21 February 2019

ASX ANNOUNCEMENT
Appendix 4D – Half Year Report December 2018

Energy One is pleased to announce it half year results to 31 December 2018 as attached.

A further investor presentation will be provided early next week including an update on the recent Contigo Software Limited acquisition.

Richard Standen
Chief Financial Officer/Company Secretary

ENERGY ONE LIMITED

ABN 37 076 583 018

APPENDIX 4D
for the half year ended
31 December 2018

Contents

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ENERGY ONE LIMITED

ABN 37 076 583 018

Appendix 4D

Half yearly Financial Report

Reporting Period	**Half year ended 31 December 2018**
Previous Reporting Period	Half year ended 31 December 2017

Results for announcement to the market	**31 Dec 2018**	31 Dec 2017	Change
	$	$	%
Revenue and other income	**6,015,335**	5,018,011	20%
Earnings before interest, tax depreciation and amortisation *	**1,600,606**	1,335,602	20%
Profit before income tax	**764,348**	950,948	-20%
Profit from ordinary activities after tax attributable to members	**372,048**	591,429	-37%
Net tangible asset backing per ordinary share shown in cents **	**10.24**	13.35	-23%

* Excludes Contigo Software Limited acquisition costs

** NTA includes software development used to generate income and excludes goodwill and deferred tax assets

Dividends	Amount Per Security	Franked Amount per security
Dividend for the year ended 30 June 2018 declared 17 August 2018 paid 22 October 2018	2.00 Cents	0.00 Cents

Commentary

Please refer to the attached CEO's commentary and financial report for the half year ended 31 December 2018 for further information.

Other information

Control gained over entities having a material effect	Acquired Contigo Software Limited (UK Company) effective 30 November 2018
Loss of control over entities having a material effect	N/A
Details of associates and joint venture entities	Please refer to the 30 June 2018 Annual Report Note 25.
Audit Status	This report is based on accounts that have been subject to a review.
Attachments	Additional disclosure can be found in the notes to the attached financial report.

Signed By :-

Shaun Ankers - Chief Executive Officer 21 February 2019

Energy One is pleased to report another profitable period of growth for the six months to 31 December 2018. This was achieved through growth in our domestic business and we also had one month's contribution from Contigo Software Limited (Contigo), a UK-based business that was acquired in December 2018.

Financial Performance

- · Operating revenue and other income of $6.01M is up 20% on the same period last year
- · EBITDA of $1.60M is up 20% on the same period last year.
- · Underlying NPBT (excluding one-off acquisition costs) of $1.09M is up 15% on the previous corresponding period (pcp).

After including one-off acquisition costs of $0.33M, NPBT for the period was $0.76M, down 37% on the previous period. These costs were higher than previous acquisitions primarily because Contigo is based off-shore and operates in a number of legal jurisdictions.

As mentioned, the increase in operating revenue and other income was aided by one month's contribution from Contigo. Revenue for the underlying business (before the Contigo acquisition) was $5.30M, up 6% on the previous corresponding period.

EBITDA of the Australian business was $1.37M, up 2.6% on the previous corresponding period. This result was somewhat muted by the delayed signing of two major projects later in the half. Whilst successful in winning the two new projects we incurred additional resourcing costs without any offsetting revenue due to the delayed signing of the contracts. This project income is expected to be realised in the second half.

Recurring revenue for the Australian business was 80%, based on the mix and timing of one-off project revenues mentioned above. Given the historically variable nature and timing of major project work the Company specifically targets recurring revenues of 75%-80% from support and maintenance and ongoing licence fees. Historically, the Contigo business has had a slightly lower ratio of recurring revenue (around 65% annually) and management is addressing this with a view to increasing recurring revenues towards 75%-80% in due course.

	For the 6 months period ending				
	31/12/2016	30/06/2017	31/12/2017	30/06/2018	31/12/2018
Operating Revenue	$2,527,610	$2,901,311	$4,698,555	$4,600,551	$5,762,327
Recurring revenue	$1,456,958	$1,893,750	$3,121,429	$3,049.467	$4,626,148
% of Operating revenue	58%	65%	66%	86%	80%

Operating EBITDA margin for the domestic business remains strong at 26%, assisted by the higher margins associated with recurring revenues.

