



Acquisition of Utility Team

September 2021

Unleashing Net Zero

www.eenergyplc.com

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A B2B Energy Services company delivering **Net Zero Solutions**



200%

Revenue Growth

Strong

Cross-sell Engagement

Achieving rapid growth since IPO

- o 75% YoY Organic Revenue growth
- o Demonstrated synergies between energy management & EEaaS
- o Strong demand for capital free energy reduction solutions
- o 40% of Beond's initial priority customers engaged with LaaS



41%

CAGR

Large & fast-growing addressable market

- o Global LaaS market forecast to grow at 41% CAGR ⁽¹⁾
- o European Energy Efficiency Services market expected to reach €50bn by 2025 ⁽²⁾



Top 20

Company

800

Customers

Compelling opportunity to acquire Utility Team

- o I&C Energy Management, Consultancy & Procurement business
- o Strong recurring and contracted revenue base
- o 80% renewal rates



7.3x

FY20 Adj. EBITDA⁴
Initial consideration

Attractive Deal Metrics

- o Acquiring Utility Team, a UK Top 20 Energy Management business
- o Initial consideration £15.8m, max £21m (including earn-out) ⁽³⁾
- o Significantly earnings enhancing in FY22
- o £200k Platform synergies

1.0 Summary (1/2)

WHERE WE ARE TODAY

A high growth, profitable and Integrated Energy Services company.

Providing organisations with energy management and capital free energy efficiency solutions to reduce their carbon footprint and unlock hidden cost savings.

Organic Growth Complemented By “Buy And Build” Strategy

Beond

Zero Carbon Energy Procurement & Consulting - Through a technology enabled Zero Carbon Marketplace

MYZëERO

Energy Consumption Measurement And Analytics - Through our new proprietary MyZeERO firmware and software platform

eLight

Energy Reduction Through Capital Free Energy Efficiency Solutions - Through eLight & Light-as-a-Service



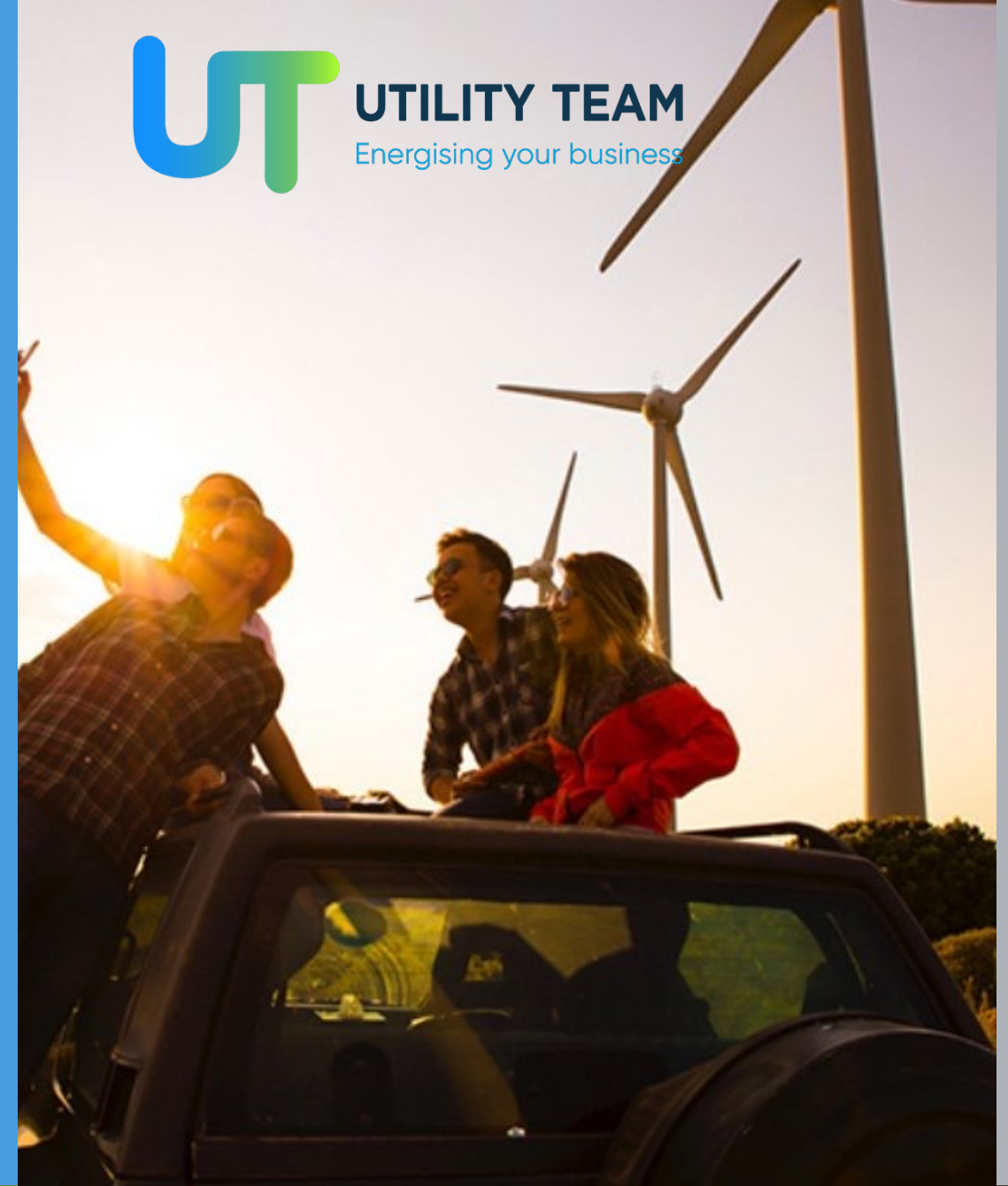
1.1 Summary (2/2)

