



# IMC trading update, investor presentation.

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Harvey Sinclair & John Gahan

3<sup>rd</sup> February 2025



**UNLEASHING  
NET ZERO**

# Presentation team.

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**Harvey Sinclair**

**Chief Executive Officer**

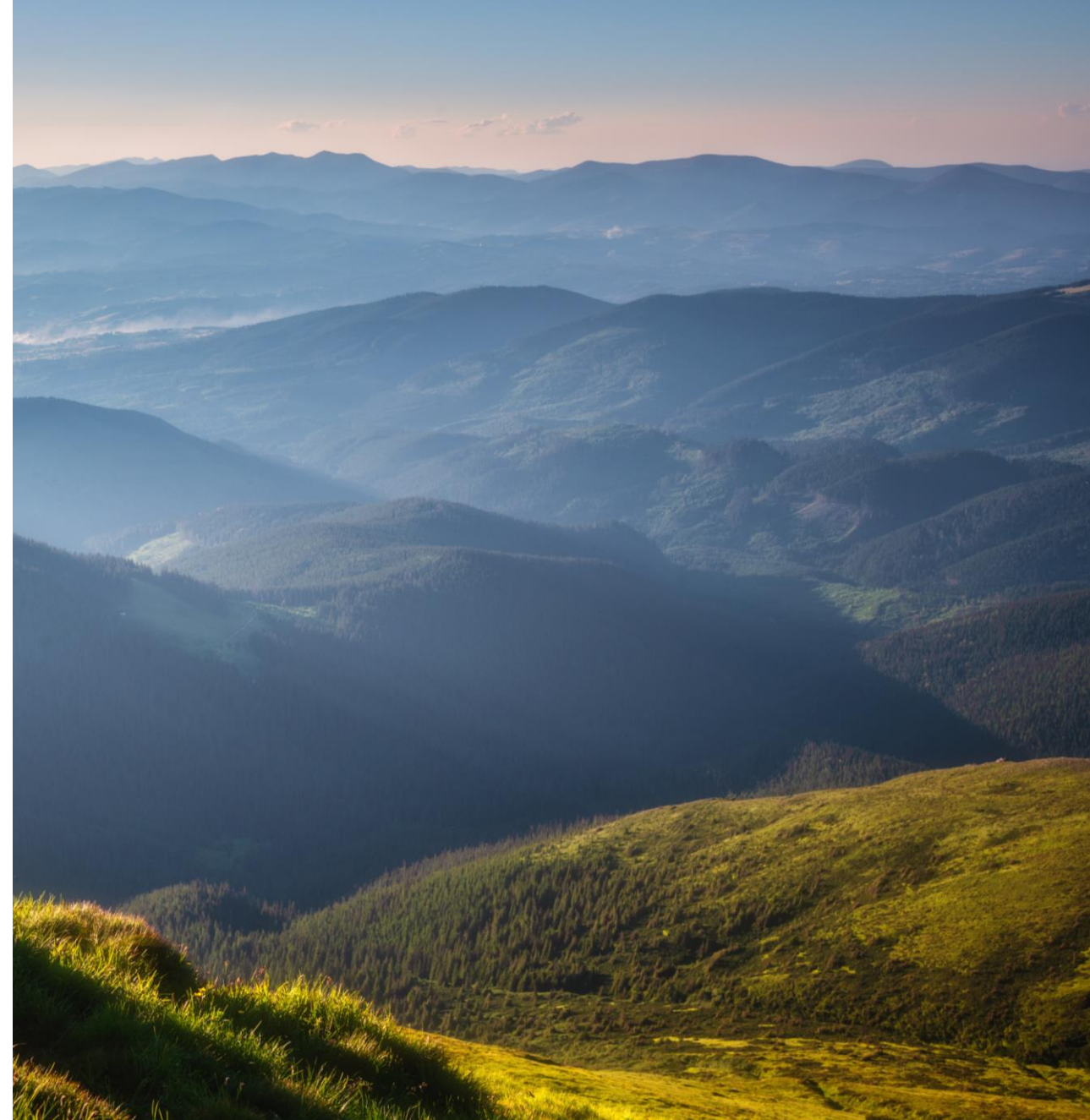
Harvey co-founded eLight in 2014 and is now CEO of eEnergy Group. He is a proven technology entrepreneur, who has successfully implemented high growth strategies and exits across a variety of different sectors; Software, Internet, ecommerce and in the Hospitality sector, in both the public and private markets.



