

# Energy One Limited (ASX:EOL)

First half results FY22

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The logo for Energy One, featuring the word "energy" in white lowercase letters with a stylized orange 'y', followed by the word "one" in white lowercase letters. The background of the slide is a dark green and blue abstract network of white lines and dots, with a vertical watermark on the left side that reads "personal use only".

energy one

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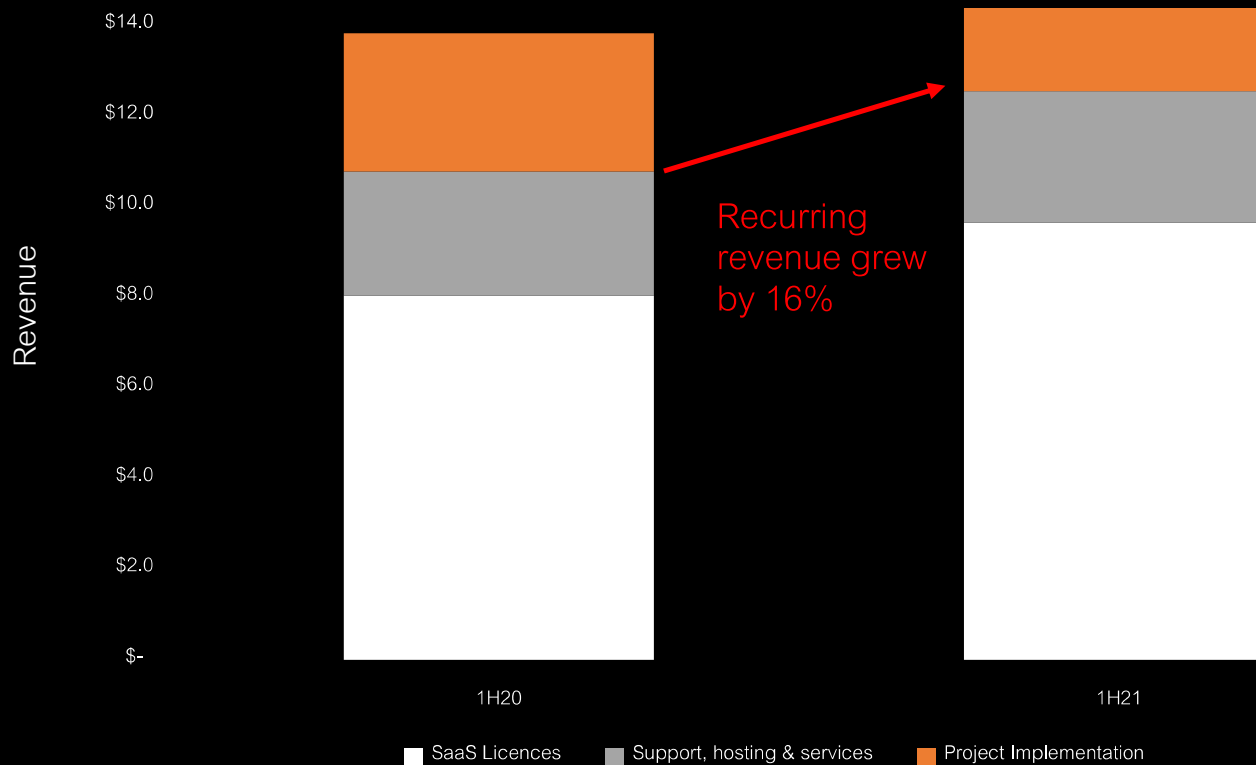
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# Financial results summary

	AUD	31 Dec 20	31 Dec 21	Change	
Revenue		\$14,009,000	\$14,611,000		4.3%
EBITDA*		\$4,169,000	\$4,411,000		5.9%
EBITDA margin*		30%	30%	-	0.0%
NPBT*		\$2,729,000	\$2,763,000		1.3%
NPAT*		\$2,075,000	\$1,954,000		5.8%

