and improving the performance of the business over both the short and the long term.

Ottmar Weiss stepped down as Chairman earlier this year. Ottmar has served as Chairman since February 2009 and has steered the Company through some very challenging periods. In the early years of his stewardship the Company was required to establish its EOT Product in a very competitive space as a much smaller entity than it was now. Difficult decisions were required on where to allocate cash for the best long term benefit to the Company and its Customers, and the role of the Chairman in guiding those discussions required a steady hand and an excellent relationship with other directors and the CEO. Ottmar was a valuable contributor to the Company over a long period, and the Board are pleased that he has decided to continue as a non-executive director and Chair the Remuneration Committee.

In closing, I would like to again thank my fellow directors, management and staff for their continued support, dedication, and strong efforts throughout this busy and productive year. In particular I would like to highlight the quality of this years' results in Australia despite the inevitable disruption created by an acquisition in the UK. This is a testament to the leadership of your CEO and the quality of the managers he has developed as part of his team.

Andrew Bonwick