**John Gahan**

**Chief Financial Officer**

John joined eEnergy in October 2024, bringing over 30 years of leadership and financial expertise in the energy and technology sector. He is a fellow of the Chartered Institute of Accountants of England and Wales and has held key roles at KPMG, as well as CFO positions in both private equity-backed and FTSE 100 companies.





- ✓ **FY Revenue £27.1m**
- ✓ **H2 Revenue £21.1m with EBITDA of £2.4m (12% EBITDA margin)**
- ✓ **Record pipeline generation**
- ✓ **Debt free balance sheet**

- Transformational year for the business
  - **FY revenue of c£27.1m**
  - **H2 revenue £21.1m and EBITDA £2.4m**
- **Momentum continues into 2025 with Q1 expected to be another strong quarter with contracted order book of £7.0m**
- **Strengthening of financial controls and sharper focus on operational performance**
- **Fixed cost base reduced. Focus on cash generation**
- **Wins announced in Q4 included appointment to the NHS Commercial Solutions Sustainable Estates Framework and a £975,000 tender award for LED lighting with Newcastle College Group**
- **UK Government investing in Net Zero via frameworks – eEnergy is now on five frameworks**

Note: 2024 figures subject to audit

# Significant market opportunity.

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## Government-backed growth.

- UK Net Zero policies driving regulatory and funding support (PSDS, NEEF, ESOS).
- Public sector mandates accelerating demand for energy efficiency.

## £2bn Education market.

- **65% of schools still untapped**, creating a major growth opportunity.
- Many universities have set **2030 Net Zero target**, ahead of the 2050 deadline.
- Rising energy costs forcing institutions to act.

## £5bn in NHS energy savings.

- **50% of the NHS estate** still requires upgrades, driving demand.
- NHS has set **Net Zero by 2040** for direct emissions under their control.
- **An estimated £5bn in cost-saving** and sustainability targets pushing adoption.

## High barriers to entry.

- **Complex procurement, frameworks**, and compliance limit new entrants.
- eEnergy's established track record offers a strategic advantage.

## Differentiated model.

- No CapEx required – enabling faster public sector adoption through our joint **NatWest compliant off-balance sheet funding model**.
- Tech-driven insights ensure maximum energy & carbon savings.

## Surging solar demand.

- **Energy price volatility** making on-site generation very attractive.
- Businesses & public sector aligning with ESG & Scope 3 commitments.

# Key growth drivers for 2025 and beyond.

1

## Government-backed Net Zero investments.

- UK frameworks are pumping funding into public sector.
- Fast-tracking projects for LED, Solar & EV.
- Policy tailwinds accelerating market expansion.

*Public sector funding unlocks large £1m+ projects.*

2

## Capital-free Net Zero solutions booming.

- Organisations motivated to decarbonisation without upfront investment.
- Asset-light models drive rapid adoption.

*Off-balance sheet funding fuels adoption and repeat business.*

3

## Data-driven energy optimisation in high demand.

- Real-time energy insights unlock immediate cost savings and efficiency gains.
- The UK Net Zero Research Framework backs AI-driven energy management.

*Smarter insights strengthen customer retention and margins.*

4

## Turn-key (EPC) solutions are the future.

- Organisations want seamless, all-in-one sustainability solutions.
- Full-service offerings boost customer lifetime value and accelerate project timelines.

*Key point of differentiation for eEnergy.*

5

## Solar adoption is rapidly accelerating.

- Cost to develop solar + cost of energy = inflexion point for solar.
- Market dynamic shifting from early adopters to widespread commercial adoption.

*Shorter sales cycles and growing demand are fuelling revenue growth.*

6

## Expansion into Universities and NHS Trusts

- Pivot to large scale projects.
- Access via partner and frameworks.
- £1m+ accounts pivot P&L.

