eEnergy

UNLEASHING NET ZERO™

2023

eEnergy Group plc

Annual Report & Accounts

About us

Move faster towards Net Zero.

Our purpose.

As a leading digital energy services provider, eEnergy is revolutionising the path to Net Zero for B2B and public sector organisations. Challenged by rising costs and demands, we turn the Net Zero mission into an achievable goal. Armed with innovative technology and extensive knowledge, we're transforming how our customers are unleashing sustainable energy.

Our aim? To make Net Zero not just viable but profitable for our customers, ensuring robust returns for shareholders.

Trusted by over 1,000 partners, we're the catalyst for companies to meet their net zero ambitions — sustainably, profitably, decisively.

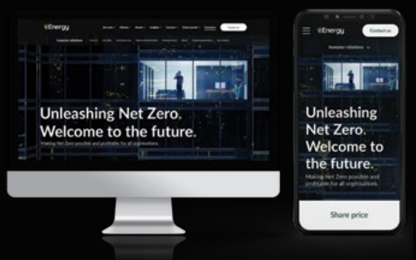
Our vision.

Creating a world where achieving Net Zero is possible and profitable for all organisations.

Our mission.

Eliminating energy waste and making Net Zero a profitable reality.

Contents



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Highlights

Financial – Energy Services and Energy Management

Revenue[1] £m

£45.6m

106% (2022: £22.1m)

2023	45.6
2022	22.1
2021	13.6

Adjusted EBITDA[1] £m

£5.1m

(2022: £3.0m)

2023	5.1
2022	3.0
2021	0.8

Net Debt[2] £m

£7.4m

(2022: £3.6m Net Debt)

2023	7.4
2022	3.6
2021	(1.5)

Energy Services Sales (TCV) £m

£34.2m

+145% (2022: £14.0m)

2023	34.2
2022	14.0
2021	12.7

1. Continued and Discontinued business.
2. Excluding lease liabilities and collection accounts.

Operational achievements

- Proposition developed of our Energy Management division with the launch of the Unified Platform, incorporating MY ZeERO, along with recruiting industry top talent. These initiatives supported the disposal of the division.
- Strengthened our balance sheet through the sale Energy Management post period-end, resulting in the ability to access multi-million-pound opportunities with greater margins.
- Developed a unique £40 million public sector compliant funding solution with NatWest to finance multi-technology decarbonisation solutions. Launched in Q1 of 2024.
- Built a strong and highly invested pipeline over the last 24-36 months, achieving a conversion rate of approximately 50% over the sales cycle.
- Identified significant market opportunity with an estimated £2 billion addressable LED market within the education sector alone.
- Established a profitable and scalable platform, aiming for high-teens adjusted EBITDA margin.

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Key credentials

#1 education sector
Digital energy services provider completed 1000+ decarbonising projects and improved the learning environment for 443,000+ pupils.

60% energy savings
Saving our clients up to 60% on energy and carbon emissions with no upfront investment.

3 software platforms
Enabling scalable solutions in the design and management of energy reduction, generation, and EV charging.

£2m
Approximate value of Energy Services projects being delivered each month.

10+ years
Providing energy and carbon reduction solutions.

4,481 tonnes of carbon
Saving during the 18 months from June 2022 by transitioning our clients to solar energy and reducing consumption.

1,000+
Customers across the UK and Ireland.

At a glance

The Net Zero energy services provider.

Empowering organisations to achieve Net Zero by tackling energy waste and transitioning to clean energy without the need for upfront investment.

As a leading digital energy services provider, we are revolutionising the path to Net Zero for B2B and public sector organisations. Specialising in energy reduction, clean energy generation, and state-of-the-art EV charging solutions, our approach leverages compliant funding to eliminate upfront costs for our clients. Our services integrated into our digital platforms, enabling scalability, real-time monitoring, and detailed reporting on energy performance and efficiency. This ensures that every solution is precisely tailored to meet the unique needs of each client, guaranteeing maximum impact. Embrace a smarter, sustainable future with us – where innovation meets efficiency.

Saving Costs with Comprehensive Energy Solutions.

Reduce.

Eliminate energy waste and switch to efficient LED lighting and controls, all while avoiding operational disruption.

Key growth drivers

- Race to Net Zero by 2030.
- Customer energy supply cost focus.
- Compliant Public Sector zero-capital upfront, off-balance sheet funding solution.
- IoT verified energy savings.
+ Expand into a broader range of technologies.
+ Key strategic supply chain partner.

Generate.

Reduce grid reliance and generate clean energy through solar PV design, all while minimising operational disruption.

Key growth drivers

- Race to Net Zero by 2030.
- Customer energy supply cost focus.
- Reduce reliance on the Grid.
- Compliant Public Sector zero-capital upfront, off-balance sheet funding solution.
- IoT performance data embedded.
+ Supported by strategic partners and/or acquisitions.

Charge.

Navigate the complexities of EV charging infrastructure and management, all executed with minimal operational disruption.

Key growth drivers

- Race to Net Zero by 2030.
- 2035 new ICE vehicle sales ban.
- Option or monetise charging infrastructure.
- Compliant Public Sector zero-capital upfront, off-balance sheet funding solution.
- IoT EV platform embedded.
+ Supported by strategic partners and/or acquisitions.

Finance.

Accelerate Net Zero ambitions without financial and logistical barriers with compliant Public Sector zero-capital upfront, off-balance sheet funding solution.

Data.

Connected IoT services enabling scalable design, optimisation, management and reporting across portfolio energy infrastructures; driving sustainability and operational efficiencies.

Digital Energy Services

Our investment case

1 Once in a generation market opportunity.

- Well positioned to benefit from accelerating climate action and regulatory Net Zero targets.
- Established business with 10-year growth record, turbo-charged by high energy prices.
- Acknowledgement that higher energy prices now represent a 'new normal'.
- Continued momentum in securing public and private sector service contracts.

22%

Of businesses cite energy prices as their main concern.

2 Unique proposition through technology.

- Innovative technology presents high barrier to entry.
- Smart analytics platform provides data insights to implement energy wastage reduction strategies.
- Clear differentiator to develop long customer relationships.
- Underpins long-term, re-occurring subscription revenue model.

3

Platforms scaling energy reduction, generation, and charging.

3 Integrated Net Zero proposition.

- Up selling products and services to existing customers with attractive margins.
- Offering a balanced suite of products to target customers' specific energy needs.
- Package solution can present enhanced returns to customer over single-product solutions.
- Long-lasting strategic relationships support increased customer spend.

One third

Of Energy Services TCV from pre-existing customers.

4 Innovative, capital-free, as-a-Service solutions.

- Long-term supportive funding partner (NatWest) with appetite to invest further.
- As-a-Service market expected to double in next seven years.
- Unparalleled customer track record gives strong platform to launch new product categories.
- Primed for margin expansion as revenues grow.
- Accelerating our customers' Net Zero strategy without upfront cost.

1,000+

Energy Services projects completed.

5 Strong balance sheet.

- Enabling access to multi-million-pound decarbonisation projects.
- Creating tougher barriers to entry for our existing competition.
- Ability to invest working capital to generate stronger margins.
- Long-term partnership with NatWest.
- Demonstrated proven strategy with a 334% increase in energy services growth since the 2020 AIM listing, equivalent to a 63% compound annual growth rate (CAGR).

2x+

Expected return on cash investment in projects.

6 Experienced and invested team.

- Invested and strategic Board for ambitious growth.
- Management with a strong track record for growing businesses and delivering value.
- Full service capability following successful M&A strategy: integration of five acquisitions to date.
- Single brand leveraging 20-years of experience, loyalty and credibility.
- Awarded the Green Economy Mark by the London Stock Exchange.
- Robust employee retention rates.

20%

Of equity owned by the Board and Senior Management.

(includes Luceco who have a nominee on the board)

Chairman's statement

A well-capitalised and focused Group.

> **The disposal of the Energy Management Division has re-capitalised the Group and allowed us to concentrate our resources on growing the Energy Services Division.**
>
> **Andrew Lawley**
> **Non-executive Chair**

Dear Shareholder,

The period under review comprises 18 months as a result of the Company changing its year end to better align with the seasonality of the markets we serve. This report covers the period from 1 July 2022 to 31 December 2023.

These 18 months saw eEnergy grow both divisions of our business – Energy Management and Energy Services. In early 2023, following a number of unsolicited approaches, we put in place a strategy to dispose of the Energy Management Division to unlock value and spur further expansion of the Energy Services Division. This disposal was brought to a successful conclusion after a longer than anticipated process after the period end, in February 2024. The transaction effectively re-capitalised the Group, paid down our borrowings and allowed us to focus our strategy andconcentrate our resources on taking advantage of the growth opportunities available to our Energy Services business. The results of the Energy Management Division are included in these Financial Statements for the full period but are classified for accounting purposes as 'discontinued operations' and 'held for sale'.

The initial consideration for the sale of the Energy Management Division was £29.1 million with a further additional contingent consideration payable depending on the performance of the Division. The Directors expect this additional consideration to be £8–10 million based on the Energy Management Division delivering on its business plan at the time of its sale.

Following the disposal, the Group's sole division is Energy Services which comprises the provision of end-to-end solutions in Energy Reduction, Energy Generation and EV Charging. The outlook for these services is exciting, particularly when combined with the NatWest financing capability we have put in place post year end, resulting from our strengthened balance sheet.

Results for the period

Including the Energy Management Division, Group revenues for the 18-month period were £45.6 million, compared to £22.1 million in the 12 months to June 2022. Adjusted EBITDA (before Group Central costs) was £7.6 million, compared to £4.6 million for 12 months to June 2022. More relevant are the results for Energy Services which recorded revenues of £26.3 million, equivalent to £17.5 million on an annualised basis, 68% higher than FY22 on a like-for-like basis. A more detailed discussion of the results for the period is contained in the CFO's Review on page 27.

ESG

As a business focused on helping the public and private sectors transition to Net Zero, we set great store on adopting best practice in our environmental, social and governance procedures and reporting. We have embarked on a journey to develop and implement a comprehensive management-led ESG strategy across the business. This was initiated in October 2023 and, while still underway at the time of writing, this project is expected to be completed in the second quarter of 2024. A full report on our progress to date is contained in the ESG section in this report.

Board

Following the disposal of the Energy Management Division and with the repayment of borrowings to a company of which John Foley is a shareholder and director, he stepped down as Non-Executive Chair from the Board, and I was appointed in his place. In addition, David Nicholl, Non-Executive Director, stepped down from the Board but will remain as an adviser to the Board, given his experience and technology sector knowledge.

At the same time, we were pleased to welcome John Hornby to the Board as a Non-Executive Director. John is Chief Executive Officer of Luceco plc which, following its strategic investment into the Company in November 2023, holds an interest in almost 10% of eEnergy's issued shares. John joined Luceco in 1997 and led two management buyouts of the company in 2000 and 2005. John began his career with Knox D'Arcy Management Consultants following graduation from the University of Oxford where he obtained a degree in Economics.

Outlook

Over the last four years we have built a strong brand with a proven track record, resulting in a market leading position in education, in what we believe is going to be a sizeable market. We will look to leverage our leading position in schools into other sectors of education, such as colleges and universities, increase our work with local authorities, whilst also expanding into new commercial sectors such as healthcare.

With the disposal of the Energy Management Division now completed, and supported by strong cash resources, management and the Board are now focused on converting the growing sales pipeline over the next 12 months. Whilst H1 FY24 has been impacted by market and business factors discussed in the CEO review, we are confident H2 will return to strong revenue and earnings growth.

Finally, on behalf of the Board and management team, I thank our amazing staff for their hard work in growing our business and for helping to make the separation and sale of the Energy Management Division such a seamless transaction. I also wish our departing colleagues and team mates well for the future under the Division's new ownership.

Andrew Lawley,
Non-executive Chair
29 April 2024

Strategy in action

Optima Systems.

Optima Products, a leader in glass partitioning, is on a fast track to Net Zero by 2035. Their global operations are pivoting to sustainable practices, headlined by a major solar initiative at their UK site.

Partnering with eEnergy, Optima has implemented a tailored 284kWp rooftop solar system, enhancing their energy self-reliance and cutting costs. eEnergy's seamless integration promises significant CO_2 reductions, aligning Optima's environmental and economic goals with their Net Zero commitment.

20%	32tCO_2e	£2.5m
Reduction in energy costs.	**Carbon saved annually.**	**25-year net savings.**

With the expert help of the team at eEnergy we are on track to make a significant positive impact on our carbon emissions, whilst simultaneously making dramatic reductions in our energy consumptions and costs.

Christian Mabey
Managing Director

Strategic report

A proven track record of growth.

> Over the last three years we have delivered a 58% compound annual growth rate in Energy Services revenues.
>
> **Harvey Sinclair**
> **Chief Executive Officer**

Following the sale of the Energy Management Division in February 2024, we are left with Energy Services, a business with a proven track record of delivering growth. We are now focused on accelerating this growth as our customers race to meet Net Zero commitments by 2030, having built a platform with a sector leading brand.

Financial strength unlocks opportunities

The receipt of the initial £25 million cash portion of the consideration has transformed our balance sheet. A strong balance sheet will unlock a number of the constraints that we have experienced historically – we now have the working capital to tender for much larger multi-million-pound contracts and we can secure better terms from our supply chain. It is also what has allowed us to agree the recent facility with NatWest which provides us with the firepower to enhance our growth and enable us to build additional recurring income streams as we move forward.

Our markets for Energy Services are large and growing

Over the last three years since listing on AIM, we have delivered a 58% compound annual growth rate in revenues which is evidence of the power of the brand we have built in the market. It also demonstrates the scalability of our operating model in what we see as a very large addressable market. From the work we have been doing over the last 10 years we estimate that some 70% of the market in education alone still remains to be addressed. Within this, we estimate that the lighting opportunity alone, is worth an estimated £2 billion. We also recognise the barriers to entry for new competitors in the public sector space are considerable.

Pipeline

Over the last three years we have built a very strong, investment grade pipeline that's potentially worth over £120 million. Typically, our customers have sales cycles of somewhere between six and 24 months and with our proven track record of closing around half our investment grade proposals, this gives us increasing visibility on future revenues.

Following a period of record energy prices in 2022, the market paused for breath in the second half of 2023 as energy prices settled and cost of funding increased. We are now seeing some recovery in the market with strong pipeline growth in recent weeks.

The business has over 600 "Light as a Service" contracts with education customers and so is well positioned to transition these customers to solar solutions, utilising the recent NatWest funding solution.

We are aiming to drive scalable profitable growth and our objective is to target the high teens EBITDA margins as we look into the mid-and long-term.

Energy Management Division

The Energy Management Division was created after we acquired three businesses between 2020 and 2021 as part of a strategy to diversify beyond what was a lighting as a service business that had been growing organically for seven years.

Building a saleable business of size

We integrated the three acquired businesses into a single platform and into a single brand that enabled us to deliver the efficiencies we created from new products. These provided significant value-add to our customer base which was demonstrated by stronger customer retention over the period of our ownership. We can be proud of what we achieved against a backdrop of very challenging market conditions – starting with the pandemic and continuing with disruptive and volatile energy markets. These conditions were difficult for all businesses but even worse for the energy consultancy sector.

The disposal

Following a number of unsolicited approaches in early 2023, we conducted a strategic review of the options for the Group and concluded that it was in shareholders' best interests to divest the division and secure a significant return on investment on day one with the potential for further returns from an expected £8–10 million additional contingent consideration over the next two years, based on delivery of the business plan, in a structure that works for both us and the acquirer.

In short, we have cleared our balance sheet constraints, and have provided the Energy Services business with a springboard into what is a very exciting market opportunity where we have a leading position.

Energy Services strategy

Strategy for growth

We've finessed our strategy into one based on three pillars. Reduction, Generation and Charging. Our focus this year will be on Energy Reduction and Energy Generation services. These will be followed by Energy Charging, by which we mean electric vehicle (EV) charging.

EV charging remains an exciting opportunity but it's still nascent. In the next few years, the adoption levels for EVs will start increasing and this will create a significant opportunity to facilitate revenue and profitability within the customer base that we've so successfully acquired.

With a leading brand position in the market, we now have a unique and differentiated "Energy as a Service" customer proposition; this has been reinforced through our off balance sheet financing solution, enabled by the NatWest facility described in detail in the CFO's Review below. This solution is becoming ever more attractive to customers in what is a capital constrained environment. The second point of our competitive advantage comes from our continued exclusive licence of MY ZeERO (formerly part of the Energy Management Division) which allows us to provide both visibility and verification of energy savings delivered.

Customer acquisition

During the last 18 months we have refined and sharpened our offer to customers. This has been reflected in new customer wins and additional work from existing users of our services.

Looking at the competitive landscape that we operate in, from the research we have done both internally and through due diligence providers we see a thinly served market with very few genuine competitors given the size of the market. This in itself provides us with an incredible opportunity to leverage our brand and strengthen that presence in the public sector. Historically we have had a successful direct sales model that remains in place. Now, as we start thinking about scaling the business, we're running in parallel an indirect channel partner strategy to help expand out of the public sector together with leveraging our ability to win increasingly large multi-million pound contracts and tenders.

Energy Services Market

The energy crisis in 2022 was a big wakeup call to the world; cost savings became the main driver for energy transition projects. However, over the last 12 months, energy prices have reduced (still remaining almost double pre-Covid rates) and this has created a temporary slowing down of organisations transitioning to Net Zero, which has been frustrating for the business as project decision making cycles have been extended. My personal view is that we are about to enter a period of accelerated and sustained focus on decarbonising buildings in the period up to 2030. This provides an incredible market opportunity, for which eEnergy is well positioned.

Whilst cost remains a key driver for our Energy Reduction Services, we are starting to see stronger drivers in compliance and regulation.

Furthermore, given the changes to the cost of capital in the last 12 months, the market has become increasingly constrained for capital intensive projects; this has made the "energy as a service" proposition both relevant and commercially attractive to organisations.

The ban on fluorescent lamps last year was a further inflection point for lighting in the public sector, accentuating the need for organisations to transition to LED, where their lighting infrastructure is increasingly reaching 'end of life' and where LED is now the only option. Another driver is the tightening of EPC ratings for commercial landlords which means that property owners are starting to see the inherent increase in property value that on-site generation could deliver for them.

The potential introduction of a carbon tax, supply chain pressures and Government policy for Net Zero commitments are all intensifying providing a backdrop of non-financial drivers on top of the need to reduce wastage and cost. 2030 is now only five years away.

Outlook

Over the last four years we have built a market leading position in education, with a strong track record of delivering solutions to our customers across all market sectors. We are looking to expand our position within the public sector to include local authorities, higher and further education, whilst expanding into new commercial sectors such as healthcare where we have already made a strong start with the award of an estimated £5.2 million contract by Spire Healthcare Group Plc in April 2024.

Through the second half of 2023 and into Q1 2024, the business was constrained by its balance sheet until the completion of the disposal of the Energy Management Division in February 2024. This coincided with a degree of market fatigue created by falling energy prices and increased cost of funding leading to a delay in project decision-making cycles, delaying the conversion of our sales pipeline into contracted orders. The Energy Management Division disposal process also took longer than anticipated and required considerable management time. All of which is expected to result in H1 FY24 trading being weaker than anticipated.

However on a more positive note, with the Energy Management Division disposal completed and supported by strong cash resources, management are focused on converting the growing pipeline over the next 12 months, and accordingly are confident that H2 FY24 will return to strong revenue and earnings growth. Profit generation for FY24 is therefore expected to be concentrated in the second half of the year, supported by the delivery of solar contracts secured in prior periods and actions being taken to materially reduce the Group PLC cost-base to reflect the reduced size of the business.

Harvey Sinclair,
Chief Executive
29 April 2024

Strategy in action

"We've never had so many positive comments about contractors going into schools before. We were really happy with the turnkey solution and the finance model.

Angela Durston
Head of Supplier Partnerships and Sustainability
Cognita Schools

Mega and macro trends.

Our clients seek a trusted and compliant Net Zero partner, driven by the Paris Agreement aiming for a 45% emissions reduction by 2030 and Net Zero by 2050.

Climate Change & Race to Net Zero:

- Education Sector Trend: Universities and colleges worldwide are committing to net-zero emissions by 2050, with initiatives ranging from renewable energy transitions to nature-positive university policies.
- Healthcare Sector Trend: There is a growing emphasis on sustainable healthcare practices, with institutions seeking to minimise their carbon footprint through efficient energy use and green building designs.

eEnergy's Response

For education and healthcare sectors, eEnergy can facilitate the transition to 100% clean power through solar PV installations and energy efficiency measures, helping these institutions meet their net-zero commitments while providing resilient and sustainable energy solutions.

Compliance & Complexity of Public Sector Procurement Processes:

- Education Sector Trend: New regulations and compliance standards for net-zero buildings and campuses are shaping procurement processes in education.
- Healthcare Sector Trend: Healthcare organisations are also facing complex procurement processes, with a focus on sustainability and compliance with net-zero strategies.

eEnergy's Response

eEnergy simplifies compliance for education and healthcare providers by ensuring that its energy services meet the latest standards for net-zero procurement, delivering turnkey fundable solutions that comply with stringent regulatory requirements.

Energy Price Uncertainty Due to Political Unrest:

- Education Sector Trend: Rising energy prices and the need for cost-effective, secure energy solutions are driving educational institutions to seek stable energy partners.
- Healthcare Sector Trend: The healthcare sector's reliance on continuous energy supply makes it vulnerable to energy price fluctuations, prompting a search for more predictable energy solutions.

eEnergy's Response

By offering energy as a service, eEnergy provides the education and healthcare sectors with a hedge against energy price volatility, ensuring energy security through efficient solutions and fixed-cost energy services.

Corporate Commitment to Sustainability:

- Education Sector Trend: New regulations and compliance standards for net-zero buildings and campuses are shaping procurement processes in education.
- Healthcare Sector Trend: Healthcare organisations are also facing complex procurement processes, with a focus on sustainability and compliance with net-zero strategies.

eEnergy's Response

eEnergy's comprehensive energy solutions enable both sectors to actualise their sustainability ambitions, providing the infrastructure for clean energy generation and promoting environmental education and awareness through their operations.

Market opportunity

There is a huge and positive market opportunity that presents positive macro-economic tailwinds. High energy prices, the UK government's Net Zero ambitions and the growing regulatory and social drivers amplify the economic case for our customers to accelerate their Net Zero strategy.

Target sectors	Target segments	Size of addressable market	
Education	• Academy schools. • Multi-academy trusts. • Independent schools. • Sixth form and colleges. • Universities.	**32,163** UK schools. **24,413** Schools in England.	**7,696** Academy schools. **2,461** Independent schools.
Healthcare	• NHS healthcare. • Private healthcare. • GPs and primary care. • Pharmacies. • Care homes.	**1,299** Public and private hospitals. **54,024** Licensed GPs.	**11,000** Community pharmacies. **17,100** Care homes.
Public sector	• Council buildings. • Blue light services. • Central government. • MOD.	**13,900** Government buildings. **2,300** Fire stations.	**355** Police stations.
Food and retail	• Food and fast-food chains. • Food processing plants. • Large retail centres. • Retail chains.	**46,248** Food outlets. **11,665** Food and drink manufacturing plants.	**300,000** Separate businesses.
Leisure and hospitality	• Hotel chains. • Destination leisure. • Sport stadiums.	**9,055** Hotels. **550** Shopping centres.	**259** Stadiums.
Industry and logistics	• Warehousing (light manufacturing). • Storage and logistics.	**1,500** Warehouses.	**205,380** Logistics enterprises.

Driving Explosive Growth in the Transition to Net Zero.

Our customers seek a trusted partner, boasting credible and profitable end-to-end energy solutions to unleash their Net Zero ambitions. This need presents eEnergy with explosive multi-revenue streams of growth opportunity through our robust and proven business model.