THE OPPORTUNITY

Acquisition of Utility Team for Total Consideration of up to £21m cash-free / debt-free

Initial consideration of £15.9m (7.3x adjusted 2020 EBITDA) ⁽¹⁾

- A leading, high growth energy consulting and procurement business
- Highly attractive quality of earnings from recurring contracted customer base
- Long-term, strategic customer relationships
- Complementary I&C and mid-market customer base with strong cross-sell potential
- Leverage the Beond platform to deliver operating efficiencies
- Expected to be significantly earnings enhancing in FY22



1.2 Transformational period since IPO

Transitioned from pure-play LaaS business to integrated Energy Services business

- Scaled LaaS through acquisition of RSL, strengthened Group's position in Multi Academy Trusts and State Schools
- Secured differentiated Energy Management platform with acquisition of Beond
- Strategic investment in technology-enabled intelligent smart metering and analytics business (MyZeERO)

Demonstrated strong and repeated organic growth in existing business segments

- Strong operating execution in Beond supporting increased revenues and robust new business performance
- Advanced discussions with a number of Beond's clients for Group's Light-as-a-Service ("LaaS") solution
- First combined LaaS and smart metering & analytics project delivered in June 2021
- Capturing more of customer wallet and delivering profitable growth

Acquisitions fully integrated and providing opportunities to build scale

- RSL integrated into eLight delivery platform
- Integration of sales strategy and teams to maximise cross sell and upsell opportunities
- Beond fully integrated into Group structures
- Single, cloud based, collaboration platform deployed
- Energy Management division gives enhanced visibility and quality of earnings

Launch of My ZeERO is a key strategic opportunity across the Group

- Energy Management – embed customer relationships and facilitate pivot to Energy Management-as-a-service
- Energy Efficiency – expected to increase customer conversion by enabling "share of savings" performance contract
- Customer relationships will be underpinned by data and analysis

A person is seen from behind, standing on a mountain ridge with their arms raised in a 'V' shape, celebrating. They are wearing a light-colored short-sleeved shirt and dark leggings. The background features a vast mountain range with snow-capped peaks and evergreen trees. The entire image has a teal-colored overlay.

