



# FY24 H2 Interims Investor Presentation.

---

September 2024



**UNLEASHING  
NET ZERO**

# Presentation team.

---



**Harvey Sinclair**

**Chief Executive Officer**

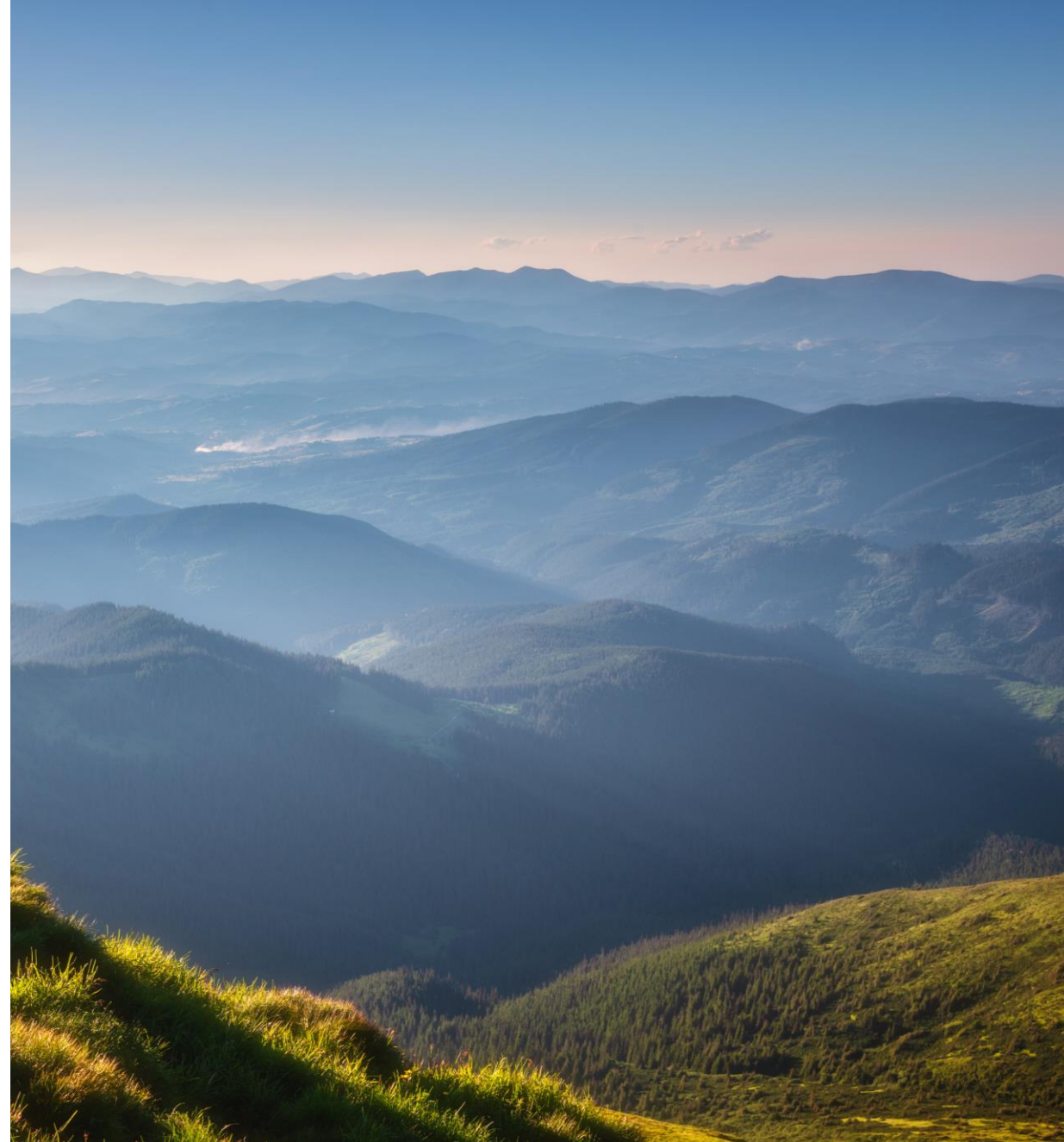
Harvey co-founded eLight in 2014 and is now CEO of eEnergy Group. He is a proven technology entrepreneur, who has achieved a number of successful exits of business over the last 15 years, across a variety of different sectors; Software, Internet, ecommerce and in the Hospitality sector, in both the public and private markets.