Reduce.

Growth drivers.
- 2030 Net Zero ambition.
- Focus on reducing energy demand.
- Capital free solutions to unlock Net Zero.
- Upsell to existing customers.

Capabilities.
- Compliant, capital free as a service solutions.
- Customer payments funded through energy savings.
- Robust end-to-end product suite.

Revenue model.
- Revenue is recognised during the project period following contract signature.
- Monetised through sale of the receivable to finance partner.

342
Projects completed in FY23.

£127m+
Pipeline opportunities.

Generate.

Growth drivers.
- 2030 Net Zero ambition.
- On-site generation cheaper than grid.
- Leveraging existing customer base.

Capabilities.
- Secured long-term fixed energy costs with PV Solar.
- Reducing reliance on the grid.
- Innovative, capital free as-a-Service solutions.

Revenue model.
- Revenue is recognised during the project period following contract signature.
- Monetised through sale of the receivable to finance partner.
- Financed through a PPA or operating lease.

13MW
Under Heads of Terms.

£130m+
Pipeline opportunities.

Note: all values as at 31 December 2023

Integrated end-to-end Net Zero proposition.

Charge.

Growth drivers.

- Rapid demand growth for electric vehicles.
- Government EV charging grants for schools.
- Leveraging existing customer base.

Capabilities.

- Switch to Fleet EVs with predictable EV charging costs.
- Ability to extend and monetise EV charging solution.
- Innovative, capital free as-a-Service solution.

Revenue model.

- Monetised through sale of the receivable to finance partner.
- Charge as a Service, no upfront solution.

221
Chargers under contract.

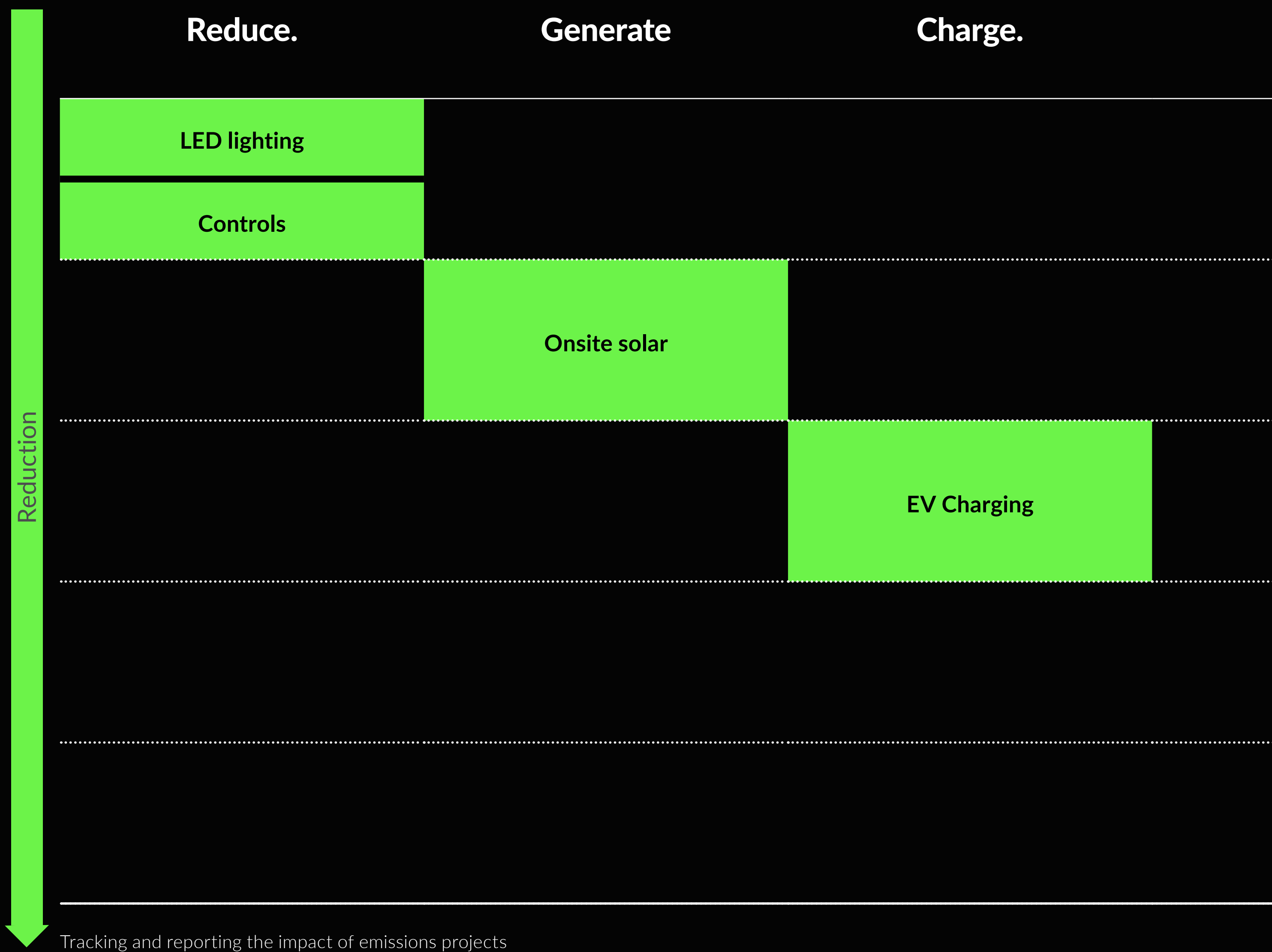
£1m+
Pipeline opportunities.

Note: all values as at 31 December 2023

The economic value in Unleashing Net Zero.

Reducing carbon and saving costs with comprehensive energy solutions. Saving up to 60%.

eEnergy carbon waterfall



Tracking and reporting the impact of emissions projects eEnergy's integrated services offering enables us to support our clients to achieve their CO_2 reduction targets at the same time as saving money.

We save costs with comprehensive Energy Solutions: Reduce | Generate | Charge.

The 'waterfall' diagram below depicts how those areas each contribute to the client's CO_2 reduction targets. This illustration is based upon an actual client case study where we have delivered all our current capabilities across four schools, including the tracking, and reporting of the impact of each of the emissions projects.

Based on this analysis, the waterfall also shows what the Board believes could be the potential 10-year economic value to eEnergy of offering all Energy Services capabilities to a typical Multi-Academy Trust – approximately £1.0 million. An additional £0.6 million–£1.0 million of value is anticipated to be available through consolidation of the education sector into existing Multi-Academy Trust customers of the Group.

IoT Data.	Total energy reduction.	Potential value to eEnergy.
	20% 10%	£410k
	20%	£360k
	–	£170k
Intelligent Metering	10%	£81k
	60%	£1.02m

Over 10 years

Reduce: LED lighting and controls, designed with pace and accuracy.

Our eLight App affords 100% accuracy and significant efficiencies in lighting surveying and design, ensuring scalability without compromise.

eLight

342
Projects completed[1].

203k
LED lamps installed[1].

£4.87m
Year 1 gross savings to our customers.

£127m+
Pipeline opportunities[2].

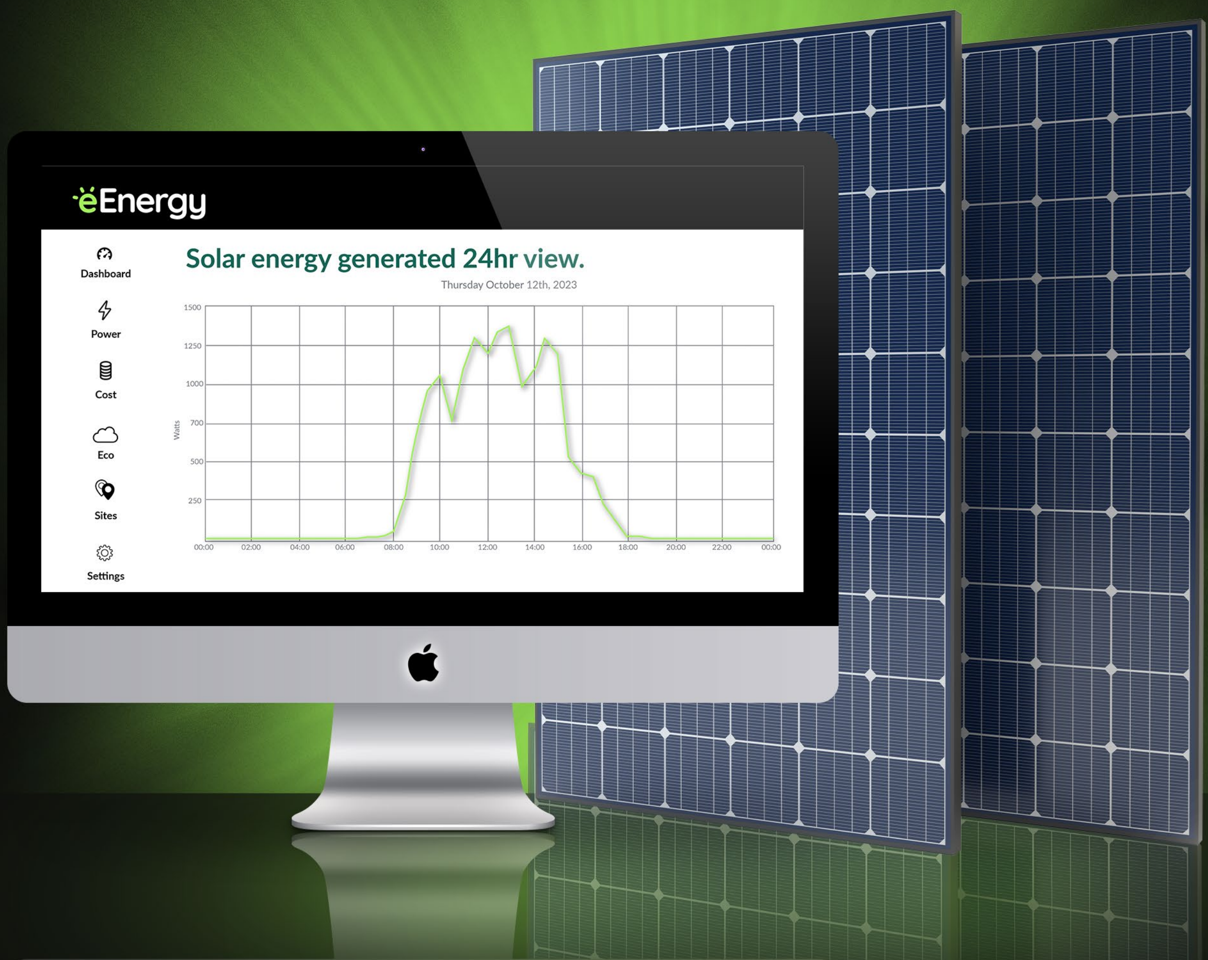
1. From July 2022 to December 2023.
2. As of 31 December 2023.

Generate: Best-in-class OEM capital free onsite solar generation.

A highly attractive alternative to spiralling energy costs in adopting a capital free solar solution. IoT connected to monitor generation and performance (up-time).

éSolar

- Enabling Reduction in energy costs by up to 20%.
- Delivering greater energy security.
- Reducing reliance on the grid.



67
Projects won[1].

6,650
Peak power (kWp) PV systems won[1].

13MWh
Under Heads of Terms[2].

£130m+
Pipeline opportunities[2].

1. From July 2022 to December 2023.
2. As of 31 December 2023.

Charge: Best-in-class OEM subscription-based EV charging.

Rapidly deploying EV charging points and system management on a subscription-based model enabling organisations to meet the growing demands of their employees and customers.

eCharge

- Enabling fleet charging.
- Subsidised employee charging.
- Monetise for visitor use.

221
EV chargers under contract[1].

£936k
Total contract value[1].

£1m+
Pipeline opportunities[2].

1. From July 2022 to December 2023.
2. As of 31 December 2023.

eEnergy: Lighting up the path to Net Zero in schools.

At eEnergy, we are revolutionising the path to Net Zero by eliminating the barriers to progress.

840
Schools.

443,000
Pupils.

517,000
LED lights installed.

£102.3m
10-year net savings.

12,754tCO_2e
Average annual carbon savings.

Our track record in the education sector is a testament to our commitment and expertise: we've successfully completed over 1,000 projects with schools and colleges throughout the UK and Ireland. Through these initiatives, we've empowered educational institutions to drastically cut their energy expenses and advance their Net Zero goals, significantly impacting over 443,000 pupils. With eEnergy, these schools are not only reducing costs but are also making strides towards decarbonisation. Our projects have led to the installation of over 517,000 LED lights, resulting in a stunning £102.3 million in net savings over ten years and a reduction of 12,754 tonnes of CO_2 equivalent emissions.

The enhanced learning environments we've created for these 443,000 pupils are designed to improve focus and concentration, further aiding the educational process by providing better lighting and more comfortable surroundings. This improvement is critical for effective learning and contributes to a more engaging and productive school experience.

Despite these successes, our analysis indicates that approximately 70% of schools have yet to switch to LED lighting, and up to 90% have not yet implemented solar panels and electric vehicle (EV) charging infrastructure. We possess the necessary tools to monitor and decrease emissions effectively and offer the funding solutions required to initiate these projects without any upfront costs. Our extensive knowledge and proven experience equip us to support many more schools in achieving significant energy efficiencies.

In light of the profound impact that climate inaction will have on young people, it is crucial that we assist schools in their efforts to minimise energy waste and reduce operational costs. By doing so, we not only set a positive example for the next generation but also lay the foundation for a more sustainable future. As eEnergy continues to expand our reach beyond 840 schools across the UK and Ireland, we remain dedicated to enhancing learning environments and fostering a culture of environmental responsibility.

Achieving Net Zero.

A fully integrated Energy Services provider, making Net Zero possible and profitable for our customers and delivering strong returns to our shareholders.

eEnergy is committed to guiding its customers on a comprehensive journey to Net Zero, by providing a holistic suite of solutions. Our strategic vision focuses on delivering an end-to-end service that encompasses organically developed products and those created through strategic partnerships. These offerings target the demand side of energy consumption, encapsulated in our three-pronged approach: Reduce, Generate, and Charge. By bundling these services, we not only enhance the value for our customers beyond what a single-platform solution could offer, but we also diversify and secure recurrent revenue streams for our business. This approach allows us to engage with our clients on multiple fronts, offering numerous revenue-generating opportunities as they advance towards their Net Zero goals.

There are six key drivers to our growth strategy:

1. 2030 Vision.

Seize the explosive market potential within the next six years, aiming for 2030. This aligns directly with global environmental goals and positions eEnergy at the forefront of a significant shift in energy consumption and production.

2. Organic Expansion.

Capitalise on our market leadership to spur growth in energy efficiency and renewable generation. As the core of the strategy, underpinning eEnergy's commitment to sustainable development and market dominance.

3. Renewable Focus.

Enhance our portfolio by offering renewable solutions to our current customers, crucial in maintaining competitiveness and relevance in an increasingly eco-conscious market.

4. Innovation Adaptability.

Create a foundation for rapidly embracing new technological advancements. Staying at the cutting edge of technology ensuring eEnergy remains a preferred partner in the transition to greener energy.

5. Strategic Investment.

Build on a solid three-year investment and a strong project pipeline, ready for significant revenue growth and operational efficiency, including potential market and geographic expansions, underlining our long-term commitment to our strategic vision and financial health.

6. Sector Engagement.

Deepen our penetration in the education sector, leveraging an addressable £2bn LED market and expanding our offerings to include eSolar, eCharge, and energy analytics. Focusing on this sector, we aim to tap into a substantial, yet underexploited, market opportunity, driving both impact and revenue.

We are set to enhance our services and seize market potential, utilising our skilled sales team, strong partnerships, and effective frameworks to address a vast £2bn educational sector opportunity still largely untapped.

In doing so, all our stakeholders will benefit – investors, staff, management and society, as we help the UK to achieve its legislated target of Net Zero by 2050.

A Group transformed.

Timeline as follows:

FY23

Energy Management

Overall strengthened the value proposition of the division.

- Further development into the MY ZeERO energy analytics platform.
- Creation and launch of the Unified Platform bringing together a holistic view of a client's energy portfolio from procurement to consumption.
- Recruited top industry talent strengthening capabilities and expertise.
- FY24 supporting the sales of the division to DCC in Q1.
- Achieved ISO9001 Quality Management, ISO 14001 Environmental Management, ISO 45001 Occupational Health and Safety Management
- Repaid all debt facilities.

Energy Services

Simplified and strengthened the G2M for Energy Services.

- Invested circa £1 million in the growth of eSolar resulting in a £130 million investment grade pipeline.
- Implemented a comprehensive management led ESG strategy across the business.
- Strengthened the strategic supply chain partnership with Luceco (leading lighting manufacturer) becoming a shareholder.
- Developed a compliant, innovative and unique public sector funding solution with NatWest.
- FY24 launched NatWest funding solution in Q1.
- Strengthened balance sheet.

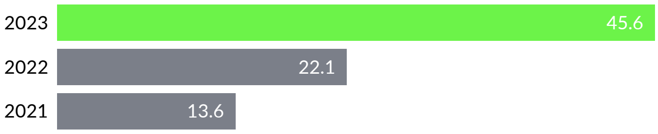
Financial KPIs.

We track a number of Key Performance Indicators to measure the financial performance of the business and monitor the future value opportunity.

Revenue[1] £m

£45.6m

106% (2022: £22.1m)



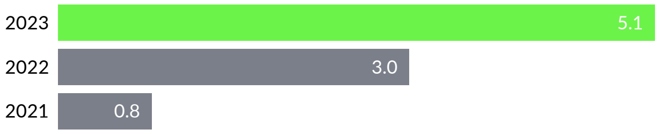
- Reported revenues, for continuing Energy Services business only, up 150% for the period to £26.3m.
- Equivalent to £17.5m on an annualised basis.
- Comparable period included £11.6m from discontinued Energy Management business.
- 68% revenue growth for Energy Services on a like-for-like basis.
- Strong revenue growth for the period despite impact of balance sheet constraints on final quarter trading.

1. Continued and Discontinued business.

Adjusted EBITDA[1] £m

£5.1m

(2022: £3.0m)

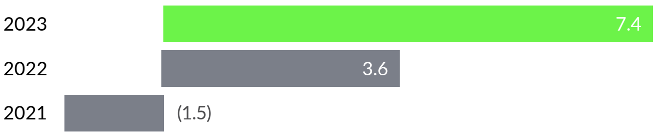


- Adjusted EBITDA including discontinued operations of £5.1m.
- Equivalent to £3.4m on an annualised basis.
- Reflects 13% growth on a like-for-like basis.
- Reported loss of £(0.2)m for continuing operations only.
- Level of Exceptional costs in the period largely related to preparation for sale and disposal of the Energy Management division.

Net Debt[2] £m

£7.4m

(2022: £3.6m Net Debt)



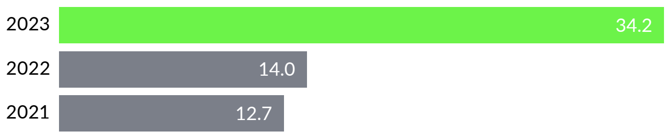
- £3.8m increase in Net debt in the period.
- £4.1m increase in net working capital, driven by increase in accrued revenue
  - Accrued revenue represents contracted future cash receipts for the business.
- £3.1m cash Exceptional charges largely related to preparation for sale and disposal of the Energy Management division.
- Balance sheet transformed post-period end through sale of Energy Management division
  - All third party borrowings now repaid.

2. Excluding lease liabilities and collection accounts.

Energy Services Sales (TCV) £m

£34.2m

+145% (2022: £14.0m)



- £34.2m TCV sales in the period, equivalent to £22.8m on an annualized basis.
- Represents 63% like-for-like growth in the period.
- Despite less favourable market conditions, sales for the last 6-months represented 30% of the full 18-month period total.
- Solar sales accounted for 29% of the total.
- Pipeline strengthening in H1 FY24 gives a positive outlook for H2.

S172 statement.

Section 172(1)(a) to (f) of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders in their decision making. We describe our values and who we consider to be our key stakeholders in the Corporate Governance Report. The Board is committed to engaging with all our key stakeholders as we believe that this is the best way to build sustainable value for the business. The Board of Directors of eEnergy considers both individually and together that it has acted in such a way that would be most likely to promote the success of the Company in the long term, taking into consideration the interests of all the stakeholders (investors, employees, customers, suppliers and local communities) as well as the wider society and environmental implications.

Strategy
Our business model during the period was to provide Energy Management and Energy Services solutions that allow our clients to reduce their carbon footprint, release cash flow from their utility bills and improve the quality of their working environment. During the period, and following unsolicited approaches for the business, the Board decided to sell the Energy Management business in order to focus the Group's resources on optimising the growth opportunity in Energy Services. The sale was completed in February 2024, after the period end. Our strategy is designed to deliver meaningful growth to the Group which in turn supports our employees, our supply chain partners and our shareholders as well as reducing the carbon footprint of our customers in the UK and Ireland. The strategic direction of the Group is reviewed annually, taking into account the threats and opportunities facing the business and the interests of stakeholders. The Group is committed to being a responsible business and our behaviour is aligned with the expectations of our people, clients, investors, communities and society as a whole.

People
Our people are fundamental to the delivery of our strategy. For the Group to succeed we need to manage our people's performance and develop and bring through talent, while ensuring we operate as efficiently as possible. We aim to be a responsible employer in our approach to the pay and benefits our employees receive. The health, safety and wellbeing of our employees is one of our primary considerations in the way we conduct business. Promoting a culture of respect and equal opportunity is as important as ensuring the right skills fit for our business.

Engaged and committed employees are integral to our overall Group performance and the delivery of great customer service. We currently share information via email, Director presentations and meetings. Our relatively small size has meant that the Directors (including the Non-Executive Directors) have been able to meet periodically with all employees.

Suppliers
We work closely with our supply chain network in the UK and Ireland and provide training to their staff. We train all installation partner staff in the eEnergy way. We work collaboratively with our key equipment suppliers to develop product suited to our key markets and to share with them our expectations for each coming quarter.

Shareholders
The Board is committed to openly engaging with our shareholders. We recognise the importance of a continuing transparent dialogue, whether with major institutional investors or private or employee shareholders. It is important to us that shareholders understand our strategy and objectives, so seek to explain these clearly, listen to feedback and properly consider any issues or questions raised.

Customers
We actively listen to our clients in order to understand their needs and priorities and evaluate how we can best achieve their objectives – whether it be maximising savings, reducing carbon emissions or optimising their teaching or workplace environment. We develop new product offerings and variations to enhance customers' experience of working with us and have adapted our contracts to suit the needs of different client segments.

A responsible business
The Board of Directors aims to ensure that management operates the business in a responsible manner, to the high standards of conduct and good governance expected of a business such as ours. We believe that doing so will contribute to the delivery of our strategy and, consequently, the growth of the Group.