2.0 eEnergy – Strong Execution & Accelerating Growth

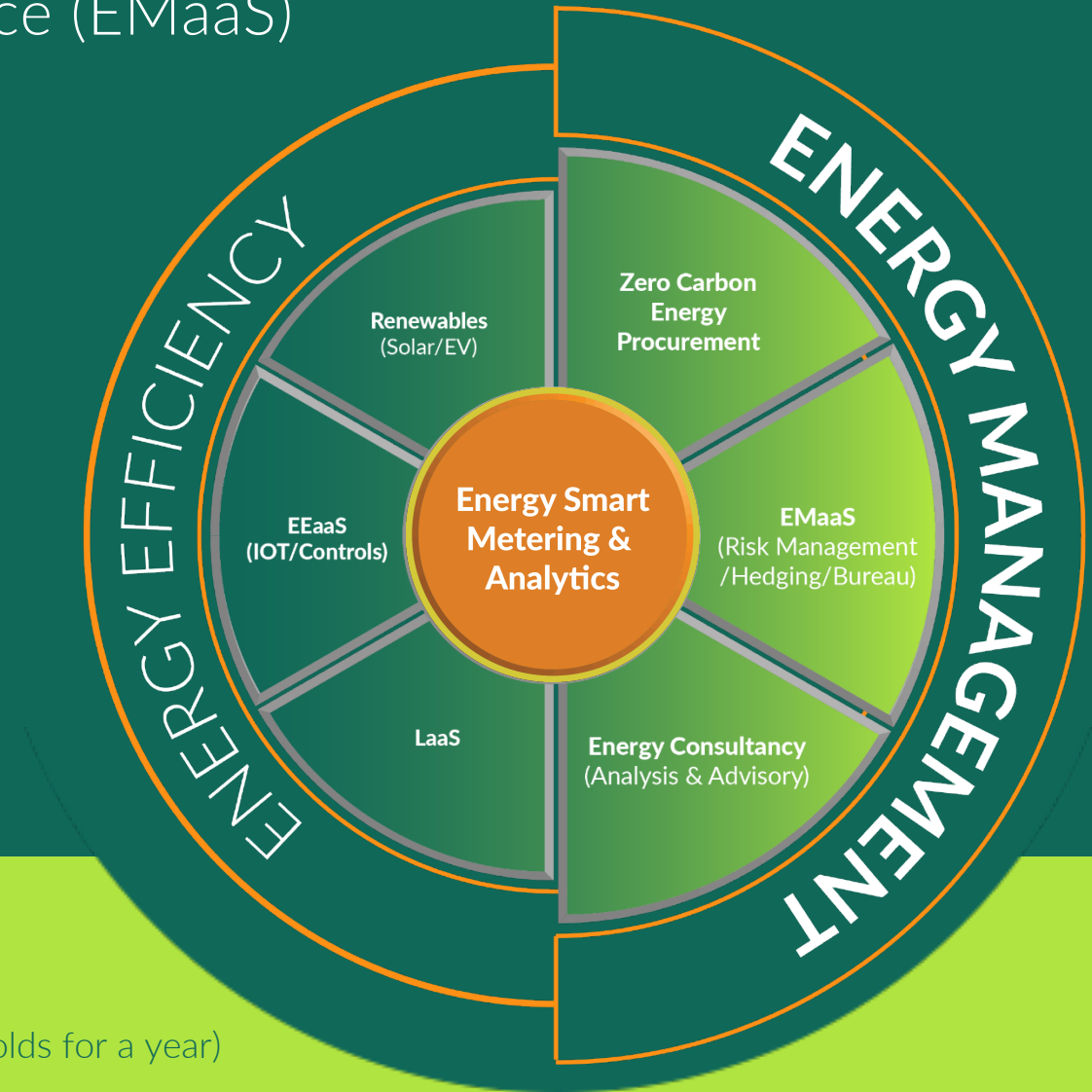
2.1 eEnergy – Integrated Energy Services Strategy

- Helping businesses achieve Net Zero with an end-to-end Energy Management solution “as a service”
- Enabled through a top tier energy procurement platform
- Granular Energy consumption analytics through IOT smart metering via a subscription service
- Energy intelligence from Big Data & consultancy around energy wastage¹
- Energy reduction solutions delivered through LaaS & EEaaS²
- Renewable & Electric Vehicle solutions to provide energy independence and resilience²



2.2 eEnergy – Energy Management as a Service (EMaaS)