**Crispin Goldsmith**

**Former Chief Financial Officer**

Crispin joined eEnergy in July 2020 as Chief Strategy Officer, serving as CFO since July 2022. Crispin has over 20 years of experience in corporate finance and M&A and substantial board level experience across a range of businesses. Crispin started his career at PwC, where he qualified as a Chartered Accountant.





*A leading energy services company, empowering organisations to achieve Net Zero.*



Crown  
Commercial  
Service  
Supplier



Funding Partner  
 NatWest

- A busy and productive six months with significant change across the Group.
- Taken the opportunity to realign the Group, investing for long-term revenue and margin growth.
- Restructuring has brought improved efficiencies delivering clear upward trend in pipeline and margins.
- £5.2m solar contract signed with Spire Healthcare plc, the Group's largest to date – Solar revenue at 34% for H1 24.
- Strong sales pipeline growth 25% up in the Period.
- Investment in people and change in Board and management:
  - Nick Clark appointed to new role of Chief Operating Officer.
  - John Gahan appointed as Chief Financial Officer.
- H2 24 started with strong momentum:
  - Record quarterly revenue forecasted by management for Q3 of £9.2m.
  - Over 60% of forecast Q4 24 revenue already contracted.
- FY revenue guidance maintained.

# Business Model.

## Core Service



**Reduce**  
carbon and costs.

**Energy Reduction Services:** development and delivery of turn-key solutions.

**Product Basket:**

- ✓ LED lighting
- ✓ Lighting Controls
- ✓ Data Energy Analytics

**Focus:**

- ✓ Quality of product and Service

**Target gross margin**  
38%

## Growth Pillar



**Generate**  
clean energy.

**Energy Generation Services:** development and delivery of turn-key Solar PV solution.

**Product Basket:**

- ✓ Roof mount PV
- ✓ Ground mount PV
- ✓ Carport PV

**Focus:**

- ✓ Risk-managed quality solution

**Target gross margin**  
25%-30%

## Value Add Services.



**Charge**  
reliably and safely.

**EV Charging Services:** development and delivery of turn-key EV charging solutions.

**Product Basket:**

- ✓ 22kw fast chargers
- ✓ Management portal
- ✓ 24hr client support hotline

**Focus:**

- ✓ Quality of product and Service

**Target gross margin**  
25%-30%

## Finance.



Competitive, simple, flexible and compliant financing: Achieving energy savings without financial and logistic barriers.

## Data.



Data services: enabling scalable design, optimisation, management and reporting across portfolio energy infrastructures.

# Our Market.



## Market opportunity.

- New government is preparing to drive Net Zero more actively as one of its levers for growth.
- Substantial market opportunity as shown by two recent independent whitepapers:
  - **65% remaining** addressable market c. £2bn in education alone<sup>1</sup>.
  - **50% remaining** addressable market in the NHS alone for LED lighting<sup>1</sup>.
- Solar opportunity greater than previously anticipated.
- Thinly served market, with large barriers to entry.
- Differentiated capital free public sector solutions.

