eEnergy

Driving Net Zero through innovation and technology

James Tetley

September 2023

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28th September 2023

eEnergy is a leading B2B energy services business in the UK, supporting c.2,000 clients with their energy strategies across public and private sectors. We believe the energy crisis has combined with the Net Zero agenda to create a tipping point for action on energy security, costs, consumption and waste. After three years of significant growth and investment since listing on AIM, eEnergy looks ideally placed to play a leading role in the Net Zero transition. This is underpinned by a compelling proposition, which delivers energy efficiency upgrades that are paid for by the savings generated. Today's interims to 30th June (12-month period) confirm the continuing strength of demand, which we expect to drive sustained EBITDA growth and an improvement in free cashflow (estimated 10% free cash flow yield from 2025). In our view, medium term growth prospects are highly attractive and are not reflected in a very modest £20m market cap. We initiate coverage with a Fair Value estimate of 13p per share.

Track record of significant organic and acquisitive growth

Over the past three years, revenue has grown from £4.5m to £33.2m (12 months to June), split evenly between organic development and acquisitions. We expect this trajectory to be sustained, given positive demand drivers and the Group's own initiatives, supported by a market leading technology offering, and attractive funding options for clients. This week has seen a significant £1.9m revenue contract win for eSolar (with Tudor Grange Academies Trust).

Net Zero now an established pillar of corporate strategy

Net Zero is now an established pillar of corporate strategy, which should represent a significant tailwind for eEnergy over the next few years. The experience of the energy crisis has made energy resilience an even greater priority, with businesses increasingly looking to eliminate waste, reduce consumption and to explore on-site generation to reduce reliance on the grid.

Excellent growth credentials, modest valuation

eEnergy has an excellent track record of growth and the building blocks are in place to add further scale under an experienced and ambitious leadership team. Management is focused on improving cash generation to enable the business to pursue larger project opportunities as they arise and the Board is reviewing strategic options to further strengthen the balance sheet to support future growth. A modest P/E ratio (7.7x falling to 6.3x in FY24/FY25) appears to overlook the growth trajectory, with EBITDA expected to increase by 41% in 2023 and 30% in FY24 without factoring in the potential for M&A. **A 7.5x EV/EBITDA rating would suggest Fair Value of 13p per share.**

Key Financials & Valuation metrics (Annualised to Dec)

Year-end Dec, £m	2021A	2022A	2023E	2024E	2025E
Sales	16.3	27.6	37.1	45.0	50.0
EBITDA	1.3	3.7	5.2	6.8	8.0
Adjusted PBT	0.6	2.5	2.4	4.2	5.2
FD EPS (p)	0.3	0.6	0.6	0.7	0.9
DPS (p)	0.0	0.0	0.0	0.0	0.0
Net Cash/(Debt)*	-1.0	-6.9	-7.2	-5.7	-3.7
Net Cash/(Debt)**	-0.4	-6.2	-6.5	-5.0	-3.0
P/E	19.6x	9.8x	9.7x	7.7x	6.3x
EV/EBITDA	16.6x	7.2x	5.2x	3.8x	3.0x
EV/Sales	1.3x	1.0x	0.7x	0.6x	0.5x

*Source: ED analysis, all numbers IFRS 16 basis * including leases ** excluding lease, Share price at COB 26/09/23*

Company Data

EPIC	EAAS.L
Price (last close)	6p
52 weeks Hi/Lo	8p/3p
Market cap	£20m
ED Fair Value/share	13p
Proforma net cash/ (Debt)	(£7.2m)
Avg. daily volume	1,400

Share Price, p

Source: ADVFN

Description

eEnergy is a leading energy services company, helping corporate and public sector clients to achieve their Net Zero goals profitably. The business listed on AIM in early 2020 and has delivered significant revenue and EBITDA growth since then through a combination of M&A and organic progress, reflecting positive underlying market drivers.

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Contents

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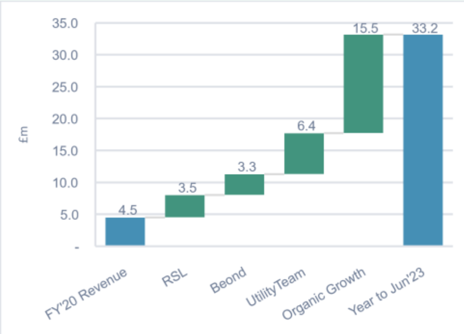
Introduction to eEnergy

eEnergy is a leading B2B energy services business, supporting c.2,000 clients with their energy strategies across public and private sectors. In our view, the energy crisis has combined with the Net Zero agenda to create a tipping point for action. eEnergy's offering has expanded considerably over the past three years from LED lighting upgrades with no upfront capital commitment to encompass energy procurement, data monitoring and analysis, onsite solar generation and EV charging. This reflects the scope of management's ambition and the rapid development of the market in terms of technology and the Net Zero agenda.

Revenue progression (£m) 2020 to 2023



Source: Company, ED analysis

Electricity price – tipping point for action

Source: Ofgem – electricity prices

Investment Highlights

- Net Zero + Energy Crisis = tipping point for action
- Business has been scaled impressively in three years – a top 5 B2B energy services company with a strong client list
- Large addressable market presents significant organic growth opportunity (<5% market share in Energy Management)
- Strong customer loyalty (c.85% renewal rate)
- Cross-selling opportunity, particularly Energy Services to Energy Management customers

Risk Factors

- Legacy cash payments impacted liquidity in early FY'23, cash generation now improving
- Growth plans (organic and acquisitive) dependent on availability of funding
- Energy market subject to short term shocks, particularly in recent years
- Increasing regulation of energy procurement/ TPI market (eEnergy a potential beneficiary)
- Relatively low market capitalisation and liquidity in the shares

Forecast Drivers

- Healthy £27.5m order book (£14.1m for delivery in six months to Dec '23)
- eSolar projects driving Energy Services growth
- Client retention to underpin steady growth in Energy Management
- High single digit to double digit organic growth looks sustainable
- Gross margins consistently 40%+, and EBITDA margin in mid-teens
- M&A likely to supplement organic growth

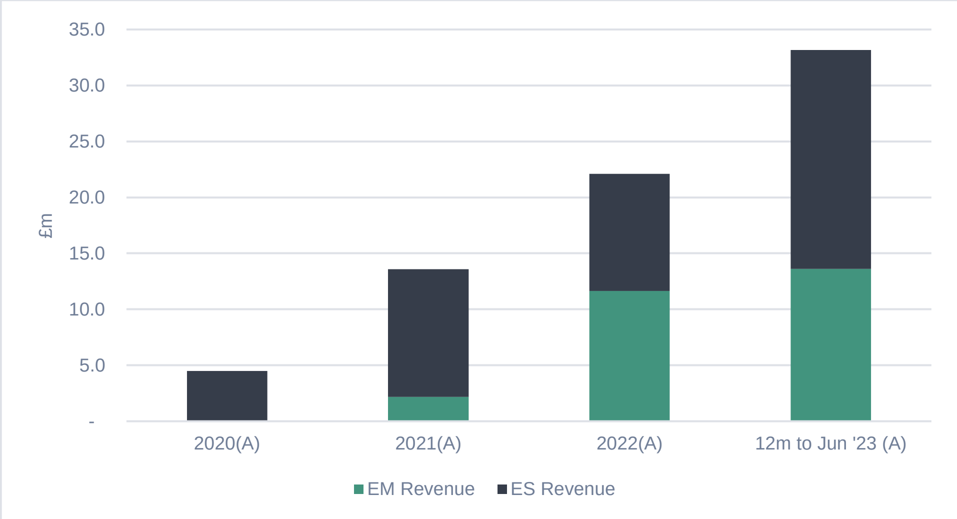
Valuation Overview

- Few directly comparable listed peers
- We look to a basket of related business within smart meters, energy services, LED lighting and renewable energy supply
- Appropriate to look to FY24 (Dec year-end) as the basis for valuation
- Given growth trajectory and potential, a mid-teens P/E seems achievable, although market ratings currently subdued.
- Near term focus on investment in growth opportunities (not dividend paying)

Company overview

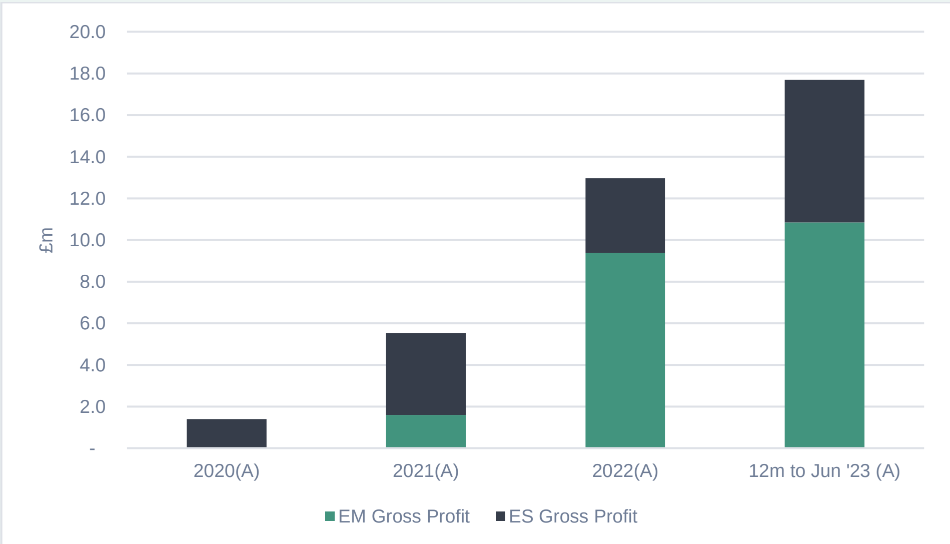
eEnergy is a technology enabled energy services company. It helps its clients to achieve their Net Zero goals profitably. It does this by designing, funding and implementing energy efficiency projects (**Energy Services**); and by advising on energy procurement and the transition to clean energy as well as monitoring energy usage and designing strategies to reduce waste (**Energy Management**). At the time of its listing, eEnergy was purely focused on its eLight business within Energy Services but with a strategy to build a much larger integrated energy services group. Energy Management was added by acquisition and the two divisions are now of similar importance in terms of gross profit contribution (see charts below). Energy Services is growing faster than Energy Management and is likely to become the more dominant division over the medium term. In terms of the market backdrop, the energy crisis has increased the urgency with which organisations seek to eliminate energy wastage and reduce consumption. Through the growth of recent years, the Group now works with some 2,000 clients.