The Strategic Report on pages 01 to 21 was approved by the Board on 29 April 2024 and signed on its behalf by:

Crispin Goldsmith
Company Secretary
29 April 2024

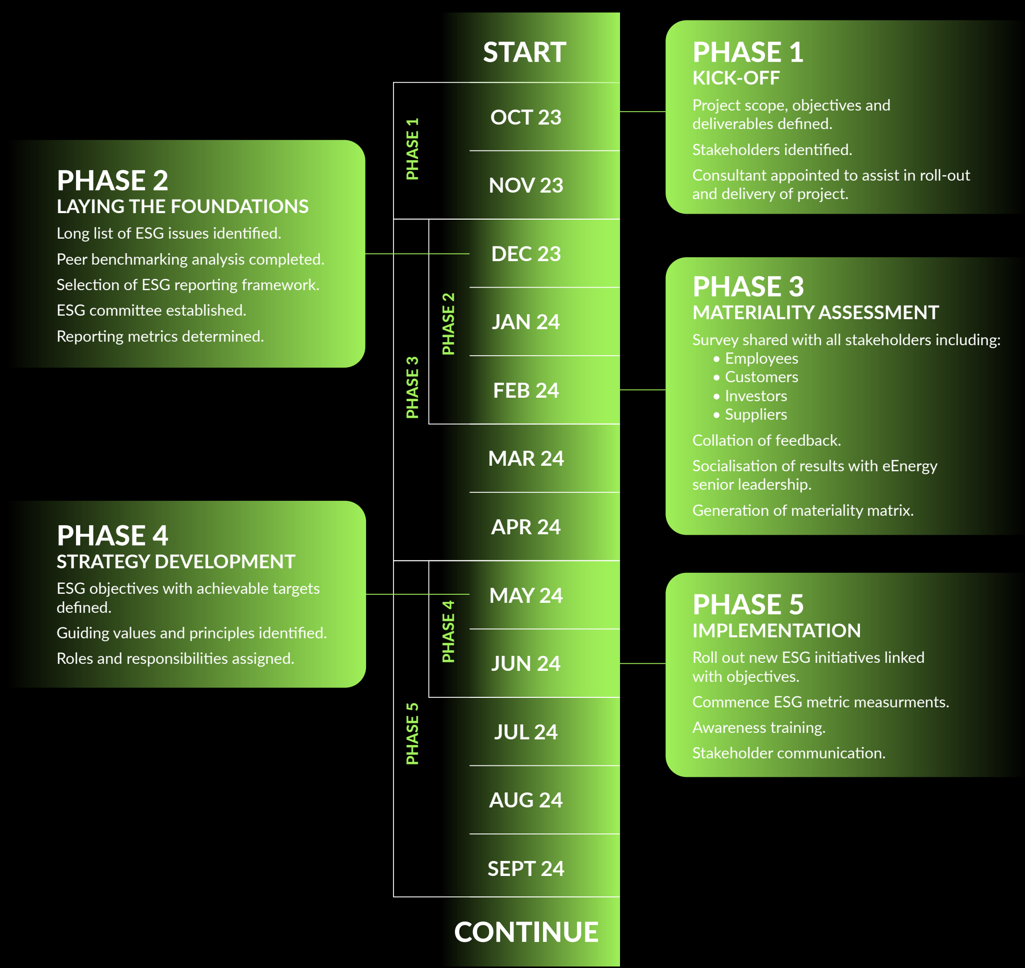
ESG Report.

Sustainability is at the core of eEnergy's corporate strategy and business model: our mission to eliminate energy waste and make net zero profitable, will help ensure our customers meet their present needs without compromising future generations.

Our activities enable a Net Zero future. However, we are cognisant that we can only be considered a truly sustainable business by not only integrating environmental and social responsibility principles and considerations into our business operations and decision-making processes but demonstrating such through transparent and comprehensive reporting.

Strategy

To ensure that we are prioritising those environmental management and social responsibility issues necessitated by regulatory compliance and, more importantly, those that will facilitate greater value creation, we have embarked on a journey to develop and implement a comprehensive management-led ESG strategy across the business. This was initiated in October 2023 and, while still underway at the time of writing, this project is expected to be completed in the second quarter of 2024.



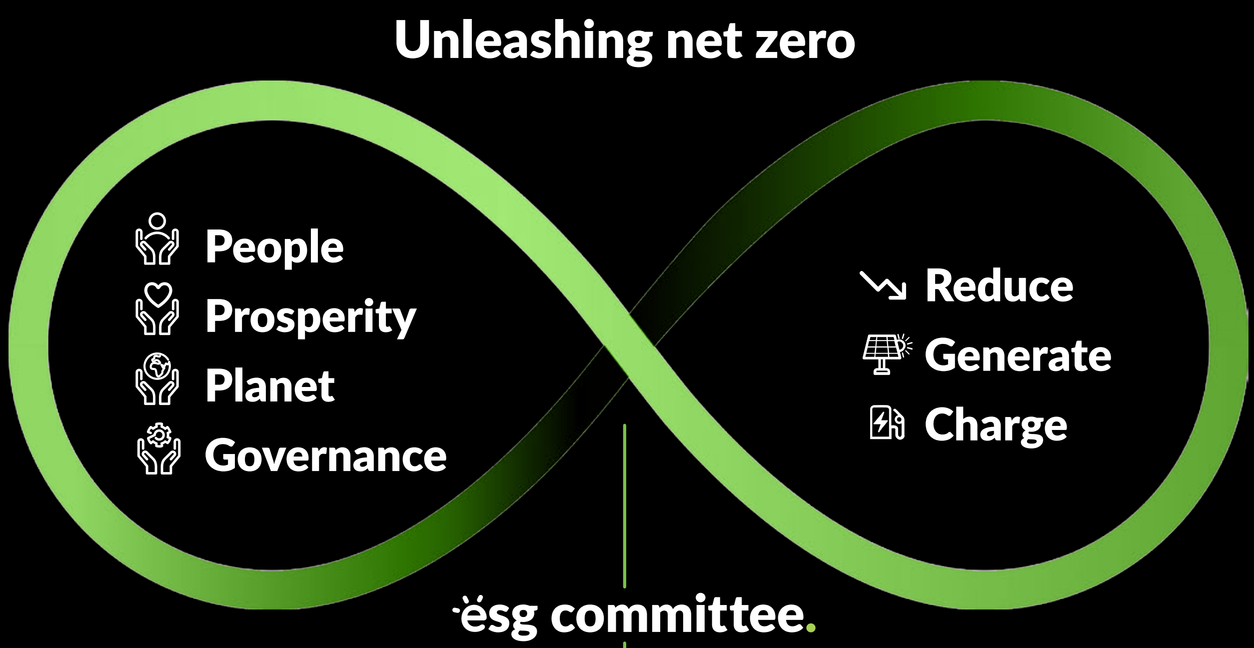
Environmental, social and governance ('ESG') continued

Strategy continued

We are following a methodical approach to the development of our ESG strategy, the process being driven by a comprehensive materiality assessment to identify the most important ESG issues to our business. Through this we are engaging with all key stakeholders – employees, customers, suppliers, and investors – to survey their considerations of our material issues. This will enable us to devise authentic ESG values for the business, set achievable objectives and targets, prioritise initiatives and programmes appropriately, and better manage our ESG risks and opportunities.

In December 2023, we formed a Board-level ESG Committee to drive the integration of ESG principles and considerations into our business operations and decision-making processes, and to ensure the strategy, once finalised, is effectively embedded. Non-Executive Director, Dr Nigel Burton, has been appointed to chair this Committee.

We will provide details of the ESG Strategy and include the materiality matrix illustrating the Company's 15 key environmental, social and governance issues in the FY2024 Annual Report.



Planet:	Climate change, Energy efficiency, Waste management
People:	Safety and health, Employee engagement, Skills development, Diversity and inclusion
Prosperity:	Product sustainability, Product supply chain, product design and life-cycle manegement
Governance:	Board composition, Business ethics, Cybersecurity Product sustainability, Product supply chain, product design and life-cycle manegement

Governance

We recognise that to be consistently accountable and transparent in our ESG journey, we require strong governance frameworks. To this end, we have pursued a range of initiatives to bolster our governance of ESG across the business.

In December 2023, we formed a Board-level ESG Committee to drive the integration of ESG principles and considerations into our business operations and decision-making processes, and to ensure the strategy, once finalised, is effectively embedded. Non-Executive Director, Nigel Burton, has been appointed to chair this Committee.

The ESG Committee has ultimate accountability for eEnergy's ESG performance being responsible for monitoring progress, evaluating performance, and recommending improvements as necessary.
In addition, the Committee is tasked with:

- **Strategy:** Developing and integrating the ESG Strategy and adhering to ESG-related objectives and targets;
- **Engagement:** Facilitating communication and engagement with key stakeholders to address their concerns, understand expectations, and gain insights into emerging ESG trends;
- **Performance:** Identifying and assessing potential ESG risks and opportunities that may have a bearing on eEnergy's reputation, operational efficiency, or financial performance; and
- **Reporting:** Ensuring the reporting and disclosure of accurate, transparent, and reliable ESG-related information and adherence to reporting standards.

To support the ESG Committee and facilitate the roll-out of the strategy, we established four pillar functions to individually focus on the key ESG focus areas of environmental management (Planet), employee welfare and community engagement (People), responsible value creation (Prosperity) and Governance. Each pillar function leader is responsible for ensuring ESG data and information is accurately recorded, and that objectives and targets are adhered to.

Policies

Towards the end of the reporting year, eEnergy undertook an audit of its suite of environmental and social governance-related policies. To fill the gaps identified, the following policies were drafted, approved by the Board, and implemented:

- Health and Safety Policy;
- Anti-Bribery and Corruption Policy;
- Code of Conduct;
- Data Privacy Policy; and
- Climate Change Policy.

These policies can be found at: eEnergy.com/about/policies-and-procedures-hub/.

We are confident that our corporate governance policies now meet the highest standards of regulatory compliance. We have a system in place that ensures we have appropriate decision-making processes and controls to balance the interests of the business and all its key stakeholders.

ESG Reporting

eEnergy recognises that disclosing ESG metrics and information is vital to maintaining regulatory compliance, ensuring good relationships with our stakeholders, improving investor evaluation, and promoting overall brand credibility. Post the reporting period, we began laying the foundations to commence our ESG reporting journey. We have identified the Global Reporting Initiative (GRI) as the most appropriate sustainability framework for our organisation. Post the reporting period, in February 2024, we assigned responsibilities for ESG reporting to the four pillars leaders and implemented an effective reporting platform on which the teams can accurately record appropriate data and information.

We intend to publish our first ESG report aligned to the GRI for the 2024 financial year.

Environmental Stewardship

While the core mission of our business is fundamentally environmentally positive, aimed at addressing the challenge of climate change, it is our responsibility to ensure that our operations and projects have a minimal impact on the environment. We are proud to announce that eEnergy has now achieved ISO 9001, ISO 14001, and ISO 45001 certifications. These accreditations underscore our commitment to quality management, environmental stewardship, and occupational health and safety.

Having attained ISO 14001:2015 Environmental Management System we can better integrate environmental issues into our business management, which supports our strategic business objectives. This accreditation not only demonstrates compliance with statutory requirements but also offers a competitive and financial advantage by enhancing efficiencies and reducing costs. Furthermore, it encourages improved environmental performance among our suppliers by integrating them into our systematised business practices.

Our two principle focus areas in this regard include managing our carbon footprint and effectively managing waste.

Carbon footprint

To be a provider of energy services that facilitate the advance towards Net Zero, it is vital that we, as a business, minimise our carbon footprint, primarily by employing energy efficiency initiatives. While our head office is in a rented building and we have no control over the source of the energy we consume, there are other initiatives we have employed to minimise our carbon footprint.

All eEnergy UK-based employees eligible for company vehicles are, as of the end of 2023, driving electric vehicles (EVs). This has been enforced through our salary sacrifice scheme that only allows for EVs. Our Ireland team has not moved forward yet with this owing to poor EV charging infrastructure in the country. As stated in an article in The Times, published in November 2023, Ireland's transition to low-carbon transportation is being inhibited by the slow pace of EV infrastructure rollout, which is failing to keep pace with registration.[1]

To cement our commitment to energy efficiency and addressing climate change, post the reporting period, we began the process to achieve the following ISO accreditation:

- ISO 50001 – Energy Management; and
- ISO 14068-1:2023 – Climate Change Management Framework.

Waste management

eEnergy is committed to employing a model of business that involves reusing, repairing, refurbishing, and recycling existing materials and products for as long as possible. We adhere to Waste Electrical and Electronic Equipment (WEEE) regulations which aim to reduce waste incineration and landfill. We also use a mix of suppliers who provide our project teams with recycling services for all legacy lighting products removed from client properties when switching them over to LED lighting.

We have appointed a BCorp organisation to supply our company-branded apparel. This appointment ensures that our workwear is ethically sourced, using PET materials and reduces water in each items production. We have issued all employees with ocean water bottles to make a conscious everyday leap in the use of single use plastics.

Social responsibility

Our people

The success of our business is ultimately determined by the productivity of our employees. It is only with the assistance of a motivated and productive workforce that we are able to deliver on our strategy and facilitate the sharing of value for our stakeholders.

It is for this reason that we respect and value our employees and contractors as one of our most important assets and strive to maintain a sound and trusting relationship. Our approach to employee relations is premised on the firm belief that each employee is critical to our business strategy. We believe that each employee should be provided with the opportunity to develop to their full potential, so they are both motivated and productive in their work tasks.

We have in place all necessary measures to ensure our employees are equipped with the right skills and knowledge required to achieve our strategic objectives.

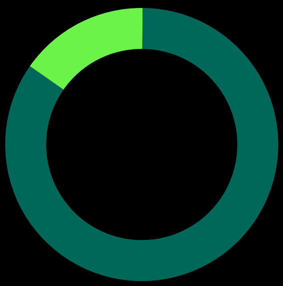
1. Guilty as charged: Why the government's electric vehicle revolution is stuck in first gear (thetimes.co.uk).

Environmental, social and governance ('ESG') continued

Social responsibility continued

Profile

eEnergy Total Employee Complement: 2024



- Permanently employed: 44
- Contract workers: 8

eEnergy Employee Gender Ratio: 2024

eEnergy Gender Pay Gap: 2024

- Male employees: 75%
- Female employees: 25%

The post-year-end sale of the Energy Management division has had a significant impact on the employee profile of the Company. While there was a total of 131 people employed by the Company at the year-end of 31 December 2023, the sale of the energy management division, resulted in an employee reduction of 60%. We are confident that eEnergy's current staff complement as at the time of writing, is sufficient to support the objectives and growth needs of the Company going forward.

In 2023, we introduced an HR Information Management system to ensure that there is proper capture of employee information and the recording of leave and leave types. This system, which is now fully operational, facilitates greater compliance and more transparency for employees on their entitlements.

Health and safety

The safety and health of our employees and contractors is a cornerstone of our service delivery. We are fully committed to providing a safe and healthy work environment for all employees and contractors.

eEnergy utilises the services of the legal consultancy Citation and its online health and safety management portal, Atlas, to monitor our safety and health performance and ensure we remain compliant with all necessary regulations. The online portal provides a range of health and safety statistics such as incidents and accidents, outstanding Risk Assessments and Training requirements.

In FY2023, eEnergy recorded two safety incidents, both of which were thoroughly investigated to understand the root cause and actions identified to reduce recurrence. There were zero accidents or dangerous occurrences.

A total of three safety risk assessments were undertaken during the year under review. We intend to increase the number of risk assessment throughout 2024 the current year to ensure all appropriate tasks are assessed to reduce risk and further support the health and safety of our employees. This will be further enhanced by ensuring our Health and Safety Management System complies with BS EN ISO 45001:2023 for which we are currently undergoing certification.

Specific Health and Safety training modules have been developed for employees carrying out work considered to be of higher risk (site works). Training is allocated through the Citation platform to specific employees and in most cases certified. Example below.

Our sub-contractors are prequalified using a PAS 91 standard questionnaire to ensure the health and safety performance of the supplier is assessed prior to engagement. All sub-contractors are reassessed on an annual basis. In addition, a rigorous specification has been developed to ensure our sub-contractors comply with health and safety regulatory standards whilst working on our projects.

Health and Safety audits are performed during site works by eEnergy employees to ensure standards are being maintained.

Remuneration and performance

We are staunchly committed to the principle of fair remuneration and are proud to be endorsed as a Living Wage Accredited Employer. Most permanent employees are eligible for incentive pay (either commission or performance-based bonuses) to reward them for business growth and success. Commission is provided to sales employees who carry targets and is earned against achievement of these targets. Bonuses are for non-sales employees and are linked to both company and individual performance.

To support this commitment to fair remuneration, in 2023 we introduced an annual performance review process, which includes both an employee self-assessment form, as well as a manager review, allowing the opportunity for a two-way conversation and shared ownership of goals and performance. The form allows space for documentation of training and development needs so that these can be more formally considered.

Employee benefits

eEnergy offers a range of competitive benefits to encourage the productivity and retention of our employees. These include:

- Health insurance on an opt-out basis for all employees, which was introduced in 2023. This is available from the first day of employment, rather than waiting for successful completion of the probationary period. The insurance plan also includes mental health support.
- An Employee Assistance Programme in both Ireland and the UK as a further option for employees who need short-term support or referrals for themselves or family members.
- We offer 25 days of annual leave per year, in addition to bank holidays, and we offer hybrid working to allow employees greater flexibility to balance their home and work commitments.

Borrowings repaid following disposal of Energy Management division.

The Group's balance sheet strength now gives us a key competitive advantage and barrier to entry.

Crispin Goldsmith
Chief Financial Officer

Group key performance indicators

	18 months to 31 December 2023		
	Continuing operations £'000	Discontinued operations £'000	Combined (non-statutory) £'000
Revenue	**26,316**	**19,318**	**45,634**
Adj. EBITDA (before central costs)	**2,268**	**5,310**	**7,578**
Adj. EBITDA (before central costs) %	**8.6%**	**27.5%**	**16.6%**
Adj. EBITDA (after central costs)	**(233)**	**5,310**	**5,077**
Cash & cash equivalents (excl. restricted balances)			**597**
Net cash/(debt) (excl. of IFRS16)			**(7,433)**

Results presentation

During the period, the Board decided to move the accounting reference date from 30 June to 31 December in order to align reporting periods better with the seasonal activity levels of the business. We are therefore reporting on an 18-month period to 31 December 2023 ("FY23").

Furthermore, having received a number of unsolicited approaches expressing interest in acquiring the Energy Management Division during the first half of 2023, the Board engaged professional advisers to conduct a strategic review of the Energy Management Division and to evaluate the approaches. This culminated in the sale of the Energy Management Division in February 2024, after the period end.

As a result, the Energy Management Division is classified as 'held for sale' from a statutory reporting perspective. Statutory revenues of £26.3 million and Adjusted EBITDA of £(0.2) million for the period reflect only the continuing operations of the Group. Incorporating the Energy Management results gives non-statutory revenues of £45.6 million and Adjusted EBITDA of £5.1 million for the period.

The Energy Management Division, prior to its disposal, consisted of the business and operations of Beond (acquired December 2020), Utility Team (acquired September 2021) and MYZeERO (acquired in stages from April 2021).

Following the divestment, the Energy Services Division represents the continuing customer-facing activities of the Group encompassing Energy Reduction Services, Energy Generation Services and EV Charging Services.

This was another period of significant revenue growth for the Group.

Summary performance

This was another period of significant revenue growth for the Group. Revenues for the Group as a whole were £45.6 million, equating to annualised revenues of £30.4 million and representing 38% growth on FY22 on a like-for-like basis.

It is not unusual for high growth businesses to experience balance sheet constraints. This was reflected in an increase in net debt of £3.8 million during the period, which was largely a consequence of an increase in working capital. This was driven by an increase in net accrued revenues, representing future contracted cash due to the business, repayment of legacy (non-trade) liabilities and a reduction in the provision for earnout consideration relating to the acquisition of UtilityTeam. Investment was also made to develop the Group's proprietary technology platforms, including MYZeERO.

These balance sheet constraints restricted revenue growth, in particular in the Energy Services Division, and also held back margins with decision-making prioritising short-term cash benefits over long-term strategic initiatives.

Energy Services Performance

Strong momentum in new contract wins has continued to drive accelerated revenue growth. Revenues of £26.3 million for the full period equate to annualised revenues of £17.5 million, representing growth of 68% compared to FY22 on a like-for-like basis (FY22 £10.5 million).

Strong execution and focus on cost management helped the business deliver a 160bps improvement on gross margins to 35.8% (FY22 34.2%), despite inflationary pressures across the economy and a changing product mix with growing eSolar and eCharge revenues generating lower product gross margins.

High revenue growth, together with improving gross margins, drove Adjusted EBITDA to £2.3 million (equivalent to £1.5 million annualised, representing 55% growth from £1.0 million for FY22). Nevertheless, growth in Adjusted EBITDA was mitigated by operating cost investments made to drive growth in future periods, reflected in a reduction in Adjusted EBITDA margin from 9.3% to 8.6%. These investments are estimated by management to have amounted to c. £0.3 million on an annualised basis, equivalent to c. 160bps impact on the annualised Adjusted EBITDA margin.

£34.2 million of new contract signings were delivered during the period. This is equivalent to £22.8 million on an annualised basis, representing an increase of 63% on FY22 (£14.0 million). As at 31 December 2023 the business benefitted from a revenue forward order book (contracted future revenues) of £7.8 million which are expected to convert to revenue during FY24. This represented a 96% increase on the Energy Services forward order book of £4.0 million at 31 December 2022.

The Group has built a strong pipeline of Solar opportunities over the last 18 months which accounted for 64% of the revenue forward order book at 31 December 2023. Signed Heads of Terms had been secured for a further 13 MW as at that date. Lead times on eSolar projects are long given the number of stakeholders involved and consents required. After a long development cycle these projects are now converting into revenue, accelerating growth into FY24.

Cash Flow and Working Capital

Net cash outflow from operating activities for the period was £2.4 million (FY22 net cash outflow of £6.2 million).

The operating cash outflow was a result of a £4.1 million increase in net working capital together with cash exceptional charges of £3.1 million, which in large part related to the preparation for sale and disposal of the Energy Management Division.

The single biggest contributor to the working capital increase was an increase in net accrued revenue of £6.8 million. This increase partly reflects longer project lead times in eSolar, with strong contract signings in the final quarter of FY23, together with the organic growth of the business in both Energy Management and Energy Services. Accrued revenue is recognised where revenue generating activity within a given period is rewarded by cashflow in future periods. Accrued revenue therefore represents contracted future cash receipts for the business.

The increase in accrued revenue was mitigated by increases in accruals and trade payables, which have scaled as revenues have increased, resulting in a net increase in trade working capital of £1.9 million.

Payments of £2.1 million were made against legacy (non-trade and non-recurring) liabilities during the period. £1.6 million related to historical Time-to-Pay arrangements with HMRC, clearing all historical overdue amounts, and £0.5 million related to legacy liabilities in Ireland.

Cash flow also reflected a £1.3 million investment in the period in continuing to develop the Group's proprietary technology platforms, including a new self-service client portal in Energy Management and MY ZeERO's cloud analytics which were central to the preparation for sale of the division.

The sale of the Energy Management Division following the period end has had a transformative impact on the Group's balance sheet. Going forward, management intend to maintain a robust cash position to manage a lumpy working capital cycle effectively, give enhanced credibility in tenders for larger multi-site projects and secure better terms across the supply chain, driving further margin improvement for the business.

The Group's balance sheet strength now gives us a key competitive advantage and barrier to entry. It also opens up the opportunity to invest working capital to drive growth, in particular through improving margins. A good example of this is the new project funding facility with NatWest, announced in February 2024. By being able to retain a modest share of completed projects on our balance sheet, we are able to obtain a lower cost of finance. That improves the conversion of contract value (what the customer actually pays) to revenue and flows straight through to an increased margin. It also builds a growing portfolio of predictable and recurring quarterly cash income over the duration of the underlying customer contracts (typically 7–10 years), delivering a return of over 2x the initial cash invested.

Management have identified further opportunities across the supply chain where modest short-term working capital investment could unlock material cost benefits. In order to maintain a robust cash position, a measured and prudent approach will be taken to any such capital deployments with a target to be net operating cash generative in any 12-month period going forward.

Borrowings and Funding

As at 31 December 2023 the Group had c. £8.1 million of borrowings outstanding. £5 million of this related to a secured revolving credit facility from HSBC Innovation Finance (previously known as Silicon Valley Bank) with the balance related to secured discounted capital bonds issued in November 2022.

