H1 FY23

Half Year Results Presentation

24 FEBRUARY 2023

EnergyAction

H1 FY23 Results
Agenda

- Strategy
- Business Overview
- Group financial results

Our business model

Services	Energy Procurement	Energy Management	Net Zero
	▶ Identify and offer the right energy procurement service to our clients. ▶ Provide services to medium and large energy users ▶ Reverse energy auctions are our core procurement service ▶ Offer sophisticated wholesale energy procurement services	▶ Identify energy cost savings for clients and emissions reduction strategies	▶ We offer platforms, insights and services to help our clients along their path towards Net Zero ▶ Net Zero requirements are a key input to the development roadmap of Utilibox

Technology

Utilibox – Energy Management Platform

Next generation energy management software platform.

1. Data in one place
2. Procurement
3. Energy finance
4. Net zero strategy

Delivering on strategy

Feb 23 delivered	FY23 and beyond strategy
Balance sheet	
▶ Increased funding with $0.5m subordinated loan (Jan 23) ▶ Debt retired – Senior debt reduced from $7.0m (Dec 22) to $5.5m today	▶ Collaborative relationship with primary lender ▶ Multi-stage process to re-balance debt profile to match earnings profile
People	
▶ Delivered cost cuts to reflect lean and efficient operations ($0.56m in headcount cost savings compared to pcp) ▶ Core competencies of IT development, sales, and procurement retained	▶ Maintain headcount in line with revenue ▶ FY22 systems investment has resulted in a business model able to scale in FY23 and beyond

Delivering on Utilibox

Our goal is to profitably deliver energy services at scale. Our priority is to invest in the growth drivers key to our business – securing new sales and retaining existing customers.

Feb 23 Delivered

- Initial Utilibox customers onboarded
- AI bill parsers delivering internal efficiency dividends and customer service improvement
- Utilibox core functionality completed
- Utilibox Net Zero strategy module completed

3 – 6 months

- March 2023 Utilibox go live for existing energy management customers
- Migration of procurement to Utilibox and market alerts to subscribers
- Extension of AI to other energy data sources

9 – 12 months

- Utilibox self serve signup
- Build out APIs to third party applications

Utilibox Energy Management Platform delivers;

1. **Data in one place**
2. **Procurement**
3. **Energy finance**
4. **Net Zero strategy**

H1 FY23 Financial highlights

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REVENUE
$6.01m
12% INCREASE ON PCP [1]

EBITDA
$0.28m
H1 FY22 ($0.61m)

OPERATING CASHFLOW
$0.145m
H1 FY22 ($0.336m) [2]

CONTRACTED FUTURE REVENUE
$15.2m
12% INCREASE ON PCP

NPAT [3]
($0.27m)
H1 FY22 ($1.09m)

AUCTIONS HELD
317
39% INCREASE ON PCP

1 - excludes Embedded Networks business revenue
2 - excludes $800K in cash inflow from Government COVID payment
3 - excludes non-recurring significant items

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Income statement H1 FY23

- **EBITDA of $0.28m**
- **Operating loss of $0.26m**
  Compared to PCP loss of $1.09m
- **Revenue increase 6% from PCP**
- **OPEX improved by $0.5m**
  8% in further reductions compared to PCP

	H1 FY23	H1 FY 22	% Variance
Revenue	6,016,067	5,685,265	6%
COGS	(303,806)	(410,643)	-26%
Gross margin	**5,712,261**	**5,274,622**	8%
OPEX - excl D&A	(5,433,094)	(5,879,715)	-8%
EBITDA	**279,167**	**(605,093)**	**157%**
Depreciation and amortisation	(246,524)	(338,731)	27%
EBIT	**32,643**	**(943,824)**	**111%**
Financing costs	(300,007)	(150,564)	-99%
Profit before tax	**(267,364)**	**(1,094,386)**	**82%**
Tax expense	11	(3,329)	100%
Underlying net profit (loss) after tax	**(267,375)**	**(1,091,057)**	**82%**
Significant items:			
ATO Interest	-	(46,767)	100%
Restructuring cost	-	(105,036)	100%
Other SI	(140,109)	(14,449)	1338%
Government support	-	808,354	100%
Onerous contract	-	108,583	100%
Total significant items	**(140,109)**	**750,686**	**-119%**
Statutory profit (loss) after tax	**(407,484)**	**(340,372)**	**-20%**

Balance Sheet H1 FY23

- **$5.5m Revenue not Invoiced**
  Auction & SME commissions earned to be paid
- **CBA facility agreement extended to Dec 2024**
- **Net debt at $4.41m**
  Decreased **$0.46m from June 22**

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Values are $'000

	Dec-22	Jun-22
Cash and cash equivalents	1,666	1,859
Trade and other receivables	801	1,121
Current Tax Asset	-	-
Other assets	3,847	2,733
Total Non-Current Assets	3,179	2,882
Total Assets	**9,494**	**8,596**
Trade and other payables	1,687	967
Short-term provisions	195	223
Loans & Borrowings	5976	5962
Lease liability	228	123
Non-Current Loans and Borrowings	1,674	1,576
Other Non-Current Liabilities	365	108
Total Liabilities	**10,127**	**8,962**
Net Assets	**(633)**	**(366)**
Issued capital	6,838	6,838
Reserves and Retained Earnings	(7,474)	(7,207)
Total Equity	**(633)**	**(365)**

Cash flow statement

- Operating cash flow of $0.145m

- Operating cashflow conversion to EBITDA 52%

	H1 FY23	H1 FY22
Operating EBITDA	**346,801**	**(605,092)**
Share based payments & other non-cash	-	(3,500)
Unrealised Foreign Exchange revalution	-	10
Non cash adjustment to prior year retained earnings (non-cash)	(140,109)	-
Working capital movements		
Trade & Other Debtors	299,728	345,334
Work in progress	28,781	165,946
Revenue not invoiced	(1,069,222)	1,160,674
Trade & Other Creditors	714,169	(364,550)
Working capital movements	**(26,544)**	**1,307,404**
Operating cash flow before interest and tax	**180,148**	**698,822**
Net financing costs	(175,275)	(122,760)
Income taxes (paid)/received	-	152,707
Operating cash flow	**4,873**	**728,769**
Cash flows and working capital movements related to Significant Items *	140,109	(256,551)
Statutory net cash from operating activities	**144,982**	**472,218**
Capital expenditure	(179,353)	(376,927)
Net Cash used in Investing Activities	**(179,353)**	**(376,927)**
Repayment of lease liability	(158,511)	(235,084)
Net Cash used in Financing Activities	**(158,511)**	**(235,084)**
Net increase/(decrease) in cash held	**(192,882)**	**(139,793)**
Operating cash flow before interest & tax as a % of EBITDA	52%	215%

* Significant items includes costs associated with the deregistration of subsidiaries. Prior period included Governemnt Reflief $0.8M received offset by restructure costs and onerous contract payments.

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