Revenue by division FY'20 to year to Jun '23



Source: Company, ED analysis

Gross profit by division FY'20 to year to Jun '23

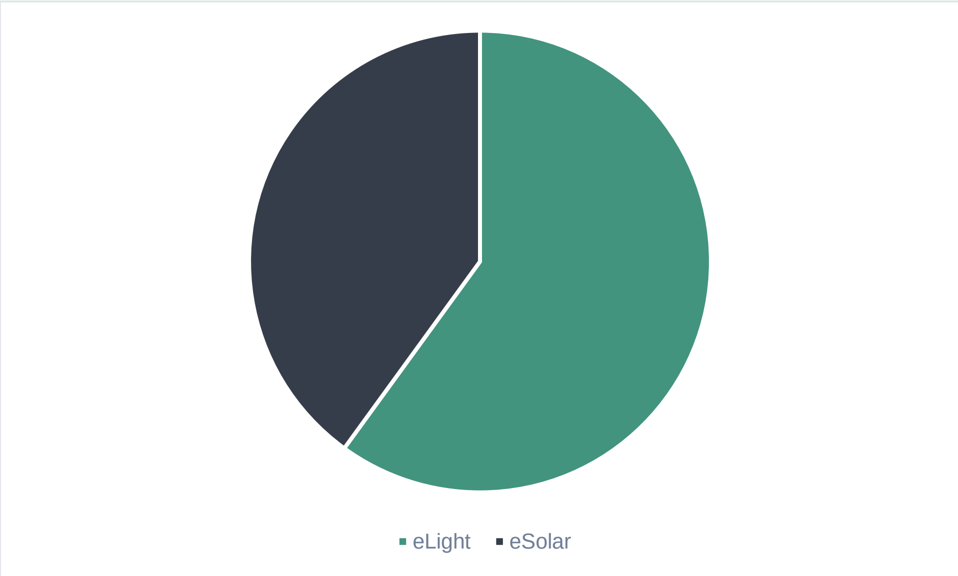


Source: Company, ED analysis

Energy Services

Energy Services helps clients to reduce their energy consumption by switching to energy efficient technologies via a capital-free funding model. The original eLight business is the largest revenue contributor in this division, but we estimate that eSolar already accounts for c.40% of divisional revenue (at current run rate), despite only launching in September '22. This highlights the rapid growth potential of new product areas, as well as management's successful identification of market trends and cross-selling opportunities. This week's contract win for eSolar (with existing client Tudor Grange Academies Trust/ TGAT) is a good example of this and will be worth £1.9m in revenue to eEnergy across FY23 and FY24.

Energy Services – Revenue breakdown by service (current run rate)



Source: Company, ED analysis

Case studies (Click):

Knight Frank

Blackpool Football Club

COGNITA
An inspiring world of education

Gleneagles

Light as a Service – eEnergy's original offering

The core business at the time of eEnergy's listing in Jan '20 was Energy as a Service and, specifically, Light as a Service, providing LED upgrades to schools. The EaaS model enables customers to access energy efficiency upgrades by removing the barrier of a high up front capital commitment. Instead, customers pay a service fee, which is more than funded by the energy savings achieved. The initial service contract is typically for a five-to-seven-year period, after which the customer continues to access the energy savings with no ongoing fees to pay. "Light as a Service" replaces ageing or redundant lighting with LEDs, typically resulting in an 80% energy and cost saving.

The "as a service" funding model is particularly well suited to the education sector, given that <25% of schools are estimated to have upgraded to LED lighting, given competing demands for limited resources. Up to 50% of a school's electricity bill can relate to lighting. There are currently over 25k state schools in the UK and over 2k independent schools. Management has estimated an addressable market within education alone of >£1.5bn. The typical contract value for a school is £100k+, but the value of an upgrade across multiple sites (e.g. for academies or learning trusts) can be significantly higher.

Through direct relationships with European OEMs, eEnergy is able to price competitively, whilst achieving an attractive margin. eEnergy uses a network of qualified electrical subcontractors to carry out the lighting upgrade.

LED lighting has multiple advantages over traditional incandescent or fluorescent lighting in terms of energy reduction, cost savings, longer life/lower maintenance and better light quality. These are becoming increasingly well understood and indeed governments around the world have passed measures to phase out incandescent lightbulbs in favour of more energy efficient options such as LEDs (typically a 75% to 80% saving from LED lighting compared to traditional lighting).

eSolar – expanding the "as a service" offering to on-site generation

eEnergy launched eSolar, its in-house Solar PV System offering, in September '22. eSolar helps organisations to rapidly deploy on-site energy generation, on a capital-free basis. The economics of the offering are compelling, with the implied costs of on-site solar energy now more than 50% cheaper than the equivalent cost of buying from the grid.

The Group has seen strong appetite for the eSolar offering from new and existing customers, resulting in 29 MW of projects being secured at heads-of-terms at 30th June 2023. We see this as a significant growth driver over the next 18 months, albeit at a lower gross margin than the eLight offering.

eSolar is an end-to-end solution, covering design, specification, installation and ongoing maintenance, within a capital free solution for the client. Funding options for onsite solar include operating leases (no upfront cost, fixed 10-year payment plan), Power Purchase Agreements (PPAs) or straight Capex. PPAs involve purchasing solar-generated power at a fixed rate, providing long-term energy cost stability.

eEnergy announced a significant eSolar contract this week with Tudor Grange Academies Trust. The total contract value is £3m, resulting in £1.9m revenue to eEnergy across FY23 and FY24

The PPAs are funded by a panel of funding partners. Removing the capex barrier enables a fast and efficient turnaround to accelerate the sales cycle from pitch to installation. Installations from heads-of-terms agreement is approximately 4-6 months.

Under the contact announced this week with TGAT, a leading Multi Academy Trust of 12 schools based in the West Midlands, eEnergy is providing fully funded onsite solar energy generation to an existing customer. The 10-year service agreement is a financed solution which requires no upfront investment for the customer, providing significant long-term savings. As a result of this project, alongside other services provided by eEnergy, TGAT is expected to be able to self-generate 30.5% of its energy needs and, in addition to these savings, be able to export unused energy to the grid for additional income.

eCharge – cross selling opportunity for public sector EV charging network

eCharge

eEnergy announced an agreement in March '22 with EO Charging to create the UK's largest public sector charging network. eEnergy's "eCharge" brand has the potential to install at least 50,000 EV chargers across the UK education sector (and wider public sector) by 2030, adding another leg to its existing energy efficiency services offering.

The eCharge proposition differs from eLight and eSolar in that it is not offering customers an immediate saving (it does not "pay for itself" like the Energy as a Service energy upgrades). The proposition is more about helping clients with their wider Net Zero strategy.

Although revenue from eCharge is likely to be modest in the near term, we consider this another attractive medium term growth driver, given the clear cross selling opportunity and the need for accelerated investment in charging infrastructure to facilitate the mass adoption of EVs across the UK.

Funding partners support growth ambitions

eEnergy is now working with a range of funding partners able to fund all customer and product types. Off balance sheet funding has been secured for the first batch of MY ZeERO eMeters with the first drawdowns against this facility being made since June '23. In addition, a funding partner (Solas) has been secured for eSolar projects allowing partial drawdown of funding at the start of the projects. This is expected to improve the working capital profile on funded eSolar projects.

Energy Management

eEnergy moved into Energy Management in FY'21, having identified effective energy procurement and data monitoring as a key element of a client's energy strategy. eEnergy operates as a Third-Party Intermediary (TPI). TPIs help customers negotiate energy contracts with energy suppliers and range from small "mom and pop" brokers to sophisticated energy consultants.

Ofgem:

The TPI sector, including energy brokers, are a critical component of the energy market, providing businesses with important support to find energy contracts that best suit their circumstances.

Corporate energy contracts are far more complex than domestic energy contracts, covering multiple meters potentially across several sites and even regions. Contracts are typically fixed-price for three to five years and represent one of the most significant single costs for many organisations. Clients are therefore increasingly looking for advice rather than simply the best unit price and this benefits genuine energy management and consultancy businesses like eEnergy over the smaller energy brokers.

The government (Department for Energy Security & Net Zero) has been carrying out a review of the role of TPIs in the retail energy market. This is in part a response to instances of poor practice in the industry, which is not subject to specific regulation. eEnergy's strategy is to build long term relationships as a trusted adviser to its clients, with a view to creating significant lifetime value. We would therefore expect eEnergy to be a potential beneficiary of further regulation in contrast to smaller, more transaction-focused TPIs. For the July 2023 responses to this review, click: TPIs in the retail energy market.

Cross-selling is a major focus, helping e-Light customers to source energy more cost-effectively and, perhaps more meaningfully, offering energy efficiency upgrades through Energy Services to existing Energy Management customers. **eEnergy competes with Inspired plc in this area (amongst others). The fragmented energy procurement market is estimated to be worth c. £400m**, suggesting eEnergy has a <5% share, whilst the wider energy consulting market eEnergy is addressing is estimated to be worth some £1.5bn.

Division created through two key acquisitions

The acquisitions of Beond and then UtilityTeam marked the Group's entry to the Energy Management (procurement and consulting) market.

Beond is an energy consulting and procurement business with a particular focus on renewable energy. It is highly regarded in its industry, has an excellent track record of revenue growth and an impressive client list (corporates within industrial and commercial sectors and public sector). Beond's mission statement is **"Helping our clients achieve their ambitions while contributing to a carbon free world."** It helps its customers source the most suitable and sustainable energy at the best price. A key point of differentiation is Beond's proprietary technology platform, which is used to run "reverse energy auctions" for clients.

UtilityTeam provides comprehensive energy management, consultancy and procurement services to industrial and commercial (I&C) clients with a particular focus on large, complex, multi-site portfolios. It is a well-established business serving a market that is growing strongly as customers seek to reduce energy costs and implement Net Zero initiatives. UtilityTeam broadened eEnergy's service offering and brought 800 new customers into the Group.

MY ZëERO

My ZeERO – smart metering to support both divisions

eEnergy added My ZeERO to its technology offering through the acquisition of eEnergy Insights Ltd (EIL). The MY ZeERO smart metering and analytics platform is an important differentiator, offering clients a next generation intelligent smart meter, which helps to monitor consumption and identify areas of focus (whether in terms of changing behaviour or implementing energy efficiency projects).

Corporate history – building a leading energy services company

The three years since eEnergy's admission to trading on AIM has been an extremely busy period in terms of corporate development through acquisition and organic investment in the Group's service offering. Whilst the Group's initial focus was on LED lighting upgrades (through Light as a Service), it now offers a broad range of services to clients, including clean energy procurement, monitoring and data analysis, on-site solar generation and EV charging infrastructure. This broader offering has positioned eEnergy as a leading partner for businesses and public sector organisations seeking to advance their Net Zero strategies, whilst reducing energy consumption and cost.

The table below shows just how busy the Group has been over the past three years, set against the backdrop of COVID (the UK was in lockdown within three months of the Group's admission to trading) and the energy crisis.