Following completion of the disposal of the Energy Management Division after the period end, both facilities have been repaid in full.

In November 2023 we were pleased to enter into a strategic investment agreement with Luceco Plc, pursuant to which Luceco invested £1.8 million into the Group via a subscription for new ordinary shares. Luceco is a leading supplier of wiring accessories, EV chargers, LED lighting and portable power products, listed on the Main Market of the London Stock Exchange, with which eEnergy has a longstanding relationship as a significant supply partner to the eLight business (part of the Energy Services Division).

Disposal of Energy Management

In February 2024 the sale of the Energy Management Division to Flogas Britain Ltd (a subsidiary of DCC Plc) was completed for initial consideration of £29.1 million (prior to repayment of amounts due from the Group to the Energy Management Division).

Completion of the disposal unlocks significant value for shareholders and delivers an immediate return on the £23.4 million invested since December 2020 in acquiring the businesses which made up the Energy Management Division prior its disposal; Beond (acquired December 2020), Utility Team (acquired September 2021) and MYZeERO (acquired in stages from April 2021).

The terms of the transaction allow for additional contingent consideration payments to eEnergy, linked to the net cash generated by the division from completion through to end September 2025. The value of the potential future contingent consideration, which is capped at £20 million, is estimated to be worth in the range of £8–10 million, subject to the division achieving strong growth in line with its business plan.

FY24 Outlook

Following disposal of the Energy Management Division, the Group retains a standalone operating platform in Energy Services which benefits from strong market drivers and improving margins.

A separate central Group Plc function is focused on enhancing the capital value of the Group and on strategic expansion opportunities, as well as housing the costs associated with meeting Plc obligations. Right-sizing the cost-base of the central Group function following the Energy Management disposal is a key management focus which will see the cost run-rate fall materially through the year.

Following completion of the Energy Management sale and subsequent repayment of the Group's borrowings in February 2024, Finance and Exceptional charges are expected to be substantially reduced for FY24.

These actions will drive an improving conversion of revenue to profit as expected revenue growth is achieved through H2 FY24.

Crispin Goldsmith
Chief Financial Officer
29 April 2024

Corporate governance.

The Directors recognise the importance of good corporate governance and have chosen to comply with the principles set out in the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code'). For further information on how eEnergy applies the QCA Code, please see – www.eenergy.com/investors.

The Board has established appropriately constituted Audit & Risk, Remuneration and Nomination Committees with formally delegated responsibilities.

The Board of Directors

The Board of Directors currently comprises six members, including two Executive Directors, one Independent Non-Executive Director and three further Non-Executive Directors. The Board has a wealth of experience in energy services, strategy and corporate finance. The structure of the Board ensures that no one individual or group dominates the decision-making process. Board meetings are held regularly, typically monthly and as required, to provide effective leadership and overall management of the Group's affairs through the schedule of matters reserved for Board decisions. This includes the approval of the budget and business plan, major capital expenditure, acquisitions and disposals, risk management policies and the approval of financial statements. All Directors have access to the advice and services of the Company's solicitors and the Company Secretary, who is responsible for ensuring that all Board procedures are followed. Any Director may take independent professional advice at the Company's expense in the furtherance of their duties.

The Company held sixteen board meetings between 1 July 2022 and 31 December 2023. Attendance was as follows:

Director Name	Attendance
David Nicholl (Non-Executive Director)	16 of 16
Harvey Sinclair (Executive Director)	16 of 16
Ric Williams (Executive Director)	2 of 2
Nigel Burton (Non-Executive Director)	16 of 16
Andrew Lawley (Non-Executive Director)	15 of 16
Derek Myers (Non-Executive Director)	10 of 10
Gary Worby (Non-Executive Director)	16 of 16
Crispin Goldsmith (Executive Director)	15 of 16
John Foley (Non-Executive Director)	7 of 7

The Audit & Risk Committee ('ARC')

The ARC comprises Nigel Burton (as Chairman) and Andrew Lawley and meets no less than twice a year. The Committee is responsible for making recommendations to the Board on the appointment of the auditor and the audit fee and for ensuring that the financial performance of the Company is properly monitored and reported. In addition, the ARC receives and reviews reports from management and the auditor relating to the interim report, the annual report and accounts and the internal control systems of the Company. The ARC considers, manages and reports on the risks associated with the Company as well as ensuring the Company's compliance with the AIM Rules and the Market Abuse Regulations concerning disclosure of inside information.

The Remuneration Committee

The Remuneration Committee comprises Nigel Burton (as Chairman) and Gary Worby and meets at least once each year. The Committee is responsible for the review and recommendation of the scale and structure of remuneration for senior management, including any bonus arrangements or the award of share options with due regard to the interests of the shareholders and the performance of the Company.

The Nomination Committee

The Nomination Committee comprises Andrew Lawley (as Chairman) and Nigel Burton and meets at least once each year. This Committee is responsible for reviewing the structure, size and composition of the Board based upon the skills, knowledge and experience required to ensure the Board operates effectively as well as being responsible for the annual evaluation of the performance of the Board and of individual Directors. The Nomination Committee is expected to meet when necessary to do so. The Nomination Committee also identifies and nominates suitable candidates to join the Board when vacancies arise and makes recommendations to the Board for the re-appointment of any Non-Executive Directors.

Internal controls

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Group and to ensure the reliability of financial information for both internal use and external publication. Whilst the Directors acknowledge that no internal control system can provide absolute assurance against material misstatement or loss, they have reviewed the controls that are in place and are taking the appropriate action to ensure that the systems continue to develop in accordance with the growth of the Group.

Relations with shareholders

The Board attaches great importance to maintaining good relations with its shareholders. Extensive information about the Group's activities is included in the annual report and accounts and interim reports, which are published on the Group's website and sent to those shareholders who have specifically requested to receive paper copies. Market sensitive information is regularly released to all shareholders concurrently in accordance with stock exchange rules. The Annual General Meeting provides an opportunity for all shareholders to communicate with and to question the Board on any aspect of the Group's activities. The Company maintains a corporate website where information on the Group is regularly updated and all announcements are posted as they are released. The Company welcomes communication from both its private and institutional shareholders.

MAR dealing code and policy document

The Company has in place a share dealing code for the Directors and staff which is appropriate for a company whose shares are admitted to trading on AIM and subject to the Market Abuse Regulations. The Company takes all reasonable steps to ensure compliance by the Directors, related parties and any relevant employees.

The Group's core values are:

- to be a good corporate citizen, demonstrating integrity in each business and community in which we operate;
- to be open and honest in all our dealings, while respecting commercial and personal confidentiality;
- to be objective, consistent, and fair with all our stakeholders;
- to respect the dignity and wellbeing of all our stakeholders and all those with whom we are involved; and
- to operate professionally in a performance-orientated culture and be committed to continuous improvement.

Our stakeholders

We are committed to developing mutually beneficial partnerships with our stakeholders throughout the life cycle of our activities and operations. Our principal stakeholders include our shareholders; our employees and their families, and employee representatives; the communities in which we operate; our business partners; and local and national governments.

Environmental Policy

The Group is aware of the potential impact that its operations may have on the environment. It will ensure that all activities and operations have the minimum environmental impact possible. The Group intends to meet or exceed international standards of excellence with regard to environmental matters. Our operations and activities will be in compliance with applicable laws and regulations. We will adopt and adhere to standards that are protective of both human health and the environment. Each employee (including contractors) will be held accountable for ensuring that those employees, equipment, facilities and resources within their area of responsibility are managed to comply with this policy and to minimise environmental risk.

Ethical Policy

The Group is committed to complying with all laws, regulations, standards and international conventions which apply to our businesses and to our relationships with our stakeholders. Where laws and regulations are non-existent or inadequate, we will maintain the highest reasonable standards appropriate. We will in an accurate, timely and verifiable manner consistently disclose material information about the Group and its performance. This will be readily understandable by appropriate regulators, our stakeholders and the public. The Group complies and will continue to comply fully with current and future anti-bribery legislation. We will endeavour to ensure that no employee acts in a manner that would in any way contravene these principles. The Group will take the appropriate disciplinary action concerning any contravention.

Community Policy

The Group's aim is to have a positive impact on the people, cultures and communities in which it operates. It will be respectful of local people, their values, traditions, culture and the environment. The Group will also strive to ensure that surrounding communities are informed of, and where possible, involved in, developments which affect them, throughout the life cycle of our operations. It will undertake social investment initiatives in the areas of need where we can make a practical and meaningful contribution.

Labour Policy

The Group is committed to upholding fundamental human rights and, accordingly, we seek to ensure the implementation of fair employment practices. The Group will also commit to creating workplaces free of harassment and unfair discrimination.

Health and safety Policy

The Group is committed to complying with all relevant occupational health and safety laws, regulations and standards. In the absence thereof, standards reflecting best practice will be adopted.

Board of Directors

Heavy weight growth and sector experience.

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Andrew Lawley
Non-Executive Chair

Andrew is an experienced private equity investor and senior strategy leader specialising in supporting businesses through periods of significant scaling, transformation and M&A. 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 to lead strategy and M&A. Andrew played a leading role in the merger with Carphone Warehouse plc, subsequently becoming Integration Director and interim CEO of the services division, as well as continuing to lead all strategy and M&A work for the enlarged group. Andrew is currently Executive Chairman of Hunter Boot Limited.

Harvey Sinclair
Chief Executive Officer

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
Chief Financial Officer

Crispin has over 20 years of experience in strategy, M&A and investments, and continues to be instrumental in developing and executing the eEnergy Group strategy. Crispin played a pivotal role in the acquisitions which formed the Energy Management division and their subsequent disposal. Previous roles include at Dixons Carphone, Duke Street, and Royal Bank Equity Finance (both private equity investment businesses) and PwC where he qualified as a Chartered Accountant.

Board skills

- Strategy
- General management
- High growth
- Mergers and acquisitions
- Business consulting
- Digital change
- Accounting
- Financing and capital markets
- Commodity trading
- Regulatory
- Health and safety

Committee key

- R Remuneration Committee
- A Audit Committee
- E ESG Committee
- N Nomination Committee
- Committee Chair

R A E N

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. In addition to the Company,

Nigel is currently a Non-Executive Director of BlackRock Throgmorton plc and several AIM listed companies including Sorted Group Holdings Plc and Microsaic Systems Plc.

John Hornby
Non-Executive Director

John first joined Luceco in 1997, ascending to the role of Chief Executive Officer in 2005. John's strategic vision was instrumental in leading the original management buyout of Luceco from a listed PLC in 2000, followed by a secondary buyout in partnership with EPIC Investment Partners LLP (formerly EPIC Private Equity LLP) in 2005. Under his leadership, the Group expanded its operations in China, demonstrating John's ability to drive international growth and operational excellence. Before embarking on his successful corporate journey, John began his career with Knox D'Arcy Management Consultants, after graduating from the University of Oxford with a degree in Economics. His appointment to eEnergy's Board is a testament to his distinguished career and his expertise in guiding companies through periods of growth and transformation.

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Gary Worby
Non-Executive Director

Gary is a chartered engineer. He brings considerable strategic experience having worked in the energy and carbon sector and supports the Group Board as an Independent Non-Executive Director. His career has included a variety of executive leadership roles guiding businesses through organic growth and Pan-European expansion, acquisitions and trade sales. He was MD of EnergyQuote JHA, one of the largest energy consultants acquired by Accenture, and MD of Energy and Carbon Management, acquired by Inspired Energy plc, and currently operates as Executive Chairman for UDIntel.

Directors' remuneration report

This report to shareholders for the period ended 31 December 2023 sets out the Group's remuneration policies. As the Company's shares are listed on the AIM market of the London Stock Exchange, the Company is required to report in accordance with the remuneration disclosure requirements of the AIM Rules. The Group is not required to prepare a Directors' Remuneration Report under Companies Act regulations and therefore this report may not contain all the information that would be included were the Group required to do so.

Composition and role of the Remuneration Committee

Membership of the Remuneration Committee during the period consisted of the Non-Executive Directors, Nigel Burton (Chairman), Gary Worby and David Nicholl (who stepped down from the Board subsequent to the end of the period).

The Remuneration Committee oversees the remuneration policies and activities of the Group. The Committee met two times during the period ended 31 December 2023.

The Committee is responsible for the review and recommendation of the scale and structure of remuneration for senior management, including any bonus arrangements or the award of share options with due regard to the interests of the shareholders and the performance of the Company.

Remuneration structure for Executive Directors

Overview

The Remuneration Committee is committed to maintaining high standards of corporate governance and has taken steps to comply with best practice insofar as it can be applied practically given the size of the Group and the nature of its operations.

Service contracts

Each Executive Director has a service contract with the Group which contains details regarding remuneration, restrictions and disciplinary matters. Executive Directors are appointed by the Group on contracts terminable on no more than 12 months' notice.

Remuneration policy

The Committee aims to ensure that the total remuneration for the Executive Directors is soundly based, internally consistent, market competitive and aligned with the interests of shareholders. No Director takes part in decisions regarding their personal remuneration.

To design a balanced package for the Executive Directors and senior management, the Committee considers the individual's experience and the nature and complexity of their work in order to pay a competitive salary that attracts and retains management of the highest quality, while avoiding remunerating those Directors more than is necessary. The Committee also considers the link between the individual's remuneration package and the Group's long term performance aims.

Basic salary

Salaries are benchmarked against businesses acting within the Energy Services market and comparable quoted companies. The review process is undertaken having regard to the development of the Group and the contribution that individuals will continue to make as well as the need to retain and motivate individuals.

Performance-related pay

The 18 month period to 31 December 2023 was split into two separate performance periods for the purposes of assessing the performance of the Executive Directors; the 12-months ended 30 June 2023 and the six-months ended 31 December 2023. During each of these periods, the Chief Executive Officer and Chief Financial Officer could earn a cash bonus of up to 100% of their basic salary for the period, payable against meeting personal and business targets as set out by the Committee at the beginning of the period.

The Board believes it is important to align senior management to share price performance through an equity based long-term incentive plan (LTIP). During the period there were two LTIP schemes operated by the company which are detailed in note 33, including details of awards made to Directors. Any awards under the schemes are subject to Remuneration Committee approval.

During the period, the Remuneration Committee recognised the need to restructure the Group's existing equity incentive structure to ensure it remained effective and appropriate in the light of the prevailing circumstances and outlook. Economic terms of a new scheme were agreed in principle during the period, however the Group was not in a position to implement the new scheme during the period due to being in closed periods. The new scheme was implemented at the earliest opportunity in January 2024.

Non-Executive Directors

The fees of the Chairman are determined by the Committee and the fees of the Non-Executive Directors by the Board following a recommendation from the Chairman. The Chairman and Non-Executive Directors are not involved in any discussions or decisions about their own remuneration. Included in the salary is an additional payment of £3,000 to each Committee Chair.

The following table sets out the remuneration of the Company's Directors who served during the period from 1 July 2022 to 31 December 2023 that was received or receivable.

	Salary and fees	Pensions and benefits	Bonus	FY23 Total	FY22 Total
Andrew LAWLEY	67,500	1,013	–	**68,513**	45,000
Crispin GOLDSMITH (Appointed July 2022)	267,373	37,161	70,000	**374,533**	–
David NICHOLL (Resigned February 2024)	82,167	2,465	–	**84,632**	60,000
Derek MYERS (Resigned May 2023)	21,026	625	–	**21,651**	26,000
Gary WORBY	67,500	2,025	–	**69,525**	46,000
Harvey SINCLAIR	407,499	43,860	87,500	**538,860**	339,000
Nigel BURTON	76,500	638	–	**77,138**	51,000
Ric WILLIAMS (Resigned July 2022)	73,423	2,125	–	**75,548**	185,000
Jon FOLEY (Resigned February 2024)	–	–	–	**–**	–
	1,062,987	89,911	157,500	**1,310,398**	752,000

i. In March 2023, John Foley succeeded David Nicholl as Chairman. In February 2024, Andrew Lawley succeeded David Nicholl as Chairman.

The current year disclosure of bonuses relate to amounts earned during the performance period for the 12-months to June 2023 and are payable after the period end. No bonuses were payable for the 6-months performance period to December 2023.

The Remuneration Report was approved by the Board on 29 April 2024 and signed on its behalf by:

Nigel Burton
Chairman of the Remuneration Committee
29 April 2024

Group Directors' report

The Directors present their report and the audited financial statements for the period ended 31 December 2023.

eEnergy Group plc is incorporated in the United Kingdom and is the ultimate Parent Company of the eEnergy Group.

A summary of key future developments for the Company and Group are included, together with an overview of the business model, in the Strategic Report.

Going concern

The Directors evaluate the application of the going concern basis having considered a sensitised trading and cash flow forecast for the Group for a period of not less than 12 months from the date that these financial statements are approved by the Board.

The Directors have concluded that it is appropriate to prepare these financial statements on the going concern basis.

Dividends

The Directors do not recommend the payment of a dividend in respect of the current period (2022: £nil).

Events since the balance sheet date

The sale of the Energy Management division to Flogas Britain Ltd (a subsidiary of DCC Plc) was completed in February 2024 with initial consideration payable to the Group of £29.1 million (before repayment of amounts due from the Group to the Energy Management division).

Completion of the disposal has had a transformational impact on the Group's balance sheet as a result of which all corporate borrowings outstanding at the period end (c. £8.1 million) have been repaid.

In February 2024 a new project funding facility was agreed with National Westminster Bank Plc to provide up to £40 million of project funding to finance energy efficiency and onsite generation technologies for the Group's public sector customers. The Board believes that this new facility gives eEnergy a unique, compliant off balance sheet solution for public sector customers and will strengthen eEnergy's competitive position in tendering for large multi-site contracts. The facility will lower eEnergy's cost of capital, delivering an attractive financial return to eEnergy.

Directors

The Directors of the Company during the period ended 31 December 2023 and subsequently were:

Mr John Foley	(Chairman, from March 2023)
Mr David Nicholl	(Chairman, until March 2023, Non-Executive Director until February 2024)
Dr Nigel Burton	(Non-Executive Director)
Mr Andrew Lawley	(Non-Executive Director, Chairman from February 2024)
Mr Gary Worby	(Non-Executive Director)
Mr Derek Myers	(Non-Executive Director, until May 2023)
Mr Harvey Sinclair	(Chief Executive)
Mr Ric Williams	(Chief Financial Officer, until July 2022)
Mr Crispin Goldsmith	(Chief Financial Officer, from July 2022)
Mr John Hornby	(Non-Executive Director, from February 2024)

Crispin Goldsmith was appointed as a Director and Chief Financial Officer on 20 July 2022. Ric Williams subsequently resigned from the Board with effect from 31 July 2022.

John Foley was appointed as a Non-Executive Director and Chairman on 28 March 2023, serving until 9 February 2024 when he resigned, stepping down from the Board immediately.

David Nicholl stepped down as Chairman from 28 March 2023, remaining as a Non-Executive Director until 9 February 2024.

Derek Myers resigned as Non-Executive Director on 2 May 2023, stepping down from the Board immediately.

John Hornby was appointed as a Non-Executive Director on 9 February 2024.

Directors' indemnity

The Company has provided qualifying third-party indemnities for the benefit of its Directors. These were provided during the period and remain in force at the date of this report.

Directors' interests

The Directors of the Company who held office during the year had the following beneficial interests in the shares of the Company at the period end: 31 December 2023.

	31 December 2023 Number (thousands)	30 June 2022 Number (thousands)
Nigel Burton	**629**	629
Andrew Lawley	**170**	170
Derek Myers	**44,763**	44,763
David Nicholl	**13,298**	13,298
Harvey Sinclair	**20,816**	20,816
Ric Williams	**170**	170
Gary Worby	**3,742**	3,742
Crispin Goldsmith	**530**	–
	84,118	83,588

The following Directors had also been granted share options to acquire the shares of the Company: As at 31 December 2023

As at 31 December 2023

Number of options (thousands)

	Harvey Sinclair	**Crispin Goldsmith**	**Ric Williams**
Exercisable at 6.12p until 30 June 2030	**4,085**	**–**	**4,085**
Exercisable at 0.3p from 8 December 2024	**–**	**2,500**	**–**
	4,085	**2,500**	**4,085**

As at 30 June 2022

Number of options (thousands)

	Harvey Sinclair	Crispin Goldsmith	Ric Williams
Exercisable at 6.12p until 30 June 2030	4,085	–	4,085
Exercisable at 0.3p from 8 December 2024	–	2,500	–
	4,085	2,500	4,085

The total number of share options held by the Directors at 31 December 2023 was 6,584,960 (30 June 2022: 8,169,920).

In July 2020 the Company implemented the eEnergy Group Management Incentive Plan ('MIP'). The MIP includes the EMI share options described above. As at 31 December 2023 three Directors, Harvey Sinclair, David Nicholl and Andrew Lawley, participate in the MIP. The extent to which the MIP converts into new ordinary shares of the Company depends upon the total shareholder return generated over the MIP's measurement period but the maximum dilution to existing shareholders is capped at 9.4%. Details of the MIP are included in note 33 to the financial statements.

Provision of information to the auditor

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

PKF Littlejohn LLP has signified its willingness to continue in office as auditor and a resolution to re-appoint them will be put to the Annual General Meeting.

This report was approved by the Board on 29 April 2024 and signed on its behalf.

Crispin Goldsmith
Company Secretary
29 April 2024

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Parent Company financial statements in accordance with UK-adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they comply with UK-adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

The Company is compliant with AIM Rule 26 regarding the Company's website.

Independent auditor's report to the members of eEnergy Group plc

Opinion

We have audited the financial statements of eEnergy Group plc (the 'parent company') and its subsidiaries (the 'group') for the 18 month period ended 31 December 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Cash Flows, the Consolidated and Company Statements of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2023 and of the group's loss for the 18 month period then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included obtaining an understanding of the basis of preparation of Board approved budgets and cash flow forecasts for the period to 30 April 2025, assessing the accuracy of historic forecasts, testing the underlying assumptions and assessing Management's sensitivity analysis on possible changes which could impact the available headroom, including loan covenant compliance. We also identified and tested events subsequent to the period-end date impacting upon going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the group financial statements as a whole to be £609,000 (2022: £300,000). This was calculated at the average of 2% of revenue and 5% of adjusted EBITDA, excluding exceptional items. Benchmarks of revenue and adjusted EBITDA have been selected as we consider these to be the most significant determinants of the group's performance for shareholders. The materiality benchmarks are unchanged from the prior year.

The parent company materiality was £163,000 (2022: £167,000) based upon 5% of the adjusted loss before tax excluding exceptional items in order to ensure adequate coverage of expenditure, being the main driver of results for the parent company.

Performance materiality is the application of materiality at the individual account or balance level set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Performance materiality for the group and parent company was set at 60% (2022: 70%) of overall materiality, equating to £365,400 and £97,800 respectively, based upon our assessment of the risk of misstatement through substantive testing and the incidence of errors detected in prior periods.

Component materiality for significant and/or material components of the group ranged from £500,000 to £125,000 (2022: £101,000 to £23,000).

We agreed with the Audit Committee that we would report to them all individual audit differences identified during the course of our audit in excess of £30,450 (2022: £15,000) for the group and £8,150 (2022: £8,350) for the parent company.