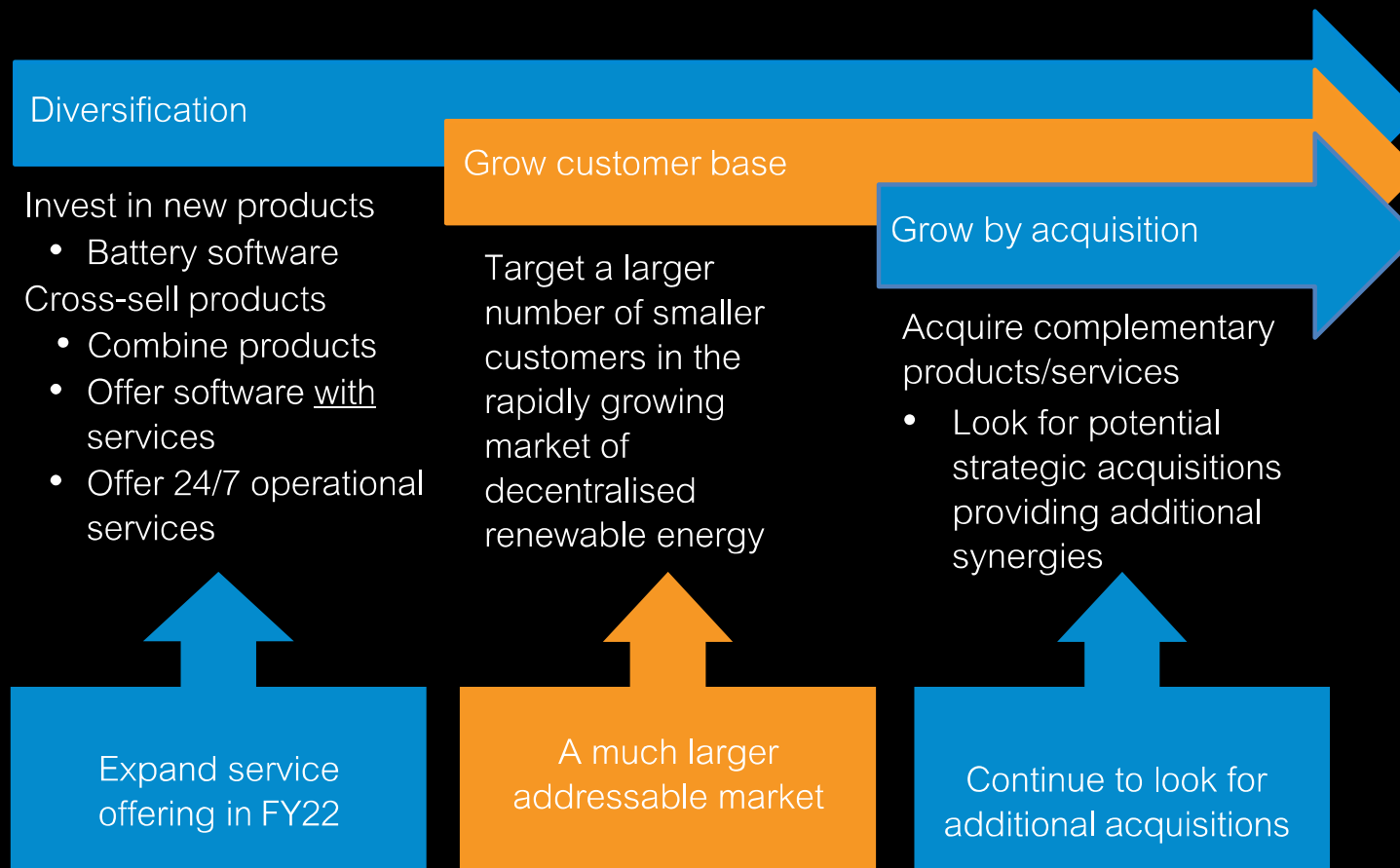
One off acquisition and structuring costs for the first half FY22 were \$563k

