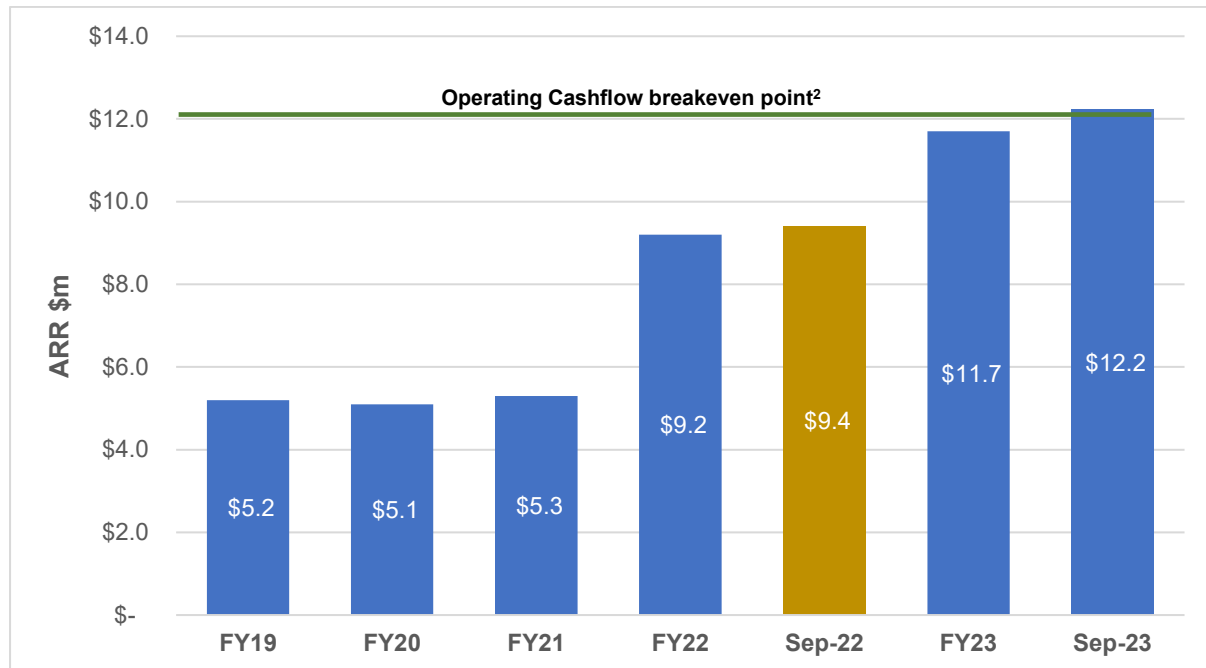


Annual Recurring Revenue hits Operating Cashflow Breakeven point²

11 October 2023

Building energy optimisation company EP&T Global Limited (ASX: EPX) is pleased to announce Annual Recurring Revenue (ARR¹) as at 30 September 2023 is \$12.2m.

ARR of \$12.2m is an approx. 5% increase from June 2023 (\$11.7m), and approx. 30% increase from 30 September 2022 (\$9.4m) on a like for like basis. At this level of ARR, EPX has attained the required ARR to meet its projected operating cashflow breakeven point².



Operating cashflow breakeven is of particular significance to EP&T, given the transition the Company has been making from a capex to recurring revenue sales model. This transition is close to completion.

The Company has also invested in its installation process to improve the conversion of Backlog ACV^{3,4} to ARR. This ratio, being the percentage of Backlog ACV remaining to be installed and earning revenue, is an indicative measure, which identifies contracted revenue yet to be installed.