The Group continues to invest in building its capability, with additional resources recently recruited for project work, bringing the Australian headcount to 46. With the inclusion of Contigo, total group headcount is now 95. Employee costs were up 21% on the pcp as a result. We intend to continue to invest in both technical expertise and corporate development, in line with stated intentions and project workloads.

Domestic Operations

In the past 6 months, the Company has focussed on growing our domestic business and responding to the opportunities created by change in market structure and regulation.

During the half, we commenced valuable enhancements to our pypIT systems to allow customers in the gas transmission market to respond to capacity trading and other market developments. These system changes will be 'going live' in the second half of the year with the resultant revenue expected to contribute to pypIT having a strong year financially.

In addition, we acquired new customers for our SimEnergy and NemSight products from new entrants in both the generation and retailer segments. Late in the half (following 1-2 years of development) we also signed two new *EnergyOneTrading* customers. Over the next 12-18 months we will deliver enterprise wide ETRM systems to these large national generators. The Company has ensured enough resources are available to perform our obligations with new hires added to our team. This consequently increased wage costs for the half.

At least one of the new projects involves a full migration to a proven 5-minute market installation within approximately 18 months.

Domestic Strategy & outlook
The Company is currently adapting our products for this new 5-minute market structure (due to commence in 2021) and is experiencing early interest from the market in terms of providing ETRM and bidding solutions. We expect our local market knowledge and capability will continue to provide us with advantages over our foreign competitors.

The Group's pipeline of opportunities entering the second half includes a further 1-2 major projects in development phase that will hopefully come to fruition within the next 12 months, as well as several smaller projects, upgrades, enhancements and new sales for each of our main products. These opportunities can be directly attributed to the suite of products we now offer to the wholesale energy trading marketplace. Our customers recognise the synergistic benefits and flexibility that an integrated platform of discrete modules can offer. Whilst long sales lead times can be challenging, we are confident there is still opportunity to continue to grow our domestic business over time.

Locally, we will continue to develop our products and services to meet the demands of the domestic energy markets and to leverage our market leadership to win new business and offer new products and services.

In the new energy space, battery power, embedded generation (Photovoltaic panels) and demand-side technology are all areas of focus for us, with novel product innovations and new features for existing products being developed to assist these new technologies.

Contigo Software Limited (Contigo)
On 30/11/18, we acquired Contigo, a UK-based software company and leading provider of ETRM solutions.

Contigo is a highly synergistic acquisition for Energy One, being very similar in its size, culture, products and capability. There are three main products offered by Contigo, these are:

- enTrader™ – an award-winning ETRM system, similar in purpose to our EOT and SimEnergy products but built for the UK/EU market
- enVoy – an integrated energy nomination and scheduling platform, similar to our EnergyOffer platform, tailored for that local market
- enPrice – an energy supply contract pricing platform

Contigo's products are offered as a SaaS deployment and fully managed service, making them fast to deploy, cost-effective and reliable for users. Contigo has been established for 10 years and has 40+ customer-installations in UK and Europe. With 46 staff headquartered in Solihull, England, the company has an enviable track record of success for energy companies in both the U.K. and Europe. In 2017, enTrader was voted No.1 for "Ease of Implementation" and ranked Top 5 in several other categories in the prestigious Energy Risk Software rankings.

Whilst each geographic energy market has its local product-specific features, Contigo's products are very similar in purpose and capability to those within the existing EOL business. Much of the market and technical expertise across the two businesses is shared and Contigo's customers are operating in the same market segments as EOL's, with similar objectives.

The Contigo business offers great synergies with Energy One, as it extends our opportunities to bundle products and offerings from one business to the other, to cross-sell additional software, to provide international services (such as global 24hr support) and to provide a global face to those customers looking for a multi-national vendor to support their trading portfolio in different geographies. We also continue to work with our current partners and to develop other relationships for specific countries where local expertise offers advantages.

There are also operational synergies related to technology choices, back-office integration and corporate services that we will look to take advantage of. These integration opportunities will be pursued over the next 12-24 months. Commercially, Contigo will (for the most part) be operated as a stand-alone business ensuring the brand strength, local service and reputation can be leveraged for the benefit of the group and for its customers.