# First half was in line with forecast and the business is performing well with 300+ installs



- Recurring revenue grew 16% compared to the previous corresponding period.
- However one off project revenue associated with new installations declined as Covid-19 travel restrictions impacted our ability to close new project work.
- ARR at 31 December was \$30.6M, up 30% since 30 June 21

# Over the last six months management has focused on accelerating the strategic plan and the acquisition pipeline



This saw us expand further into the services business and resulted in two acquisitions in the last six months

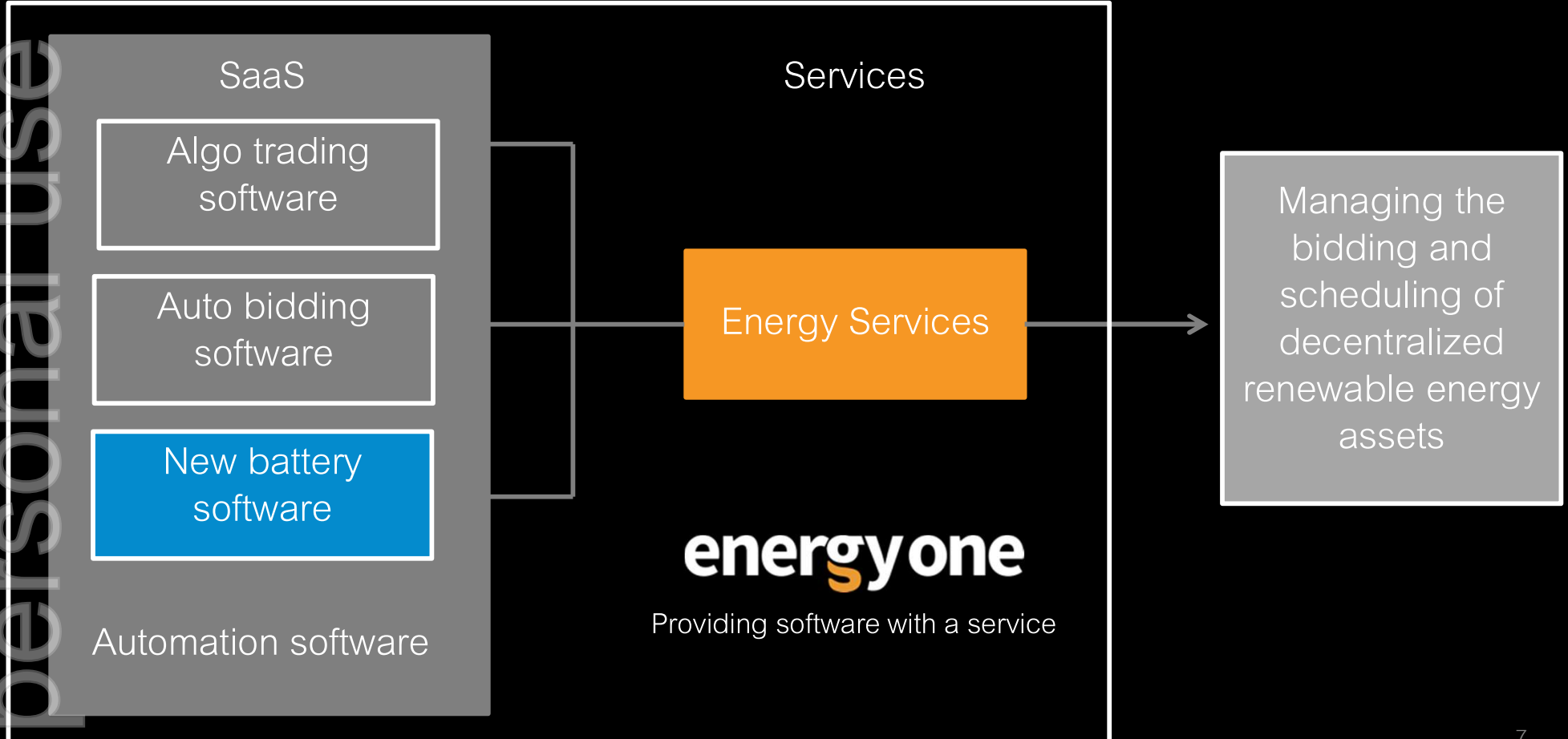
- Belgium based Egssis acquired in December 2021
- Australian based CQ Energy acquired January 2022