Key events

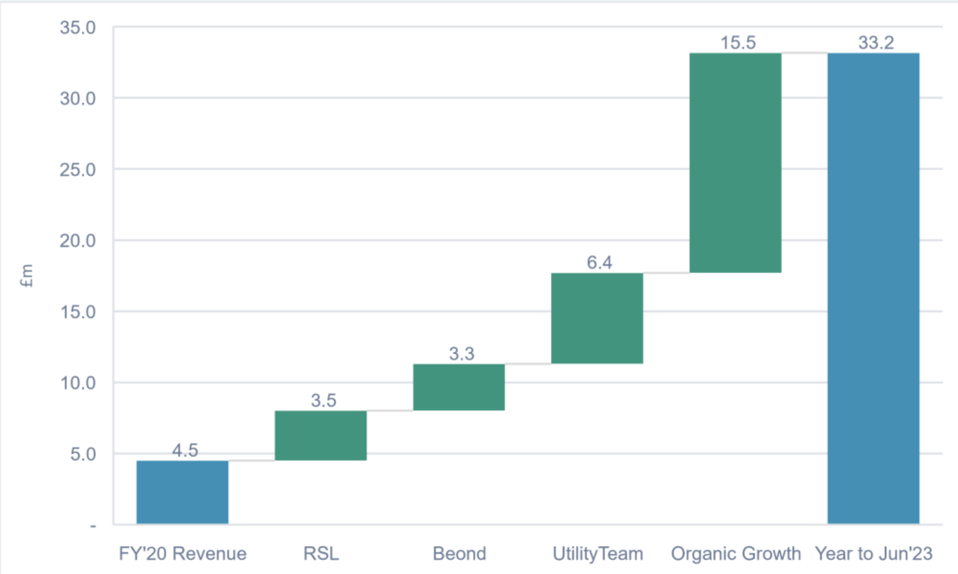
Date	Event
26/09/2023	Onsite solar generation contract with TGAT, total contract value £3m
10/08/2023	Increase in ownership in Smart Metering business (to 100%)
27/07/2023	Trading update - Board is confident in trading outlook for remainder of FY23 and beyond
22/06/2023	Change of Accounting reference date (to 31st December year-end)
07/06/2023	New €5m project funding agreement with Solas Capital for LED projects in Ireland
28/03/2023	Appointment of John Foley as Non-Executive Chairman
25/11/2022	Preliminary results and issue of secured bonds and warrants (additional funding)
27/09/2022	Launch of eSolar
28/07/2022	Issue of Shares for UtilityTeam earnout
31/05/2022	Increase in ownership in Smart Metering business
04/05/2022	Trading update and change of CFO (appointment of Crispin Goldsmith)
13/04/2022	Additional €10m project funding agreement with SUSI Partners (extended to UK)
30/03/2022	Launch of eCharge (partnership with EO Charging)
18/02/2022	Debt refinancing (£5m with Silicon Valley Bank)
25/10/2021	Increase in ownership in Smart Metering business
15/09/2021	Acquisition of Utility Team
22/06/2021	Further investment in Smart Metering business
14/06/2021	Appointment of Crispin Goldsmith as Chief Strategy & Commercial Officer
19/04/2021	Investment in Smart Metering business
11/12/2020	Acquisition of Beond Group
04/11/2020	Launch of Green Energy Initiative to help schools
19/10/2020	Exclusive IEM partnership with Venture Lighting
06/08/2020	New €15m Irish project funding agreement with SUSI Partners
01/07/2020	Acquisition of Renewable Solutions Lighting Limited
18/05/2020	Launch of COVID package for schools
09/01/2020	Admission to trading of eEnergy plc via Reverse Takeover

Source: Company announcements

Track record of significant organic and acquisitive growth

Over the past three years, revenue has grown from £4.5m to £33.2m (to June '23). We estimate that this growth has been very evenly split between organic development and contribution from acquisitions (£15.5m organic growth out of £29m growth in total over the period). We expect continued strong organic growth, given the positive underlying market drivers and the Group's own growth initiatives.

Revenue build (FY'20 to Year to Jun'23)



Source: Company, ED analysis

Over the past three years, revenue has grown from £4.5m to £33.2m. We estimate that this has been evenly split between organic development and acquisitions

Acquisitions have been an important growth driver and remain part of the future strategy, for instance for targets that would add new technologies or further broaden the service offering, subject to appropriate pricing and funding. Any future acquisitions would be incremental to our forecasts.

eEnergy's acquisition history to date is summarised in the table below. The first acquisition was Renewable Solutions Lighting Limited (RSL) for £2.2m. RSL extended the Group's Light as a Service offering within the state school sector, creating a UK market leader for the education sector. The subsequent, larger acquisitions of Beond and then UtilityTeam marked the Group's entry to the Energy Management (procurement and consulting) market whilst e. Insights was a small technology investment, which became the foundation for the Group's MY ZeERO metering business.

Acquisition history

Date	Target	Division	Initial Cost £m	Sales £m	EBITDA £M	EV/EBITDA*
15/09/2021	Utility Team	EM	15.9	6.4^	2.2	7.0x
19/04/2021	e. Insights (smart meters)	EM	0.1	n/a	n/a	n/a
11/12/2020	Beond	EM	8.2	3.3	0.5	10.0x
01/07/2020	RSL Limited	ES	1.0	3.5^	n/a	n/a

*Source: Company *Forward looking multiple ^In year one of EAAS ownership*

Net Zero + Energy Crisis = tipping point for action

In February, Prime Minister Rishi Sunak created a new Department for Energy Security and Net Zero, recognising "the significant impact rising prices have had on households and the need to secure more energy from domestic nuclear and renewable sources". Sunak's speech on Net Zero last week (see below) may have rowed back on some policies but Net Zero is already an established pillar of corporate strategy. This represents a significant tailwind for eEnergy and should drive strong organic growth over coming years.

UK Government commitment to Net Zero

Importantly, there is no change to the Government's Net Zero 2050 ambition and significant progress has already been made in reducing emissions and stimulating low carbon energy generation.

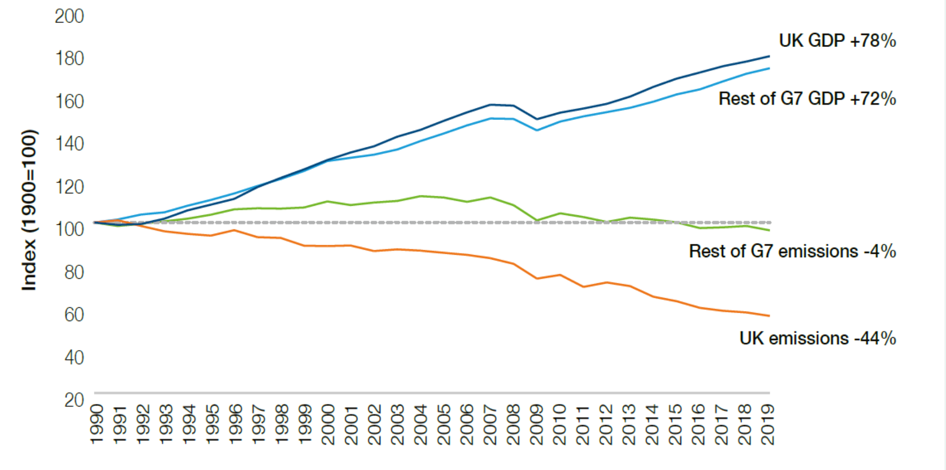
Rishi Sunak's speech on 20th September announced exemptions and delays to several of the government's previous environmental policies. Many of these are consumer facing rather than targeting businesses, such as delaying the ban on new petrol and diesel cars by five years to 2035 and exemptions to the ban on sale of new gas boilers in 2035. More positively, the boiler upgrade grant has been increased by 50% to £7,500.

The changes have been criticised by some corporate and environmental groups but have been presented by government as a pragmatic response to the cost-of-living crisis. Importantly, there is no change to the Government's Net Zero 2050 ambition and the speech highlighted the significant progress that has already been made in reducing emissions and stimulating low carbon energy generation (chart below).

Rishi Sunak speech on Net Zero - 20th September 2023 - Click here

Source: 10 Downing Street YouTube Channel

UK vs Rest of G7 GDP and GHG Emissions



Source: HMG Net Zero Strategy: Building back Greener October 2021

Net Zero already a central pillar of Corporate strategy

The commitment to Net Zero has rapidly risen up the corporate agenda over recent years, as companies have recognised its importance to all stakeholders as part of the broader ESG strategy. The table below lists the FTSE 100 companies with a defined Net Zero commitment within their Corporate Strategies.

FTSE 100 companies with Net Zero commitments in Corporate Strategy

Company	Target	Target Date
WPP	Net zero	2030
International Airlines	Net zero	2050
National Grid	Net zero	2050
Reckitt Benckiser	Net zero	2040
SSE	Net zero	2050
United Utilities	Net zero	2030
Rolls-Royce	Net zero	2050
Unilever	Net zero	2039
AstraZeneca	Carbon negative	2030
Vodafone	Net zero	2030
Tesco	Net zero	2050
GlaxoSmithKline	Net zero	2045
Sainsbury's	Net zero	2035
BT Group	Net zero	2041
Coca-Cola European Partners	Net zero	2040
HSBC	Net zero	2050
British American Tobacco	Net zero	2050
Rio Tinto	Net zero	2050
Barclays	Net zero	2050
Legal & General	Net zero	2050
Royal Bank of Scotland	Net zero	2050
Aviva	Net zero	2040
BP	Net zero	2050
M&G	Net zero	2050
Schroders	Net zero	2050
Morrison Supermarkets	Net zero	2040
Melrose Industries	Net zero	2050
Marks & Spencer	Net zero	2040
Lloyds Banking Group	Net zero	2030
Standard Chartered	Net zero	2030
Imperial Brands	Net zero	2040
Compass	Net zero	2030
Associated British Foods	Net zero	2050
London Stock Exchange	Net zero	2040
St. James's Place	Net zero	2022
Segro	Net zero	2030
RSA Insurance Group	Net zero	2050
Persimmon	Net zero	2040
Berkeley Group Holdings	Net zero	2040

Source: Net Zero Tracker. Energy & Climate Intelligence Unit, Data-Driven EnviroLab, NewClimate Institute, Oxford.

As a leading integrated energy services business in the UK, eEnergy is well positioned to support its clients on this journey. The graphics below illustrate the breadth of the Beond and UtilityTeam client bases across private and public sectors (from the time of the acquisition of the two businesses). This is obviously a very small selection of the Group's clients. Energy Management relationships tend to be long term, often generating repeat business over many years.

Selection of Beond clients at the time of acquisition

Source: Company website

Selection of UtilityTeam clients at the time of acquisition

Source: Company website

Energy Crisis – a lasting impact

The energy crisis, initially triggered by the invasion of Ukraine in early 2022, has had a significant and lasting impact on consumers, businesses and the public sector in terms of the direct increase in energy costs and the knock-on impact on inflation, which remains several times above the government's 2% target.

Electricity price – forward delivery contracts (wkly average)

Source: Ofgem

The government intervened to support domestic consumers and businesses in the short term (through the Energy Bill Support Scheme/ Relief Scheme) but energy spending has still been far higher than most people had planned for, creating pressure on energy intensive businesses and public sector organisations, particularly in sectors requiring uninterrupted energy supply.

The experience has made energy resilience an even greater priority, with businesses increasingly looking to eliminate waste, reduce consumption and to explore on-site generation to reduce reliance on the grid.