EOL has successfully built its market share in the Australian marketplace and we will look to replicate that utilising Contigo’s capability, critical mass and organisational presence to expand our market share in wholesale energy trading software across Europe (and eventually the U.S.) – via product innovation, service bundling and further acquisition (of businesses or products) where those opportunities arise. The goal is to cement Contigo as the leading wholesale energy trading software provider in UK and then Europe.

The global Energy One group, with some 130+ customer installations, is already an established independent vendor of these ETRM systems. In a global marketplace historically dominated by private equity roll-ups, complex projects and a history of project over-runs, we expect that our excellent track record and reputation for effective products and reliable delivery of these complex systems, on time and within budget, will stand us in good stead with customers looking for cost-effective solutions to replace legacy systems.

Contigo was purchased for £4M and is expected (in its first full year) to deliver revenue of £4M and EBITDA of £0.6M before any synergies. Further details on the acquisition metrics are included in this report. The acquisition was funded largely through a debt facility ($7.25M) provided by Westpac Banking Corporation.

Contigo contributed revenues of $0.74M and EBITDA of $0.23M for the month of December. Whilst this appears much higher (on an annualised basis) than the guidance provided above, it reflects Contigo being in the midst of a busy project installation period.

Summary

We are pleased with the continual improvement in financial performance having achieved our 10th consecutive half-year in profit. We now hold strong positions in the physical and contract trading software for electricity and gas and have an increasing presence in Europe. We also remain committed to building on our existing product range, reputation and customer base to make EOL a one-stop shop for energy trading software and services in our target markets here and abroad.

Shaun Ankers - Chief Executive Officer

ENERGY ONE LIMITED

ABN 37 076 583 018

Financial Report
for the half year ended
31 December 2018

Contents

DIRECTORS' REPORT **for the half year ended 31 December 2018**

Your directors present their report on Energy One Limited ('the Company') and its controlled entities ('the Group') for the half-year ended 31 December 2018.

Directors

The names of directors who held office during or since the end of the half-year :

Ottmar Weiss – Chairman
Shaun Ankers – Chief Executive Officer
Ian Ferrier - Non-executive Director
Andrew Bonwick – Non-executive Director
Vaughan Busby – Non-executive Director

Principal Activities

The principal activity of the Group during the half year was the development and supply of software services to energy companies and utilities.

Review of Results and Operations

The revenue for the Group for the half year was $6,015,335 (31/12/2017: $5,018,011). The Earnings before depreciation, amortisation, interest and acquisition costs was $1,600,606 (31/12/2017: $1,335,602). The net profit before tax and acquisition costs amounted to $1,094,306 (31/12/2017: $950,948), net profit after tax for the Group for the half year amounted to $372,048 (31/12/2017: $591,429).

On 30 November 2018, Energy One Limited acquired all the shares in Contigo Software Limited ("Contigo") for £715,000 ($1,327,023) and financed Contigo with a £3,285,000 ($6,096,882) shareholder loan. A further £348,135 refund of working capital in excess of £800,000 as at acquisition date is payable in February 2019. The acquisition and associated costs were funded by a 5 year loan of $7,280,000 and the balance from cash reserves.

There were no other material changes in the first half of FY19. The Group has continued to invest in people and systems to ensure that Energy One maintains its position as the leader in information systems in the Australian energy trading and risk management (ETRM) market.

Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 8 for the half-year ended 31 December 2018.

Shaun Ankers - Chief Executive Officer **Ottmar Weiss - Chairman**

21 February 2019

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DECLARATION OF INDEPENDENCE BY IAN HOOPER TO THE DIRECTORS OF ENERGY ONE LIMITED

As lead auditor for the review of Energy One Limited for the half-year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Energy One Limited and the entities it controlled during the period.

Ian Hooper
Partner

BDO East Coast Partnership

Sydney, 21 February 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half year ended 31 December 2018

