

ASX Announcement

Energy Action Half Year Result ASX Release and Investor Presentation

Friday 25 February 2022 (SYDNEY): Energy Action Limited (ASX: EAX) (the “Company” or “Energy Action”) an energy procurement and energy management services provider operating in Australia, today announced its results for the half-year ended 31 December 2021 and progress of business turnaround.

Energy Action Executive Director and Interim CEO Bruce Macfarlane stated: “Our half-year results are in-line with our earlier announcements. The Board is disappointed with the result and was hoping for a quicker turnaround to deliver a more positive result earlier than expected. The Board and I are working closely with senior management and have implemented strategies to address the results moving forward.”

“When it comes to **sales**, we are continuing to invest in our sales and marketing. We continue to invest in our **technology** as we strive to build, **unique energy management software** that will give clients the ability to estimate their admissions and understand their energy spend quickly. We are working proactively with them in their journey to understand and achieve **Net Zero**.”

“Key achievements in this half year include:

- Increased funding from a \$1.5m subordinated Director Loan in January 2022, helping the business regain its sales and technology momentum.
- Executive change, reduction in management layers, and decreased labour expenses, resulting in leaner operating costs moving forward.
- Ongoing focus on customer service, people performance, targeted recruitment, and technology development.”

Business Performance

Revenue declined 30% to \$5.69 million from the previous corresponding period (pcp), however was partially offset by operating costs reduction of \$1.5 million (19%). Statutory net loss after tax was \$0.34 million and operating net loss after tax \$1.09 million, with the business supported by government grants of \$0.8 million during the half year ending 31 Dec 21. Operating cashflow was positive \$0.7 million with positive working capital offsetting a negative operating EBITDA.

Outlook

Energy Action's research is showing that **Net Zero** ambitions are starting to percolate down to smaller companies that are needing assistance and guidance to fulfil them. Others are still reluctant to act, but Government and public pressure are moving intentions in that direction.

Within the next six months, our strategy is to have a Net Zero services that will provide businesses with easy, self-serve ways to discover their energy emissions levels and have visibility on their spend. We are also tailoring a wide range of Net Zero journey options - that will assist small to medium companies to plan and implement - based on their renewable's appetite, cost constraints and timelines.

Energy Action will not be providing guidance at this time; however, the Company is closely monitoring outcomes and impact on full-year results.

Webcast for Investors

Interim CEO Bruce Macfarlane and CFO Tracy Bucciarelli will hold a webcast for investors 10.30am (AEST) on Friday 25 February 2022. To join the webcast, please go to:

https://energyaction.zoom.us/webinar/register/WN_-02eRbHzQCazlu679Ex9Zw

This announcement has been approved for release by the Board. For further information please contact:

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