

## FY2024 Results

### Strong Revenue Growth, Improved ARR Installation and Enhanced Operational Efficiency

Building energy optimisation company EP&T Global Limited (**ASX: EPX**) (EP&T or the 'Company') is pleased to announce it has released its full year results for the period ended 30 June 2024.

#### FY24 HIGHLIGHTS

- ✓ Annual Contract Value<sup>1</sup> (ACV) of \$16.1m **meets guidance**.
- ✓ Annual Recurring Revenue<sup>2</sup> (ARR) of \$13.6m **meets guidance**
- ↑ **Statutory revenue up 23%** to \$13.0m on the prior corresponding period.
- ↑ **Recurring revenue up 28%** to \$12.2m, representing over 94% of total revenue.
- ✓ **Underlying EBITDA loss reduced by 71%** to (\$1.4m) compared to the prior corresponding period.
- ✓ **Cash flow from operations was (\$0.2m) being a \$4.3m improvement** over the prior period (FY23: negative \$4.5m).

#### FY24 RESULTS SUMMARY

	Consolidated		
\$	Jun-24	Jun-23	Change
<b>Revenue</b>	<b>13,031,970</b>	<b>10,629,870</b>	<b>23%</b>
Net Loss After Tax	(5,015,186)	(6,745,640)	-26%
Interest, taxation and depreciation	(3,036,931)	(1,832,719)	66%
<b>EBITDA</b>	<b>(1,978,255)</b>	<b>(4,912,921)</b>	<b>-60%</b>
Add / (Less): Impairment of assets and other	275,363	872,451	-68%
Add: ERP implementation costs	255,298	-	
Less: Client financial settlement	-	(901,731)	
<b>Underlying EBITDA</b>	<b>(1,447,594)</b>	<b>(4,942,201)</b>	<b>-71%</b>

EP&T's Underlying EBITDA loss decreased 71% to (\$1.4m). This circa \$3.5m turnaround in Underlying EBITDA has been driven by:

- ✓ Continued revenue growth during the financial year contributing to new revenue flows in the business;
- ✓ ARR installation timeframes improving during FY24, hence quicker access to revenue from customers; and
- ✓ Operating cost improvements implemented via operational efficiencies in the business, with an approx. 6% operating expense reduction from FY23, whilst growing recurring revenue by 28%.

1 ACV is defined as recurring annualised contracted revenue. It comprises both existing contracts that have been installed and are being invoiced to customers and new contracts currently under installation.

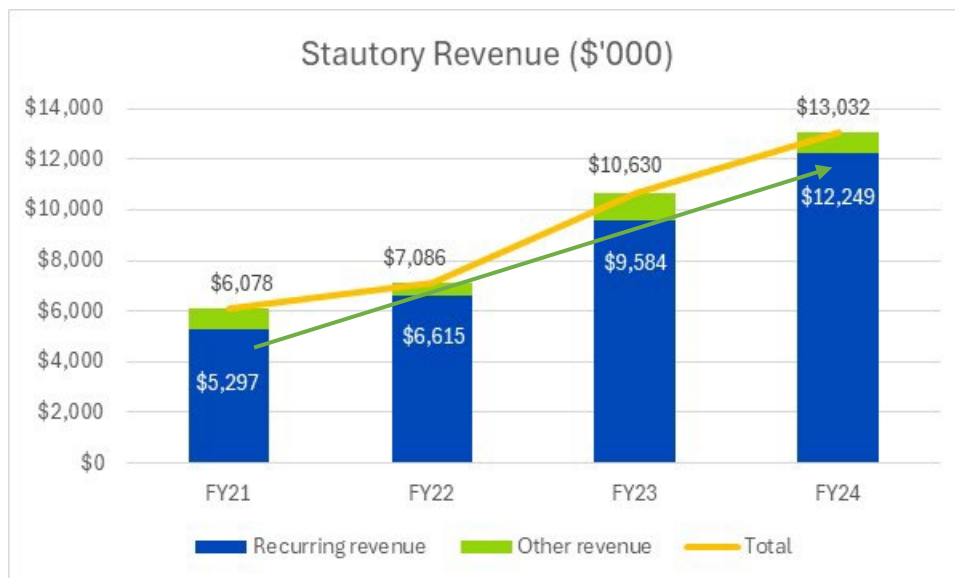
2 ARR is defined as the recurring annualized contract revenue that has been installed and is currently being invoiced to customers.

## FY24 STATUTORY REVENUE

Total EP&T revenue of \$13.0m is an increase of 23% from FY23 and continues the growth achieved since EP&T's IPO in May 2021. This growth came from the Company's recurring, data-as-a-service revenue model, with over 94% of revenue being subscription based.

	Consolidated		
\$	Jun-24	Jun-23	Change
<b>Recurring revenue</b>	<b>12,249,337</b>	<b>9,584,354</b>	<b>28%</b>
Projects revenue	782,633	1,045,516	-25%
Total Revenue	13,031,970	10,629,870	23%
<b>Recurring subscription revenue %</b>	<b>94%</b>	<b>90%</b>	

Recurring subscription revenue increased by 28% to \$12.2m due to continued installation of contracted projects. Recurring revenue now accounts for 94% of total revenue.



Recurring revenue  
growth of 130%  
over 3 years. CAGR  
of 32%

Projects revenue was down 25% over the prior period. Project revenue is non-recurring but may arise from the existing customer base. It is predominantly installations for example of meters for customer billing not connected to the ongoing recurring data-as-a-service business. Project revenue will fluctuate year on year.