	Notes	**31 Dec 2018**	31 Dec 2017
		$	$
Revenue and other income			
Revenue	2	**5,762,327**	4,698,555
Other income	2	**253,008**	319,456
		6,015,335	5,018,011
Direct project costs		**(215,721)**	(89,704)
Employee benefits expense	3	**(2,953,081)**	(2,447,858)
Depreciation and amortisation expense	3	**(493,399)**	(368,751)
Rental expenses on operating leases	3	**(163,522)**	(121,426)
Consulting expenses		**(295,942)**	(348,122)
Insurance		**(45,755)**	(49,494)
Interest expense		**(30,340)**	(40,343)
Accounting fees		**(68,600)**	(50,799)
Acquisition and related expenses		**(329,958)**	0
Overseas marketing and research costs		**(86,925)**	(84,459)
Other expenses		**(567,744)**	(466,107)
		(5,250,987)	**(4,067,063)**
Profit before income tax		**764,348**	950,948
Income tax expense	4	**(392,300)**	(359,519)
Profit after income tax attributable to members		**372,048**	591,429
Earnings per share attributable to the ordinary equity holders of the Company			
Basic earnings per share (cents per weighted average number of shares)		**1.78**	2.91
Diluted earnings per share (cents per weighted average number of shares)		**1.76**	2.90
Other comprehensive income :-			
Profit after income tax attributable to members		**372,048**	591,429
Exchange differences arising from translation of foreign operations		**207,185**	0
Total comprehensive income		**579,233**	591,429
Total comprehensive income attributable to members		**579,233**	591,429

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2018

	Notes	31 Dec 2018	30 Jun 2018
		$	$
Assets			
Current Assets			
Cash and cash equivalents	5	**2,325,174**	727,856
Trade and other receivables	6	**4,907,589**	1,828,785
Other current assets		**370,135**	176,650
Total Current Assets		**7,602,898**	2,733,291
Non-Current Assets			
Property, plant and equipment	7	**714,359**	523,989
Software development	8	**9,637,540**	5,064,637
Intangible assets	9	**5,128,418**	3,474,742
Trade and other receivables	6	**213,638**	323,602
Deferred tax asset		**578,522**	597,271
Other non current assets		**148,187**	146,672
Total Non-Current Assets		**16,420,664**	10,130,913
Total Assets		**24,023,562**	12,864,204
Liabilities			
Current Liabilities			
Trade and other payables		**3,127,406**	1,034,650
Borrowings	10	**1,315,588**	121
Income tax payable		**1,181,687**	801,771
Current deferred revenue	11	**2,486,531**	2,124,630
Current provisions		**404,219**	363,380
Total Current Liabilities		**8,515,431**	4,324,552
Non-Current Liabilities			
Trade and other payables		**153,250**	211,474
Borrowings	10	**5,861,902**	0
Non current deferred revenue	11	**1,473,320**	1,113,215
Non current provisions		**130,930**	120,849
Total Non-Current Liabilities		**7,619,402**	1,445,538
Total Liabilities		**16,134,833**	5,770,090
Net Assets		**7,888,729**	7,094,114
Equity			
Contributed equity	12	**10,024,368**	9,242,736
Reserves	13	**264,795**	211,139
Accumulated losses		**(2,400,434)**	(2,359,761)
TOTAL EQUITY		**7,888,729**	7,094,114

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the half year ended 31 December 2018

	Contributed Equity	Reserve	Accumulated Losses	Total
	$	$	$	$
Balance at 1 July 2017	8,956,381	59,608	(3,201,109)	5,814,880
Comprehensive profit for the half year :-				
Profit after income tax for the period	0	0	591,429	591,429
Other comprehensive income	0	0	0	0
	0	0	591,429	591,429
Transactions with owners in their capacity as owners :-				
Share Issues	200,909	0	0	200,909
Share vestings	63,450	(63,450)	0	0
Share based payment expense	21,996	55,080	0	77,076
Options lapsing	0	0	(198,999)	(198,999)
Balance at 31 December 2017	9,242,736	51,238	(2,808,679)	6,485,295
Balance at 1 July 2018	**9,242,736**	**211,139**	**(2,359,761)**	**7,094,114**
Comprehensive profit for the half year :-				
Profit after income tax for the period	**0**	**0**	**372,048**	**372,048**
Other comprehensive income	**0**	**207,185**	**0**	**207,185**
	0	**207,185**	**372,048**	**579,233**
Transactions with owners in their capacity as owners :-				
Share Issues	**438,705**	**0**	**0**	**438,705**
Share vestings	**342,927**	**(342,927)**	**0**	**0**
Share based payment expense	**0**	**189,398**	**0**	**189,398**
Dividends paid	**0**	**0**	**(412,721)**	**(412,721)**
Balance at 31 December 2018	**10,024,368**	**264,795**	**(2,400,434)**	**7,888,729**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS — for the half year ended 31 December 2018