Independent auditor's report to the members of eEnergy Group plc continued

Our approach to the audit

In designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the group and parent company financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates. Further details are included in the Key audit matters section of our report. We also addressed the risk of Management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

The accounting records and financial statements of two material subsidiary undertakings were audited by Azets Ireland, a component auditor in Ireland, under our instructions as group auditor in accordance with ISA (UK) 600, based upon component materiality and risk to the group.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our scope addressed this matter
Revenue recognition Under ISA (UK) 240 there is a rebuttable presumption that there is a risk of material misstatement in revenue recognition due to fraud. Revenue for the period ended 31 December 2023 was £45,634,000 and details of the related judgements and estimates are disclosed in notes 2.12 and 2.22. The group has various revenue streams comprising Light as a Service ('LaaS'), energy Management services, capital expenditure contracts and trading of energy credits. Each revenue stream has different contractual and performance obligations which in turn require separate revenue recognition policies and assumptions requiring judgement and estimation. eEnergy Management Group presents additional risk that the revenue from these entities, within the energy Management sector of the business, has not been appropriately accounted for in accordance with IFRS 15 *Revenue from Contracts with Customers*. eEnergy Insights Limited has also generated material revenue, which relates to specialist smart metering measurement equipment and analytics. There is a risk this revenue has not been appropriately accounted for in accordance with IFRS 15. Revenue recognition is therefore a key focus of our audit.	Our work in this area included: • Updating and documenting (for all revenue streams) our understanding of the internal control environment in operation for the material income streams and undertaking a walk-through to ensure that the key controls within these systems have been operating in the period under audit; • Substantive transactional testing of income recognised in the financial statements, including deferred and accrued income balances recognised at the period-end; • Reviewing the audit working papers of the component auditor and discussing their work and findings with the audit partner and manager; • Reviewing post-period end receipts to ensure completeness of income recorded in the accounting period; • Testing revenue cut-off having regard to: performance obligations under the contract, installation, subcontractor and material costs (energy efficiency contracts) and the types of energy Management contracts, including the existence of one or more performance obligations; • Reviewing revenue contracts to understand the substance of arrangements with finance partners and ensuring these are accounted for appropriately; and • Ensuring revenue is accounted for and disclosed in accordance with IFRS 15.

Key audit matters continued

Key audit matter	How the scope of our audit responded to the key audit matter
Assets held for sale – discontinued operations The proposed sale of the subsidiaries (eEnergy Management Ltd, eEnergy Consultancy Ltd & eEnergy Insight Ltd) creates a discontinuing operation that must be accounted for and disclosed in accordance with IFRS 5, Non-Current Assets Held for Sale and Discontinued Operations. IAS 36 requires an impairment test to ensure that the carrying value of the assets relating to the discontinuing operation are not overstated. Since the subsidiaries have been sold after the period-end there is a risk that the disclosure of post balance sheet event is not adequately disclosed.	Our work in this area included: • Obtain an understanding of the terms and conditions of the sale of the subsidiaries and the discontinuing operation, including any financial or operational implications that may impact the financial statements. • Inquire with Management about the entity's policies and procedures for accounting for and disclosing discontinuing operations resulting from the sale, including any changes resulting from the sale. • Bring the assets and liabilities of the discontinuing operation to fair value in the financial statements in accordance with IFRS 5. • Determine if there is any impairment loss in accordance with IAS 36, 'Impairment of Assets' and IFRS 5. This may include obtaining impairment testing reports and reviewing other relevant documentation. • Document the fair value measurements of the assets and liabilities related to the discontinuing operation, including the nature and extent of the measurement, and evaluate the potential impact of such measurements on the financial statements. • Consider the adequacy of any disclosures related to the discontinuing operation in the financial statements, including any disclosures required by IFRS 5.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of eEnergy Group plc continued

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the group and parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent company financial statements, the directors are responsible for assessing the group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with Management, and application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from IFRSs, the Companies Act 2006 and the AIM Rules.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to enquiries of Management and review of legal / regulatory correspondence and legal ledger accounts.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from Management override of controls, that the estimates, judgements and assumptions applied by Management regarding revenue recognition and the assessment of impairment of goodwill and intangible assets gave the greatest potential for Management bias.
- As in all of our audits, we addressed the risk of fraud arising from Management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- We communicated the risk of non-compliance with laws and regulations, including fraud, to the component auditor who incorporated this into their testing, which was reviewed by the group audit team.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Thompson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD
29 April 2024

Consolidated statement of comprehensive income

	Note	18 months to 31 December 2023 £'000	Restated[i] Year to 30 June 2022 £'000
Continuing operations			
Revenue from contracts with customers	5	**26,316**	10,462
Cost of sales	6	**(16,892)**	(6,880)
Gross profit		**9,424**	3,582
Operating expenses	7	**(13,064)**	(5,727)
Included within operating expenses are:			
– Exceptional items	7	**3,407**	1,492
Adjusted operating expenses		**(9,657)**	(4,235)
Adjusted earnings before interest, taxation, depreciation and amortisation		**(233)**	(653)
Earnings before interest, taxation, depreciation and amortisation		**(3,640)**	(2,145)
Depreciation, amortisation and impairment[ii]		**(683)**	(282)
Finance costs – net	10	**(1,947)**	(242)
Loss before tax		**(6,270)**	(2,669)
Tax	11	**333**	–
Loss for the period/year from continuing operations		**(5,937)**	(2,669)
Discontinued operations			
Profit after tax for the year from discontinued operations	4	**3,416**	1,178
Loss for the year		**(2,521)**	(1,491)
Attributable to:			
Members of the parent entity		**(2,521)**	(1,431)
Non-controlling interests[iii]		**–**	(60)
Loss for the year		**(2,521)**	(1,491)
Other comprehensive income – items that may be reclassified subsequently to profit and loss			
Translation of foreign operations		**(61)**	(125)
Total other comprehensive loss		**(61)**	(125)
Total comprehensive loss for the year		**(2,582)**	(1,616)
Total comprehensive loss for the year attributable to:			
Members of the parent entity – continuing		**(5,998)**	(2,734)
Members of the parent entity – discontinued		**3,416**	1,178
Non-controlling interests[iii]		**–**	(60)
		(2,582)	(1,616)
Basic and diluted loss per share from continuing operations	12	**(1.67p)**	(0.82p)

The accompanying notes on pages 50 to 81 form part of these financial statements.

i. Consistent with IFRS5, the prior period Income Statement and associated notes have been restated for the disposal of the Energy Management cash generating unit (eEnergy Management Limited, eEnergy Consultancy Limited and eEnergy Insights Limited) which completed on 9 February 2024. The Energy Management cash generating unit is disclosed as a discontinued operation and classified as held for sale on the group balance sheet. The prior period balance sheet disclosures are not restated.

ii. Depreciation and amortisation for the period includes £683k from Continuing and £1,300k from Discontinuing Operations. See notes 13 PP&E, 14 Intangibles & 20 Leases and associated foot notes for the allocation and disclosure of depreciation and amortisation charges.

iii. During the period, the Group acquired the remaining outstanding share capital of eEnergy Insights Limited for a combination of cash and shares of eEnergy Group PLC.

Consolidated statement of financial position

	Note	As at 31 December 2023 £'000	As at 30 June 2022 £'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	**292**	458
Intangible assets	14	**3,465**	28,733
Right of use assets	20	**502**	777
Trade and other receivables	17	**818**	–
Deferred tax asset	23	**1,138**	1,071
		6,215	31,039
CURRENT ASSETS			
Inventories	16	**177**	809
Trade and other receivables	17	**14,418**	16,022
Financial assets at fair value through profit or loss	25	**–**	21
Cash and cash equivalents	18	**597**	1,802
		15,192	18,654
Disposal group classified as held for sale	4	**34,997**	–
		50,189	18,654
TOTAL ASSETS		**56,404**	49,693
NON-CURRENT LIABILITIES			
Lease liability	20	**384**	349
Borrowings	21	**–**	5,011
Other non-current liabilities	22	**–**	2,252
Deferred tax liability	23	**944**	1,318
Provision	24	**–**	860
		1,328	9,790
CURRENT LIABILITIES			
Trade and other payables	19	**15,203**	16,802
Lease liability	20	**189**	542
Borrowings	21	**8,030**	11
		23,422	17,355
Disposal group classified as held for sale	4	**7,852**	–
		31,274	17,355
TOTAL LIABILITIES		**32,602**	27,145
NET ASSETS		**23,802**	22,548
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Issued share capital	26	**16,494**	16,373
Share premium	26	**49,319**	47,360
Other reserves	27	**2,017**	261
Reverse acquisition reserve	27	**(35,246)**	(35,246)
Foreign currency translation reserve		**(199)**	(138)
Accumulated losses		**(8,583)**	(5,985)
Equity attributable to equity holders of the parent		**23,802**	22,625
Non-controlling interest	28	**–**	(77)
TOTAL EQUITY		**23,802**	22,548

The accompanying notes on pages 50 to 81 form part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 29 April 2024 and were signed on their behalf:

Crispin Goldsmith
Director

Company statement of financial position

Company number: 05357433

	Note	As at 31 December 2023 £'000	As at 30 June 2022 £'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	**26**	28
Intangible assets	14	**75**	34
Right of use assets	20	**128**	279
Investment in subsidiary	15	**6,574**	6,574
		6,803	6,915
CURRENT ASSETS			
Intercompany receivables		**24,574**	24,380
Trade and other receivables	17	**617**	863
Cash and cash equivalents	18	**56**	91
		25,247	25,334
TOTAL ASSETS		**32,050**	32,249
CURRENT LIABILITIES			
Trade and other payables	19	**1,854**	2,114
Lease liability	20	**132**	265
Borrowings	21	**2,960**	–
		4,946	2,379
TOTAL LIABILITIES		**4,946**	2,379
NET ASSETS		**27,104**	29,870
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Issued share capital	26	**16,494**	16,373
Share premium	26	**49,319**	47,360
Other reserves	27	**1,983**	1,087
Accumulated losses		**(40,692)**	(34,950)
TOTAL EQUITY		**27,104**	29,870

A separate income statement for the parent company has not been presented, as permitted by section 408 of the Companies Act 2006.
The Company's loss for the period was £5,742,000 (2022: loss of £2,882,000).

The accompanying notes on pages 50 to 81 form part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 29 April 2024 and were signed on their behalf:

Crispin Goldsmith
Director

Statements of cashflows

For the period ended 31 December 2023

	Note	Group		Company	
		Period to 31 December 2023 £'000	Year to 30 June 2022 £'000	**Period to 31 December 2023 £'000**	Year to 30 June 2022 £'000
Operating Profit (Profit Before Interest & Tax)		**(4,323)**	(2,427)	**(4,295)**	(2,882)
Depreciation & Amortisation		**683**	282	**487**	159
EBITDA Continuing Operations		**(3,640)**	(2,145)	**(3,808)**	(2,723)
EBITDA Discontinued Operations[ii]	4	**4,844**	2,877	**–**	–
EBITDA[i]	3	**1,204**	732	**(3,808)**	(2,723)
Adjustments for:					
Other non-cash working capital movements		**–**	677	**(2)**	(24)
Shares and warrants issue to settle expenses		**136**	–	**136**	–
Share based payments		**760**	520	**760**	520
Gain on derecognition of contingent consideration		**(448)**	(1,032)	**(448)**	(1,032)
Operating cashflow before working capital movements		**1,652**	897	**(3,362)**	(3,259)
(Increase)/decrease in trade and other receivables		**493**	(9,857)	**(874)**	(706)
(Decrease)/increase in trade and other payables		**2,052**	165	**589**	(15)
Decrease/(increase) in inventories		**228**	(95)	**–**	–
(Decrease) increase in net accrued/deferred income		**(6,808)**	2,650	**–**	–
Net cash (outflow) from operating activities		**(2,383)**	(6,240)	**(3,647)**	(3,980)
Cash flow from investing activities					
Amounts received from (paid to) group undertakings		**–**	–	**–**	(8,448)
Acquisition of subsidiaries		**–**	(11,081)	**–**	–
Cash acquired on acquisition of subsidiaries		**–**	4,007	**–**	–
Cash from exercise of options in acquired business		**(100)**	–	**(100)**	–
Expenditure on intangible assets		**(1,338)**	(401)	**(75)**	(16)
Purchase of property, plant and equipment		**(293)**	(294)	**(20)**	(34)
Net cash (outflow) from investing activities		**(1,731)**	(7,769)	**(195)**	(8,498)
Cash flows from financing activities					
Interest (paid)		**(602)**	(188)	**–**	–
Repayment of lease liabilities	20	**(738)**	(347)	**(476)**	–
Proceeds from the issue of share capital, net of issue costs[iii]		**1,759**	11,382	**1,758**	11,382
Proceeds from loans and borrowings		**2,525**	4,891	**2,525**	–
Repayment of borrowings		**–**	(3,287)	**–**	–
Net cash inflow from financing activities		**2,944**	12,451	**3,807**	11,382
Net (decrease)/increase in cash & cash equivalents		**(1,170)**	(1,558)	**(35)**	(1,096)
Effect of exchange rates on cash		**–**	28	**–**	–
Cash & cash equivalents at the start of the period		**1,802**	3,332	**91**	1,187
Cash & cash equivalents at the end of the period[iv]	18	**632**	1,802	**56**	91

i. The Cash Flow has been restated to enhance comparability, following classification of Energy Management as a discontinued operation. Prior period Loss After Tax, disclosed as Operating loss in the opening line of the cash flow was £(1,491)k. Adjusting for tax £(736)k, finance costs £323k, depreciation and amortisation £2,636k arrives at EBITDA of £732k.

ii. Cash Flow attributable to discontinued operations include £1,076k Operating cash inflow, £(1,397)k investing cash flows, £(149)k financing cash flows, net movement in cash & cash equivalents £(470)k. Cash at the beginning of the period was £505k and £35k at the end of the period. See Note 4.

iii. Issue of share capital excludes £324k associated with the settlement of deferred consideration for non-cash consideration. Excluded from issue of Share Capital and Share Premium (see Statement of Changes in Equity), is £16k Share Capital and £309k Share Premium for settlement of working capital (deferred consideration).

iv. Cash and Cash Equivalents includes £35k from discontinued operations (Note 4) and £597k of continuing.

v. The non cash consideration issued to acquire subsidiaries during the period was £0million (2022: £3.0 million) and is disclosed for each acquisition in Note 29.

Refer Note 32 for net debt reconciliation.

The accompanying notes on pages 50 to 81 form part of these financial statements.

Consolidated statement of changes in equity

For the period ended 31 December 2023

	Share capital[iii] £'000	Share premium £'000	Reverse acquisition reserve £'000	Other reserves £'000	Foreign currency reserve £'000	Accumulated losses £'000	Non-controlling interest £'000	Total equity £'000
Balance at 30 June 2021	16,071	33,014	(35,246)	601	(13)	(4,554)	–	9,873
Other comprehensive loss	–	–	–	–	(125)	–	–	(125)
Loss for the year	–	–	–	–	–	(1,431)	(60)	(1,491)
Total comprehensive profit for the year attributable to equity holders of the parent	–	–	–	–	(125)	(1,431)	(60)	(1,616)
Issue of shares for cash	240	11,760	–	–	–	–	–	12,000
Issue of shares for acquisition of subsidiary	55	2,903	–	–	–	–	–	2,958
Issue of shares in exchange for loan notes	7	301	–	–	–	–	–	308
Acquisition of non-controlling interest	–	–	–	–	–	–	(17)	(17)
Acquisition of put option relating to non-controlling interests	–	–	–	(3,921)	–	–	–	(3,921)
Utilisation on acquisition of non-controlling interests	–	–	–	3,061	–	–	–	3,061
Share based payment	–	–	–	520	–	–	–	520
Cost of share issue	–	(618)	–	–	–	–	–	(618)
Total transactions with owners	302	14,346	–	(340)	–	–	(17)	14,291
Balance at 30 June 2022	**16,373**	**47,360**	**(35,246)**	**261**	**(138)**	**(5,985)**	**(77)**	**22,548**
Other comprehensive loss	–	–	–	–	(61)	–	–	(61)
Loss for the period	–	–	–	–	–	(2,521)	–	(2,521)
Total comprehensive profit for the period attributable to equity holders of the parent	–	–	–	–	(61)	(2,521)	–	(2,582)
Issue of shares for cash	105	1,650	–	–	–	–	–	1,755
Issue of shares for acquisition of subsidiaries[i]	16	309	–	–	–	–	–	325
Acquisition of balance of non-controlling interest[ii]	–	–	–	860	–	(77)	77	860
Warrants	–	–	–	136	–	–	–	136
Share based payment	–	–	–	760	–	–	–	760
Total transactions with owners	121	1,959	–	1,756	–	(77)	77	3,836
Balance at 31 December 2023	**16,494**	**49,319**	**(35,246)**	**2,017**	**(199)**	**(8,583)**	**–**	**23,802**

i. Issue of share capital (non-cash) for settlement of contingent consideration, relating to the acquisition of UtilityTeam and acquisition of minority interests in eEnergy Insights.

ii. Relates to reversal of the put option provision, regarding the step acquisition of eEnergy Insights Limited, following acquisition of outstanding share capital.

iii. Share Capital is inclusive of £15,333 deferred share capital – refer to note 26.

The accompanying notes on pages 50 to 81 form part of these financial statements.

Company statement of changes in equity

For the period ended 31 December 2023

	Share capital[i] £'000	Share premium £'000	Other reserves £'000	Accumulated losses £'000	Total equity £'000
Balance at 30 June 2021	16,071	33,014	567	(32,068)	17,584
Loss for the year	–	–	–	(2,882)	(2,882)
Total comprehensive loss for the year attributable to equity holders of the parent	–	–	–	(2,882)	(2,882)
Issue of shares for cash	240	11,760	–	–	12,000
Issue of shares for acquisition of subsidiary	55	2,903	–	–	2,958
Issue of shares in exchange for loan notes	7	301	–	–	308
Share based payment	–	–	520	–	520
Cost of share issue	–	(618)	–	–	(618)
Total transaction with owners	302	14,346	520	–	15,168
Balance at 30 June 2022	16,373	47,360	1,087	(34,950)	29,870
Loss for the period	–	–	–	(5,742)	(5,742)
Total comprehensive loss for the period attributable to equity holders of the parent	–	–	–	(5,742)	(5,742)
Issue of shares for cash	105	1,650	–	–	1,755
Issue of shares for acquisition of subsidiary	16	309	–	–	325
Warrants	–	–	136	–	136
Share based payment	–	–	760	–	760
Total transaction with owners	121	1,959	896	–	2,976
Balance at 31 December 2023	**16,494**	**49,319**	**1,983**	**(40,692)**	**27,104**

i. Authorised and Issued share capital comprises 553,251,050,551 Deferred shares of £0.00001 – £15,332,511 and 387,224,625 ordinary shares of £0.003 – £1,161,674.

The accompanying notes on pages 50 to 81 form part of these financial statements.

Notes to the financial statements

For the period ended 31 December 2023

1 General information

eEnergy Group plc ("the Company") is a public limited company with its shares traded on the AIM Market of the London Stock Exchange. eEnergy Group plc is a holding company of a group of companies (the "Group").

eEnergy (AIM: EAAS) is revolutionising the path to net zero as a leading digital energy services provider for B2B and public sector organisations. We eliminate the barriers to clean energy generation and energy waste reduction, offering solutions that don't require upfront capital investment. Our vision is clear: make net zero possible and profitable for every organisation. eEnergy is market leader within the education sector and has been awarded the Green Economy Mark by London Stock Exchange.

The Company is incorporated and domiciled in England and Wales with its registered office at 20 St Thomas Street, London, England, SE1 9RS. The Company's registered number is 05357433.

2 Accounting policies

IAS 8 requires that management shall use its judgement in developing and applying accounting policies that result in information which is relevant to the economic decision-making needs of users, that are reliable, free from bias, prudent, complete and represent faithfully the financial position, financial performance and cash flows of the entity.

2.1 Basis of preparation

The financial statements have been prepared in accordance with UK adopted international financial reporting standards ("UK IFRS") and with the requirements of the Companies Act 2006.

The financial statements have been prepared under the historical cost convention as modified by financial assets at fair value through profit or loss and other comprehensive income, and the recognition of net assets acquired under the reverse acquisition at fair value.

The preparation of financial statements in conformity with UK IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the financial statements. The areas involving a higher degree of judgement or complexity, or areas where assumptions or estimates are significant to the financial statements, are disclosed in note 2.22.

The financial statements present the results for the Group and Company for the 18 month period ended 31 December 2023. The comparative period is for the year ended 30 June 2022.

The principal accounting policies are set out below and have, unless otherwise stated, been applied consistently in the financial statements. The consolidated financial statements are prepared in Pounds Sterling, which is the Group's functional and presentation currency, and presented to the nearest £'000.

During the period, the Group extended its period of account from June to December. The Group's business activities and revenues are weighted towards the middle of the calendar year and therefore the Board believes that a 31 December year end will be in the best interest of the Group.

The Directors have amended the period end of all subsidiaries to align with that of the group company, except for eLight Ireland Limited, eLight EAAS Projects Limited, eEnergy Management, eEnergy Consultancy and eEnergy Insights Limited. Under local legislation, eLight Ireland Limited and eLight EAAS Projects Limited are ineligible for financial year end amendment, and the Directors will revisit when eligible. eEnergy Management Limited, eEnergy Consultancy Limited and eEnergy Insights Limited, collectively the Energy Management Division were disposed of in February 2024. These companies year ends were not revised due to commercial negotiations associated with the anticipated disposal.

The Energy Management division, in accordance with IFRS 5, is disclosed separately as a discontinued operation and classified as held for sale on the balance sheet. The prior year income statement is restated to show continuing operations, whilst the comparative balance sheet and cash flow remains unaltered.

2.2 New standards, amendments and interpretations

The Group and Company have adopted all of the new and amended standards and interpretations issued by the International Accounting Standards Board that are relevant to its operations and effective for accounting periods commencing on or after 1 July 2022.

No standards or Interpretations that came into effect for the first time for the financial period beginning 1 July 2022 have had an impact on the Group or Company.

2.3 New standards and interpretations not yet adopted

At the date of approval of these financial statements, the following standards and interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases have not yet been adopted by the UK):

Standard	Impact on initial application	Effective date
Annual Improvements	2018-2020 Cycle	1 January 2023
IFRS 17	Insurance Contracts	1 January 2023
IAS 1 (amendments)	Classification of liabilities as Current or Non-current	1 January 2023
IAS 8 (amendments)	Accounting estimates	1 January 2023
IAS 12 (amendments)	Deferred tax arising from a single transaction	1 January 2023
IAS 1 (amendments)	Presentation of Financial Statements: Disclosure of Accounting Policies	1 January 2023
IFRS 16 (amendments)	Lease Liability in a Sale and Leaseback	1 January 2024
IAS 1 (amendments)	Non-Current Liabilities with Covenants	1 January 2024

The effect of these new and amended Standards and Interpretations which are in issue but not yet mandatorily effective is not expected to be material.

2 Accounting policies continued

2.4 Going concern

The financial information has been prepared on a going concern basis, which assumes that the Group and Company will continue in operational existence for the foreseeable future. In assessing whether the going concern assumption is appropriate, the Directors have taken into account all relevant information about the current and future position of the Group and Company, including the current level of resources and the trading outlook over the going concern period, being at least 12 months from the date of approval of the financial statements. The Group meets its working capital requirements from its cash and cash equivalents and its project financing arrangements, which in some instances are secured by debentures over special purpose financing subsidiaries and their assets, which are principally long-term customer contracts.

Following the period end, the sale of the Energy Management division was completed allowing the Group to repay its corporate debt facilities in full and substantially strengthen its balance sheet, which now benefits from significant cash headroom.

The Directors note that there is continued macroeconomic and geo-political uncertainty. Energy prices have moderated, however there remains a clear financial benefit from the energy efficiency solutions provided by the Group as well as a continued focus from our customers on reducing their carbon footprint. The Directors therefore believe the business is well placed to continue to deliver strong growth despite this backdrop. However the Directors note the environment does create heightened risk and uncertainties, including from inflationary pressures.

The Group has prepared budgets and cash flow forecasts covering the going concern period which have been stress tested for the negative impact of possible scenarios.