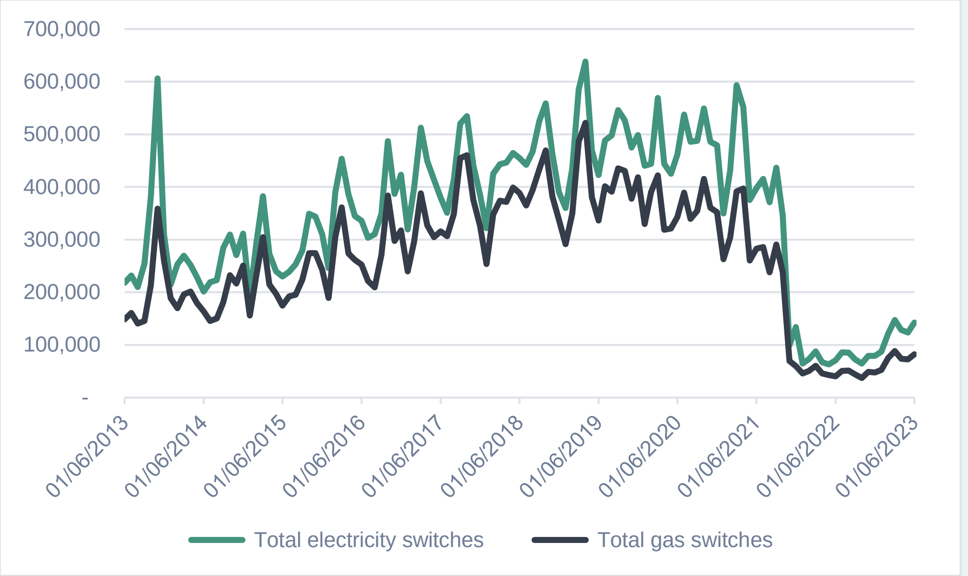
Gas price – forward delivery contracts (wkly average)

Source: Ofgem

Market turbulence disrupting customer and supplier behaviour

The spike in energy prices also caused a significant dislocation in the market, which saw numerous supplier failures and, at times, no longer term contract pricing available at all. The impact on the domestic market can be seen in the collapse in customers switching supplier (chart below) and the non-domestic market was equally challenging, as customers struggled to contract with energy suppliers, suffered poor customer service, and faced large price hikes.

Domestic energy customers switching tariff



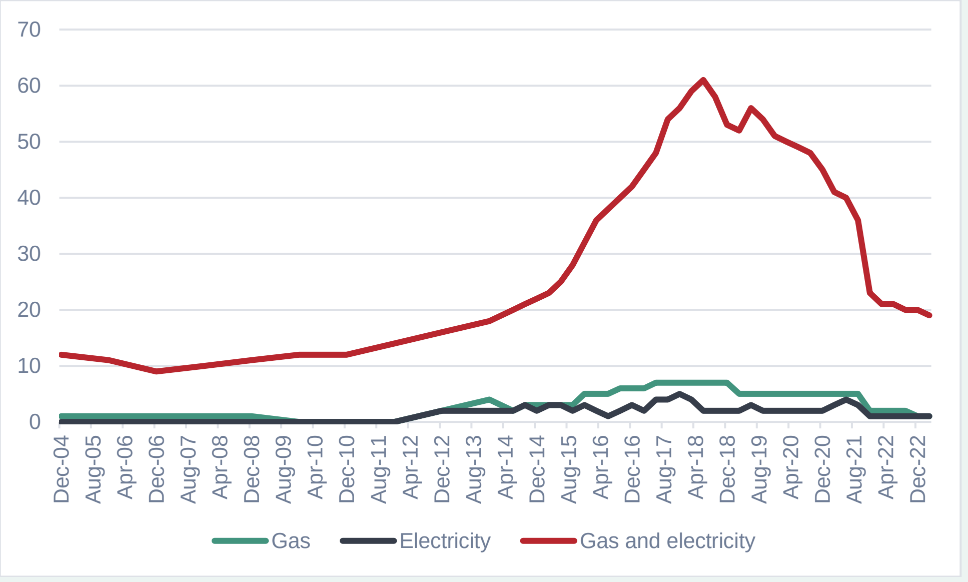
Source: Ofgem

This disruption is likely to have held back growth of eEnergy's Energy Management business in the short term during the height of the crisis, but as the market now steadies, we expect companies increasingly to focus on planning their energy needs over the long term and to seek advice on procurement and broader energy management and energy efficiency strategies.

Ofgem:

"The last two years have seen unprecedented volatility in wholesale gas and electricity prices, and wider economic pressures that create enormous challenges for households, businesses, and suppliers."

Number of active domestic energy suppliers

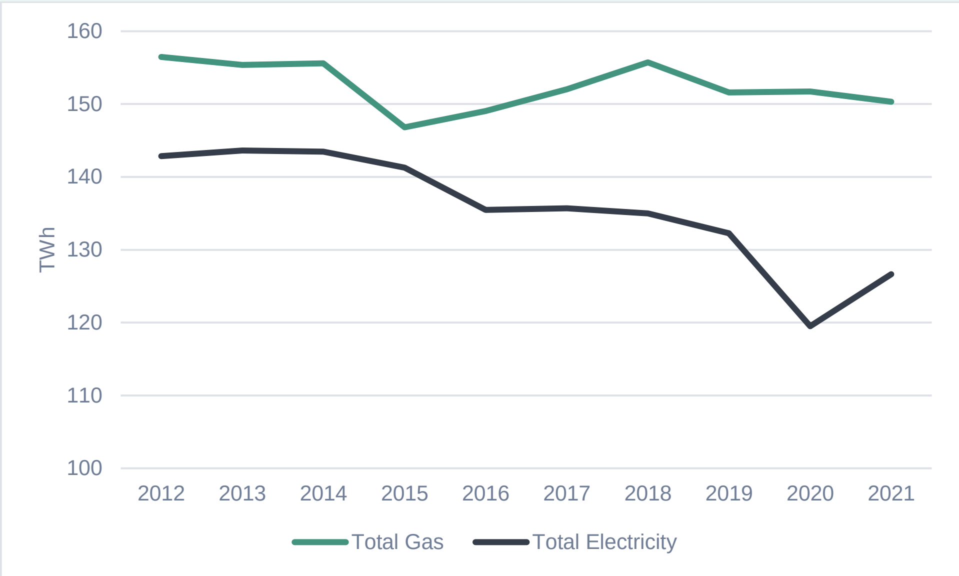


Source: Ofgem

Non-domestic market overview – a vast addressable market

The charts below highlight non-domestic energy consumption in England & Wales over the past ten years. This effectively represents eEnergy's vast addressable market. The trend has been fairly stable consumption of gas and a steady decline in electricity consumption (aside from the brief COVID shock in 2020), in part reflecting successful energy efficiency strategies.

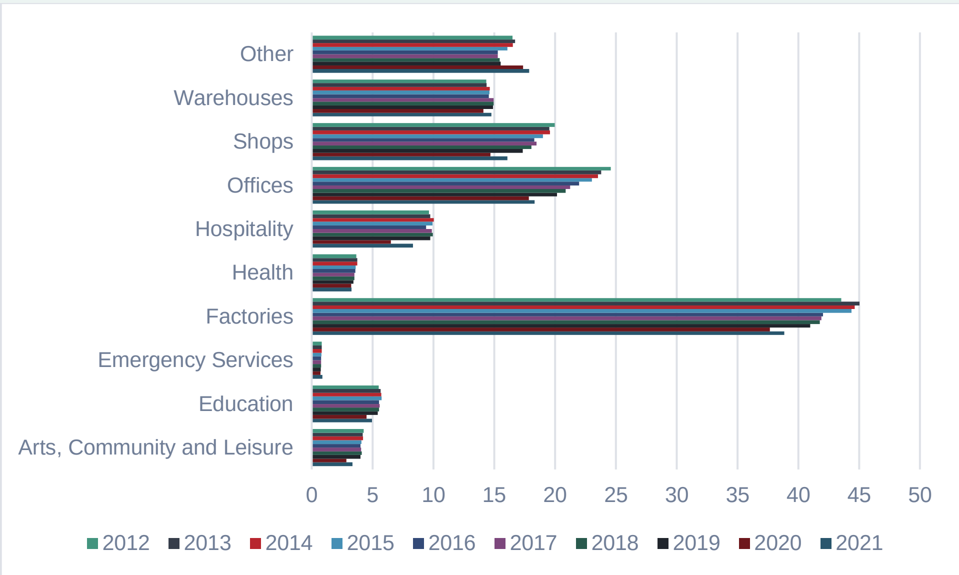
Non-domestic energy consumption (Eng & Wales), TWh



Source: Department for Energy Security & Net Zero

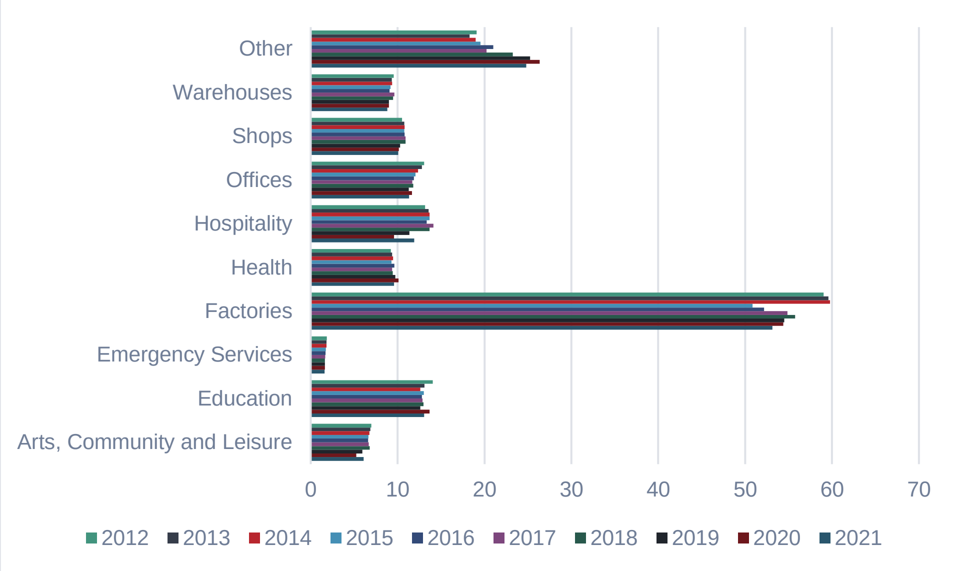
The largest consumers of gas and electricity are, unsurprisingly, factories followed by offices, shops and warehouses, as shown in the charts below. Most of these follow the trend of declining electricity use over the ten year period measured by the Department for Energy Security & Net Zero.

Electricity consumption by building use (Eng & Wales), TWh



Source: Department for Energy Security & Net Zero

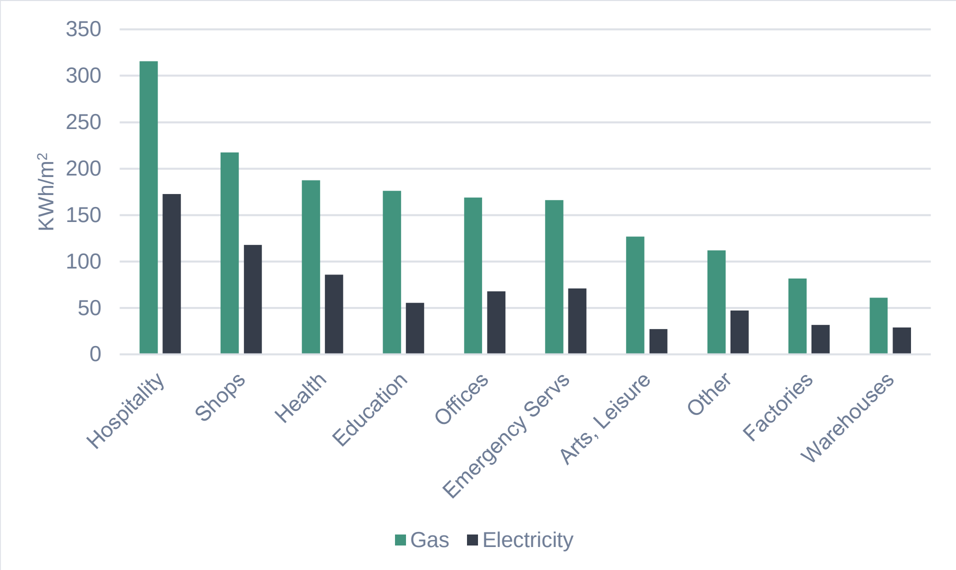
Gas consumption by building use (Eng & Wales), TWh



Source: Department for Energy Security & Net Zero

The most energy intensive industry is hospitality (chart below) measured as KWh of consumption/ m^2 followed by shops, healthcare and education. It is no surprise that eEnergy is active in all of these areas, with education being the most important market traditionally for the Energy Services business. The key industry segmentation for clients shown on eEnergy's website are Education, Healthcare, Public Sector, Fast Food & Retail, Leisure & Hospitality, and Industry & Logistics.