	Notes	**31 Dec 2018**	31 Dec 2017
		$	**$**
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**6,185,493**	5,521,604
Payments to suppliers and employees		**(5,047,083)**	(4,264,990)
Interest received		**17,439**	24,440
Interest paid		**(30,340)**	(18,300)
Net cash provided by operating activities		**1,125,509**	1,262,754
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		**(90,904)**	(18,965)
Purchase of intangible assets - patents & trademarks		**(38,638)**	5,224
Payment for software development costs		**(644,651)**	(453,079)
Receipt from restricted term deposit - Bank Guarantee		**0**	110,326
Payment for acquisition of business	16	**(1,327,023)**	(150,000)
Loan to Contigo Software Limited on acquisition	16	**(6,096,882)**	0
Cash obtained on acquisition of business	16	**1,123,622**	0
Net cash used in investing activities		**(7,074,476)**	(506,493)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of shares		**481,242**	152,107
Proceeds from borrowings		**7,280,000**	0
Repayment of borrowings		**(102,631)**	(182,905)
Dividends paid		**(112,326)**	(67,817)
Net cash provided by / (used in) financing activities		**7,546,285**	(98,615)
Net increase in cash held		**1,597,318**	657,646
Cash at beginning of financial period	5	**727,856**	362,567
Cash at the end of the financial period	5	**2,325,174**	1,020,213

The above consolidated statement of cash flows in equity should be read in conjunction with the accompanying notes.

Note 1 Summary of significant accounting policies

These consolidated interim financial reports for the half-year reporting period ended 31 December 2018 has been prepared in accordance with the requirements of the *Corporations Act 2001* , and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

This consolidated interim financial report is intended to provide users with an update on the latest annual financial statements of Energy One Limited and its subsidiaries ('the Group'). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2018, together with any public announcements made during the half-year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Other than the implementation of the two new accounting policies noted below, the same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements and the corresponding interim reporting period.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated Group has adopted AASB 15 Revenue from Contracts with Customers and AASB 9 Financial Instruments from 1 July 2018. Further information is detailed below. The changes in accounting policies are also expected to be reflected in the consolidated entities annuals financial statements for the year ending 30 June 2019.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets.

AASB 9 replaces the ‘incurred loss’ model in AASB 139 with an ‘expected credit loss’ (‘ECL’) model. The new impairment model is applied to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

Under AASB 9, loss allowances are measured on either of the following bases:

- 12 month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

ECLs are a probability-weighted estimates of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

The Group has adopted a simplified approach for trade receivables on the initial transition date (1 July 2018) with an amount equal to full ECL to be recognised. As the ECL assessment has resulted in an immaterial credit loss, no additional impairment allowance has been recognised by the Group.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. It contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract–based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The standard requires: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determination of the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied.

AASB 15 Revenue from Contracts with Customers (continued)
The Group has adopted AASB 15 using the cumulative effect method (by recognising the cumulative effect of initially applying AASB 15 as an adjustment to the opening balance of equity at 1 July 2018). The transition exercise on adopting AASB 15 did not result in an adjustment to the opening balance of equity at 1 July 2018.

Based on the Group's assessment, license fee revenue will continue to be recognised over time as the customer reasonably expects that the entity will undertake activities that will improve or modify the licence over the term of the license period and that the customers benefit will be directly linked to the entities activities over this term. Support and maintenance services exist over the period of the license or term of the agreement and will be continued to be recognised over time.

In relation to project and implementation services, the customer is considered to control the asset being created or enhanced and the asset does not provide the customer with alternate use. This, combined with an enforceable right to payment for performance completed to date, results in the entity continuing to record revenue over time in accordance with the term of the implementation. This revenue will be continued to be recognised on a stage of completion basis in accordance with the judgements disclosed in Note 2 of the 30 June 2018 Annual Financial Report.

As a result of this assessment, the application of AASB 15 has not had a material impact on the consolidated entities half-year financial statements.