## Strong Long-term Growth Drivers.

- |   |  |
|---|--|
| • Favourable government policy and regulation.        | • Huge appetite and a shortened sales cycle for solar. |
| • Need for capital free solutions to unlock Net Zero. | • Volatile energy prices in the non-domestic market.   |
| • Turn-key decarbonisation solutions.                 | • Growing demand for energy consumption insights.      |

<sup>1</sup>Independent research

# Routes to Market.



## Consultative Direct Sales Team.

- Regional sales team working consultatively with inbound sales leads for:
  - Education | Healthcare | Public Sector | Commercial and Industry
- Direct sales bolstered by channel partner relationships and investment in frameworks.



## Framework Agreements.

- Pre-Approved for three Government Frameworks.
- Removed barriers to NHS healthcare projects
- Our framework capability complements our direct sales resources.



## Indirect/Channel Partners.

- Partners work directly with our designers and commercial teams freeing up our sales team and providing a richer experience of the customer.

## Simplified Public Sector Procurement Process.



### Frameworks explained.

A framework is a formal agreement between one or more public sector buyers and one or more suppliers. It involves a group of pre-approved suppliers who have been assessed and chosen to deliver a specified range of products or services. This arrangement allows suppliers to compete for certain contracts without the need for a full procurement process every time.

# H1 Transformation Highlights.

Disposal of Energy Management Division transformed the Group's Balance Sheet.

As a result, business restructure and investment to build a scalable platform for growth in Energy Services.

Completion and first drawdowns of £40m NatWest Facility.

Delivered strong pipeline growth (up 25% in period).

Development and implementation of system infrastructure to enable company to scale:

- Integrated Finance ERP system (NetSuite)
- Bespoke Operations and CRM platform (Salesforce and project management).
- Further investment in proprietary survey App to enhance automation.
- Frameworks software platform.
- Upscaled Solar team (Management & Technical) to facilitate 500% year-on-year growth.
- Full review of Group structure and Balance Sheet.

**We continue to invest in our People, Platforms, Operating Model and Pipeline.**

# H1 24 Financial Summary.

- Challenging H1 results impacted by constrained balance sheet and weak market conditions.
  - Core Revenue<sup>(1)</sup> of £6.0m, down from £11.0m<sup>(2)</sup> for H1 23.
  - £14.6m of contract value signed (up 11% from £13.2m<sup>(2)</sup> for H1 23).
  - Core Adjusted EBITDA<sup>(1)</sup> loss of £(2.0)m, down from £0.5m<sup>(2)</sup> for H1 23.
  - H1 operating cash flow reflects costs of separation, restructuring and investment in the Period.
- Management actions on pricing and supply chain driving strong improvement in product margins during Q2 24 and into H2:
  - Gross Margins impacted by temporary effects of balance sheet constraints and increasing share of solar revenues (19.2% for the Period, down from 32.5% for H1 23<sup>(2)</sup>)
  - LED now outperforming target of 38% and solar recovering towards target range
  - c. 50% improvement expected in H2 margins vs H1
- Exceptional costs of £2.2m include a charge of £1.9m in relation to the Energy Management Division disposal and separation (including investments in standalone technology and systems), together with costs related to review and simplification of the Group structure.

## Notes:

1. Core Revenue and Core Adjusted EBITDA relate to the underlying revenues and earnings of the continuing operations of the Group for the period. They exclude amounts related to the Energy Management Division, including pre-completion revenues and costs, and the accounting treatment of the disposal. They are stated before share-based payments and exceptional items. Exceptional items are those items which, in the opinion of the Directors, should be excluded in order to provide a consistent and comparable view of the underlying performance of the Group's ongoing business and include transaction-related items, restructuring and integration costs.

2. on a pro forma ie a like-for-like basis for the 6-months period to 30 June 2023, adjusted for the sale of the Energy Management Division.