Gas and Electricity intensity by building use 2021, KWh/m^2

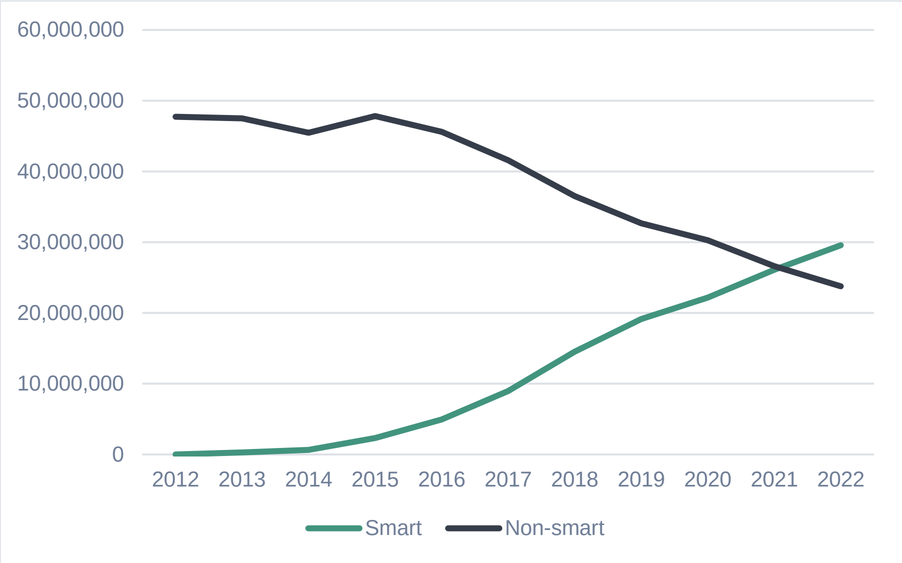


Source: Department for Energy Security & Net Zero

UK Smart Meter Roll out

The UK's smart meter rollout recently hit an important milestone with over 50% of installed meters now being smart. The government's original targets have not been met (rollout was intended to complete in 2019) but on the current trajectory a significant majority of meters will be smart by 2025 (government currently proposing 80% coverage by 2025). Smart meters have clear benefits for the consumer, in allowing real-time monitoring of energy consumption, which should ultimately reduce consumption (by changing behaviour/ identifying areas of waste). The government also expects wider benefits in "enabling a system that uses information and communications technology to control electricity generation and use in near real-time, to provide a more reliable and cost-effective electricity system" (June '23 National Audit Office report).

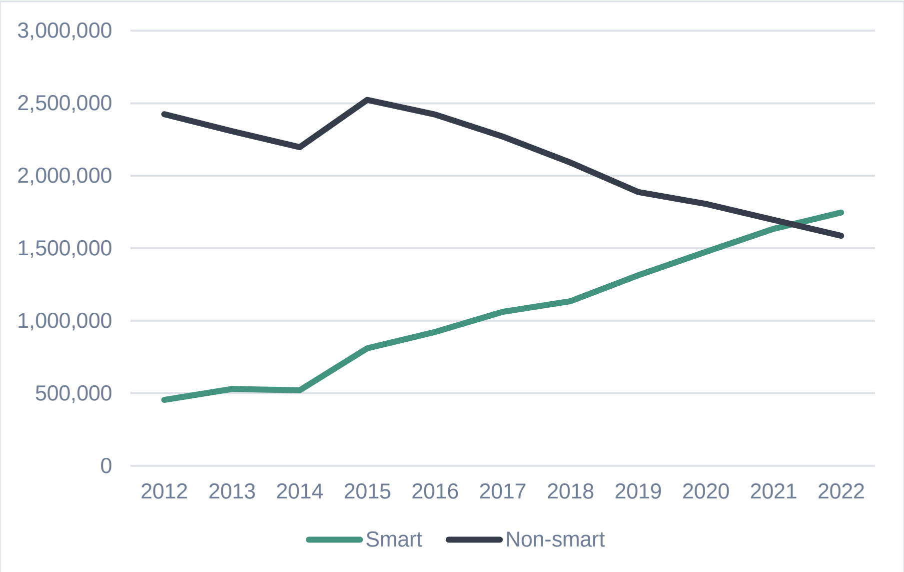
Domestic smart meter roll-out



Source: Department for Energy Security & Net Zero

MY ZeERO provides customers with "eMeters", which can monitor electricity, water, gas, solar and air quality and transfer the data to the cloud securely. The MY ZeERO platform simplifies the data, which can then be delivered in easy-to-use reports to inform decision making and reduce consumption.

Non-domestic smart meter roll-out



Source: Department for Energy Security & Net Zero

Interim results to 30th June (28th September ’23)

The 12-month interim results reported today confirm a period of strong revenue and EBITDA growth. The headline numbers were disclosed in the 27th July update. The results cover the six-month to 30th June and also provide an overview of performance in the year to 30th June, which was previously the financial year end. Following a change in the Group’s accounting reference date, eEnergy will report an eighteen-month period to 31st December 2023 and will then report annual results to December 31st in subsequent years.

Interim results highlights

- Revenue increased by 50% to £33.2m, comprising:
  - Energy Services revenue +87% to £19.5m and EBITDA +131% to £2.3m
  - Energy Management revenue +17% to £13.6m and EBITDA +20% to £4.4m
- The Group gross margin remained strong at 53% (FY’22: 59%), reducing slightly year on year as a result of a change in mix within Energy Services (launch of eSolar)
- Group EBITDA increased by 55% from £3.0m to £4.7m with a 14% EBITDA margin
- Adj PBT +34% to £2.7m and reported PBT increased to £1.1m (FY22: Loss before tax £2.2m)
- Net debt at the period end was £7.3m, similar to the £6.9m reported at the end of December ’22. This six month period saw the settlement of £0.9m of legacy cash items (HMRC payments) and a small improvement in the working capital position
- Over the full year to 30th June, there was a £5.2m increase in working capital and improving cash generation is a key focus for management. We expect underlying cash generation to improve over the forecast horizon and we assume c.£2m of net debt reduction in each of FY24 and FY25
- Net debt includes £2.5m of secured discounted capital bonds, which are due for repayment in May/June 2024. eEnergy also holds a fully drawn £5.0m revolving credit facility with HSBC Innovation Finance (previously Silicon Valley Bank), which is scheduled to be repaid in February 2024. The Board is working to complete a refinancing of these facilities ahead of the scheduled repayment date

Operational highlights

It has been a busy period in the development of the Group’s integrated energy services offering, including:

- The launch of eSolar with 29 MW under heads-of-terms as at 30th June 2023;
- New €5m two-year project funding facility with Solas Capital to finance LED lighting projects in Ireland;
- Post year-end, the increase in ownership of eEnergy Insights Ltd/ MY ZeERO to 100%; and
- A significant eSolar contract with Tudor Grange Academies Trust (total contract value £3.0m).

Outlook

The forward order book remains strong, standing at £27.5m, and the Board is cautiously optimistic of delivering trading expectations for FY23. There is good momentum within both divisions, with visibility over 90% of FY23 revenue expectations.

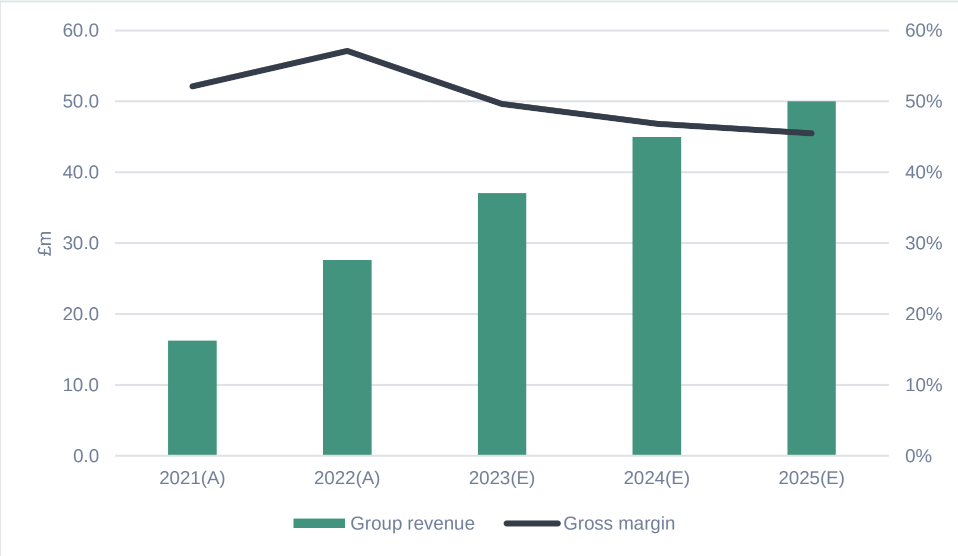
Management is focused on improving cash generation to enable the business to pursue larger project opportunities as they arise. The Board is reviewing strategic options to further strengthen the balance sheet to support future growth.

KPIs and growth metrics

eEnergy has delivered strong growth over the past three years, typically delivering double-digit organic growth, supplemented by strategic acquisitions.

The charts immediately below (annualised to December to follow the new reporting timeline) show a consistent pattern of revenue growth and broadly stable margins at Group level. The step up in gross margin between FY’21 and FY’22 reflects the benefit of adding higher margin Energy Management to the mix via acquisition. Growth in Energy Services over the forecast period will bring the overall Group gross margin down slightly, again the effect of a change in mix.