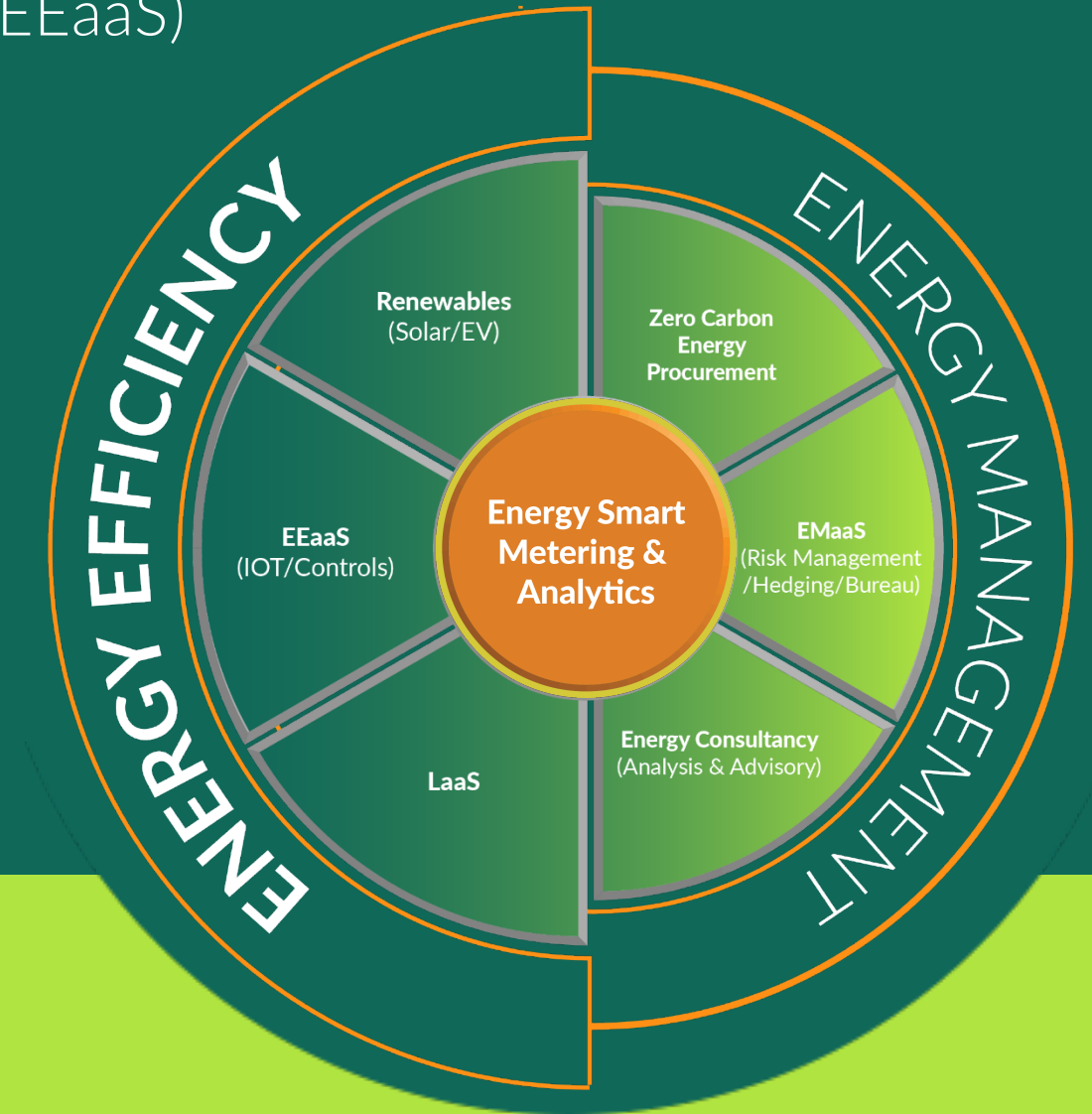
- Energy Procurement is an essential & valued business service
- Increasing pressure to source green energy which is complex
- Energy Management services allow for ongoing customer engagement
- Trusted advisor status well positioned to provide consultancy on Net Zero
- Customer acquisition platform for zero capital energy reduction solutions
- Increasing demand for intelligence on energy consumption
- Opportunity for measurement & analytics "as a service" with My ZeERO



- 1,000+ Existing customers
- Over 30,000 Meters under management
- Existing technology platform enables operating efficiencies
- 3.4 TW of energy managed (enough to power all Greater Manchester households for a year)
- Significant number of key customers engaged with potential LaaS projects

2.3 eEnergy – Energy Efficiency as a Service (EEaaS)

- EEaaS enables capital free energy conservation measures (ECM's)
- Seeking to unlock surplus cash savings via a 'pay as you save' business model
- LED is the natural first ECM
- Embedding intelligent smart metering is expected to increase conversion rate
- Enable consumption measurement to identify additional energy wastage
- Capture additional ECMs through EEaaS (e.g. IOT / Automated Controls / HVAC)



- A leading EEaaS business in the UK & Ireland
- Education sector is £1.5bn opportunity for LaaS
- 75% organic growth rate (FY20 to FY21)
- 70% increase in projects completed year-on-year
- 1,100+ LaaS projects to date across UK and Ireland
- Secured first client for combined LaaS and smart metering solution