Taking these matters into consideration, the Directors consider that the continued adoption of the going concern basis is appropriate. The financial statements do not reflect any adjustments that would be required if they were to be prepared other than on a going concern basis.

2.5 Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Acquisition-related costs are expensed as incurred. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated.

2.6 Foreign currency translation

(i) Functional and presentation currency

Items included in the individual financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Pounds Sterling, which is the Company's presentation and functional currency. The individual financial statements of each of the Company's wholly owned subsidiaries are prepared in the currency of the primary economic environment in which it operates (its functional currency). IAS 21 The Effects of Changes in Foreign Exchange Rates requires that assets and liabilities be translated using the exchange rate at period end, and income, expenses and cash flow items are translated using the rate that approximates the exchange rates at the dates of the transactions (i.e. the average rate for the period).

(ii) Transactions and balances

Transactions denominated in a foreign currency are translated into the functional currency at the exchange rate at the date of the transaction. Assets and liabilities in foreign currencies are translated to the functional currency at rates of exchange ruling at the balance sheet date. Gains or losses arising from settlement of transactions and from translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement for the period.

(iii) Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet;
- income and expenses for each income statement are translated at the average exchange rate; and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Notes to the financial statements continued

For the period ended 31 December 2023

2 Accounting policies continued

2.7 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision maker, who are responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The Directors have identified three segments; Energy Management, Energy Services and Group. The identified segments have independent revenue streams, established senior managers and are consistent with how the group consolidates and manages the business.

2.8 Impairment of non-financial assets

Non-financial assets and intangible assets not subject to amortisation are tested annually for impairment at each reporting date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment review is based on discounted future cash flows. If the expected discounted future cash flow from the use of the assets and their eventual disposal is less than the carrying amount of the assets, an impairment loss is recognised in profit or loss and not subsequently reversed.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash flows (cash generating units or 'CGUs').

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, and demand deposits with banks and other financial institutions and bank overdrafts.

2.10 Financial instruments

IFRS 9 requires an entity to address the classification, measurement and recognition of financial assets and liabilities.

a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured at amortised cost; and
- those to be measured subsequently at fair value through profit or loss.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

The Group classifies financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payment of principal and interest.

b) Recognition

Purchases and sales of financial assets are recognised on trade date (that is, the date on which the Group commits to purchase or sell the asset). Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

The Group classifies energy credits as FVPL assets. Information about the method used in determining fair value is provided in note 25.

d) Debt instruments

Debt instruments are recorded at amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses.

e) Impairment

The Group assesses, on a forward looking basis, the expected credit losses associated with any debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Impairment losses are presented as a separate line item in the statement of profit or loss.

2 Accounting policies continued

2.11 Revenue recognition

Under IFRS 15, Revenue from Contracts with Customers, five key points to recognise revenue have been assessed:

Step 1: Identity the contract(s) with a customer;

Step 2: Identity the performance obligations in the contract;

Step 3: Determine the transaction price;

Step 4: Allocate the transaction price to the performance obligations in the contract; and

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity, and specific criteria have been met for each of the Group's activities, as described below.

Where estimates are made, these are based on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Where the Group makes sales relating to a future financial period, these are deferred and recognised under 'accrued expenses and deferred income' on the Statement of Financial Position.

The Group derives revenue from the transfer of goods and services over time and at a point in time in the major product and service lines detailed below.

Energy Services division (part of continuing operations)

Revenues from external customers come from the provision of energy efficiency solutions, solar PV generation and EV charging capability which will typically include the provision of technology at the outset of the contract and then an additional ongoing service and maintenance over the term of the contract.

The Group undertakes to install technology which either delivers energy savings, generates energy or provides a service proposition to customers. The Group designs the solution to deliver the desired outcomes, sources and then installs that technology. Revenue is recognised during the project period following contract signature.

There is typically a service and maintenance undertaking included within the agreement and this may require the repair or replacement of faulty products. Where this performance obligation is not a material element of the client agreement, as is usually the case, revenue is not separately recognised and an accrual for the expected future costs is recognised as part of the cost of sale pro rata to the aggregate revenue that is recognised. Where this performance obligation is material the revenue is recognised rateably over the term of the contract as the performance obligation is satisfied.

Customers either contract to make payments linked to the installation of the project or to pay over several years (typically seven to ten years) to match their usage of the technology. In the latter case, the Group may assign the majority or all of its rights and obligations under a client agreement to a finance partner. Neither that assignment, nor the timing of the customer payments, changes the recognition of revenue under the contract.

a) Energy credits

Historically, the Group has, on occasion, received consideration for both LaaS and supply & install contracts in Ireland in the form of energy credits. Energy credits are financial assets that are valued at fair value through profit or loss and their initial estimated value is included as part of the transaction price recognised as revenue. Energy credits are validated by the SEAI (the Irish regulator) and once validated are transferred to an undertaking that needs those energy credits, typically a power generation company. Any changes in the fair value of the energy credits between initial recognition and their realisation for cash are recorded as other gains or losses. As at the period end the value of energy credits on the Group's balance sheet was nil.

Energy Management division (part of discontinued operations)

Revenue is comprised of fees received from customers or commissions received from energy suppliers, net of value-added tax, for the review, analysis and negotiation of gas and electricity contracts on behalf of clients in the UK.

To the extent that invoices are raised in a different pattern from the revenue recognition policy described below, entries are made to record deferred or accrued revenue to account for the revenue when the performance obligations have been satisfied.

All of the Group's energy management clients receive procurement services and many also receive risk management, consulting and advisory services (together "Management Services"). These services will often be combined into a single contract but the Group separately identifies the relevant procurement obligations and recognises revenue when the relevant performance obligations have been satisfied. Revenue is recognised for each of these as follows:

a) Procurement services

Procurement revenue arises when the Group provides services that lead to the client entering into a contract with an energy supplier. The Group typically receives a commission from the energy supplier based upon the amount of energy consumed by the client over the life of the contract. As the services provided by the company are completed up to the point that the contract is signed between the client and the energy supplier the performance obligation is considered to be satisfied at that point and the revenue is recognised then. Contract signature may be considerably in advance of the date at which the supply contract will commence. The total amount of revenue recognised is based upon applying the historical energy consumption of the client to estimate the expected energy consumption over the term of the contract with the energy supplier. This revenue is then limited by an allowance for actual consumption to be lower than originally estimated and an allowance for the contract term not being completed. The balance of revenue not recognised at the point the energy supply contract is signed is recognised over the life of the contract in line with the client's actual consumption.

Notes to the financial statements continued

For the period ended 31 December 2023

2 Accounting policies continued

2.11 Revenue recognition continued

Energy Management division (part of discontinued operations) continued

b) Energy management services

As well as Procurement services the Group provides clients with a range of risk management, consulting and advisory services which include Bill Validation, Cost recovery, compliance services, ongoing market intelligence, ongoing account management and the development of hedging strategies. These services are typically provided evenly over the term of the contract and are therefore recognised rateably over the contract life.

Client segmentation

The Group's energy management clients are segmented into four categories based upon the balance of services they contract to receive from the Group. These categories are:

SME: Small & Medium enterprise clients who typically only take procurement services.

Mid-market: Clients who typically take fixed procurement contracts with a limited range of management services.

Strategic: Clients who take a wider range of management services, including Bill Validation and/or Budget Management reporting.

Flex: Retained for contracts allocated to this segment in previous periods, where a client procured using a flex model with regular re-trading of the procurement contract and more advanced risk management services.

The overall proportion of revenue attributed by management to Procurement Services and recognised at the point the energy supply contract is signed ranges from 70% of the total expected contract value for SME to 17% for Strategic and the average recognised across the portfolio for the period was 24% (2022: 23%).

Cost of sales

Cost of sales represents internal or external commissions paid in respect of sales made. The Cost of sale is matched to the revenue recognised so for Procurement Services is recognised at the time the contract is signed and for Management Services rateably over the contract term. To the extent the pattern of payment for these commissions is different from the costs being recognised accruals or prepayments are recorded in the balance sheet.

Other

a) Management services

The Group provides management services to customers and certain other parties under fixed fee arrangements. Efforts to satisfy the performance obligation are expended evenly throughout the performance period and so the performance obligation is considered to be satisfied evenly over time and accordingly the revenue is recognised evenly over time.

2.12 Share based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments granted at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of a group company (market conditions) and non-vesting conditions. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other vesting conditions are satisfied. At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

Where the terms of an equity-settled award are modified, or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the profit and loss account for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value expensed in the profit and loss account.

2.13 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

When the Group acquires any plant and equipment it is stated in the financial statements at its cost of acquisition.

Depreciation is charged to write off the cost less estimated residual value of Property, plant and equipment on a straight line basis over their estimated useful lives which are:

- Plant and equipment 4 years
- Computer equipment 4 years

Estimated useful lives and residual values are reviewed each year and amended as required.

2 Accounting policies continued

2.14 Intangible assets

Intangible assets acquired as part of a business combination or asset acquisition, other than goodwill, are initially measured at their fair value at the date of acquisition. Intangible assets acquired separately are initially recognised at cost.

Amortisation is charged to write off the cost less estimated residual value of intangible assets on a straight line basis over their estimated useful lives which are:

- Brand and trade names 10 years
- Customer relationships 11 years
- Software 3-10 years

Estimated useful lives and residual values are reviewed each year and amended as required.

Indefinite life intangible assets comprising goodwill are not amortised and are subsequently measured at cost less any impairment. The gains and losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset.

Other intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour and other direct costs. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.16 Leases

The Group leases properties and motor vehicles. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period. Right-of-use assets are measured at cost which comprises the following:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases (term less than 12 months) and all leases of low-value assets (generally less than £5k) are recognised on a straight-line basis as an expense in profit or loss.

Under the terms of the contracted leases, no break clauses exist.

Notes to the financial statements continued

For the period ended 31 December 2023

2 Accounting policies continued

2.17 Equity

Share capital is determined using the nominal value of shares that have been issued.

The Share Premium account includes any premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from the Share premium account, net of any related income tax benefits.

The Reverse Acquisition reserve includes the accumulated losses incurred prior to the reverse acquisition, the share capital of eLight Group Holdings Limited at acquisition, the reverse acquisition share based payment expense as well as the costs incurred in completing the reverse acquisition.

Put options in relation to acquisitions where it is determined that the non-controlling interest has present access to the returns associated with the underlying ownership interest the Group has elected to use the present-access method. This results in the fair value of the option being recognised as a liability, with a corresponding entry in other equity reserves.

Accumulated losses includes all current and prior period results as disclosed in the income statement other than those transferred to the Reverse Acquisition reserve.

2.18 Taxation

Taxation comprises current and deferred tax.

Current tax is based on taxable profit or loss for the period. Taxable profit or loss differs from profit or loss as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The asset or liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2.19 Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are capitalised as a prepayment for liquidity services and amortised over the period of the loan to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.20 Exceptional items and non-GAAP performance measures

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. Generally, exceptional items include those items that do not occur often and are material.

Exceptional items include i) the costs incurred in delivering the "Buy & Build" strategy associated with acquisitions and strategic investments; (ii) incremental costs of restructuring and transforming the Group to integrate acquired businesses (iii) costs incurred with regards the disposal of the Energy Management business during the period and (iv) share based payments.

We believe the non-GAAP performance measures presented, along with comparable GAAP measurements, are useful to provide information with which to measure the Group's performance, and its ability to invest in new opportunities. Management uses these measures with the most directly comparable GAAP financial measures in evaluating operating performance and value creation. The primary measure is Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA") and Adjusted EBITDA, which is the measure of profitability before Exceptional items. These measures are also consistent with how underlying business performance is measured internally. We also report our Profit or Loss before Exceptional items which is our net income, after tax and before exceptional items as this is a measure of our underlying financial performance.

The Group separately reports exceptional items within their relevant income statement line as it believes this helps provide a better indication of the underlying performance of the Group. Judgement is required in determining whether an item should be classified as an exceptional item or included within underlying results. Reversals of previous exceptional items are assessed based on the same criteria.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP.

2 Accounting policies continued

2.21 Assets and Liabilities classified as held for sale and discontinued operations

Assets and liabilities are classified as held for sale if their carrying amount will be recovered or settled principally through a sale transaction rather than through continuing use and a sale is considered highly probable. Assets are measured at the lower of their carrying value and fair value less costs to sell. An impairment loss is recognised for any subsequent write-down of the asset to fair value less costs to sell.

A discontinued operation is a component of the Group that has disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations. The results of discontinued operations are presented separately in the statement of profit or loss, including comparatives.

2.22 Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the entity's accounting policies, management makes estimates and assumptions that have an effect on the amounts recognised in the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The following are the critical judgements the Directors have made in the process of applying the Group's accounting policies:

Impairment assessment

In accordance with its accounting policies, each CGU is evaluated annually to determine whether there are any indications of impairment and a formal estimate of the recoverable amount is performed. The recoverable amount is based on value in use which require the Group to make estimates regarding key assumptions regarding forecast revenues, costs and pre-tax discount rate. Further details are disclosed within note 14. Uncertainty about these assumptions could result in outcomes that require a material adjustment to the carrying amount of goodwill in future periods.

Energy credits

Energy credits are valued based on management's assessment of market price fair value underlying the energy credit. Such assessment is derived from valuation techniques that include inputs for the energy credit asset that are not based on observable market data. Further details are disclosed within note 25. Uncertainty about the market price fair value used in valuing the energy credit assets could result in outcomes that require a material adjustment to the value of these energy credits assets in future periods.

Intangible assets

On acquisition, specific intangible assets are identified and recognised separately from goodwill and then amortised over their estimated useful lives. An external expert is engaged to assist with the identification of material intangible assets and their estimated useful lives. These include items such as brand names and customer lists, to which value is first attributed at the time of acquisition. The capitalisation of these assets and the related amortisation charges are based on judgements about the value and economic life of such items.

The economic lives for customer relationships, trade names and computer software are estimated at between five and eleven years. The value of intangible assets, excluding goodwill, at 31 December 2023 is £426k (2022: £4,917k).

Contingent consideration

An element of consideration relating to certain business acquisitions made was contingent on the future EBITDA targets being achieved by the acquired businesses. On acquisition, estimates were made of the expected future EBITDA based on forecasts prepared by management. These estimates were reassessed at each reporting date and adjustments are made where necessary. Amounts of deferred and contingent consideration payable after one year are discounted. The carrying value of contingent consideration at 30 June 2023 is NIL (2022: £868k).

Any gain or loss on revaluation of contingent consideration does not adjust the carrying value of goodwill and is treated as an exceptional item in the income statement.

Procurement Services revenue

When assessing the recognition of Procurement Services revenue within the Energy Management division, the Group estimates the degree to which expected energy consumption is constrained by reductions in energy consumption over the term of the contract, when compared to the historical energy consumption of the client and by the risk of supply contracts being terminated by clients before the end of the contract term. These constraints reduce the extent to which Procurement Service revenue is recognised on signing whether the client contract is purely for Procurement Services or a combination of Procurement and Energy Management Services.

Notes to the financial statements continued

For the period ended 31 December 2023

3 Segmental reporting

The following information is given about the Group's reportable segments:

The Chief Operating Decision Maker is the Board of Directors. The Board reviews the Group's internal reporting in order to assess performance of the Group and has determined that in the period ended 31 December 2023 the Group had three operating segments, being Energy Services, Energy Management and Group Central costs.

Subsequent to year end, the Group sold its Energy Management business segment, hence the results and net asset position for Energy Management has been presented in Note 4.

Energy Services and Group Central in aggregate form the Continuing Operations of the Group.

2023	Energy Management[i] £'000	Energy Services £'000	Group Central £'000	2023 £'000
Revenue – UK	19,318	24,258	–	43,576
Revenue – Ireland	–	2,058	–	2,058
Revenue – Total	19,318	26,316	–	45,634
Cost of sales	(4,324)	(16,892)	–	(21,216)
Gross profit	14,994	9,424	–	24,418
Operating expenses	(9,684)	(7,156)	(2,501)	(19,340)
Adjusted EBITDA[ii]	5,310	2,268	(2,501)	5,078
Depreciation and amortisation	(1,315)	(196)	(487)	(1,998)
Finance and similar charges	(44)	(119)	(1,828)	(1,991)
Profit (loss) before exceptional items and tax	3,951	1,953	(4,816)	1,088
Exceptional items[ii]	(466)	(442)	(2,965)	(3,873)
Loss before tax	3,485	1,511	(7,781)	(2,785)
Income tax	(69)	333	–	264
Profit (loss) after exceptional items and tax	3,416	1,844	(7,781)	(2,521)
Net assets				
Assets	34,997	15,980	4,483	55,460
Liabilities	(7,852)	(11,867)	(11,939)	(31,658)
Net assets (liabilities)	27,145	4,113	(7,456)	23,802

i. Discontinued operations – refer note 4.

ii. EBITDA (Adjusted EBITDA and exceptional items) £1,204k (£(3,640) Continuing & £4,844k Discontinued).

3 Segment reporting continued

2022	Energy Management[i] £'000	Energy Services £'000	Group Central £'000	2022 £'000
Revenue – UK	11,634	8,518	–	20,152
Revenue – Ireland	–	1,944	–	1,944
Revenue – Total	11,634	10,462	–	22,096
Cost of sales	(2,251)	(6,880)	–	(9,131)
Gross profit	9,383	3,582	–	12,965
Operating expenses	(5,709)	(2,607)	(1,628)	(9,944)
Adjusted EBITDA[ii]	3,674	975	(1,628)	3,021
Depreciation and amortisation	(789)	(124)	(159)	(1,072)
Finance and similar charges	(82)	(244)	3	(323)
Profit (loss) before exceptional items and tax	2,803	607	(1,784)	1,626
Impairment of brands	(1,564)	–	–	(1,564)
Exceptional items[ii]	(797)	(346)	(1,146)	(2,289)
Loss before tax	442	261	(2,930)	(2,227)
Income tax	736	–	–	736
Profit (loss) after exceptional items and tax	1,178	261	(2,930)	(1,491)
Net assets				
Assets	33,930	12,930	2,833	49,693
Liabilities	(10,483)	(8,702)	(7,960)	(27,145)
Net assets (liabilities)	23,447	4,228	(5,127)	22,548

i. Discontinued operations – refer note 4.

ii. EBITDA (Adjusted EBITDA and exceptional items) £732k (£(2,145) Continuing & £2,877k Discontinued).

Notes to the financial statements continued

For the period ended 31 December 2023

4 Disposal group held for sale and discontinued operations

Subsequent to the period end, the Group announced the disposal of its wholly owned Energy Management division to Flogas Britain Limited for an initial consideration of £29.1 million and additional contingent consideration which is expected to be in the range of £8-£10m, subject to the trading performance of the Energy Management division for the period to 30 September 2025.

The energy management division within the Group comprise the following subsidiaries:

- eEnergy Consultancy Limited;
- eEnergy Insights Limited; and
- eEnergy Management Limited.

In accordance with IFRS 5, the Energy Management division has been classified as a disposal group held for sale and as a discontinued operation, with results below:

Statement of Financial Performance:

	2023 £'000	2022 £'000
Sales revenue[i]	**19,318**	11,634
Cost of sales	**(4,324)**	(2,251)
Gross profit	**14,994**	9,383
Operating expenses	**(10,150)**	(6,506)
Exceptional items – added back	**466**	797
Adjusted earnings before interest, taxation, depreciation and amortisation	**5,310**	3,674
Earnings before interest, taxation, depreciation and amortisation	**4,844**	2,877
Depreciation, amortisation and impairment	**(1,315)**	(2,353)
Finance costs – net	**(44)**	(82)
Profit before tax	**3,485**	442
Tax	**(69)**	736
Profit after tax	**3,416**	1,178

i. Revenue comprises: £4,412k (2022: £3,976k) Point in time£5,767k (2022: nil) commission recognised on contract signature and £9,139k (2022: £7,658k) Commissions recognised over time.

Statement of Cash Flows:

	2023 £'000	2022 £'000
Adjusted Earnings before interest, taxation, depreciation and amortisation	**5,310**	3,674
Exceptional Items	**(466)**	(797)
Earnings before interest, taxation, depreciation and amortisation	**4,844**	2,877
Movements in working capital	**(3,768)**	(1,786)
Net Cash Flows From Operating Activities	**1,076**	1,091
Net Cash Flows from Investing Activities	**(1,397)**	1,854
Net Cash Flows from Financing Activities	**(149)**	(2,222)
Net Decrease in Cash & Cash Equivalents	**(470)**	723
Cash & Cash Equivalents at the start of the period	**505**	(218)
Cash & Cash Equivalents at the end of the period	**35**	505

4 Disposal group held for sale and discontinued operations continued

Assets and liabilities of the Energy Management division classified as held for sale:

	2023 £'000	2022 £'000
Non-current assets classified as held for sale		
Property, plant and equipment	**170**	125
Intangible assets	**25,064**	25,801
Right of use assets	**37**	99
Deferred tax asset	**(194)**	178
	25,077	26,203
Current assets classified as held for sale		
Inventories	**239**	406
Trade and other receivables	**9,603**	6,772
Other current assets	**44**	44
Cash and cash equivalents	**34**	505
	9,920	7,727
TOTAL ASSETS	**34,997**	33,930
Non-current liabilities classified as held for sale		
Deferred tax liability	**–**	525
	–	525
Current liabilities classified as held for sale		
Trade and other payables	**7,809**	9,833
Lease liability	**41**	125
Borrowings	**2**	–
	7,852	9,958
TOTAL LIABILITIES	**7,852**	10,483
NET ASSETS OF THE DISPOSAL GROUP	**27,145**	23,447

5 Revenue from contracts with customers

	18 months to 31 December 2023 £'000	12 months to 30 June 2022 £'000
Sales revenue	**26,337**	10,544
Energy credits	**(21)**	(82)
	26,316	10,462

In the current year there were nil customers (2022: nil) accounting for greater than 10% of the Group's revenue totalling £45.6 million (2022: £22.1 million).

	18 months to 31 December 2023 £'000	12 months to 30 June 2022 £'000
Point in time – installation at customer premises	**26,316**	10,462
	26,316	10,462

Notes to the financial statements continued

For the period ended 31 December 2023

6 Cost of sales

	18 months to 31 December 2023 £'000	12 months to 30 June 2022 £'000
Cost of sales – labour	**2,692**	1,706
Cost of sales – commissions	**1,242**	426
Cost of sales – technology	**12,077**	4,370
Cost of sales – other	**881**	378
	16,892	6,880

7 Operating expenses

The breakdown of operating expenses by nature is as follows:

	18 months to 31 December 2023 £'000	12 months to 30 June 2022 £'000
Wages and salaries	**7,248**	3,281
Rent, utilities and office costs	**75**	329
Professional fees	**713**	250
Travel and motor vehicle expenses	**484**	250
Adjustment of assets recorded at fair value through profit or loss	**–**	(41)
Exceptional items – refer below	**3,407**	1,492
Other expenditure	**1,137**	167
	13,064	5,728

The Directors consider the following expenses (credits) within operating expenses to be exceptional:

	Note	18 months to 31 December 2023 £'000	12 months to 30 June 2022 £'000
Changes to the initial recognition of contingent consideration	29	**(448)**	(1,032)
Integration & restructuring costs		**574**	912
Acquisition & disposal related costs		**2,521**	1,092
Share based payment expense	33	**760**	520
		3,407	1,492

8 Auditors remuneration

	18 months to 31 December 2023 £'000	12 months to 30 June 2022 £'000
Fees payable to the Company's auditor for the audit of parent company and consolidated financial statements	**100**	130
	100	130

9 Staff costs and directors' remuneration

Directors' remuneration for the Group and the Company is set out in the report of the Remuneration Committee on page 35.