This followed our acquisition of eZ-nergy in June 2020 which, at the time, was the third largest provider of 24/7 operational energy services in Europe.

The Energy One Group is now the largest supplier of 24/7 operational energy services in Australia and the second largest provider in Europe.

None of our traditional competitors are providing 24/7 operational services and to this end we believe we have cemented a strong first mover advantage.

Combining our software with a premium service offering gives us an enviable position in facilitating the entry of renewable energy into national electricity markets





# Services to generate high quality revenue with ~60-80% of revenue recurring

The new Software with a Service (SwaS) business model being used in the services business generates strong recurring revenue similar to our SaaS business model.

We anticipate ~60-80% of the revenue generated from our services business will be recurring in nature.

For example when a new grid scale battery is built they operator may contract out the management of dispatching its capacity into a national energy market.

This is done via a contract for service and can be for a fixed term of 3,5 or 10yrs which is then renewed annually on an evergreen basis.

This is important considering these assets typical have useful lives of 20-30 years.



# The full financial impact of these two acquisitions will not be evident until FY23

Acquisition	Pro forma 12 Month (\$AUD)		Acquisition Status
	Revenue	EBITDA	
Egssis	\$5.9	\$1.0	Complete
CQ Energy	\$7.0	\$4.5	Signed SPA
<b>Total</b>	<b>\$12.9</b>	<b>\$5.5</b>	

The timing of the acquisitions meant the financial results for 1H FY22 were impacted by one off acquisition costs with little corresponding revenue to offset these costs.

A Share Purchase Agreement (SPA) has been signed with CQ energy and we expect the transaction will move to completion by the end of March 2022. So the second half should have ~3 months contribution from CQ Energy

# We see two business segments going forward: Software and Services

With the energy market changing so quickly we have seen the emergence of a new rapidly growing segment, the provision of energy services.