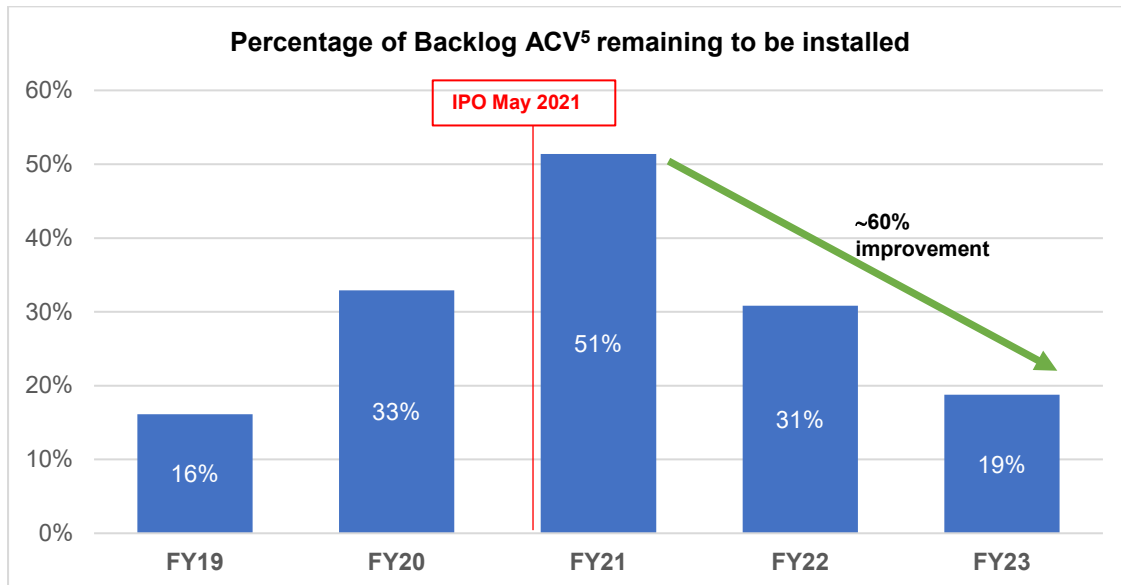
This ratio has been improving and is now down to approx. 19% as at FY23 (i.e., 19% of contracted revenue has yet to be installed), which is lower than FY22 which was 31%. This is an approx. 35% improvement from FY22 and an approx. 60% improvement since IPO.

¹ ARR is the contracted recurring revenue component of subscriptions on an annualised basis.

² Operating cashflow breakeven is defined as monthly operating cash inflows (being receipts from operations and other revenue) less monthly operating cash outflows (being ordinary operating costs of the business) but excluding new project deployment costs and other investing and financing cash flows.

³ ACV is defined as the annualised monthly fees charged under contracts on hand at each period end.

⁴ Backlog ACV is contracted revenue yet to be installed. The estimate of Backlog ACV is based on a financial year-end calculation, which is indicative at a point in time. Future installation and hence future ARR may be impacted by unforeseen events leading to contract termination or cancellation.



John Balassis commented, “we identified the need to invest in our installation process. In the past nine months we restructured the installation team, brought in new processes and installed new project management technology to assist us to install quicker. Whilst we still have further to improve, I am pleased in our trajectory. I would like to thank our customers and our team in supporting the Company through this, during one of the largest installation programmes the Company has had in its history. We believe we are ready for further large installations to meet customer requirements.”

John said, “achieving this critical operating cashflow breakeven inflection point is awesome. This is a key milestone for the Company. I believe we are one of very few in our industry to achieve this. I am extremely thankful to our customers for their ongoing support and continued use of our building efficiency platform and all our staff who have worked tirelessly to bring this about.”

This announcement has been authorised for release to the ASX by the Board of EPX

John Balassis

CEO

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Patrick Harsas

CFO & Joint Company Secretary

ABOUT EP&T Global

EP&T Global is focussed on being the most trusted building efficiency platform provider. EP&T’s proprietary “EDGE” platform is a data as a service platform that delivers sector leading cost and energy efficiency in buildings. It combines multiple information sources including BMS, IoT and main meter data, with cloud-based data analytics to detect energy inefficiencies in buildings. This highly accurate and actionable data identification of faults and inefficiencies enables EP&T to collaborate with building managers to improve and optimise building plant operating systems.

EP&T’s “EDGE” platform is a data repository incorporating 20+ years of building energy efficiency knowledge – collecting and analysing more than 5.6 billion points of data per annum with proprietary algorithmic analysis and machine learning.

www.eptglobal.com