New accounting standards and interpretations not yet effective
Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2018 reporting periods and have not been early adopted by the Group. The assessment of the impact of these new standards (to the extent relevant to the Group) and interpretations is set out below:

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. This standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, the 'right-of-use' of an asset will be capitalised in the statement of financial position, measured as the net present value of the unavoidable future lease payments to be made for the lease term. A liability corresponding to the capitalised lease will be recognised, adjusted for ancillary costs in securing the leased asset. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset and an interest expense incurred on the recognised lease liability. The consolidated entity will adopt this standard from 1 July 2019 and the adoption will result in the recognition of a right-of-use asset and related liabilities for leases in relation to office spaces held by the Group.

Further information on the application of Australian Accounting Standards in future periods is contained in Note 1 of the Annual Financial Statements 2018 of the Group for year ended 30 June 2018.

	31 Dec 2018	31 Dec 2017
	$	$
NOTE 2 Revenue and other income		
Sales revenue		
Licences and related services	**5,762,327**	4,698,555
Other income		
Interest income	**17,439**	24,440
Research & development incentive income	**232,637**	295,016
Gain on foreign exchange	**2,932**	0
Total other income	**253,008**	319,456
Total revenue and other income	**6,015,335**	5,018,011

	31 Dec 2018	31 Dec 2017
	$	$
NOTE 3 Expenses		
The consolidated statement of profit or loss includes the following specific expenses :-		
Depreciation and amortisation		
Depreciation - Plant and equipment	**44,205**	28,983
Amortisation - Leasehold improvements	**57,459**	39,654
Amortisation - Software development and patents	**391,735**	300,114
	493,399	368,751
Rental expense of operating lease		
Minimum lease payments	**163,522**	121,426
Employee benefits expense		
Superannuation expense	**237,095**	193,657
Employee option / share plan benefits	**215,389**	77,076
Other employee benefits	**2,500,597**	2,177,126
	2,953,081	2,447,859

NOTE 4 Income tax expense

Profit from ordinary activities before income tax expense	**764,348**	950,948
Tax effect of :-		
Tax at the Australian tax rate of 27.5%	**(210,196)**	(261,511)
Foriegn Tax Rate Adjustment	**16,257**	0
Non-deductible acquistion costs	**(90,738)**	0
Non-deductible expenses (excluding research and development)	**(31,787)**	(1,961)
Income tax expense before tax effect of R&D incentive and recognition of tax balances not previously recognised	**(316,464)**	(263,472)
Tax effect of R&D incentive *	**(75,835)**	(96,047)
Income tax expense for the period	**(392,300)**	(359,519)

* The Group accounts for R&D incentives as government grants under AASB 120, resulting in the incentive being recognised in the profit and loss (see Note 2 and 11) and the R&D expenditure treated as a non deductible for tax purposes.

	31 Dec 2018	30 Jun 2018
	$	$
NOTE 5 Cash and cash equivalents		
Cash at the end of the period as shown in the statement of cash flows reconciled to items in the balance sheet as follows :-		
Cash at bank and on hand	**1,050,707**	727,856
Short term bank deposits	**1,274,467**	0
Cash and cash equivalents at the end of the financial period	**2,325,174**	727,856
Other non-current assets - restricted term deposit *	**148,187**	146,672
Total cash and restricted term deposit	**148,187**	146,672

* At the reporting date, the Consolidated Group has deposits with banks that are used for restricted bank guarantees. These have been classified as Other Non-Current Assets in the consolidated statement of financial position as they have a term of more than 1 year.

	31 Dec 2018	30 Jun 2018
	$	$
NOTE 6 Trade and other receivables		
Current		
Trade receivables	**2,595,109**	560,415
Provision for impairment of receivables	**(87,903)**	0
Accrued income	**1,382,882**	542,651
R&D tax incentive	**1,009,163**	724,845
Other receivables	**8,338**	874
	4,907,589	1,828,785
Non Current		
Accrued income	**213,638**	323,602
NOTE 7 Property, plant and equipment		
Plant and equipment - at cost	**862,514**	500,844
Plant and equipment - accumulated depreciation	**(503,583)**	(265,207)
	358,931	235,637
Leasehold improvements - at cost	**936,032**	505,842
Leasehold improvements - accumulated amortisation	**(580,604)**	(217,490)
	355,428	288,352
Total Property, plant and equipment	**714,359**	523,989
NOTE 8 Software development		
Software development - at cost	**14,967,988**	10,006,964
Software development - accumulated amortisation	**(5,330,448)**	(4,942,327)
	9,637,540	5,064,637
NOTE 9 Intangible assets		
Patents and trademarks - at cost	**58,790**	46,920
Patents and trademarks - accumulated amortisation	**(19,625)**	(15,369)
	39,165	31,551
Goodwill	**5,089,253**	3,443,191
Total Intangible assets	**5,128,418**	3,474,742
NOTE 10 Borrowings		
Current		
Borrowings	**1,315,588**	121
Non-Current		
Borrowings	**5,861,902**	0