*Strong pipeline of £1m+ projects.*

**Public Sector budget pressures are fuelling Net Zero uptake.**

# Routes to market in 2025.

1



## Direct sales team.

- Doubled size of sales team
- New regional approach
- Expanding into further education and Universities
- Replicating education model into healthcare/NHS through frameworks

Consultative sales approach helping navigating customer governance.

Core

2



## Strategic bids and frameworks.

- Dedicated bid team with broad technical expertise
- Approved on five public sector frameworks for education and NHS opportunities

Streamlined sales cycle through director award contracts.

Growth

3



## Partner network.

- Partnership model for commercial & industrial sector drives multi-site revenue opportunities
- £1m+ opportunities

Partnerships frees up our sales team to focus on inbound enquiries.

Emerging

## Target sectors.

- **Education**  
Schools, colleges and universities
- **Healthcare**  
NHS and private hospitals
- **C&I**  
Manufacturing, Warehousing etc

# Pipeline growth.

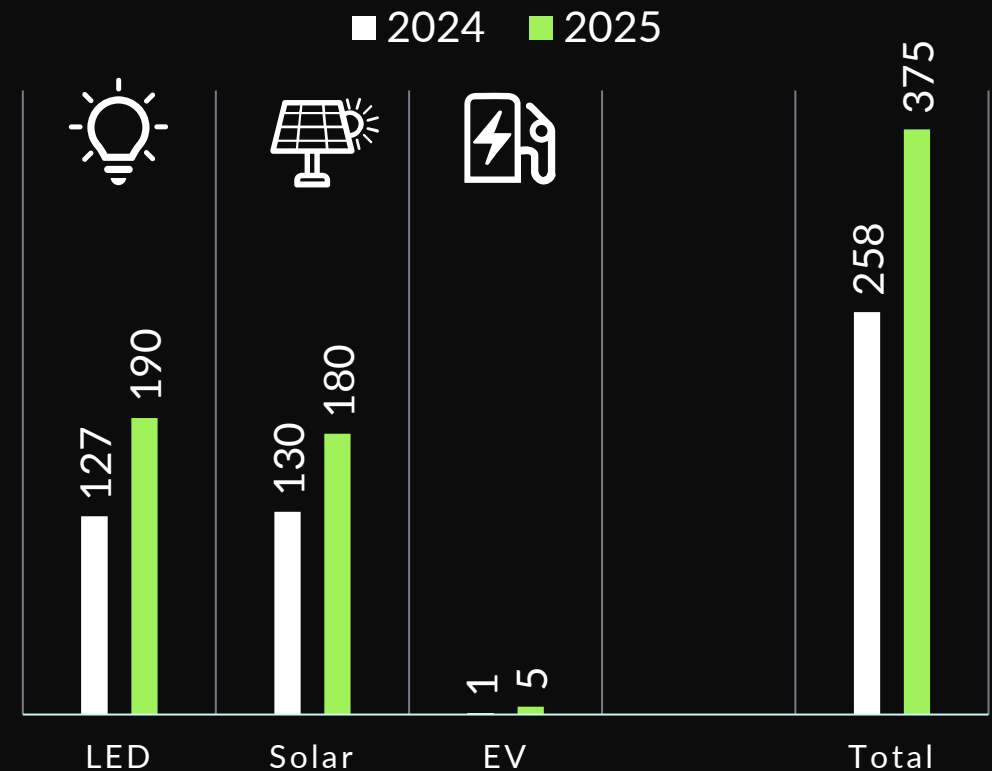
## Pipeline growth.