2.4 eEnergy – Intelligent Smart Metering & Analytics

EMaaS

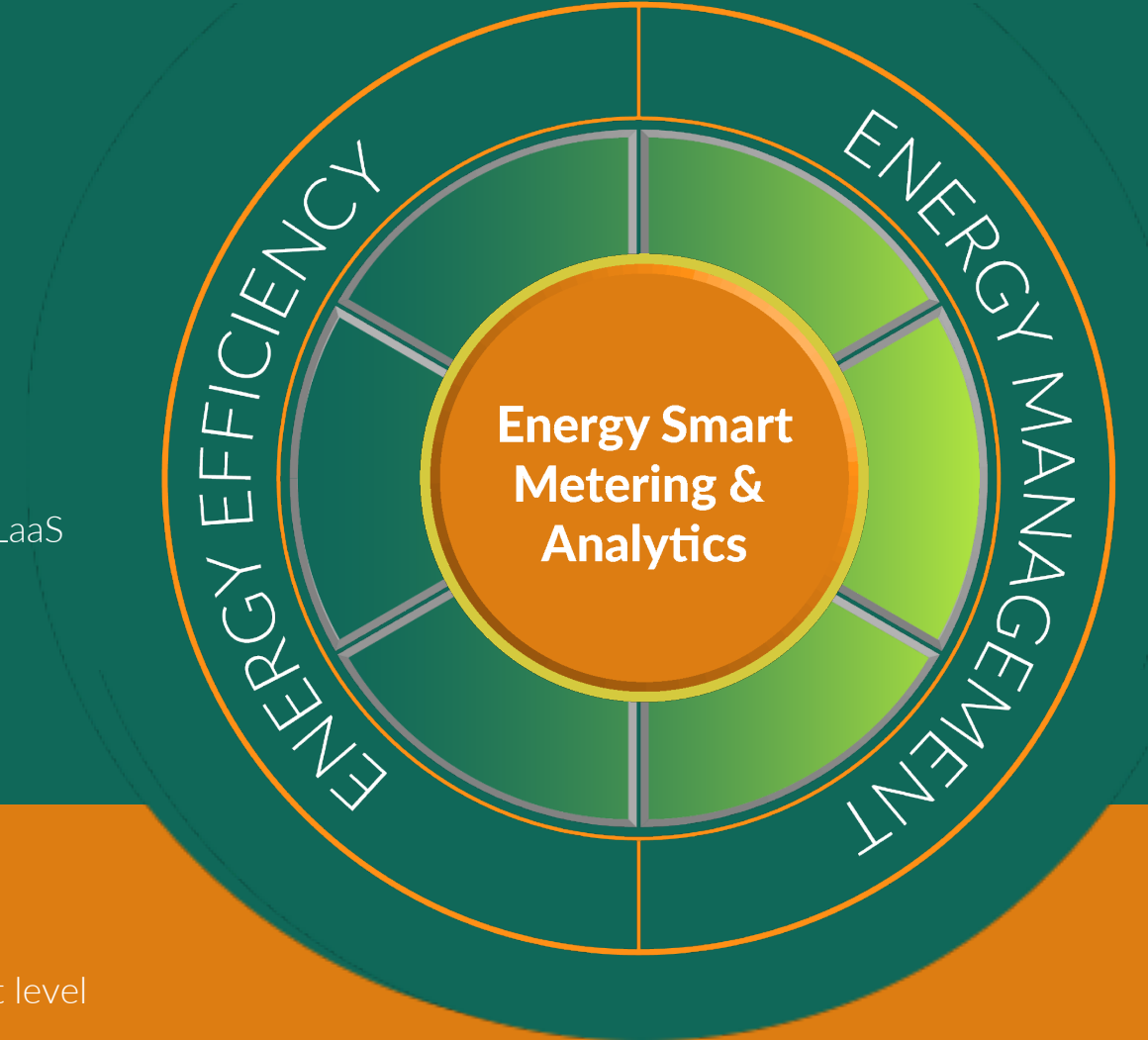
- Transition to Energy Management as a Service through a subscription model
- Empowers big data discussion with clients around Net Zero strategy
- Additional revenue opportunity around data analysis and advisory
- Pinpoints energy wastage

EEaaS

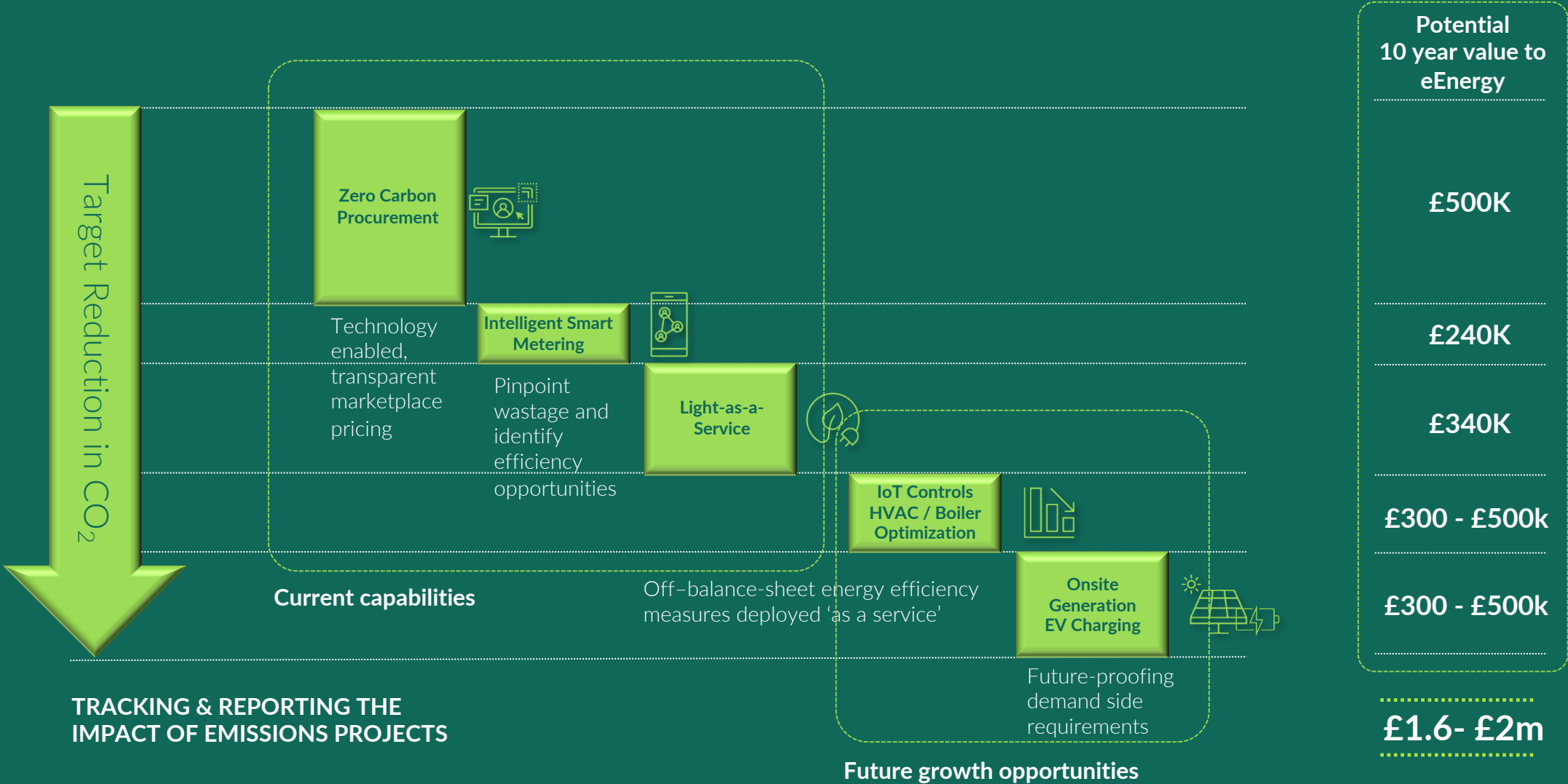
- Assurance around energy savings expected to drive increased conversion of LaaS projects
- Provides ability to transition from LaaS to EEaaS
- Capture additional share of the energy savings wallet