On 27 November 2018, the Company borrowed $7,280,000 repayable in principal and interest over five years at 4.35% (variable) to acquire Contigo software Limited (refer Note 16).

	31 Dec 2018	30 Jun 2018
	$	$
NOTE 11 Deferred revenue		
Current		
Licences and related services received in advance	**2,286,604**	1,939,675
Unearned R&D tax incentive - Current	**199,927**	184,955
	2,486,531	2,124,630
Non-Current		
Licences and related services received in advance	**323,396**	0
Unearned R&D tax incentive - Non Current	**1,149,924**	1,113,215
	1,473,320	1,113,215

NOTE 12 Contributed Equity

Fully paid ordinary shares : 21,308,689 (20,340,855 : 30 Jun 2018)	**10,024,368**	9,242,736

The Company issued shares under the Dividend Reinvestment Plan (DRP) and the underwritten shortfall :-

286,068 ordinary shares issued under the DRP on 26 October 2018 valued at $300,390
106,977 ordinary shares issued under the DRP underwritten short fall on 29 October 2018 valued at $112,326

The Company issued shares under the Energy One Equity Incentive Plan which was approved at the AGM on 26 October 2017 as follows :-

100,000 ordinary shares issued on vesting of share rights to the Chief Executive Officer on 31 August 2018 Valued at $63,000
253,341 ordinary shares issued on vesting of share rights to the Non Executive Directors on 31 October 2018 Valued at $157,122
194,928 ordinary shares issued on vesting of share rights to the Management on 31 August 2018 Valued at $122,804
26,520 Ordinary shares issued to employees on 31 October 2018 valued at $25,989.

NOTE 13 Reserves

Share based payments reserve	**57,610**	211,139
Foreign currency translation reserve	**207,185**	0
	264,795	211,139

NOTE 14 Share based payments

The Company issued the following share rights on 1 November 2018 as approved at the AGM dated 22 October 2018 under the Energy One Executive incentive Plan which was also approved at the AGM on 26 October 2017 :-

118,616 Shares rights to Non Executive Directors vesting on service conditions 31 October 2019 valued at 96.04c
200,000 Shares rights to the Chief Executive Officer vesting on performance (FY19 KPI based) and service conditions between 31 August 2019 and 31 August 2021 valued at an average of 96.55c

The Company issued shares rights on 1 November 2018 under the Energy One Equity Incentive Plan which was approved at the AGM on 26 October 2017 as follows :-

192,300 Shares rights to the senior executive staff vesting on performance (FY19 KPI based) and service conditions between 31 August 2019 and 31 August 2021 issued at an average of 96.55c

The Company issued 26,520 shares at 98.0c on 1 November 2018 to employees under the Energy One Equity Incentive Plan which was approved at the AGM 26 October 2017.

There are 510,916 share rights outstanding as at 31 December 2018 issued under the Energy One Equity Incentive Plan also approved at the AGM dated 26 October 2017.

There were 294,926 share rights lapsing for the period to 31 December 2018.

NOTE 15 Contingencies and commitments

The Group had no contingent liabilities or contingent assets as at 31 December 2018.

NOTE 16 Business Combinations

Contigo Software Limited (UK)

On 30 November 2018, Energy One Limited acquired all the shares in Contigo Software Limited ("Contigo") for £715,000 ($1,327,023) and financed Contigo with a £3,285,000 ($6,096,882) shareholder loan. A further £348,135 refund of working capital in excess of £800,000 as at acquisition date is payable in February 2019.

Contigo is a leading supplier of Energy Trading and Risk management (ETRM) solutions that simplify contract and physical energy trading across Europe's complex and sophisticated energy trading landscape. Based in Solihull (UK), Contigo's products use the latest technology and a smart approach to deliver modern, flexible and easy to use software solutions for all points in the energy value chain, including generators, traders, suppliers and large consumers. Based in Solihull (UK), Contigo has 10+ years of operation, 30+ customers, over 45 staff and a strong brand and market reputation.