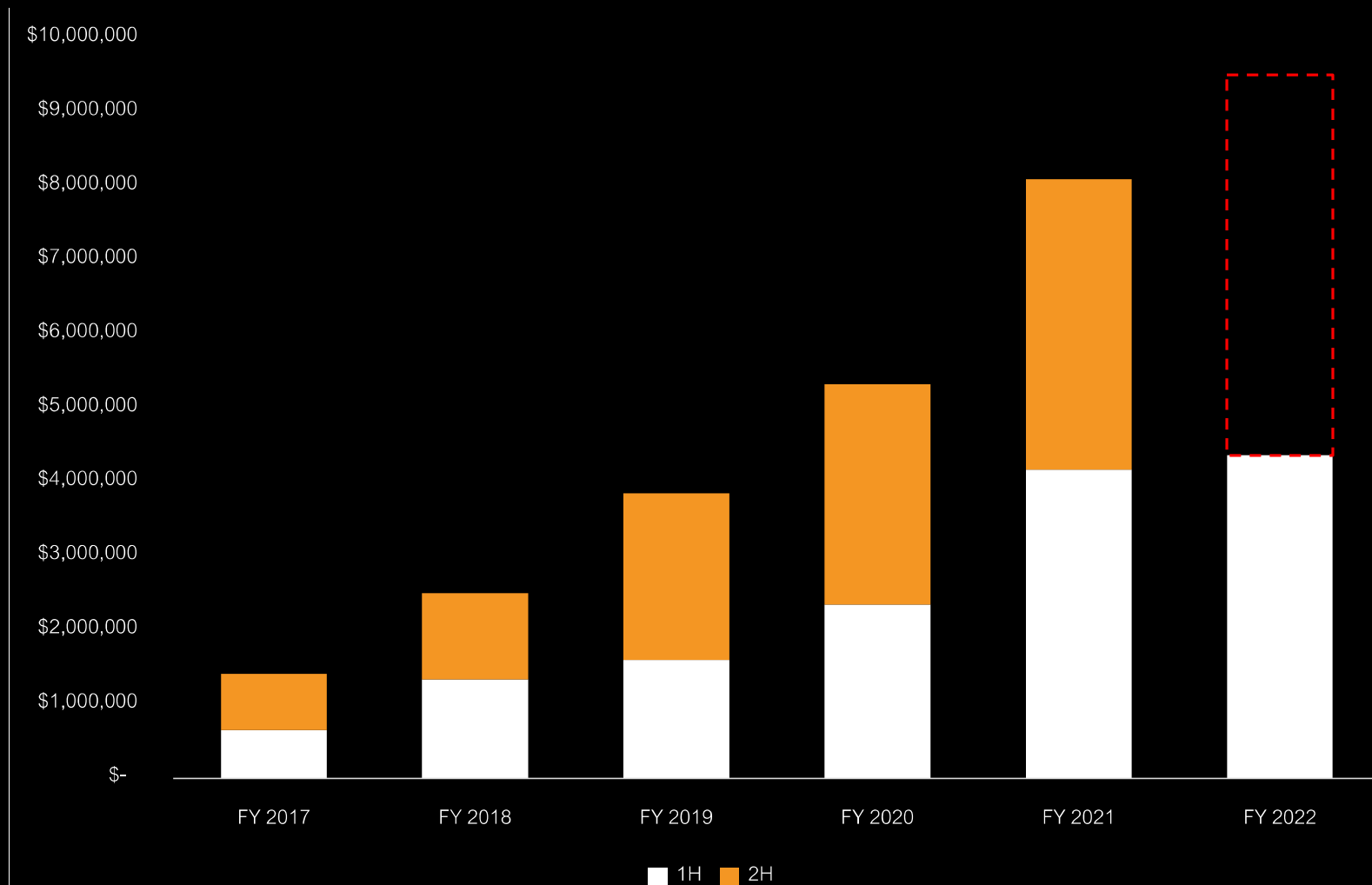
Having observed the emergence of this new market in both Europe and Australia we have concluded it is a highly desirable segment and one we are ideally suited for given our world class software.

Over the last five years a number of acquisitions have been integrated into the Energy One group. Each operating under their own brand. Going forward all business within the group will now operate under the Energy One brand.

**energy one**  
Software

**energy one**  
Services

The contributions from these two acquisitions will maintain our EBITDA growth trajectory at the full year



\* Second half forecast is before any one-off acquisition costs and share based payments to executives based on outperformance





*“Energy One is operating in what is arguably the most exciting sector in the world today, the green-power revolution. We facilitate the entry of new generators into the market, enabling them to monetise their energy and assist our existing customers to make the transition to renewable energy without interrupting current operations. The world is making its way toward a ‘Net Zero’ future, and Energy One is proudly playing its part in facilitating this revolution”.*

Shaun Ankers,  
Group CEO Energy One



# Appendix

Additional information

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The slide features a dark background with a green and blue abstract graphic of a network or energy grid. The text 'Energy One' is written in white, with 'one' in orange. Below it, '- a profitable SaaS & Services company' is written in white. The 'energyone' logo is visible at the bottom left of the graphic area.