## FY24 STATUTORY EXPENSES

### Consolidated

\$	Jun-24	Jun-23	Change
Raw Material and Consumables	(925,128)	(736,167)	26%
Employee benefits and expenses	(10,269,907)	(10,834,186)	-5%
Other Expenses	(3,699,635)	(4,332,187)	-15%
<b>Total Operating Expenses</b>	<b>(14,894,670)</b>	<b>(15,902,540)</b>	<b>-6%</b>
Finance Costs	(140,533)	(114,020)	23%
Depreciation and amortisation	(2,843,106)	(1,780,825)	60%
Impairment reversal/(Impairment) of assets	(150,775)	281,612	-154%
<b>Total Expenses</b>	<b>(18,029,084)</b>	<b>(17,515,773)</b>	<b>3%</b>

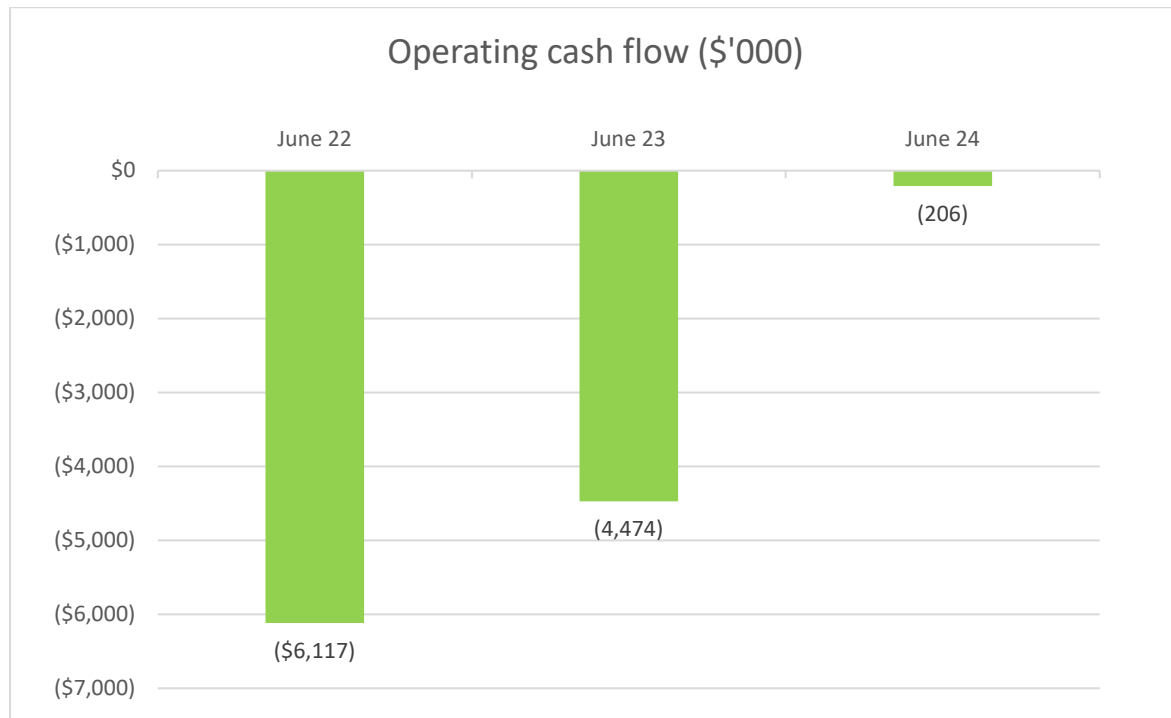
Total operating expenses for the year to 30 June 2024 fell 6% to \$14.9m and highlights the efficiencies implemented over the last 18 months to support significant (28%) recurring revenue growth. Key items to note are:

- Employee benefits expenses, EP&T's biggest cost were down 5%. The new executive team hires in 2023, the business restructure and the focus on a performance-based culture led to improvements in operational efficiency.
- Other expenses fell by 15%, from \$4.3m to \$3.7m as the business remains focused on cost control.
- Depreciation and amortisation increased \$0.5m (60%) due to the growth in revenue generating installed hardware on customer premises. This hardware is vital to deliver accurate and reconcilable energy usage data. It is with this level of data accuracy EP&T can deliver significant savings for customers.

## OPERATING CASH FLOW

EP&T achieved Operating Cashflow breakeven during the back end of H1 FY24. This is reflected in the turnaround in operating cash outflows by approx. \$4.3m, with FY24 Cash outflow of minus (\$0.2m). This is a significant turnaround from the FY23 being an outflow of minus (\$4.5m) and the minus (\$6.1m) operating cash outflow in FY22.

The business remains very focused on managing cash flows and this is evident by the result for the year. Management is focussed on better matching cash outflows with inflows from customers and prioritising resources to drive revenue growth.



**EP&T Chief Financial Officer, Patrick Harsas said** *“The results for the year to 30 June 2024 highlight the strengths of the business model and the transformation of operations over the last 12 month. By delivering the FY24 ACV and ARR targets and the 28% increase in recurring revenue, EP&T demonstrates its growth mindset. To do this while reducing the operating cost base, places EP&T in an enviable position.*

*Looking to FY25, EP&T will continue to pursue growth by playing to its strengths in the commercial, hotel and retail office space and with some exciting improvements being released in our product offering, we are targeting greater penetration in our established markets”.*

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

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Patrick Harsas  
**CFO & Joint Company Secretary**

## **ABOUT EP&T Global**

EP&T Global, the most trusted building efficiency platform provider, is a data as a service platform that delivers sector leading cost and energy efficiency in buildings. EP&T is a global leader in reducing energy costs and delivering energy efficiency in the built environment, servicing over 7 million sqm of floorspace across 5 continents. EP&T's proprietary technology solution combines multiple information sources with cloud-based data analytics to detect real-time energy inefficiencies in buildings. This highly accurate 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 Intelligent System" 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.

To learn more visit [www.eptglobal.com](http://www.eptglobal.com)