STRATEGIC HUB OF THE GROUP

- Proprietary intelligent smart metering and software analytics platform
- Providing live, behind the meter (BTM) energy consumption data to the cloud
- Enabling businesses to measure & monitor energy usage at the circuit & asset level
- Ability to identify energy wastage & ECM's



2.5 Illustrative Case Study: Potential economic value of delivering Net Zero



Illustrative only. Based on actual customer case study, assuming one renewal, and pipeline for Current Capabilities and eEnergy estimate of value for Future Growth Opportunities. Actual savings and value to eEnergy are subject to each client's energy infrastructure.

2.6 FY21 Full Year Trading Update

TRANSFORMATIONAL YEAR in which the Group has demonstrated strong organic growth, entered the energy management market and delivered its maiden profit⁽²⁾ in line with market expectations, despite challenges of global pandemic

REVENUE: **£13.5m**

+200% YoY growth

FY20: £4.5 million



ADJUSTED EBITDA⁽¹⁾:

£0.7 million

FY20: £1.5 million LOSS

PROFIT BEFORE
EXCEPTIONAL ITEMS⁽²⁾
£0.1 million

FY20: £1.5 million LOSS

ORGANIC REVENUE:

UP 75% to £7.9m

FY20: £4.5 million

LAAS GROSS MARGIN
(incl. commission expense)⁽³⁾:
34.4% up 350 bps

FY 20: 30.9%



NET CASH (inc. LEASES)

£0.7 million

FY20: £0.5 million NET DEBT



LAAS PROJECTS
INSTALLED:
211 (+69% YoY)

FY20: 125

LAAS PROJECTS AVERAGE
REVENUE:
£52k (+52% YoY)

FY20: £34k

METERS UNDER
MANAGEMENT:
30,040 (+9%)

15 Dec 20: 27,481



(1) Adjusted EBITDA is EBITDA excluding transaction-related costs and share based payment expenses.
(2) Profit before exceptional items is the profit before and after-tax excluding transaction-related costs and share based payment expenses.
(3) Gross margin excluding commissions improved by 260bps to 38.1% from 35.5% in FY20

2.7 Near Term Growth Drivers

Existing capabilities across Energy Management, Energy Efficiency and Intelligent Measurement & Analysis driving strong organic growth.

Supported by acquisition strategy to in-fill capability gaps and accelerate growth.

1. **Market Demand** for Zero Carbon Energy & Energy Data
2. **Switch** to Energy Management 'as a service'
3. **Data insights** enabled by My ZeERO drive energy reduction through EEaaS
4. **Digitisation** of LaaS model; eLight App drives scalable SME growth
5. **Leverage expanded customer base** to capture additional Energy Conservation Measure's with measured savings
6. **Integration & efficiencies** leverage platform capabilities
7. **Renewable generation & Electric Vehicle** solutions

#1

- NHS England plans to become world's first carbon neutral health service



- Legally enshrined target to reduce carbon emissions by 78%¹ by 2035



- ESG reporting to become mandatory for LSE premium listed companies from 1 January 2022



- Streamlined Energy & Carbon Reporting requirements apply from 2020 onwards



- Government procurement rules to require businesses to commit to achieving Net Zero by 2050

A background image of a foggy landscape with a dirt path leading towards a large tree. The image is overlaid with a semi-transparent green filter.