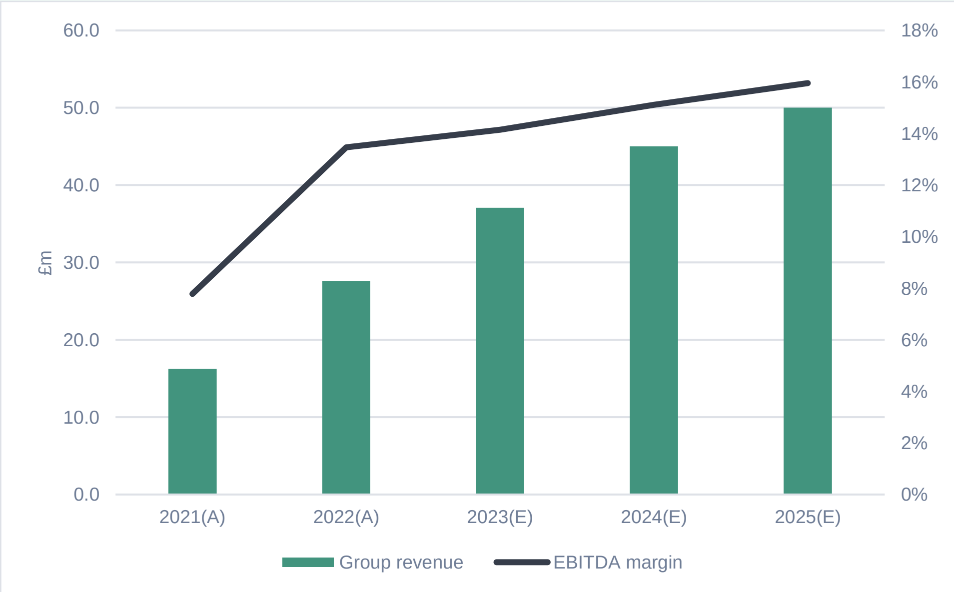
Group revenue and gross margin (annualised to December)



Source: Company historic data, ED forecasts and analysis

EBITDA margins show a similar pattern, growing rapidly from FY’20 as the Group added scale and then normalising in the mid-teens.

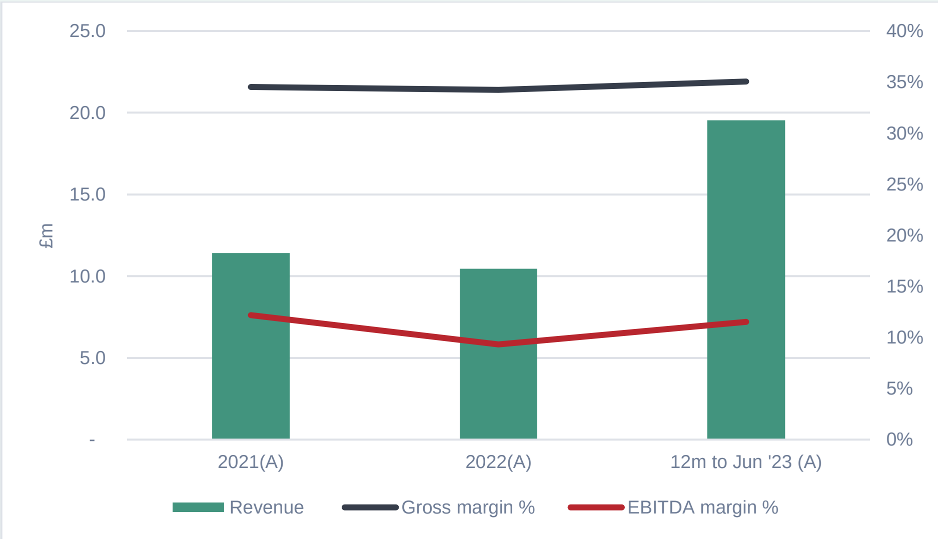
Group revenue and EBITDA margin (annualised to December)



Source: Company historic data, ED forecasts and analysis

The charts below show an annualised comparison for the two divisions, reflecting the 12 months to June for all years up to and including 2023. For Energy Services, the chart shows a dip in revenue in FY'22 after a year of excellent organic growth in FY'21. This was the direct result of short-term disruption caused by the energy crisis, with some projects slipping from FY'22 to FY'23. Looking forward, the experience of the energy crisis has undoubtedly increased demand for energy saving projects, and eEnergy is already seeing the benefit of this. We expect divisional margins to moderate over the forecast period as a result of a change in mix, with eSolar growth significantly outpacing eLight in the current order book.

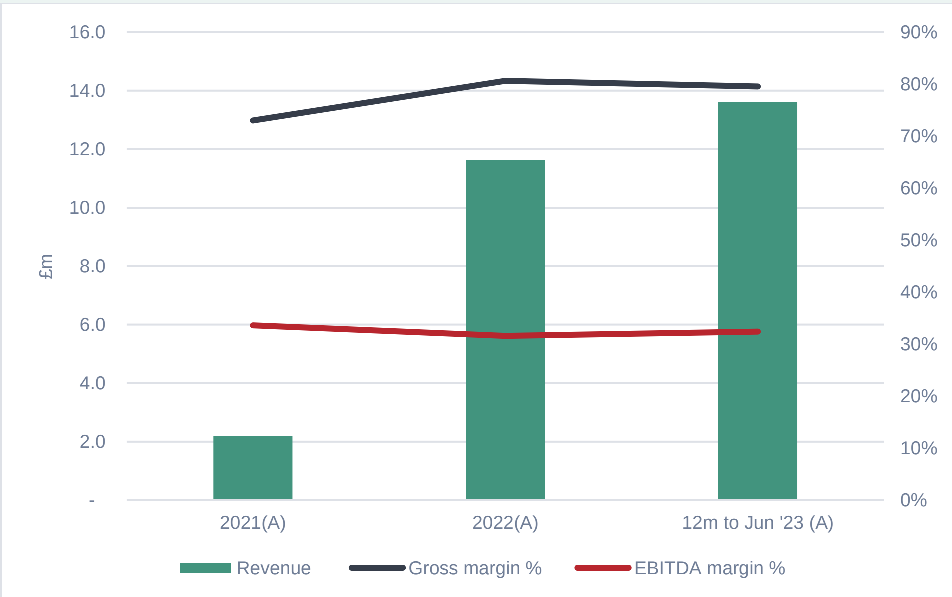
Energy Services Division – resumption of growth post energy crisis



Source: Company, ED analysis

Energy Management added significant scale through acquisition in FY'22. The wider industry experienced some disruption as a result of the energy crisis (see section above) and is likely to have held back the pace of growth somewhat for eEnergy, although this is not visible in the chart below. Divisional margins dipped slightly as acquisitions were added but divisional margins have now stabilised.

Energy Management Division – acquisitions plus organic growth



Source: Company, ED analysis

Financials and Forecasts

eEnergy has recently changed its financial year end from June to December. For ease of comparison, we show historic and forecast financials below with all years annualised to December (the new reporting basis).

Divisional summary – annualised to December

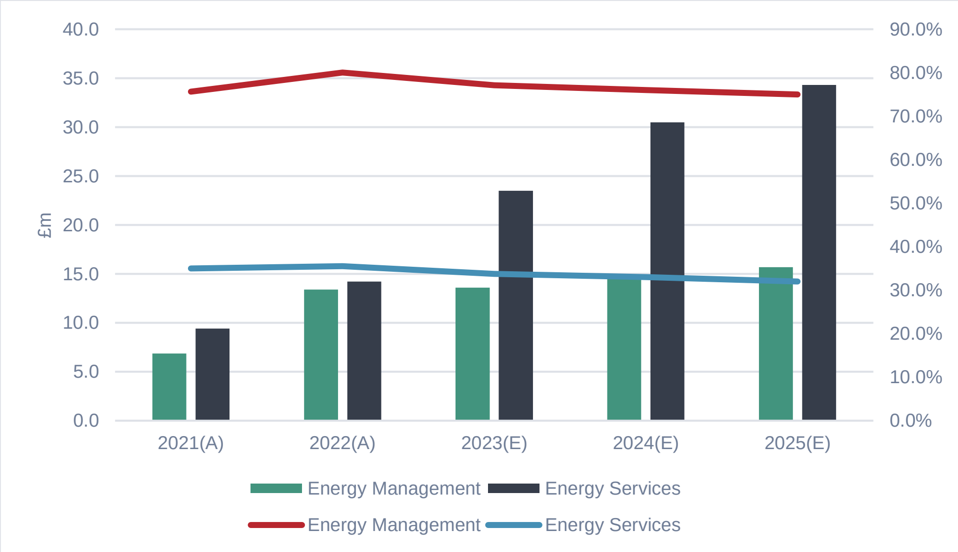
Year-end Dec, £m	**2021(A)**	**2022(A)**	**2023(E)**	**2024(E)**	**2025(E)**
Segmental Revenue					
Energy Management	6.9	13.4	13.6	14.5	15.7
% growth	-	*96%*	*1%*	*7%*	*8%*
Energy Services	9.4	14.2	23.5	30.5	34.3
% growth	-	*51%*	*65%*	*30%*	*12%*
Group	**16.3**	**27.6**	**37.1**	**45.0**	**50.0**
% growth	-	*70%*	*34%*	*21%*	*11%*
% of Group					
Energy Management	*42%*	*49%*	*37%*	*32%*	*31%*
Energy Services	*58%*	*51%*	*63%*	*68%*	*69%*
Segmental gross profit					
Energy Management	5.2	10.7	10.5	11.0	11.8
Energy Services	3.3	5.1	7.9	10.1	11.0
Group	**8.5**	**15.8**	**18.4**	**21.1**	**22.8**
% margin					
Energy Management	*75.7%*	*80.0%*	*77.1%*	*76.0%*	*75.0%*
Energy Services	*35.0%*	*35.5%*	*33.8%*	*33.0%*	*32.0%*
Group	*52.1%*	*57.1%*	*49.7%*	*46.9%*	*45.5%*
% growth					
Energy Management	-	*107%*	*-2%*	*5%*	*7%*
Energy Services	-	*54%*	*57%*	*27%*	*9%*
Group	-	*86%*	*17%*	*15%*	*8%*
% of Group					
Energy Management	*61%*	*68%*	*57%*	*52%*	*52%*
Energy Services	*39%*	*32%*	*43%*	*48%*	*48%*
Segmental EBITDA					
Energy Management	2.1	4.0	4.5	5.1	5.5
Energy Services	0.8	1.7	2.5	3.8	4.7
Central Costs	-1.7	-1.9	-1.8	-2.0	-2.3
Group	**1.3**	**3.7**	**5.2**	**6.8**	**8.0**
% margin					
Energy Management	*31%*	*30%*	*33%*	*35%*	*35%*
Energy Services	*9%*	*12%*	*11%*	*12%*	*14%*
Group	*8%*	*13%*	*14%*	*15%*	*16%*
% growth					
Energy Management	-	*85%*	15%	12%	8%
Energy Services	-	*110%*	51%	48%	26%
Group	-	*194%*	41%	30%	17%

Source: Company historic data, ED forecasts and analysis

Energy Services – the key driver of revenue growth

The chart below shows that Energy Services is expected to be the key growth driver over the coming years, with 30% revenue growth forecast in 2024 and 12% in 2025, whilst Energy Management revenue is forecast to grow by 7% in FY24 and 8% in FY25. We expect Energy Services growth to be driven by the strong interest in eSolar as evidenced by results reported this morning (28th September).

Divisional revenue and gross margin profile (annualised to December)



Source: Company historic data, ED forecasts and analysis

The table below highlights eEnergy's key growth metrics and margin profile over the forecast period.

