



Energy Action

H1 FY 2024 Half Year Results Presentation

28 February 2024



H1 FY24 Results Agenda

- ▶ Strategy and business overview
- ▶ Group financial results

Turnaround Success. Our strategy hasn't changed.

Our strategy. Energy Action provides energy and emissions procurement and management services to Australian businesses.

Delivering **sales growth** by retaining existing customers, new sales, and increasing cross-sell.

Services that are scalable and high quality because of our **technology**.

Services that are delivered by great **people**.

Our technology. Utilibox delivers Energy Action's services online. Transforming our business model to a modern scalable service.

Energy Action has built **Utilibox**, an energy procurement and management platform for medium and large-sized organisations.

The new technology supports Energy Action's current services and provides business with the tools to meet the new mandatory climate reporting standards¹.

The investment in technology provides Energy Action with a **strategic advantage**. Lifting the **quality** of services above those of our competitors. Increasing our cross-sell **revenue**. Creating unique **intellectual property**.

* Refer aasb.gov.au for latest media releases and standards on Climate Reporting Standards

Sustained growth. Leveraging technology and energy experience

H1 FY24 delivered

FY24 and beyond strategy

Balance sheet

- | | |
|---|--|
| <ul style="list-style-type: none"> • Revenue not invoiced has increased by \$1m which adds to collections in future years • Debt retired – Senior debt with Commonwealth Bank of Australia (CBA) reduced by \$0.6m • Total shareholders equity is now positive | <ul style="list-style-type: none"> • Focus on profitable growth and positive cashflow to pay down debt. • Senior debt with Commonwealth Bank of Australia (CBA) due 31 December 2024 |
|---|--|

Revenue

- | | |
|---|--|
| <ul style="list-style-type: none"> • Revenue stabilised with an improved focus on customer retention through quality service delivery • Acquisition of new customers. | <ul style="list-style-type: none"> • Continue to scale sales and marketing activity to capture greater Australian market share. |
|---|--|

Opex

- | | |
|--|--|
| <ul style="list-style-type: none"> • During H1 FY24 we continued exercised discipline to deliver planned reduction in costs | <ul style="list-style-type: none"> • Maintain technology investment to ensure service quality • Maintain headcount in line with revenue • Continue to invest in core competencies of technology, sales, and procurement |
|--|--|

H1 FY24 Financial highlights

REVENUE

\$5.7m

H1 FY23 \$6.01m
5% DECREASE

OPERATING NPAT

\$0.43m

H1 FY23 (\$0.27m)

OPERATING EBITDA

\$1m

H1 FY23 \$0.28m
258% IMPROVEMENT

OPERATING CASHFLOW¹

\$0.73m

H1 FY23 \$0.145m
405% IMPROVEMENT

STATUTORY NPAT

\$0.43m

H1 FY23 (\$0.41m)

NET CASHFLOW

(\$0.33m)

H1 FY23 (\$0.19m)
72% DECREASE

NET DEBT

\$5.57m

FY23 5.69m
2% DECREASE

DEBT WITH CBA

\$4.65m

FY23 5.25m
11% DECREASE

REVENUE NOT INVOICED

\$6.7m

FY23 \$5.7M
18% IMPROVEMENT

CONTRACTED FUTURE REVENUE

\$9.3m

FY23 \$9.5m
2% DECREASE

SUCCESSFUL AUCTIONS HELD

375

H1 FY23 317
19% INCREASE

¹ Operating Cashflow is defined as Operating Cashflow before Interest, Tax and Significant Items

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Income statement H1 FY24

Revenue of \$5.7m

5% decrease to prior corresponding period. Prior period included \$110K in revenues associated with divested Embedded Networks business. Energy Procurement has increased by 4% whilst Energy Management has decreased by 11%.

OPEX of \$4.5m

Improved by 17% reduction with continued indirect expense reduction

EBITDA of \$1m

Improved by 258% increase to prior corresponding period

Underlying NPAT of \$0.43m

Turnaround from a loss position of (\$0.41m) prior corresponding period

	H1 FY24	H1 FY23	% Variance
Revenue	5,708,401	6,016,067	-5%
COGS	213,089	303,806	30%
Gross Margin	5,495,312	5,712,261	-4%
OPEX - excl D&A	4,496,166	5,433,094	17%
EBITDA	999,146	279,164	258%
Depreciation and Amortisation	186,201	246,524	24%
EBIT	812,945	32,643	2,390%
Financing Costs	385,274	300,007	-28%
Profit / (Loss) Before Tax	427,671	(267,364)	-
Tax Expense	49	11	-345%
Underlying Net Profit / (Loss) After Tax	427,622	(267,375)	-
Significant items:			
Costs associated with derecognition of subsidiaries	-	140,109	-
Total Significant Items	-	140,109	-
Statutory Profit / (Loss) After Tax	427,622	(407,484)	-

Balance Sheet H1 FY24

Total Assets \$10.6m

Other Assets and Non Current Assets increased by \$1.2m predominantly from Revenue Not Invoiced and Work in Progress.

Increase in intangible asset with capitalisation of \$335k of internal costs for Utilibox build.

Total Liabilities \$10.2m

\$2.5m of loan with lender CBA reclassified from Non Current Liability to Current Liability. Repayments totalling \$600k made to CBA Debt.

Increase in Trade and Other Payables due to increase in Rebates to Channel Partners and Unearned Revenues.

Net Asset at \$0.4m

Previously Net Liability position at completion of FY 23

Values are \$'000

	DEC 23	JUN 23	Variance %
Cash and Cash Equivalents	1,066	1,397	-24%
Trade and Other receivables	1,271	1,221	4%
Other Assets	4,065	3,329	22%
Total Non-Current Assets	4,231	3,681	15%
Total Assets	10,633	9,628	10%
Trade and Other Payables	2,923	1,980	48%
Short-Term Provisions	445	249	79%
Loans & Borrowings	4,629	2,713	71%
Lease Liability	185	185	-
Non-Current Loans and Borrowings	1,888	4,277	-56%
Other Non-Current Liabilities	160	248	-35%
Total Liabilities	10,230	9,652	6%
Net Assets/(Liabilities)	403	(24)	-
Issued Capital	7,338	7,338	-
Reserves and Retained Earnings/(Losses)	(6,935)	(7,362)	6%
Total Equity/(Deficit)	403	(24)	-

Cashflow H1 FY24

Cash from Operating Activities

Cashflow from operating activities improved driven by disciplined expense management

Cash used in Investing Activities

Current year spend on Utilibox

Cash used in Financing Activities

Principal repayments made to loan with CBA \$0.6m

	H1 FY24	H1 FY23	Variance %
Net Cash provided by/(used in) Operating Activities	732,632	144,982	405%
Net Cash provided by/(used in) Investing Activities	(355,095)	(179,353)	-98%
Net Cash provided by/(used in) Financing Activities	(708,474)	(158,511)	-347%
Net increase/(decrease) in Cash Held	(330,937)	(192,882)	-72%

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