- ✓ Blue-chip funding partner
- ✓ Ambitions to scale funding in this segment
- ✓ Unique and differentiated solution for the market
- ✓ Result of many years' developing a compliant, fundable product and achieving scale

## For every £1 m drawn down:

- c. £150k effective cash investment
- £300k plus share of future cash flows
- c. £100k additional margin

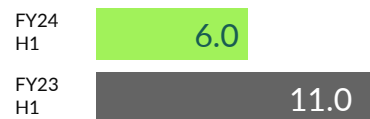


# H1 FY24 Financial Highlights.

## Core Revenue<sup>1</sup> £m

**£6.0m**

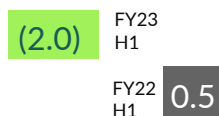
Down 45% (pro forma<sup>2</sup> H1 FY23 : £11.0m)



## Core Adjusted EBITDA<sup>1</sup> £m

**£(2.0)m**

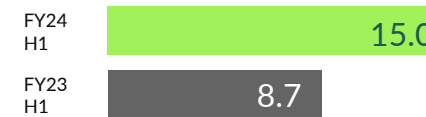
(pro forma<sup>2</sup> H1 FY23 : £0.5m)



## Forward Order Book £m

**£15.0m**

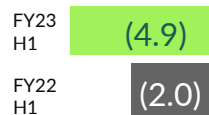
Up 72% (pro forma<sup>2</sup> Jun 2023 : £8.7m)



## Loss Before Tax £m

**£(4.9)m**

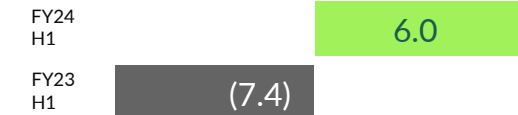
(H1 FY23 : £(2.0)m)



## Net Cash £m

**£6.0m**

(31 Dec 2023 : £(7.4)m Net Debt)



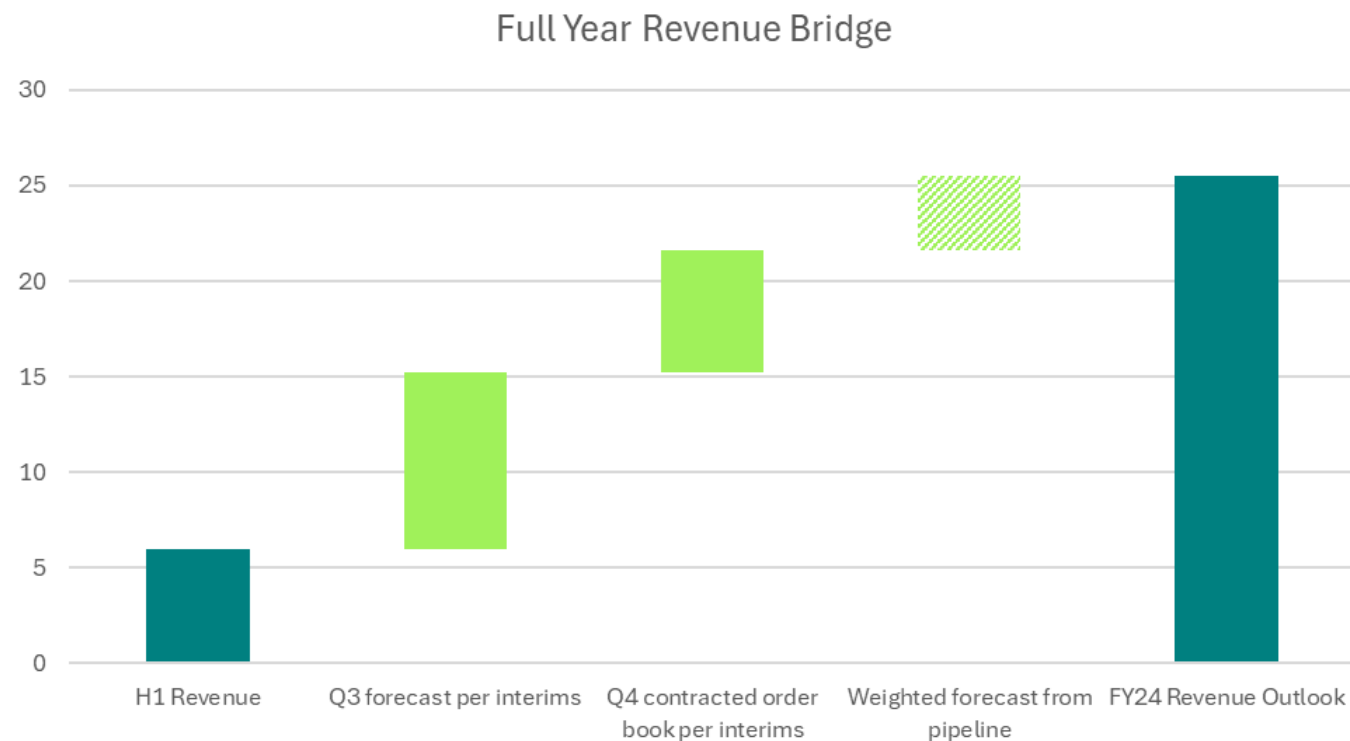
### Notes:

1. Core Revenue and Core Adjusted EBITDA relate to the underlying revenues and earnings of the continuing operations of the Group for the period. They exclude amounts related to the Energy Management Division, including pre-completion revenues and costs, and the accounting treatment of the disposal. They are stated before share-based payments and exceptional items. Exceptional items are those items which, in the opinion of the Directors, should be excluded in order to provide a consistent and comparable view of the underlying performance of the Group's ongoing business and include transaction-related items, restructuring and integration costs.

2. on a pro forma ie a like-for-like basis for the 6-months period to 30 June 2023, adjusted for the sale of the Energy Management Division.

# Year to go outlook.

- H1 Strong sales demonstrated market recovery.
- Strong Q3 expected with record quarterly revenue forecasted of c. £9.2m.
- Over 60% of forecast Q4 24 revenue already contracted.
- Advance legal or contracted weighted pipeline of c. £3-£4m.
- Maintaining full year revenue guidance of £25-£26m.



<sup>1</sup> Data as at 27<sup>th</sup> September 2024.

# Summary and outlook.

---



## Market.

- Race to 2030, an explosive market opportunity over the next six years.
- Strong and accelerating pipeline.



## Financing.

- Leverage of financing capabilities, including NatWest.



## Competition.

- Lack of competition due to high barriers to entry.
- Pivot to healthcare and frameworks.



## Operational Platform.

- Continue to invest in team and contractors.
- Platform, technology, and systems to help scale.
- Continue to invest in team and contractors.

# Our customers save money by:

Using less.

Using greener.

Using smarter.