Summary income statement (annualised to December)

Income statement	**2021(A)**	**2022(A)**	**2023(E)**	**2024(E)**	**2025(E)**
Group revenue	16.3	27.6	37.1	45.0	50.0
% growth	-	*70%*	*34%*	*21%*	*11%*
% 2 Year CAGR	-	-	*51%*	*28%*	*16%*
Gross profit	**8.5**	**15.8**	**18.4**	**21.1**	**22.8**
% margin	*52%*	*57%*	*50%*	*47%*	*46%*
Segmental admin expenses	-3.8	-10.1	-11.3	-12.3	-12.5
% of revenue	*24%*	*37%*	*31%*	*27%*	*25%*
Central admin expenses	-1.7	-1.9	-1.8	-2.0	-2.3
% of revenue	*10%*	*7%*	*5%*	*5%*	*5%*
Adj. EBITDA	**1.3**	**3.7**	**5.2**	**6.8**	**8.0**
% margin	*8%*	*13%*	*14%*	*15%*	*16%*
Depreciation	-0.2	-0.8	-0.7	-0.7	-0.8
Amortisation of Software	-0.1	-0.2	-0.4	-0.4	-0.5
Adj. EBITA	**1.0**	**2.7**	**4.1**	**5.7**	**6.7**
Net interest	-0.4	-0.2	-1.7	-1.5	-1.5
Adj. PBT	**0.6**	**2.5**	**2.4**	**4.2**	**5.2**
% growth	-	332%	-2%	73%	23%
Adjusted EPS (fully diluted)	**0.3**	**0.6**	**0.6**	**0.7**	**0.9**

Source: Company historic data, ED forecasts and analysis

Financials on "as reported basis" with 18-months in FY23

For completeness, on the following pages, we show the Group's Income Statement, Cashflow and Balance Sheet on an "as reported" basis. This shows the years 2020(A) to 2022(A) with June year-ends, 2023(E) as an eighteen-month period to December 2023, and years 2024(E) and 2025(E) with December year ends.

Income statement (Reported year ends: 18-month period in 2023)

Year End Dec, £m	2020(A)	2021(A)	2022(A)	2023(E)	2024(E)	2025(E)
Group revenue	4.5	13.6	22.1	52.2	45.0	50.0
COGS	-3.1	-8.1	-9.1	-25.4	-23.9	-27.2
% of revenue	*69%*	*59%*	*41%*	*49%*	*53%*	*54%*
Gross profit	**1.4**	**5.5**	**13.0**	**26.8**	**21.1**	**22.8**
% margin	*31%*	*41%*	*59%*	*51%*	*47%*	*46%*
Segmental admin expenses	-2.0	-3.4	-8.3	-17.0	-12.3	-12.5
% of revenue	*45%*	*25%*	*38%*	*33%*	*27%*	*25%*
Central admin expenses	-0.9	-1.3	-1.6	-3.0	-2.0	-2.3
% of revenue	*20%*	*10%*	*7%*	*6%*	*5%*	*5%*
Adj. EBITDA	**-1.5**	**0.8**	**3.0**	**6.8**	**6.8**	**8.0**
% margin	*-34%*	*6%*	*14%*	*13%*	*15%*	*16%*
Depreciation owned assets	-0.1	-0.2	-0.5	-1.0	-0.7	-0.8
Amortisation of Software	0.0	0.0	-0.2	-0.6	-0.4	-0.5
Adj. EBITA	**-1.6**	**0.6**	**2.3**	**5.2**	**5.7**	**6.7**
% margin	*-35%*	*5%*	*11%*	*10%*	*13%*	*13%*
Net interest	-0.3	-0.4	-0.3	-1.8	-1.5	-1.5
Adj. PBT	**-1.9**	**0.2**	**2.0**	**3.4**	**4.2**	**5.2**
% margin	*-42%*	*1%*	*9%*	*6%*	*9%*	*10%*
Impairment of brands	0.0	0.0	-1.6	0.0	0.0	0.0
Amortisation of acq. intangibles	0.0	-0.1	-0.4	-0.6	-0.4	-0.4
Other exceptional items	-1.3	-0.2	-2.3	-1.7	-0.8	0.0
Reported PBT	**-3.2**	**-0.2**	**-2.2**	**1.1**	**3.0**	**4.8**
Underlying tax	*0.0*	*0.2*	*0.7*	*0.0*	*-1.1*	*-1.3*
Underlying tax rate (%)	*0%*	*-101%*	*-36%*	*0%*	*25%*	*25%*
Adj. PAT	**-3.2**	**0.4**	**2.0**	**3.4**	**3.2**	**3.9**

Source: Company historic data, ED forecasts and analysis

Balance sheet (Reported year ends: 18-month period in 2023)						
Year End Dec, £m	**2020(A)**	**2021(A)**	**2022(A)**	**2023(E)**	**2024(E)**	**2025(E)**
Non-Current assets						
PPE	0.1	0.1	0.5	0.4	0.4	0.4
Intangible assets	0.2	10.5	28.7	28.4	29.1	29.7
Right of use assets	0.5	0.6	0.8	0.8	0.8	0.8
Deferred tax asset	0.0	0.4	1.1	0.7	0.7	0.7
Investment in associate	0.0	0.2	0.0	0.0	0.0	0.0
Sub-total NCAs	**0.9**	**11.8**	**31.0**	**30.3**	**31.0**	**31.6**
Current Assets						
Inventories	0.4	0.4	0.8	1.1	1.1	1.1
Trade and other receivables	1.1	5.5	16.0	23.2	24.2	25.7
Financial assets at fair value	0.4	0.1	0.0	0.0	0.0	0.0
Cash and cash equivalents	1.5	3.3	1.8	1.0	1.5	2.5
Sub-total CAs	**3.3**	**9.4**	**18.7**	**25.3**	**26.8**	**29.4**
Total Assets	**4.2**	**21.1**	**49.7**	**55.7**	**57.9**	**61.0**
Non-Current Liabilities						
Lease liabilities	-0.5	-0.4	-0.4	-0.2	-0.2	-0.2
Loans and borrowings	-1.1	-1.2	-5.0	-7.0	-6.0	-5.0
Other liabilities	0.0	-0.5	-2.3	-2.4	-2.4	-2.4
Deferred tax liability	0.0	-0.4	-1.3	-1.5	-1.5	-1.5
Provisions	0.0	0.0	-0.9	-1.0	-1.0	-1.0
Sub-total NCLs	**-1.6**	**-2.6**	**-9.8**	**-12.1**	**-11.1**	**-10.1**
Current liabilities						
Trade and other payables	-4.0	-7.8	-16.8	-18.8	-18.8	-19.0
Lease liabilities	-0.1	-0.3	-0.5	-0.5	-0.5	-0.5
Loans and borrowings	-0.3	-0.6	0.0	-0.5	-0.5	-0.5
Sub-total NCLs	**-4.3**	**-8.7**	**-17.3**	**-19.8**	**-19.8**	**-20.0**
Total Liabilities	**-6.0**	**-11.2**	**-27.1**	**-31.9**	**-30.9**	**-30.1**
Net Assets	**-1.8**	**9.9**	**22.5**	**23.8**	**27.0**	**30.9**

Source: Company historic data, ED forecasts and analysis

Cashflow Statement (Reported year ends: 18-month period in 2023)						
Year End Dec, £m	**2020(A)**	**2021(A)**	**2022(A)**	**2023(E)**	**2024(E)**	**2025(E)**
Adj. EBITA	-1.6	0.6	2.3	5.2	5.7	6.7
Depreciation owned assets	0.1	0.2	0.5	1.0	0.7	0.8
Amortisation of software	0.0	0.0	0.2	0.6	0.4	0.5
Gain on disposal of PPE	0.0	0.0	0.0	0.0	0.0	0.0
Exceptionals	-1.3	-0.2	-3.9	-1.6	-0.6	0.0
Other non-cash	1.1	-0.6	1.1	0.0	0.0	0.0
Working Capital Movement	0.1	0.1	-7.1	-5.1	-1.0	-1.3
Operating Cash Flow	**-1.6**	**0.1**	**-6.9**	**0.1**	**5.2**	**6.7**
Net Interest	-0.2	-0.3	-0.2	-0.6	-1.5	-1.5
Tax	0.0	0.2	0.7	0.0	0.0	-0.8
Net Operating Cash Flow	**-1.9**	**-0.1**	**-6.4**	**-0.5**	**3.7**	**4.3**
Purchase of PPE	-0.1	-0.3	-0.3	-0.5	-0.7	-0.8
Proceeds from sale of PPE	0.0	0.0	0.0	0.0	0.0	0.0
Expenditure on intangibles	0.0	-0.4	-0.4	-1.4	-1.5	-1.5
Total Net Capex	-0.1	-0.7	-0.7	-1.9	-2.2	-2.3
Equity Free Cash Flow	**-2.0**	**-0.7**	**-7.1**	**-2.4**	**1.5**	**2.0**
M&A	0.3	-0.7	-8.5	0.0	0.0	0.0
Dividend	0.0	0.0	0.0	0.0	0.0	0.0
Share Issue	1.7	3.1	11.4	0.0	0.0	0.0
Leases	0.0	-0.2	-0.7	-0.5	0.0	0.0
Other	0.0	-0.3	0.0	-0.2	0.0	0.0
Net Change in Net Debt	**-0.1**	**1.3**	**-4.9**	**-3.1**	**1.5**	**2.0**
Net Debt - BOP	-0.4	-0.5	0.8	-4.1	-7.2	-5.7
Net Debt - EOP	**-0.5**	**0.8**	**-4.1**	**-7.2**	**-5.7**	**-3.7**

Source: Company historic data, ED forecasts and analysis

Valuation – low rating overlooks growth trajectory

As highlighted earlier in this note, eEnergy has an excellent track record of revenue and EBITDA growth. We believe, given the Group's rapid development since 2020, the building blocks are now very much in place to add significant scale over the forecast period.

We look to peer group multiples as an indication of Fair Value for eEnergy

We estimate Fair Value of 13p per share

On our forecasts, eEnergy trades on an attractive free cash flow yield of 10% from FY25

A modest P/E ratio (7.7x falling to 6.3x based on FY24/FY25 forecasts) appears to overlook the Group's growth trajectory, with EBITDA expected to increase by 41% in 2023 and a further 30% in FY24 without factoring in the potential for future M&A.

We have selected a broad energy services peer group to inform our comparative valuation analysis (table below). This shows a simple average P/E rating of 18.0x falling to 14.3x. We note that SMS and Good Energy may be considered outliers (e.g. SMS is valued by the market on a yield basis) and therefore also show an average rating excluding SMS and GOOD. On this basis, the average P/E rating is 11.8x falling to 10.0x. On an EV/EBITDA basis, the peer group average is c.7x (whether including or excluding SMS and GOOD from the analysis – see table below).

We use these peer group multiples as an indication of Fair Value for eEnergy. Applying a 7.5x EV/EBITDA multiple to our FY24 forecasts suggests Fair Value of 13p per share. This equates to a P/E rating of 14.5x based on FY25 forecasts, which is consistent with the broader peer group average (14.3x from table below).

Whilst the Fair Value is based on current market ratings, we would note that the peer group ratings are currently low by historic standards, reflecting broader trends in UK smaller company valuations.

We also expect to see a significant improvement in free cashflow over the next three years (10% FCF yield from FY25), which would be positive for sentiment.