The aggregate staff costs for the year were as follows:

	Group		Company	
	18 months to 31 December 2023 £'000	12 months to 30 June 2022 £'000	**18 months to 31 December 2023 £'000**	12 months to 30 June 2022 £'000
Directors' remuneration	**1,310**	752	**1,310**	932
Other staff wages and salaries	**4,999**	2,105	**1,557**	–
Social security costs	**939**	424	**278**	169
Share based payment expense	**760**	520	**760**	–
	8,008	3,801	**3,905**	1,101

On average, excluding non-executive directors, the Group and Company employed 20 technical staff members (2022: 23) 34 sales staff members (2022: 43) and 68 administration and management staff members (2022: 62). Please see Directors report, for disclosure of highest paid Director and emolument breakdown.

10 Finance costs – Net

	18 months to 31 December 2023 £'000	12 months to 30 June 2022 £'000
Interest expense – borrowings	**1,007**	195
Finance charge on leased assets	**114**	47
Foreign exchange	**83**	–
Warrants issued	**136**	–
Other finance costs	**607**	–
Finance costs – net	**1,947**	242

11 Taxation

	18 months to 31 December 2023 £'000 Continuing	**18 months to 31 December 2023 £'000 Discontinued**	12 months to 30 June 2022 £'000
The charge/(credit) for year is made up as follows:			
Current tax charge/(credit)			
Current year	**–**	**17**	159
Deferred tax credit (note 24)			
Origination and reversal of temporary differences	**79**	**(79)**	(895)
Deferred tax adjustment in respect of prior year	**254**	**(7)**	
Total tax credit for the year	**333**	**(69)**	(736)
Reconciliation of effective tax rate			
Profit (loss) before income tax	**(6,270)**	**3,485**	(2,227)
Income tax applying the UK corporation tax rate of 22% (2022: 19%)	**1,379**	**(767)**	(423)
Effect of tax rate in foreign jurisdiction	**(48)**		85
Non-deductible expenses	**(647)**	**(67)**	11
Impact of tax rate change	**–**	**(11)**	(102)
Movement in unrecognised deferred tax asset	**12**	**149**	(322)
Group relief surrendered	**(617)**	**617**	–
Prior year adjustment	**254**	**10**	–
Other tax differences	**–**	**–**	15
Income credit (charge) for the year	**333**	**(69)**	(736)

The movements in Deferred Tax are described in Note 23.

Notes to the financial statements continued

For the period ended 31 December 2023

11 Taxation continued

Factors affecting the future tax charge

The standard rates of corporation tax in Ireland is 12.5% and from 1 April 2023, the main rate of corporation tax in the UK increased from 19% to 25% and a new 19% small profits rate of corporation tax was introduced for companies whose profits to not exceed £50,000.

This main rate applies to companies with profits in excess of £250,000. For UK resident companies with augmented profits below £50,000 a lower rate of 19% is generally applicable. For companies with augmented profits between £50,000 and £250,000, there is a sliding scale of tax rates. For corporate companies, both profit limits are divided by the number of active companies worldwide.

12 Earnings Per Share

The calculation of the basic and diluted earnings per share are calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares in issue during the year.

Earnings per share	**18 months to 31 December 2023 £'000**	12 months to 30 June 2022 £'000
(Loss) for the year – £'000	**(2,521)**	(1,431)
Weighted number of ordinary shares in issue	**353,952,474**	323,783,394
Basic earnings per share – pence	**(0.71)**	(0.44)
Weighted number of dilutive instruments in issue	**–**	–
Weighted number of ordinary shares and dilutive instruments in issue	**353,952,474**	323,783,394
Diluted earnings per share – pence	**(0.71)**	(0.44)

Earnings per share continuing	**18 months to 31 December 2023 £'000**	12 months to 30 June 2022 £'000
(Loss) for the year from continuing operations – £'000	**(5,937)**	(2,669)
Weighted number of ordinary shares in issue	**353,952,474**	323,783,394
Basic earnings per share from continuing operations – pence	**(1.67)**	(0.82)
Weighted number of dilutive instruments in issue	**–**	–
Weighted number of ordinary shares and dilutive instruments in issue	**353,952,474**	323,783,394
Diluted earnings per share from continuing operations – pence	**(1.67)**	(0.82)

Earnings per share discontinuing	**18 months to 31 December 2023 £'000**	12 months to 30 June 2022 £'000
Profit for the year from discontinuing operations – £'000	**3,485**	1,178
Weighted number of ordinary shares in issue	**353,952,474**	323,783,394
Basic earnings per share from discontinuing operations – pence	**0.98**	0.36
Weighted number of dilutive instruments in issue	**–**	–
Weighted number of ordinary shares and dilutive instruments in issue	**353,952,474**	323,783,394
Diluted earnings per share from discontinuing operations – pence	**0.98**	0.36

Share options and warrants could potentially dilute basic earnings per share in the future but were not included in the calculation of diluted earnings per share as they are anti-dilutive. See note 33 for further details.

13 Property, plant and equipment

Group	Property, plant & equipment £'000	Computer equipment £'000	Total £'000
Cost			
Opening balance 1 July 2021	260	29	289
Additions on acquisition	306	–	306
Additions in the year	240	47	287
At 30 June 2022	806	76	882
Additions in the period	293	–	293
Transferred to assets held for sale	(475)	(37)	(512)
At 31 December 2023	**624**	**39**	**663**
Depreciation			
Opening balance 1 July 2021	(191)	(18)	(209)
Additions on acquisition	(108)	–	(108)
Charge for the year	(95)	(12)	(107)
At 30 June 2022	(394)	(30)	(424)
Charge for the period[1]	(365)	(21)	(386)
Transferred to assets held for sale	411	28	439
At 31 December 2023	**(348)**	**(23)**	**(371)**
Net book value 30 June 2022	412	46	458
Net book value 31 December 2023	**276**	**16**	**292**

1. Depreciation charge for the period includes £217,000 PPE & £14,000 Computer Equipment relating to discontinued operations.

Company	Property, plant & equipment £'000	Total £'000
Cost		
Opening balance 1 July 2021	72	72
Additions in the year	34	34
At 30 June 2022	**106**	**106**
Additions in the period	20	20
At 31 December 2023	**126**	**126**
Depreciation		
Opening balance 1 July 2021	(72)	(72)
Charge for the year	(6)	(6)
At 30 June 2022	**(78)**	**(78)**
Charge for the period	(22)	(22)
At 31 December 2023	**(100)**	**(100)**
Net book value 30 June 2022	28	28
Net book value 31 December 2023	**26**	**26**

Notes to the financial statements continued

For the period ended 31 December 2023

14 Intangible assets

The intangible assets primarily relate to the Goodwill and separately identifiable intangible assets arising on the Group's acquisitions. See note 29 for further details of the movement in the current period. The Group tests the intangible asset for indications of impairment at each reporting period, in line with accounting policies.

	Goodwill £'000	Software £'000	Customer relationships £'000	Brand £'000	Total £'000
Cost					
Opening balance 1 July 2021	8,613	642	824	555	10,634
Additions on acquisition	15,203	215	3,487	1,039	19,944
Additions in the year	–	401	–	–	401
At 30 June 2022	23,816	1,258	4,311	1,594	30,979
IFRS3 amendment	(332)	–	–	–	(332)
Additions in the period	–	1,338	–	–	1,338
Transfer to assets held for sale	(20,474)	(2,100)	(4,311)	(1,594)	(28,479)
At 31 December 2023	**3,010**	**496**	**–**	**–**	**3,506**
Amortisation					
Opening balance 1 July 2021	–	(60)	(41)	(30)	(131)
Additions on acquisition	–	–	–	–	–
Impairment	–	–	–	(1,564)	(1,564)
Charge for the year	–	(159)	(392)	–	(551)
At 30 June 2022	–	(219)	(433)	(1,594)	(2,246)
Impairment	–	–	–	–	–
Charge for the period[i]	–	(359)	(724)	–	(1,083)
Transfer to assets held for sale	–	537	1,157	1,594	3,288
At 31 December 2023	**–**	**(41)**	**–**	**–**	**(41)**
Net book value 30 June 2022	23,816	1,039	3,878	–	28,733
Net book value 31 December 2023	**3,010**	**455**	**–**	**–**	**3,465**

i. Depreciation charge for the period includes £253k Software & £724k Customer Relationships relating to discontinued operations

The Group completed a strategic review of its brands and trading names and on 1 July 2022 aligned all of the trading businesses under the master "eEnergy" brand. Accordingly, the carrying value of the Beond and the Utility Team brand names were fully impaired as at 30 June 2022.

The recoverable amount of each cash generating unit was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management which are built "bottom up" for the next three years. The annual discount rate applied to the cash flows is 13% (2022: 13%) which is the same rate used by our valuation adviser in the previous year, to value the separably identifiable intangible assets in the prior year.

The Directors have considered and assessed reasonably possible changes in key assumptions and have not identified any instances that could cause the carrying amount to exceed recoverable amount.

14 Intangible assets continued

Company	Software £'000	Total £'000
Cost		
Opening balance 1 July 2021	34	34
Additions in the year	–	–
At 30 June 2022	34	34
Additions in the period	75	75
At 31 December 2023	**109**	**109**
Amortisation		
Opening balance 1 July 2021	–	–
Charge for the year	–	–
At 30 June 2022	–	–
Charge for the period	34	34
At 31 December 2023	**34**	**34**
Net book value 30 June 2022	34	34
Net book value 31 December 2023	**75**	**75**

15 Investment in subsidiaries

Company only	**2023 £'000**	2022 £'000
Opening balance	**6,574**	17,947
Transfer to intermediate holding company	**–**	(11,373)
Closing balance	**6,574**	6,574

The full list of subsidiary undertakings of the Company are listed in note 39.

16 Inventory

	Group		Company	
	2023 £'000	2022 £'000	**2023 £'000**	2022 £'000
Work in progress	**71**	403	**–**	–
Finished goods	**106**	406	**–**	–
	177	809	**–**	–

The value of inventory expensed as part of Cost of Sales in the year and prior year is disclosed in Note 6. Inventories are stated at the lower of cost and net realisable value.

Notes to the financial statements continued

For the period ended 31 December 2023

17 Trade and other receivables

Trade and other receivables (less than 12 months)	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Trade receivables	**5,694**	3,827	**–**	–
Prepayments	**766**	726	**533**	574
Accrued revenue	**7,624**	9,892	**–**	–
Other receivables	**334**	1,577	**84**	289
	14,418	16,022	**617**	863

All trade receivables are short term and are due from counterparties with acceptable credit ratings so there is no expectation of a credit loss. Accordingly, the Directors consider that the carrying value amount of trade and other receivables approximates to their fair value. Please refer to Note 31.

Trade and other receivables (more than 12 months)	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Trade receivables	**818**	–	**–**	–
	818	–	**–**	–

18 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short term deposits. The carrying value of these approximates to their fair value. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Cash at bank and in hand (excluding restricted cash)	**109**	1,380	**56**	91
Restricted cash[i]	**488**	422	**–**	–
Cash and cash equivalents	**597**	1,802	**56**	91

i. Restricted cash relates to financing arrangements and customer collections.

19 Trade and other payables

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Trade payables	**5,033**	4,196	**1,023**	609
Accrued expenses	**2,358**	2,610	**674**	313
Deferred income	**2,236**	2,809	**–**	–
Social security and other taxes	**1,216**	2,790	**36**	324
Contingent consideration	**–**	868	**–**	868
Other payables	**4,360**	3,529	**121**	–
	15,203	16,802	**1,854**	2,114

Trade payables and accruals principally comprise amounts outstanding for trade purchases and continuing costs. The Directors consider that the carrying value amount of trade and other payables approximates to their fair value. Please refer Note 31.

Deferred income represents revenues collected but not yet earned as at the period/year end.

20 Leases

The Group had the following lease assets and liabilities at period/year end:

	Group		Company	
Leases	**2023 £'000**	2022 £'000	**2023 £'000**	2022 £'000
Right of use assets				
Properties	**497**	774	**128**	279
Motor vehicles	**5**	3	**–**	–
	502	777	**128**	279
Lease liabilities				
Current	**189**	542	**132**	265
Non-current	**384**	349	**–**	–
	573	891	**132**	265

	Group		Company	
Maturity	**2023 £'000**	2022 £'000	**2023 £'000**	2022 £'000
Maturity on the lease liabilities are as follows:				
Current	**189**	542	**132**	265
Due between 1-5 years	**243**	209	**–**	–
Due beyond 5 years	**141**	140	**–**	–
	573	891	**132**	265

	Group		Company	
Lease payments	**2023 £'000**	2022 £'000	**2023 £'000**	2022 £'000
Continuing	**590**	212	**476**	144
Discontinuing	**148**	135	**–**	–
	738	347	**476**	144

Right of use assets

A reconciliation of the carrying amount of each class of right-of-use asset is as follows:

	Group		Company	
	2023 £'000	2022 £'000	**2023 £'000**	2022 £'000
Properties				
Opening balance 1 July 2022	**774**	579	**279**	–
Additions	**277**	487	**277**	431
Additions on acquisition	**–**	135	**–**	–
Depreciation	**(467)**	(427)	**(428)**	(152)
Transfer to assets held for sale	**(87)**	–	**–**	–
Closing balance 31 December 2023	**497**	774	**128**	279
Motor vehicles				
Opening balance 1 July 2022	**3**	31	**–**	–
Additions	**20**	–	**–**	–
Depreciation[1]	**(18)**	(28)	**–**	–
Closing balance 31 December 2023	**5**	3	**–**	–

1. Depreciation charge for the period includes £114,000 relating to discontinued operations

Notes to the financial statements continued

For the period ended 31 December 2023

20 Leases continued

Amounts Recognised in the Income Statement – continuing

	Group		Company	
	2023 £'000	2022 £'000	**2023 £'000**	2022 £'000
Interest on Lease Liabilities	**114**	48	**34**	–
Expenses relating to short-term leases	**4**	4	**–**	–
Income from sub-leasing right of use assets presented in 'other revenue'	**–**	–	**–**	–

Amounts Recognised in the Income Statement – discontinued

	Group		Company	
	2023 £'000	2022 £'000	**2023 £'000**	2022 £'000
Interest on Lease Liabilities	**16**	10	**–**	–
Expenses relating to short-term leases	**–**	–	**–**	–
Income from sub-leasing right of use assets presented in 'other revenue'	**–**	–	**–**	–

21 Borrowings

	Group		Company	
	2023 £'000	2022 £'000	**2023 £'000**	2022 £'000
Current				
Borrowings	**8,030**	11	**2,960**	–
	8,030	11	**2,960**	–
Non-current				
Borrowings	**–**	5,011	**–**	–
	–	5,011	**–**	–

In February 2022 the Group refinanced substantially all of its existing bank indebtedness and consolidated its borrowings into a single £5 million, four year, revolving credit facility provided to eEnergy Holdings Limited, an intermediate holding company in the Group. The facility was secured by way of debentures granted to the lender by all of the Group's trading subsidiaries. The facility included covenants relating to debt service cover and gearing. The facility was repaid on 9 February 2024 following disposal of Energy Management division to Flogas Britan Limited, see note 37 events subsequent to the year end.

During the current period the Group secured a further £2,525,000 in subordinated debt which was structured as secured discounted capital bonds. The bonds were issued at a 21.29% discount to their face value (equivalent to a discount rate of 1.25% per month plus a 2% repayment fee) and were due to be redeemed by the Company (through the payment of in aggregate £3,207,754) on or before 24 May 2024 (in respect of £2,000,000) and on or before 21 June 2024 (in respect of £525,000). The loan was settled in full subsequent to year end – refer note 37 events subsequent to the year end.

	2023 £'000	2022 £'000
Maturity on the borrowings are as follows:		
Current	**8,030**	11
Due between 1-2 years	**–**	11
Due between 2-5 years	**–**	5,000
Due beyond 5 years	**–**	–
	8,030	5,022

22 Other non-current liabilities

	Group		Company	
	2023 £'000	2022 £'000	**2023 £'000**	2022 £'000
Other non-current liabilities	**–**	2,252	**–**	–
	–	2,252	**–**	–

Other non-current liabilities relates to amounts owed to external funding providers in relation to customer receivables not yet received by the Group and paid on in respect of multi-year contracts.

23 Deferred tax

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Total	
	2023 £'000	2022 £'000	**2023 £'000**	2022 £'000	**2023 £'000**	2022 £'000
Intangible assets	**–**	–	**788**	1,060	**788**	1,060
Tangible assets	**–**	–	**156**	258	**156**	258
Losses	**(1,076)**	(925)	**–**	–	**(1,076)**	(925)
Other	**(62)**	(146)	**–**	–	**(62)**	(146)
Total (assets) liabilities	**(1,138)**	(1,071)	**944**	1,318	**(194)**	247

Movement in temporary difference during the period

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting period:

	2023 £'000	2022 £'000
Balance at 1 July	**247**	–
Acquired on acquisition – liability	**–**	1,142
Credit for the year	**–**	(895)
Prior year adjustment	**(247)**	–
Balance at 31 December 2023/30 June 2022	**–**	247

Unrecognised deferred tax assets

At 31 December 2023, the Group had tax losses in the UK and Ireland totalling £7.0 million and £1.8 million respectively (2022: £11.7 million and £3.2 million) for which deferred tax assets have been recognised to the extent that it is expected to be future taxable profits against which the Group can use the benefit therefrom.

24 Provisions

	Group		Company	
	2023 £'000	2022 £'000	**2023 £'000**	2022 £'000
Put option	**–**	860	**–**	–
	–	860	**–**	–

During the prior year, the Group entered into a put option agreement in respect of the step acquisition of eEnergy Insights Limited to acquire further shares in the company, see note 15. The fair value of this option at acquisition was £3,921,000, of which £3,061,000 was utilised following exercise of options to acquire shares and discount rate unwind.

During the current period, the Group acquired the outstanding minority interests, as a consequence the put option was reversed.

25 Financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss:

	Group		Company	
	2023 £'000	2022 £'000	**2023 £'000**	2022 £'000
Energy credits	**–**	21	**–**	–
	–	21	**–**	–

The energy credits are measured under level 2 of the fair value hierarchy as described in note 30.

Notes to the financial statements continued

For the period ended 31 December 2023

26 Share capital and share premium

Group and Company	Ordinary shares[1] Number	Share capital £'000	Deferred Share Capital £'000	Share Capital £'000	Share premium £'000
As at 30 June 2021 (ordinary shares of £0.003 each)	246,258,090	738	15,333	16,071	33,014
Issue of shares at placing price of £0.15	80,000,000	240	–	240	11,760
Issue of shares for the acquisition of Utility Team	18,031,249	55	–	55	2,903
Issue of shares in exchange for loan notes from eEnergy Insights Ltd	2,490,620	7	–	7	301
Cost of share issue		–	–	–	(618)
As at 30 June 2022 (ordinary shares of £0.003 each)	346,779,959	1,040	15,333	16,373	47,360
Issue of shares at placing price of £0.05	35,078,000	105	15,333	105	1,650
Issue of shares for deferred consideration for the acquisition of Utility Team	4,000,000	12	–	12	309
Issue of shares to acquire 100% of eEnergy Insights Ltd	1,366,666	4	–	4	–
As at 31 December 2023 (ordinary shares of £0.003 each)	**387,224,625**	**1,161**	**15,333**	**16,494**	**49,319**

The deferred shares have no voting, dividend, or capital distribution (except on winding up) rights. They are redeemable at the option of the Company alone.

Details of share options and warrants issued during the year and outstanding at 31 December 2023 are set out in note 33.

The share premium represents the difference between the nominal value of the shares issued and the actual amount subscribed less; the cost of issue of the shares, the value of the bonus share issue, or any bonus warrant issue.

27 Other reserves

Group	2023 £'000	2022 £'000
Share based payment reserve	**1,983**	1,087
Revaluation reserve – other current assets	**34**	34
Other equity reserve	**–**	(860)
	2,017	261

Company	2023 £'000	2022 £'000
Share based payment reserve	**1,983**	1,087
	1,983	1,087

Share based payment reserve	Cumulative charge recognised under IFRS 2 in respect of share-based payment awards.
Reverse acquisition reserve	Substantially represents the preacquisition value of the equity of the Parent Company and the investment in eLight, net of expenses that was made when eLight reversed into the company then known as Alexander Mining plc in January 2020 to create eEnergy Group plc.
Revaluation reserve	The increase in the assessed carrying value of other current assets.
Other equity reserve	This relates to the fair value of the put option liability in relation to the EIL acquisition in October 2021, which under the present access method is recognised against another equity reserve – refer note 25.

28 Non-controlling interests

Non-controlling interests relates to the Group's investment in eEnergy Insights Limited ("EIL"). In the prior year, the Group acquired 37.5% of the shares in EIL and this was accounted for as an equity accounted associate. The Group acquired additional shares in the year which took the Group's investment to 85.5% of the company and is now a consolidated subsidiary.

During the current period the Group acquired the remaining 14.5% interest in eEnergy Insights Limited and subsequently included it within assets held for sale given the sale of the Energy Management division subsequent to period end. As such, the non-controlling interest in losses from prior year of £77,000 was recognised in the Group for the current period and reflected within the profit after tax from discontinued operations.

29 Business combinations

UtilityTeam TopCo Limited

On 17 September 2021 the Company completed the acquisition of all of the share capital of UtilityTeam TopCo Limited ("UTT"). At the same time the Company completed the Placing of 80 million shares which were issued at 15 pence per share, raising £12.0 million for the Company. The Placing proceeds have been primarily used to settle the initial cash consideration for the acquisition of UTT.

UTT is a UK-based, top 20 energy consulting and procurement business, whose services aim to reduce costs and support clients' transition to Net Zero.

The initial consideration of £14.0 million was satisfied as follows:

- cash consideration of £9.5 million, payable on completion with further cash consideration of £1.5 million, payable on or before 31 December 2021; and
- the issue of 18.0 million Ordinary Shares, which had a fair value of £3.0 million based on the closing share price on the day prior to completion.

An adjustment of £780,000 was agreed with the vendors to reflect the difference between the actual level of net working capital and debt in UTT when compared to that estimated in the Sale & Purchase Agreement. This amount was repaid by the vendors in cash during 2022. This adjustment is reflected in the table below.

It was initially agreed that further earn-out consideration of up to a maximum of £5.1 million may be payable, based on a multiple of 7.0x UTT's EBITDA, for the year ending 31 December 2021. eEnergy agreed to pay £7 for every £1 of EBITDA generated in excess of £2.3 million, up to a maximum EBITDA of £3.0 million ("Earn-Out Consideration").

The Earn-Out Consideration would be satisfied as follows:

- the first £1.5 million of Earn-Out Consideration to be paid in cash; and
- any balance, up to £3.6 million, to be satisfied by the issue of new Ordinary Shares at a price that is the higher of 24p and the 30 day volume weighted average price prior to 31 December 2021.

The Earn Out Consideration was agreed in July 2022 and it was further agreed that it would be satisfied by the issue of 4,000,000 Ordinary Shares to the vendors. Subsequently, the deferred consideration of £1,900k referred below was reduced by £1,032,000 to a value of £868,000 in the year ended 30 June 2022 and by a further £547k in the period ended 31 December 2023, with the final amount of £312,000 settled through the issue of the 4,000,000 Ordinary Shares referred above – refer to Note 33.