# Energy One - a profitable SaaS & Services company

- Energy One Limited (ASX:EOL) is a leading independent global supplier of Energy Trading and Risk Management (ETRM) software systems and services.
- Hybrid business model of recurring (SaaS) revenue (80%) and project T&M (20%) in FY21
- Solutions for the trading of energy derivatives and the scheduling of physical energy (including green power, electricity, gas, liquid commodities and environmental and carbon trading).
- EOL has offices in Australia, UK, Belgium and France, with 300+ customer installations in 19 countries, many with blue-chip international utility and infrastructure companies.
- With a market share approaching more than 50% in Australia, 15% in the UK and less than 5% in Europe, there is a long runway for growth.
- EOL has a strong track record of year-on-year growth in revenue and earnings.



# Supplying large blue chip companies in essential industries

Our customers are often large:

- Utilities – such as power stations and vertically integrated retailers
- Infrastructure providers – such as gas pipelines, electricity transmission
- Industries
- Market traders, banks and hedge funds
- Include new generation sources (such as wind and solar) and increasingly diverse generation and demand side players
- Our customers supply an essential service, namely gas and electricity
- The software and services we supply are mission-critical to these enterprises
- Offices in Australia, UK and Europe

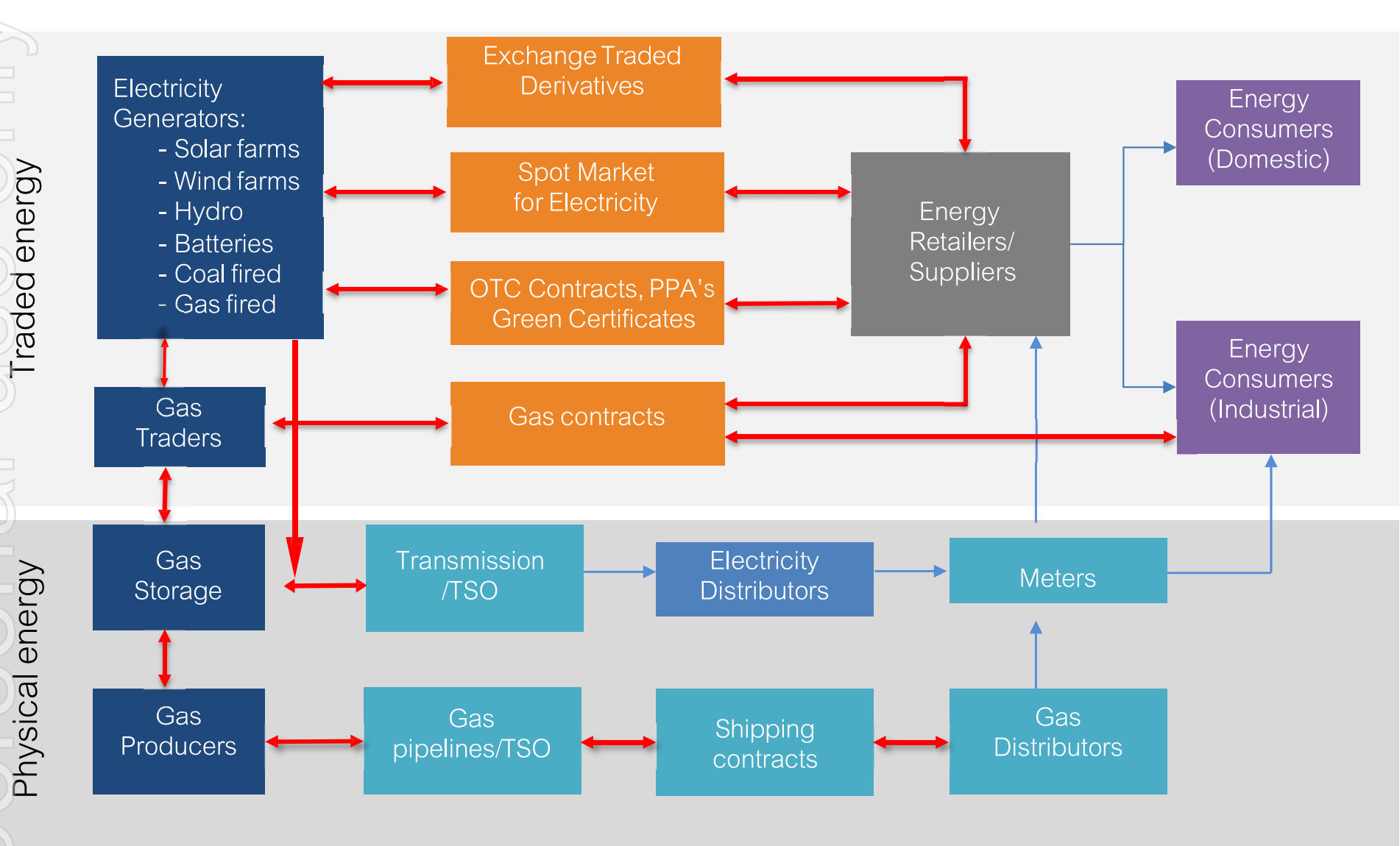


EOL's suite of software tools are used by customers to manage their exposure to risk and volatility



Our software is used to trade and manage both physical energy and derivative contracts either bilaterally (B2B) or on public exchanges.

# Many energy market participants use EOL group software



→ Energy One Group software or service can be used to facilitate a transaction

# A comprehensive suite of software and services

## Physical Bidding

Allows a power station to bid its electricity (quantity, price, time and place) into the National Electricity Market. Takes into account potential constraints in the transmission system allowing optimum dispatch for companies with multiple generators.

## Market Analytics

Detailed data and market analytics platform and various trading tools for energy traders.