Consideration paid and or payable :-	**GBP**	**AUD**
Cash to acquire shares on acquisition	£715,000	$1,327,023
Cash payable to refund excess working capital	£348,135	$608,309
	£1,063,135	$1,935,332
Cash to finance Contigo on acquisition	£3,285,000	$6,096,882
Fair Value Recognised on acquisition :-		
Current Assets		
Cash and cash equivalents	£643,048	$1,123,622
Trade and other receivables	£1,550,724	$2,709,635
Other current assets	£59,047	$103,174
	£2,252,819	$3,936,431
Non Current Assets		
Property, plant & equipment	£110,307	$192,744
Software development - at valuation	£2,368,719	$4,138,947
Deferred tax asset	£19,228	$33,597
Goodwill on acquisition	£693,341	$1,646,062
	£3,191,595	$6,011,350
Total Assets	£5,444,414	$9,947,781
Current Liabilities		
Trade and other payables	£891,441	$1,557,646
Income tax payable	£5,081	$8,878
Deferred revenue	£500,242	$874,091
Provisions	£47,650	$83,261
	£1,444,414	$2,523,876
Non Current Liabilities		
Shareholder Loans	£2,936,865	$5,488,573
Total Liabilities	£4,381,279	$8,012,449
Net Assets	£1,063,135	$1,935,332

The business combination for Contigo Software Limited is accounted for on a provisional basis. The fair value of assets, libailities and contingent liabilities are estimated by taking into consideration all available information at reporting date. Fair value adjustments at the completion of business combintation accounting is retrospective, where applicable, to the period the combination occurred and may have any impact on the assets and liabilities, depreciation and amortisation reported.

NOTE 17 Operating segments

The Group is managed primarily on the basis of product and service offerings and operates in one segment, being the Energy software industry, and in two geographical segments, being Australasia and UK/Europe. Management and the Board of Directors assesses the performance of the operating segment based on the accounting profit and loss.

Management and the Board of Directors have determined the Group is organised into the two geographical segments for profit and loss purposes as represented in the following table :-

	Australasia	**UK/Europe**	Australasia	UK/Europe
	31 Dec 2018		31 Dec 2017	
	$	**$**	$	$
Revenue & other income	**5,252,763**	**745,133**	4,993,571	0
Expenses	**(3,882,753)**	**(514,537)**	(3,657,969)	0
Earnings before interest, tax, depreciation & amortisation	**1,370,010**	**230,596**	1,335,602	0
Deprciation & amortisation	**(446,783)**	**(46,616)**	(368,751)	0
Earnings before interest and tax	**923,227**	**183,980**	966,851	0

	Consolidated Group	
	31 Dec 2018	31 Dec 2017
Reconciliation of unallocated amounts to profit after tax :-	**$**	$
Earnings before interest and tax	**1,107,207**	966,851
Interest paid	**(30,340)**	(40,343)
Interest received	**17,439**	24,440
Acquisition and related costs	**(329,958)**	0
Profit before income tax	**764,348**	950,948

Segment revenue excludes interest received, expenses exclude interest paid, depreciation, amortisation and acquisition costs.

During the period ended 31 December 2018, the Australasian segment derived 43% (53% : 2017) of revenue from three major customers and the Uk/Europe segment derived 45% (n/a :2017) from three major customers.

NOTE 18 Events subsequent to reporting date

There have been no after balance date transactions that have significantly affected or may significantly affect the operations of the Group, the result of those operations or the state of affairs of the Group subsequent to the half year ended 31 December 2018.

Directors' Declaration

In the director's opinion:

(a) the financial statements and notes set out on 9 to 16 are in accordance with the Corporations Act 2001, including
(i) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001;
(ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half year ended on that date; and
(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

Shaun Ankers
Chief Executive Officer
21 February 2019

Ottmar Weiss
Chairman
21 February 2019

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Energy One Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Energy One Limited, and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, and notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2018 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

Directors' responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2018 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

BDO East Coast Partnership

BDO

Ian Hooper
Partner

Sydney, 21 February 2019