

ASX Announcement

31 August 2023

Energy Technologies Limited FY2023 Results

Energy Technologies Limited (ASX: EGY or “the Company”), a 100% owner of Bambach Wires and Cables Pty Ltd (Bambach) which manufactures low voltage copper insulated cables, today released its preliminary final report for the year ended 30 June 2023 (“**FY2023**”).

FY2023 Metrics

- **Group revenue of AUD15.5 million, up 24% on the previous corresponding period (PCP)**
- **Statutory Loss of AUD15.3 million, down 76% on PCP**
- **Comparative Loss of AUD8.8 million, down 0.9% on PCP**
- **Impairment of AUD5.2 million of intangibles, one off event**
- **Largest contract win announced 28 July 2023 of AUD1.14 million**
- **Current order book remains strong.**

EGY has reported a consolidated loss after tax and minorities for FY2023 of \$15,344,996 (FY2022 loss after tax and minorities \$8,731,756). Wholly owned subsidiary Bambach Wires and Cables Pty Ltd (Bambach) reported a loss after tax of \$14,127,919 (FY2022 loss \$7,798,291). This includes a one-off amount of \$5,194,327 to fully impair the FY2023 carrying value of intangible development assets and purchased intellectual property to NIL. In addition, the result includes an inventory write down of \$798,286 (2022: \$484,338) as a result of a detailed review of inventory items by location and including slow moving stock.

During the period, the company experienced further issues with utilisation rates at the factory due to the lasting effects of COVID. Pleasingly, these reduced greatly in October as normal staffing levels resumed and from November provided for an increase in productivity which allowed the company to take advantage of the higher-than-normal order book. This resulted in a 24% increase in sales compared to the previous corresponding period and continues to underpin the opportunities that the company has going forward.

During April, the company entered a restructuring of the factory to move to 24-hour operations which resulted in a restructuring of staffing levels. While largely done, they are still being finalised to ensure that the new work arrangements have the necessary number of staff to support this increase in factory utilisation.

The Board has determined to impair both intangible assets and inventory to prepare the business for its fresh start in operations under this increase in utilisation. The FY2023 loss of \$15.3m, when taking in to account the impairment of intangible assets (\$5.2m), the higher impairment of inventory (\$0.3m) and the higher finance cost (\$1m) was largely in line with the FY2022 result (down by \$0.08m) due to the similar utilisation rates of the factory.

Sales still remain strong, with the company having a healthy order book in place, as underpinned by it announcing its first project win in excess of \$1m, on 28 July 2023.

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About Energy Technologies

Energy Technologies Limited (ABN 38 002 679 469) has a 100% ownership of Bambach Wires and Cables Pty Ltd, a manufacturer of low voltage copper insulated cables. Learn more about Energy Technologies at website www.energytechnologies.com.au.

For more information, please contact:

General enquiries

Corporate Communications

Mr. Gregory Knoke

Company Secretary

greg.knoke@energytechnologies.com.au

This announcement is authorised by Energy Technologies Limited's Board of Directors