## ETRM

Contract management for recording physical trades (PPA's) and financial derivatives (Swaps, Options, Caps etc). Records the trade allocating it to a hedge book / portfolio. As market prices change hedge books are revalued. Forward books can be five years or more. Provides risk analytics such as GMar, VaR, CaR, Monte Carlo etc. Electricity, gas, carbon, diesel, coal and Fx

## Business Process Automation

Many systems and contracts in energy markets can be very complex. These tools automate complex but mundane tasks increasing not only accuracy but also efficiency. Can be used to help transport gas from one point through several different pipelines to an end point. Pipeline capacity for each pipeline has to be bought in advance

## Business analytics, intelligence and reporting

Wrapping around various software products is a user-configured dashboard that can provide alerts, various market feeds, task management etc. It also offers comprehensive reporting and analytics

# EOL group software makes life easier

Participant	Challenges faced	EOL group solutions
Generators	Accurate, compliant energy spot market bidding and nominations	✓
	Efficiently dispatching generation	✓
	Energy operations (B2B, bid preparation, monitoring, compliance)	✓
	Hedging output against volatile spot market using derivatives	✓
	Management and valuation of complex PPA's	✓
Renewables	Automated balancing, bidding, scheduling and nomination to market	✓
	Curtailing dispatch during negative price events	✓
Retailers/Suppliers	Hedging load against the spot market and reconciliation with spot market	✓
	Trading energy derivatives deal capture and contract management	✓
	Logistics – transporting gas across multiple pipelines	✓
	Evaluation of risk exposure, monitoring risk limits	✓
	Renewable energy compliance	✓
Pipelines/TSOs	Energy operations (B2B, bid preparation, monitoring, compliance)	✓
	Deal capture, settlements, capacity trading	✓
Industrial customers	Contract and network optimization	✓
	Management of PPA's and power & gas scheduling and nomination	✓
	Carbon trading management	✓
	Energy monitoring	x
Energy traders	Retail invoice reconciliation	x
	Single comprehensive source of market data and analytics	✓
	Trading tools to facilitate / manage complex derivative trades	✓

# energyone

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