Peer Group Valuation Metrics

Company	Market Cap £m	Share Price p	P/E (EST FY1)	P/E (EST FY2)	EV/EBITDA (NTM)	EV/Sales (NTM)
Good Energy	32	178	18.1x	7.0x	0.5x	0.0x
Inspired	77	75	5.8x	5.7x	5.1x	1.2x
Luceco	190	123	12.1x	11.0x	7.8x	1.1x
Smart Metering Systems	861	623	42.6x	38.9x	12.2x	6.1x
Telecom Plus	1,260	1510	15.2x	13.2x	9.0x	0.5x
Yu Group*	152	953	14.0x	10.0x	7.0x	0.3x
Peer Group Average			**18.0x**	**14.3x**	**6.9x**	**1.5x**
Peer Group ex. SMS and GOOD			**11.8x**	**10.0x**	**7.2x**	**0.8x**
eEnergy	20	5.6	9.7x	7.7x	3.8x	0.6x

*Source: Equity Development analysis (share prices at COB 20th Sep 2023) *Prior to significant upgrades on 26/09/23*

The table below summarises the implied multiples for eEnergy at our estimated 13p Fair Value.

eEnergy multiples @ 13p Fair Value

Company	Market Cap £m	Share Price p	P/E (FY24)	P/E (FY25)	EV/EBITDA (FY24)	EV/EBITDA (FY25)
eEnergy	45	13	17.9x	14.5x	7.5x	6.1x

Source: Equity Development analysis

Share price performance - underperforming peers

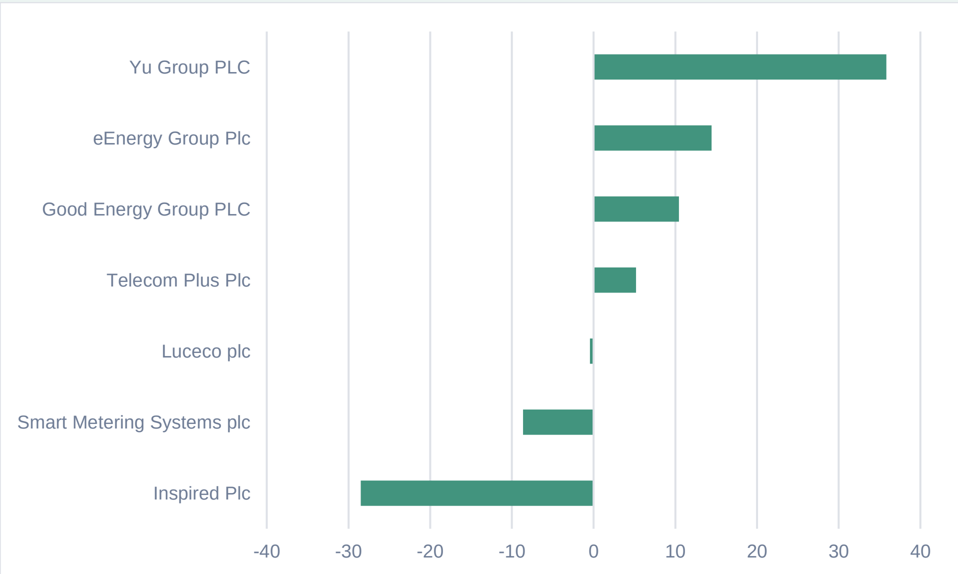
eEnergy's shares have underperformed peers over the past month (and over the past year). Whilst the Group's trading performance has been positive, forecasts were downgraded at the height of the energy crisis, as the timing of new Energy Services contracts became less predictable. The more stable backdrop (with energy prices and inflation falling and interest rates peaking) should give investors more confidence in the earnings outlook, supported by the outlook statement within today's results.

eEnergy's shares also reacted negatively to the tightening of the Group's liquidity position in the early months of FY'23. As discussed elsewhere in this note, the outlook for cash generation is improving and we would expect a more positive cashflow profile to be well received by investors.

One-month share price performance

Source: Equity Development, share prices to 20th September '23

Three-month share price performance

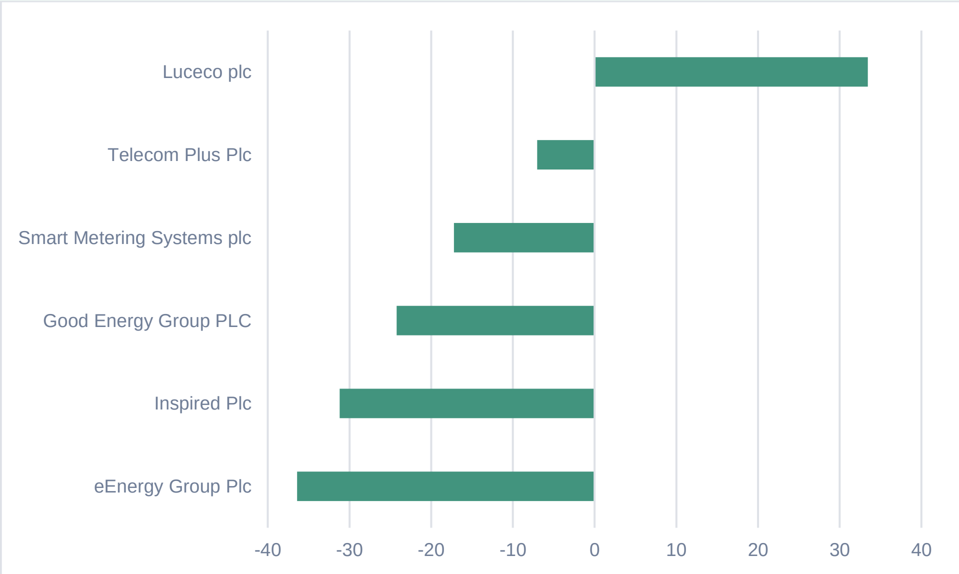


Source: Equity Development, share prices to 20th September '23

In terms of the share price performance elsewhere in the peer group, Inspired plc has seen its shares de-rate alongside broader market softness. In our view, the performance of its shares also reflects a lack of investor confidence in the earnings trajectory and an aversion to debt in a rising interest rate environment.

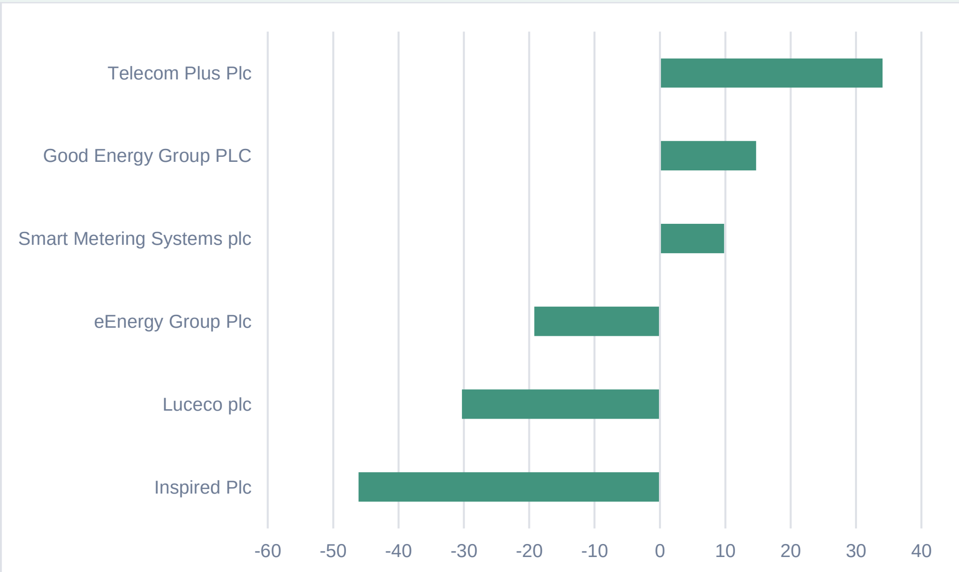
By contrast, Yu Group's shares have performed incredibly well over the past three years (increasing by 10x), and we have removed its performance from the charts below because it is such an outlier. Its shares increased by >300% over the past year alone, benefiting from a series of earnings upgrades as it added significant scale, winning share from larger suppliers, supported by the strength of its digital capabilities. As an energy supplier (managing its own smart metering installation), Yu's business model differs from eEnergy's, but it is tapping into similar themes and the share price highlights the impact of a rapid shift in scale and the potential for smaller companies to deliver outsize returns (albeit Yu Group's shares are only now back to their level of mid-2018, when they were de-railed by accounting concerns).

One-year share price performance (excluding Yu Group)



Source: Equity Development, share prices to 20th September '23

Three-year share price performance (excluding Yu Group)



Source: Equity Development, share prices to 20th September '23

Board of Directors

John Foley, Chairman

John is a barrister and chartered accountant who has served on several public and private company boards. He was CEO of MacLellan Group plc for 12 years until its sale in 2006 to Interserve plc for an EV of £130 million. He was co-founder of Premier Technical Services Group Ltd (PTSG) a specialist provider of facilities services and was its Chairman from inception in 2007 until early November 2022 (he remains a Non-Executive Director). PTSG became a public listed company in 2015 and was acquired by Macquarie Group Ltd in 2019 for an EV of c.£300 million. He is also Chairman of SEC Newgate Spa and Servoca Plc.

Harvey Sinclair, CEO

Harvey co-founded eLight and is a proven technology entrepreneur, who has achieved a number of successful exits of businesses over the last 15 years across a variety of different sectors: software, the internet, ecommerce and hospitality. In 2000, Harvey founded The Hot Group Plc ('THG'), which listed on AIM in 2002 and which he led on a successful consolidation of the online recruitment market, through a buy and build strategy, before leading the sale to Trinity Mirror in 2006. Harvey was Investment Director for Scottish Enterprise at Design LED between 2015 and 2019.

Crispin Goldsmith, CFO

Crispin has over 20 years of experience in strategy, M&A and investments. Crispin played a pivotal role in the acquisition of UtilityTeam and Beond Group's combined energy supply-side services, strengthening eEnergy Group as a Net Zero-as-a- Service partner. Previous roles include at Dixons Carphone, Duke Street, and Royal Bank Equity Finance and PwC, where he qualified as a Chartered Accountant.

David Nicholl, Non-Executive Director

David has led significant international businesses as Executive Vice President, Northern Europe of ABB's Electrification business division, President and CEO for Philips Lighting (UK and Ireland) and with Rockwell Automation (UK and Ireland) and Schneider Electric (Sweden and Romania). He is currently Chief Sales Officer and Member of the Executive Board for Tritium.

Dr Nigel Burton, Independent Non-Executive Director

Following over 14 years as an investment banker at leading City institutions including UBS Warburg and Deutsche Bank, including as the Managing Director responsible for the energy and utilities industries, Nigel spent 15 years as Chief Financial Officer or Chief Executive Officer of a number of private and public companies. Nigel is currently a Non-Executive Director of BlackRock Throgmorton plc and several AIM listed companies including DeepVerge plc and Location Sciences plc.

Andrew Lawley, Non-Executive Director

Andrew is a qualified accountant and, after roles in corporate finance and corporate recovery, focused on private equity as a Managing Director of the RBS Special Opportunities Fund LLP. In 2012 Andrew joined Dixons Retail Group plc as Group Strategy Director and played a leading role in the merger with Carphone Warehouse plc, subsequently becoming Integration Director and interim CEO of the services division. Andrew is currently Executive Chairman of Hunter Boot Limited.

Gary Worby, Independent Non-Executive Director

Gary is a chartered engineer. He brings considerable experience from the energy and carbon sector. He was MD of EnergyQuote JHA, a large energy consultant acquired by Accenture, and MD of Energy and Carbon Management, acquired by Inspired Energy plc. He is currently Executive Chairman for UDIntel.

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