- Pipeline has grown 45% YoY (£258m to £375m)
- 26% of pipeline (£98m) at investment grade proposal
- £75,000 average LED proposal
- £175,000 average Solar proposal
- 33% of 2024 contracts from existing customers

## Sustained growth into Q1 2025.

- H2 revenue result of H1 pipeline growth
- H2 delivered record pipeline generation
- Strong momentum into H1 2025
- 55% conversion of proposals
- Q1 Contracted revenue £6m+ (H1 2024 = £6m)

## Total pipeline value £m.



# Accounting adjustments to FY2023

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New financial leadership identified three non-cash adjustments that impact FY2023:

- **£2.8m revenue and £1.4m gross profit adjustment** to align revenue recognition with FY2024 reporting
- **£2.0m reclassification** to remove historic project accounting balances from the December 2023 balance sheet
  - In total, FY2023 revenue is reduced by £4.8m (£2.8m+£2.0m) and gross profit is reduced by £3.4m (£1.4m+£2.0m)
  - Of the FY2023 adjustments, **£2.8m** of revenue and **£1.4m** of gross profit is recognised in FY2024
- **£2.1m exceptional charge** into FY2023 for the write-off of unrecoverable debtors, primarily related to the Energy Management business

More disciplined approach around revenue recognition and project accounting

All accounting adjustments subject to audit

*\* FY24 results and accounting adjustments subject to completion of audit process*



# FY 2024 results\*

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## Results in line with market expectations.

- Revenue increased by £14.4m to £27.1m
- Adjusted EBITDA increased by £4.0m to £0.4m

## H2 2024 – Strong organic growth.

- Revenue £21.1m, up over 100%
- H22024 Adj. EBITDA £2.4m
- c12% EBITDA margin

## £4.2m exceptional charges.

- Cash cost of exceptionals circa £3.6m
  - EM Transaction / deal costs / restructuring / closing Ireland
- Not expecting exceptional charges in FY2025

## £2.3m net cash.

- FY2023: net debt of £7.3m
- Post June 2024:
  - £1.1m invested in NatWest funded deals = circa £1.7m in cash over 7-10 years
  - £0.4m invested into eEnergy platforms and systems improvements
  - Significant fixed cost reduction in H2 – **we expect to be cash positive in H12025**

\* FY24 results and accounting adjustments subject to completion of audit process

# Operations and controls.

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- **Investment in systems and processes to enhance P&L operational gearing & Cash Generation**
  - Project Gross margin upside
  - Enhance Net cash flow
- **Operating model efficiency plan underway to drive Cash Generation**
  - Vendor contractual terms review as our business scales
  - Looking to drive cost efficiencies and long-term value creation
- **Overall objective: Improve profitability and cash flow**
  - Finance is working much more closely with Operations

# Current trading outlook.

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The Board is confident that the business will deliver significantly improved EBITDA and cash generation in FY2025.

## Strong financial and operational performance.

- Record-high contracted forward order book of £7.0m, reflecting strong market demand and execution.
- Expect positive EBITDA for H1, traditionally the slower half of the year, demonstrating improved financial performance.
- Strategic focus on higher education and healthcare across both public and private sectors, capitalising on significant market opportunities.
- Operational efficiencies and tighter cost controls driving gross margin improvements, enhancing profitability and sustainability.
- Profitability on an upward trajectory, driven by operational efficiencies and disciplined cost management.
- Strong financial position with debt-free balance sheet, ensuring long-term resilience.

## Summary: Strong and accelerating pipeline +45% of £375m (2024: £258m)

**H2**

### Record H2

- Previously announced strong sales pipeline delivered record quarterly revenue and EBITDA in both Q3 and Q4



### Market

- Race to 2030 for education and 2040 for the NHS has created an explosive market opportunity over the next five years
- Strong and accelerating pipeline

**#1**

### Leader in Sector

- Extending into colleges and universities as the #1 brand Net Zero partner in the Education sector
- Pivot to healthcare and frameworks
- High barriers to entry

**25**

### Strong start to 2025

- Momentum continued with Q1 expected to be another strong quarter with contracted revenue order book of £7m
- Debt free balance sheet excluding lease liabilities



### Off-balance sheet funding

- Differentiated funding products
- Leverage our funded offering to cash constrained customers



### Operational Platform

- Continue to invest in proprietary technology
- Optimise systems and processes
- Project Margin focus
- Cash generation focus

# Our customers save money by:

Using less.

Using greener.

Using smarter.



Crown  
Commercial  
Service  
Supplier



Funding Partner  
 NatWest

# Questions?

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# Appendix

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