The fair value of the assets acquired and liabilities assumed of UTT at the date of acquisition based upon the UTT consolidated balance sheet at 17 September 2021 were as follows:

	£'000
Property, plant and equipment	191
Right of use assets	135
Cash at bank	3,994
Inventory	27
Trade and other receivables	3,574
Trade and other payables	(6,564)
Lease liabilities	(141)
Other liabilities	(2,190)
Loans and other borrowings	(1,450)
Intangible assets	4,526
Deferred tax liability	(1,132)
Total identifiable net assets acquired	970
Goodwill	14,970
	15,940
Consideration:	
Initial consideration (shares issued recorded at the market value)	2,959
Cash	11,081
Contingent consideration	1,900
Total consideration	15,940

Goodwill relates to the accumulated "know how" and expertise of the business and its staff. None of the goodwill is expected to be deducted for income tax purposes. A purchase price allocation was performed during the prior year which recognised specific identifiable intangible assets which are deductible for income tax purposes. These separately identified intangible assets were:

- Brand names – £1,039k and
- Customer relationships – £3,487k

Balances related to Utility Team acquisition were classified as assets held for sale at the balance sheet date, and subsequently disposed of in February 2024.

Notes to the financial statements continued

For the period ended 31 December 2023

30 Financial instruments and risk management

Capital Risk Management

The Company manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders. The overall strategy of the Company and the Group is to minimise costs and liquidity risk.

The capital structure of the Group consists of equity attributable to equity holders of the Parent, comprising issued share capital, foreign exchange reserves and retained earnings as disclosed in the Consolidated Statement of Changes of Equity.

The Group is exposed to a number of risks through its normal operations, the most significant of which are interest, credit, foreign exchange and liquidity risks. The management of these risks is vested to the Board of Directors.

The sensitivity has been prepared assuming the liability outstanding was outstanding for the whole period. In all cases presented, a negative number in profit and loss represents an increase in finance expense/decrease in interest income.

Fair Value Measurements Recognised in the Statement of Financial Position

The following provides an analysis of the Group's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 & 2 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 2 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- Level 3 assets are assets whose fair value cannot be determined by using observable inputs or measures, such as market prices or models. Level 3 assets are typically very illiquid, and fair values can only be calculated using estimates or risk-adjusted value ranges.

Equity Price Risk

The Group is exposed to equity price risks arising from equity investments. Equity investments are held for strategic purposes.

Interest rate risk

The Group is exposed to interest rate risk whereby the risk can be a reduction of interest received on cash surpluses held and an increase in interest on borrowings the Group may have. The maximum exposure to interest rate risk at the reporting date by class of financial asset was:

	2023 £'000	2022 £'000
Bank balances	**597**	1,802

Given the low interest rate environment on bank balances, any probable movement in interest rates would have an immaterial effect.

The maximum exposure to interest rate risk at the reporting date by class of financial liability was:

	2023 £'000	2022 £'000
Borrowings	**8,030**	5,022

The borrowings attract interest rates between 9% and 15% (2022: between 2.5% and 4.9%). Assuming the amount at period end was held for a year, a 10% movement in this rate would have a £1,000k (2022: £502k) effect on the amount owing. The borrowings were settled subsequent to period end – refer note 37.

30 Financial instruments and risk management continued

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers. Indicators that there is no reasonable expectation of recovery include, amongst others, failure to make contractual payments for a period of greater than 120 days past due.

The carrying amount of financial assets represents the maximum credit exposure.

The principal financial assets of the Company and Group are bank balances, trade receivables and energy credits. The Group deposits surplus liquid funds with counterparty banks that have high credit ratings and the Directors consider the credit risk to be minimal.

The Group's maximum exposure to credit by class of individual financial instrument is shown in the table below:

Group	**2023 Carrying value £'000**	**2023 Maximum exposure £'000**	2022 Carrying value £'000	2022 Maximum exposure £'000
Cash and cash equivalents	**597**	**597**	1,802	1,802
Trade receivables	**5,694**	**5,694**	3,827	3,827
Energy credits	**—**	**—**	21	21
	6,291	**6,291**	5,650	5,650

Company	**2023 Carrying value £'000**	**2023 Maximum exposure £'000**	2022 Carrying value £'000	2022 Maximum exposure £'000
Cash and cash equivalents	**56**	**56**	91	91
Trade receivables	**—**	**—**	—	—
	56	**56**	91	91

No aged analysis of financial assets is presented as no financial assets are past due at the reporting date.

Trade receivables

The Group has applied IFRS 9 Financial Instruments and the related consequential amendments to other IFRSs. IFRS 9 introduces requirements for the classification and measurement of financial assets and financial liabilities as well as the impairment of financial assets.

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a loss event to have occurred before credit losses are recognised.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. During the period, there were no credit losses experienced and no loss allowance being recorded.

Currency Risk

The Group operates in a global market with income and costs arising in a number of currencies and is exposed to foreign currency risk arising from commercial transactions, translation of assets and liabilities and net investment in foreign subsidiaries. Exposure to commercial transactions arise from sales or purchases by operating companies in currencies other than the Company's functional currency. Currency exposures are reviewed regularly.

The Group has a limited level of exposure to foreign exchange risk through its foreign currency denominated cash balances, trade receivables and payables:

Euro	**2023 £'000**	2022 £'000
Cash and cash equivalents	**77**	317
Trade receivables	**3,488**	3,091
Trade payables	**(229)**	(255)
	3,336	3,153

Notes to the financial statements continued

For the period ended 31 December 2023

30 Financial instruments and risk management continued

Currency Risk continued

The table below summarises the impact of a 10% increase/decrease in the relevant foreign exchange rates versus the €EUR rate for the Group's pre-tax earnings for the period and on equity:

	2023 £'000	2022 £'000
Impact of 10% rate change		
Euro	**370**	350
	370	350

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group seeks to manage liquidity risk by regularly reviewing cash flow budgets and forecasts to ensure that sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Group deems there is sufficient liquidity for the foreseeable future.

The Group had cash and cash equivalents at period end as below:

	2023 £'000	2022 £'000
Unrestricted Cash	**109**	1,380
Restricted Cash[i]	**488**	422
Cash and cash equivalents	**597**	1,802

i. Restricted Cash refers to deposits held by the Group, not available until the satisfaction of sales contracts.

31 Financial assets and financial liabilities

2023 – Group Financial assets (liabilities)	Financial assets at amortised cost £'000	Financial liabilities at amortised cost £'000	Total £'000
Trade and other receivables (current and non-current)	**7,612**	**–**	**7,612**
Cash and cash equivalents	**597**	**–**	**597**
Trade and other payables	**–**	**(12,845)**	**(12,845)**
Lease liabilities (current and non-current)	**–**	**(573)**	**(573)**
Borrowings (current and non-current)	**–**	**(8,030)**	**(8,030)**
	8,209	**(21,448)**	**(13,239)**

2023 – Company Financial assets/liabilities	Financial assets at amortised cost £'000	Financial liabilities at amortised cost £'000	Total £'000
Trade and other receivables	**617**	**–**	**617**
Cash and cash equivalents	**56**	**–**	**56**
Trade and other payables	**–**	**(1,180)**	**(1,180)**
Lease liabilities (current and non-current)	**–**	**(132)**	**(132)**
Borrowings (current and non-current)	**–**	**(2,960)**	**(2,960)**
	673	**(4,272)**	**(3,599)**

31 Financial assets and financial liabilities continued

2022 – Group Financial assets (liabilities)	Financial assets at fair value through profit or loss £'000	Financial assets at amortised cost £'000	Financial liabilities at amortised cost £'000	Total £'000
Fair value assets through profit or loss	21	–	–	21
Trade and other receivables	–	6,130	–	6,130
Cash and cash equivalents	–	1,802	–	1,802
Trade and other payables	–	–	(14,192)	(14,192)
Lease liabilities (current and non-current)	–	–	(892)	(892)
Borrowings (current and non-current)	–	–	(5,022)	(5,022)
	21	7,932	(20,106)	(12,153)

2022 – Company Financial assets/liabilities	Financial assets at amortised cost £'000	Financial liabilities at amortised cost £'000	Total £'000
Trade and other receivables	863	–	863
Cash and cash equivalents	91	–	91
Trade and other payables	–	(1,801)	(1,801)
	954	(1,801)	(847)

32 Reconciliation of movement in net debt

	At 1 July 2022 £'000	New borrowing £'000	Interest added to debt £'000	Debt repaid £'000	Other cashflows £'000	Acquisition Adjustment £'000	**At 31 December 2023** **£'000**
Cash at bank	1,380	2,525	–	(600)	(2,840)	132	**597**
Borrowings	(5,022)	(2,525)	(1,083)	600	–	–	**(8,030)**
Net cash (debt) excluding lease liabilities	(3,642)	–	(1,083)	–	(2,840)	132	**(7,433)**
Lease liabilities	(892)	(257)	(114)	690	–	–	**(573)**
Net cash (debt)	(4,534)	(257)	(1,197)	690	(2,840)	132	**(8,006)**

	At 1 July 2021 £'000	New borrowing £'000	Interest added to debt £'000	Debt repaid £'000	Other cashflows £'000	On acquisition £'000	At 30 June 2022 £'000
Cash at bank	3,332	4,890	–	(3,634)	(7,215)	4,007	1,380
Borrowings	(1,846)	(4,890)	(123)	3,287	–	(1,450)	(5,022)
Net cash (debt) excluding lease liabilities	1,486	–	(123)	(347)	(7,215)	2,557	(3,642)
Lease liabilities	(698)	(484)	(57)	347	–	–	(892)
Net cash (debt)	788	(484)	(180)	–	(7,215)	2,557	(4,534)

Notes to the financial statements continued

For the period ended 31 December 2023

33 Share based payments and share options

(i) Executive Share Option Plan

The Group operates an Executive Share Option Plan, under which directors, senior executives and consultants have been granted options to subscribe for ordinary shares. All options are share settled.

The fair value of services received in return for share options granted is measured by reference to the fair value of the share options granted. This estimate is based on the Black-Scholes model which is considered most appropriate considering the effects of vesting conditions, expected exercise period and the payment of dividends by the Company.

(ii) Management Incentive Plan ("MIP")

On 7 July 2020, the Company created the eEnergy Group Management Incentive Plan. The MIP is linked to the growth in the value of the Company. The forms of incentive award to be implemented as part of the MIP comprise:

(a) "Growth Share Awards": awards granted in the form of an immediate beneficial interest to be held by participants in a discrete and bespoke class of ordinary shares ("Growth Shares") in eEnergy Holdings Limited, a wholly owned subsidiary of the Company. After a minimum period of three years, the Growth Shares may be exchanged for new ordinary shares of 0.3 pence each in the Company ("Ordinary Shares"), subject to meeting performance conditions.

(b) "Share Options": awards granted in the form of a share option with an exercise price equal to the market value of an Ordinary Share at the date of Grant. These are structured to qualify for the tax advantaged Enterprise Management Incentive ("EMI Share Options").

Under the MIP, the aggregate value of EMI Share Options and the Growth Shares is capped at 12.5% of the Company's market capitalisation on conversion of the Growth Shares.

Malus, clawback and leaver provisions apply to the MIP as outlined in the Admission Document.

Growth Shares

As at 31 December 2023 the following Directors ("Participants") had subscribed for Growth Shares in eEnergy Holdings Limited for their tax market value as set out in the table below. This value was determined by the Company's independent advisers, Deloitte LLP. Payment of the subscription monies by the Participants is a firm commitment, with payment normally deferred until the MIP matures.

Director	Number of Growth Shares	Aggregate subscription price
Harvey Sinclair	5,500	£298,650
Andrew Lawley	1,000	£54,300
David Nicholl	1,000	£54,300
Total	7,500	£407,250

The Participants earn a percentage share of the "Value Created", being the difference between the Group's market capitalisation (one-month average) at the start and end of the measurement period (which is at least three years) adding any returns to shareholders such as dividends and deducting the value of new shares issued for cash or otherwise. The percentage share of the Value Created is subject to a minimum Total Shareholder Return ("TSR") hurdle of 5% and up to 15% TSR is equal to the annual TSR realised by shareholders over the measurement period, and thereafter increased on a straight line basis so that at 25% TSR the share of the Value Created is 20%, which is the maximum percentage of the Value Created allocated to the MIP.

Growth Shares can be exchanged for Ordinary Shares after three or four years at the Company's or Participant's option, based on the Value Created at that time. The value of any EMI Share Options held by a Participant are deducted from the value of their Growth Shares before conversion to Ordinary Shares. The Remuneration Committee must be satisfied that the gains on the Growth Shares are justified by the underlying financial performance of the Group.

Participants will be required to hold 50% of any Ordinary Shares acquired on conversion of the Growth Shares until the end of the fourth year (30 June 2024).

On a change of control, the TSR growth rate up to that date is measured and if the 5% minimum is achieved, Participants will share in the value created.

The fair value of the Growth Shares over the vesting period being three years grant date was deemed to be £833,000, with £196,000 (2022: £214,000) fair value expensed during the year.

EMI options

The Company granted the following EMI Share Options over Ordinary shares at an exercise price of 6.12 pence, based on the closing price on Monday 6 July 2020:

Director	Number of Options
Harvey Sinclair	4,084,960
Ric Williams	4,084,960
Total	8,169,920

33 Share based payments and share options continued

(ii) Management Incentive Plan ("MIP") continued

EMI options continued

The EMI options are exercisable when the MIP matures, being after a minimum period of three years. The Remuneration Committee must be satisfied that the returns are justified by the underlying financial performance of the Group.

Ric Williams resigned as a director during the period his EMI Share Options lapsed at the end of his notice period. As a result, the vesting period for his award has been deemed to reduce from three years to two years and three months and the value that has been expensed has been accelerated accordingly.

The fair value of the EMI Options over the vesting period being three years grant date was deemed to be £200,000, with £18,000 (2022: £91,000) fair value expensed during the year.

(iii) EMI Share Option Awards and non advantaged Share Option Awards

On 7 December 2021 the Company granted share options over 13,800,000 Ordinary Shares at an exercise price of 0.3 pence per share. The majority of the awards were structured so that the following vesting criteria applied:

- 1/3rd with an exercise condition of the share price being above 24p at vesting;
- 1/3rd with an exercise condition of the share price being above 20p at vesting; and
- 1/3rd with no exercise price condition.

2.5 million of the Options were awarded to Crispin Goldsmith, with 2/3rds of his award having an exercise price condition at 15p at the vesting date and the remainder having no exercise price condition.

Crispin Goldsmith was appointed as a Director of the Company on 20 July 2022.

(iv) Other share options or warrants

On 9 January 2020 the Company issued 1,575,929 warrants to a number of advisers as part of the reverse acquisition transaction completed on that date which are exercisable for the 4 years following the anniversary of the date of issue at 7.5p per share. These adviser warrants had an estimated value of £45,544 which is based on the Black-Scholes model which is considered most appropriate considering the effects of vesting conditions, expected exercise period and the payment of dividends by the Company.

The estimated fair values of warrants which fall under IFRS 2, and the inputs used in the Black Scholes Option model to calculate those fair values are as follows:

Date of grant	Number of warrants	Share price	Exercise price	Expected volatility	Expected life	Risk free rate	Expected dividends
9 Jan 2020	1,575,929	£0.075	£0.075	45.00%	5	0.00%	0.00%

On 25 November 2022, the Group secured £2,525,000 in secured debt financing being structured as secured discounted capital bonds. In connection to this debt financing, the subscribers of the bonds were granted 42,083,328 warrants in the Company which are exercisable for 5 years following the issue of the bonds. These bond warrants had an estimate value of £631,788 which is based on the Black-Scholes model which is considered the most appropriate considering the effects of vesting conditions, expected exercise period and the payment of dividends by the Company.

32,791,216 of the bond warrants were granted on or around 25 November 2022, with the remaining 9,292,112 granted on or around 20 December 2022, following the receipt of shareholder approval at the Company's 2022 AGM.

The estimated fair value of warrants which fall under IFRS 2, and the inputs used in the Black Scholes Option model to calculate those fair values are as follows:

Date of grant	Number of warrants	Share price	Exercise price	Expected volatility	Expected life	Risk free rate	Expected dividends
25 Nov 2022	32,791,216	£0.0475	£0.060	45.00%	5	3.00%	0.00%
20 Dec 2022	9,292,112	£0.0320	£0.060	45.00%	5	3.50%	0.00%

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33 Share based payments and share options continued

Total contingently issuable shares

	2022	2021
Executive Share Option Plan	471,000	471,000
Other share options and warrants	67,654,177	25,570,849
	68,125,177	26,041,849

The number and weighted average exercise price of share options and warrants are as follows:

	2023		2022	
	Weighted average exercise price	**Number of options**	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	**4.969p**	**26,041,849**	17.887p	1,923,596
Granted during the year (acquisitions)	**–**	**–**	16.2p	2,000,000
Granted during the year	**–**	**–**	2.5p	22,118,253
Granted during the period – bond warrants	**6.000p**	**42,083,328**	–	–
Outstanding at the end of the year	**5.606p**	**68,125,177**	4.969p	26,041,849
Exercisable at the end of the year	**6.694p**	**44,130,257**	20.961p	2,046,929

Share options and warrants outstanding at 31 December 2023, had a weighted average exercise price of 5.606 pence (2022: 4.969 pence) and a weighted average contractual life of 4.85 years (2022: 3.01 years). To date no share options have been exercised.

34 Capital commitments

There were no capital commitments at 31 December 2023 or 30 June 2022.

35 Contingent liabilities

There were no contingent liabilities at 31 December 2023 or 30 June 2022.

36 Related party transactions

The remuneration of the Directors and their interest in the share capital is disclosed in the Remuneration Committee report on pages 34 to 37.

On 20 and 21 December 2022, the company borrowed £525k from its directors at an annual interest rate of 15%. At the period end, the group owed in principal £200k to Derek Myers & Nigel Burton and £25k to Crispin Goldsmith, Harvey Sinclair, Gary Worby, David Nicholl and Andrew Lawley. On 12 February 2024, the company repaid in full the principal and accumulated interest amounting to £632k.

On 25 November 2022, eEnergy Group PLC borrowed £1 million from FFIH Limited at an annual interest rate of 15%. John Foley, was a director of both eEnergy Group PLC and FFIH Limited. On the 9 February 2024 the loan was repaid and John Foley resigned as a director. At 31 December 2023, £1.2 million was outstanding.

On 13 November 2023, Luceco PLC acquired a 9.0% interest in eEnergy Group PLC. On 9 February 2024, John Hornby, Director of Luceco PLC was appointed to the Board of Directors of eEnergy Group PLC. During the period, eEnergy acquired £860k of goods and services from Luceco PLC (and it's wider group of subsidiaries). At the period end the trade creditor balance with Luceco was £712k.

During the period, the Group acquired £457k (2022: £74k) goods and services from Utility Data Intelligence (UDI) Limited, for whom Gary Worby is a mutual director. At the end of the period, the trade creditor balance with UDI was £67k (2022: £23k).

During the period, eEnergy Group Plc received an advance of £500k from Derek Myers in relation to a potential transaction which ultimately did not proceed. On termination of the transaction the advance became repayable. At the end of the period, £70k was outstanding, which has been repaid post period end.

Balances and transactions between companies within the Group that are consolidated and eliminated are not disclosed in these financial statements.

37 Events subsequent to period end

Subsequent to period end, the Group completed the sale of its Energy Management Division to Flogas Britain Limited ("Flogas") for an initial consideration of £29.1 million (comprising cash of £25 million and £4.1 million to settle amounts due from the Group to the Energy Management Division) and additional contingent consideration capped at £20m (estimated by the Directors to be in the range of £8-10 million) to be based on the trading performance of the Energy Management Division for the period to 30 September 2025. The net proceeds that were received were used to pay down the Group's £8.1 million debt facilities in full – please refer to note 32.

Additionally the Group implemented a new share incentive awards scheme ("New Awards") under the Group's 2024 Share Option Plan which will work alongside the existing Management Incentive Plan implemented in 2020 (note 33). The New Awards are subject to achieving a minimum vesting threshold share price of 9.32p with the share price performance target being tested three years from award in January 2027.

In February 2024 the Group entered into an agreement with National Westminster Bank Plc to provide up to £40 million of project funding to finance energy efficiency and onsite generation technologies for the Group's public sector customers.

38 Control

In the opinion of the Directors as at the period end and the date of these financial statements there is no single ultimate controlling party.

39 List of subsidiary undertakings

As at 31 December 2023, the Group owned interests in the following subsidiary undertakings, which are included in the consolidated financial statements:

Name	Holding 2023	Holding 2022	Business activity	Country of incorporation	Registered address
Direct subsidiary undertaking					
eEnergy Holdings Limited	100%	100%	Holding Company	England & Wales	20 St Thomas Street, London, SE1 9RS
Indirect subsidiary undertakings					
eLight Group Holdings Limited	100%	100%	Holding Company	Ireland	1-3 The Green, Malahide, Co. Dublin K36 N153
eEnergy Services N.I. Limited	100%	100%	Trading Company	Northern Ireland	19 Arthur Street, Belfast, BT1 4GA
e-Light Ireland Limited	100%	100%	Trading Company	Ireland	1-3 the Green, Malahide, Co. Dublin K36 N153
e-Light EAAS Projects 2 Limited	100%	–	Trading Company	Ireland	1-3 the Green, Malahide, Co. Dublin K36 N153
eLight EAAS Projects Limited	100%	100%	Trading Company	Ireland	1-3 the Green, Malahide, Co. Dublin K36 N153
eEnergy UK Projects Limited	100%	–	Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
eEnergy UK Projects SPV 1 Limited	100%	–	Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
eEnergy Services UK Limited	100%	100%	Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
eEnergy EAAS Projects UK Limited	100%	100%	Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
eEnergy Services RSL Limited	100%	100%	Non-Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
Smartech Energy Projects Limited	100%	100%	Non-Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
eEnergy Aquilla Projects Ltd	100%	–	Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
eEnergy Consultancy Limited*	100%	100%	Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
Energy Centric Limited*	100%	100%	Non-Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
Zero Carbon Projects Limited*	100%	100%	Non-Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
Zero Carbon Projects Pty Limited*	100%	100%	Non-Trading Company	Australia	Suite 4, 142 Spit Rd, Mosman, NSW, 2088
eEnergy Insights Limited*	100%	85.5%	Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
eEnergy Management Limited*	100%	100%	Trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
eEnergy Management Topco Limited*	100%	100%	Holding Company	England & Wales	20 St Thomas Street, London, SE1 9RS
eEnergy Management Holdings Limited*	100%	100%	Holding Company	England & Wales	20 St Thomas Street, London, SE1 9RS
eEnergy Management USA Limited*	100%	100%	Non-trading Company	England & Wales	20 St Thomas Street, London, SE1 9RS
UtilityTeam US Inc*	100%	100%	Non-trading Company	United States	20 St Thomas Street, London, SE1 9RS

* Entities that comprise the Energy Management Division that have been sold subsequent to period end – Note 4.

Except for those subsidiary entities comprising the Energy Management Division, as noted above, all other subsidiary entities incorporated in England and Wales are exempt from the requirements of the Companies Act 2006 related to the audit of individual accounts by virtue of Section 479A CA2006.

Officers and advisers

Directors	
Non-Executive Chairman	Andrew Lawley
Chief Executive	Harvey Sinclair
Chief Financial Officer	Crispin Goldsmith
Non-Executive Directors	Dr Nigel Burton John Hornby Gary Worby
Company Secretary	Crispin Goldsmith
Business address	20 St Thomas Street London SE1 9RS
Registered office	20 St Thomas Street London SE1 9RS
Independent auditor	**PKF Littlejohn LLP** 15 Westferry Circus, Canary Wharf, London E14 4HD
Nominated adviser and joint broker	**Strand Hanson** 265 Mount Row, London W1K 3SQ
Joint broker	**Canaccord Genuity** 88 Wood Street, London EC2V 7QR
Legal advisers	**Fieldfisher LLP** Riverbank House 2 Swan Lane, London EC4R 3TT
Financial PR	**Tavistock Communications** 1 Cornhill, London EC3V 3ND

Notes

eEnergy Group plc's commitment to environmental issues is reflected in this Annual Report, which has been printed on UPM Finesse Silk, an FSC® certified material.

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