Crown  
Commercial  
Service  
Supplier

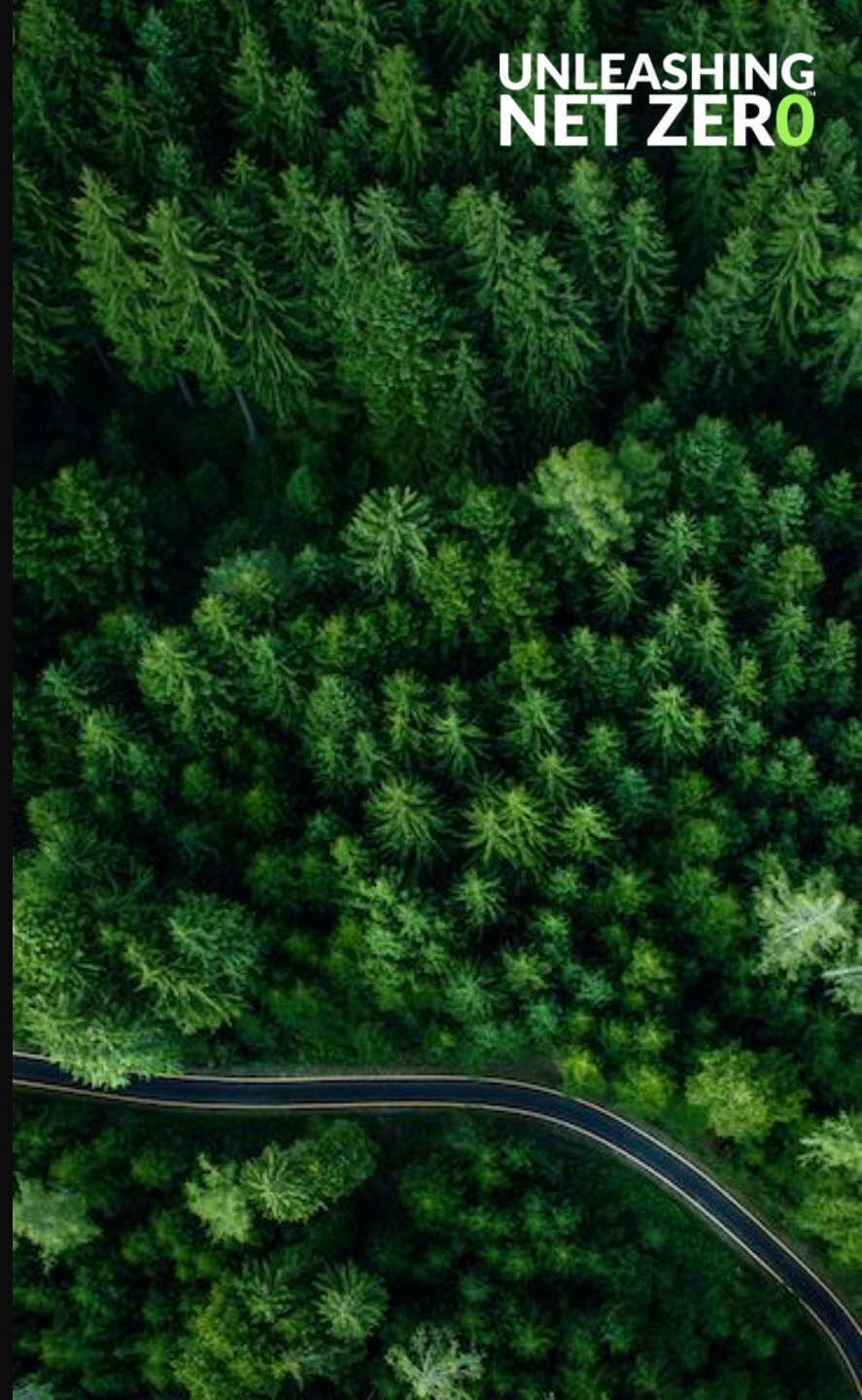


Funding Partner  
 NatWest

# Questions.

 eEnergy

UNLEASHING  
NET ZERO



# Disclaimer.

---

*Some statements contained in this presentation or in documents referred to in it are or may be forward-looking statements. Actual results may differ from those expressed in such statements, depending on a variety of factors.*

*Past performance of eEnergy Group plc or its shares is not a guide to future performance. Any forward-looking information contained in this presentation has been prepared on the basis of a number of assumptions which may prove to be incorrect, and accordingly, actual results may vary.*

*This presentation does not constitute, or form part of or contain any invitation or offer to any person to underwrite, subscribe for, otherwise acquire, or dispose of any shares in eEnergy Group plc or advise to persons to do so in any jurisdiction, nor shall it, or any part of it, form the basis of or be relied on in any connection with or act as an inducement to enter into any contract or commitment therefore. No reliance may be placed for any purpose whatsoever on the information or opinions contained in this presentation or on its completeness and no liability whatsoever is accepted for any loss howsoever arising from any use of this presentation or its contents otherwise in connection therewith.*

*This presentation has been prepared in compliance with English law and English courts will have exclusive jurisdiction over any disputes arising from or connected with this presentation.*