3.0 Acquisition of Utility Team

3.1 Top 20 Energy Consulting & Procurement Business

UTILITY TEAM

- Established in 2009
- HQ in Coventry
- Offers energy consulting and procurement services to reduce costs and support transition to Net Zero
 - Every tender has a renewable option
 - Founder member of the future Net Zero Standard
 - 39% contracts signed in 2021 are with renewable energy

Services

- Green energy strategy
- Bill validation
- Energy Audits
- Site Works

Key strengths

- 26% CAGR (2014-2020)
- +36% EBITDA margin
- One of the largest independents focussing on the I&C market
- Dedicated energy services function – identify, design, finance, implement
- Net Zero strategy and capability fully integrated into traditional energy procurement
- Highly accomplished digital sales and marketing capability delivering strong new business wins
- Differentiated client offer with particular focus on large, complex multi-site portfolios and a dedicated energy services function



800

Strong Recurring And Contracted Revenue Base With Over 800 Contracted Customers

80%

Contract Renewal Rates

2.8

Average Contract Length of 2.8 Years

37

Employees



Sustainable Energy Services



Risk And Bureau

3.2 Strategic Rationale

COMPELLING & ALIGNED COMMERICAL STRATEGY

- High quality sales engine delivered 27% revenue growth in 2020
- Differentiated proposition and strong 'Zero Carbon' credentials
- Ability to secure large-scale, high-volume energy users with a strategic solution

LEVERAGING EXISTING TECHNOLOGY PLATFORM

- £200k operating efficiencies identified by transitioning customer portfolio to existing platform
- Increased scalability to leverage existing cost base for future growth
- Enhanced product offering and creating digital journey for customers
- Improved industry ranking for combined entity

ATTRACTIVE AND COMPLEMENTARY CUSTOMER BASE

- 800+ customers aligned in complementary sectors e.g Healthcare with clear LaaS/ EEaaS potential.
- Provides substantial opportunity with large scale customers to deliver high-contract-value EEaaS solutions

HIGH QUALITY OF EARNINGS

- Multi-year contracts with strong (c. 80%) renewal history
- £10m forward order book



4.0 eEnergy Group - Built for Growth

4.1 Integration and Growth Acceleration

INTEGRATION

- Single leader (MD) for the enlarged Energy Management Division (EMaaS)
- Move Utility Team into eEnergy group collaboration platform
- Move Utility Team client data into Beond Platform and consolidate operational activities
- Combine all EMaaS sales prospect data into single CRM
- Drive all EMaaS campaigns and sales activities through a single route to market

GROWTH ACCELERATION

- Create sector specific sales channels that focus on the Public Sector (Beond) and I&C markets (Utility Team)
- Repurpose capacity to develop and grow energy price risk management products to lock in longer term revenues
- Create Energy Efficiency (EEaaS) opportunities through embedding MyZeERO into all new EMaaS energy procurement solutions
- Increase our “share of energy savings wallet” through identification of energy conservation measures

- **Single leader MD for EMaaS**

- **Single technology platform for all EMaaS client data**

- **Value creation through embedding My ZeERO**

5.0 Summary

- A leading, high growth energy consulting and procurement business
- Highly attractive quality of earnings from recurring contracted customer base
- Long-term, strategic customer relationships
- Complementary I&C and mid-market customer base with strong cross-sell potential
- Leveraging the Beond platform to deliver operating efficiencies
- Expected to be significantly earnings enhancing in FY22

A conceptual image showing a hand holding a globe of the Earth, with green leaves placed on top of it. The background is a soft-focus green, suggesting foliage. The entire image is overlaid with a semi-transparent green filter.

6.0 Appendix

6.1 CASE STUDY: Light-as-a-Service

Light-as-a-Service



WHAT WE DO

Energy Efficiency-as-a-Service / Light-as-a-service

We provide customers with quality LED lighting with no upfront capital investment



OUR CUSTOMERS

Education Sector
Independent Schools
Multi-Academy Trusts
State Schools

Commercial Sector
Food manufacturers
Food services
Distribution and logistics
Healthcare



BENEFITS FOR CUSTOMERS

No upfront capital investment

Transfer of risk – technical, financial and maintenance

Unlock free cash flow from day 1



HOW WE WIN BUSINESS

Digital engagement

Multi channel direct marketing

Strong sales force supported by referrals



FUNDING ARRANGEMENTS

Assign or sell contract receivables

Working with Energy Efficiency investors

Secured capital sufficient to fund foreseeable growth

The LaaS Proposal

Financial summary and carbon savings of a LaaS proposal

First Year Summary:

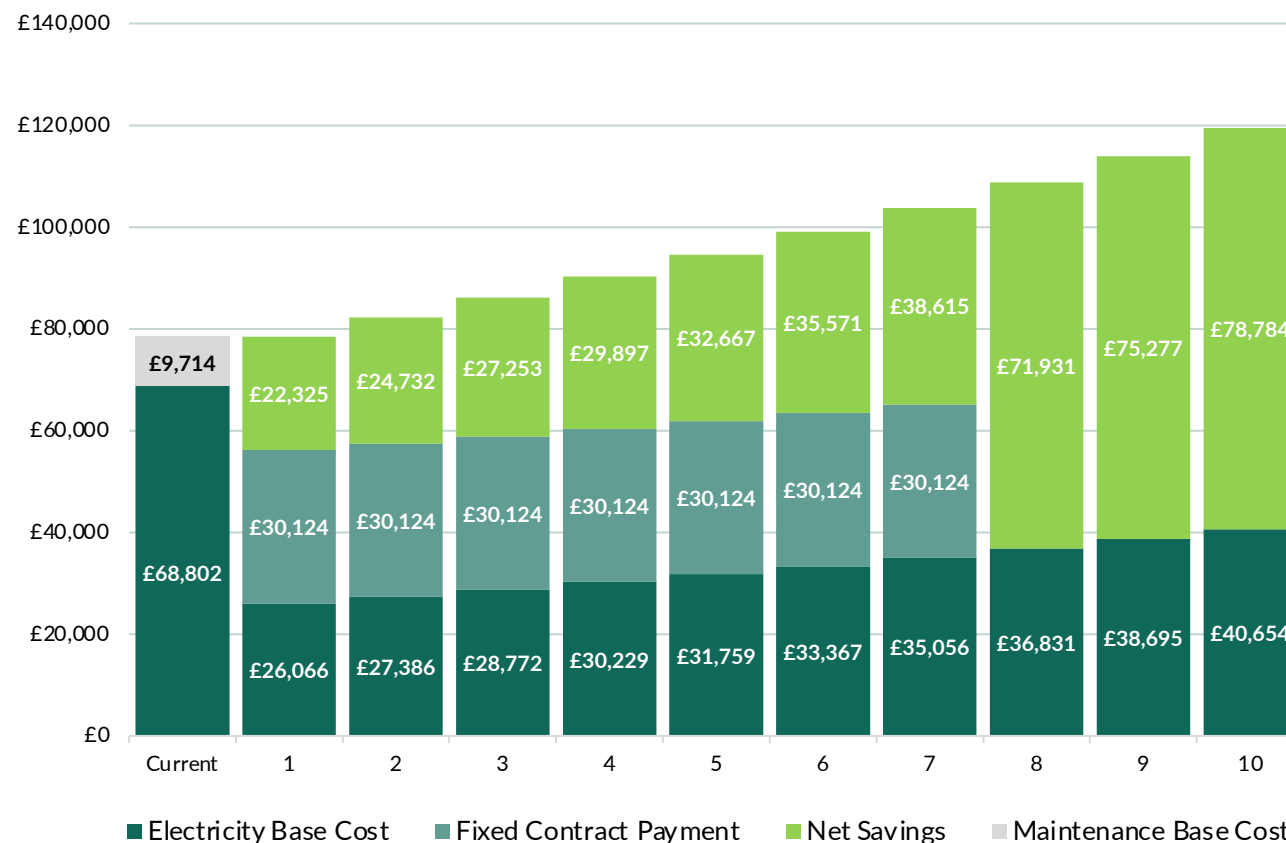
£52,450	Gross Savings
£30,124	Fixed Payment
£22,325	Net Saving Year 1

7-Year Summary:

£211,060	Net Savings
33%	Cost Savings
988	tCO ₂ eCarbon Savings

10-Year Summary:

£437,052	Net Savings
45%	Cost Savings
1,411	tCO ₂ eCarbon Savings



£22,325

Total Net Savings
1 Year

£437,052

Total Net Savings
10 Year

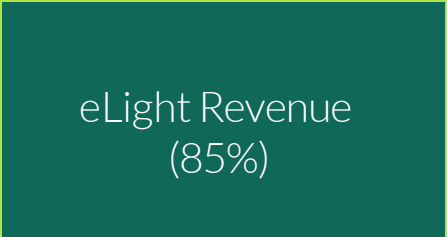
1,411 tCO₂

Carbon saved
in 10 years

LaaS contract economics illustration

Allocation of contract value

TOTAL CONTRACT VALUE (100%)



- Project Finance partner takes all credit risk on future monthly service fees
- Majority of eLight revenue earned upon installation and typically received < 5 days later from Project Finance partner
- OEM terms for payment are typically the month after the month of installation
- Installer will typically invoice eLight upon completion and are paid after 30 days

Each funded project is immediately cash positive