03 September 2020

Energy One Limited (ASX : EOL)

Investor Briefing and Information session – 2PM (AEST) 3rd September 2020

Presentation Pack

The Company has prepared the attached presentation for the investor briefing and information session at 2pm today.

You can join that meeting on the following :-

1. By phone (landline of mobile) – note this will be voice only (no presentation)

   Tel: +61 2 8318 0158

   Conference ID: 567 778 588#

2. Via Microsoft Teams

   Copy and paste this link into your browser –

   https://teams.microsoft.com/dl/launcher/launcher.html?url=%2F_%23%2Fl%2Fmeetup-join%2F19%3Ameeting_ZjEzNDBiYzEtMzY4MC00NzM1LTkwZmMtZmY2ZWVjYzdkOTM5%40thread.v2%2F0%3Fcontext%3D&type=meetup-join&deeplinkId=2570f643-0b03-4bc0-90c5-2a06cb2cc3d6&directDl=true&msLaunch=true&enableMobilePage=true&suppressPrompt=trueWith Microsoft Teams, there are 3 ways to join the meeting:

   Via your browser only (easiest)

   Via loading the plug-in (takes 1-2 minutes) but provides a better experience

   Via your MS Teams onboard application

Please try and get online a few minutes beforehand so that the technology is operational.

A recording of the session will be available shortly after the meeting www.energyone.com.

Richard Standen

Chief Financial Officer / Company Secretary

Energy One Limited (ASX:EOL)

Investor Update for FY20

energyone

Disclaimer

This document has been prepared by Energy One Limited (EOL) and comprises written materials and slides for a presentation concerning EOL.

This presentation is for information purposes only and does not constitute or form part of any offer or invitation to acquire, sell or otherwise dispose of, purchase or subscribe for, any securities, nor does it constitute investment advice, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision.
Certain statements in this presentation are forward looking statements. You can identify these statements by the fact that they use words such as “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “may”, “assume” and words of similar import.

These forward looking statements speak only as at the date of this presentation. These statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performance and achievements expressed or implied by any such forward looking statements.

No representation, warranty or assurance (express or implied) is given or made by EOL that the forward looking statements contained in this presentation are accurate, complete, reliable or adequate or that they will be achieved or prove to be correct. Except for any statutory liability which cannot be excluded, EOL and its respective officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the forward looking statements and exclude all liability whatsoever (including negligence) for any direct or indirect loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission therefrom.
Subject to any continuing obligation under applicable law, or any relevant listing rules of the ASX, EOL disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in these materials to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any statement is based. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of EOL since the date of this presentation.

Contents

About Energy One	4
Financial results summary	5
Operational review	8
Financial review	20
Company outlook	30
Appendices	37

Energy One a profitable SaaS company

- Energy One Limited (ASX:EOL) is a leading independent global supplier of Energy Trading and Risk Management (ETRM) software systems.
- We offer SaaS-based solutions for the trading of energy derivatives and the scheduling of physical energy (including electricity, gas, liquid commodities and environmental and carbon trading).
- EOL has offices in Australia, UK and France, with 200+ customer installations in 17 countries, many with blue-chip international utility and infrastructure companies.
- With a market share approaching 50% in Australia, 15% in the UK and less than 5% in Europe, there is a long runway for growth.
- EOL has a strong track record of year-on-year growth in revenue and earnings.

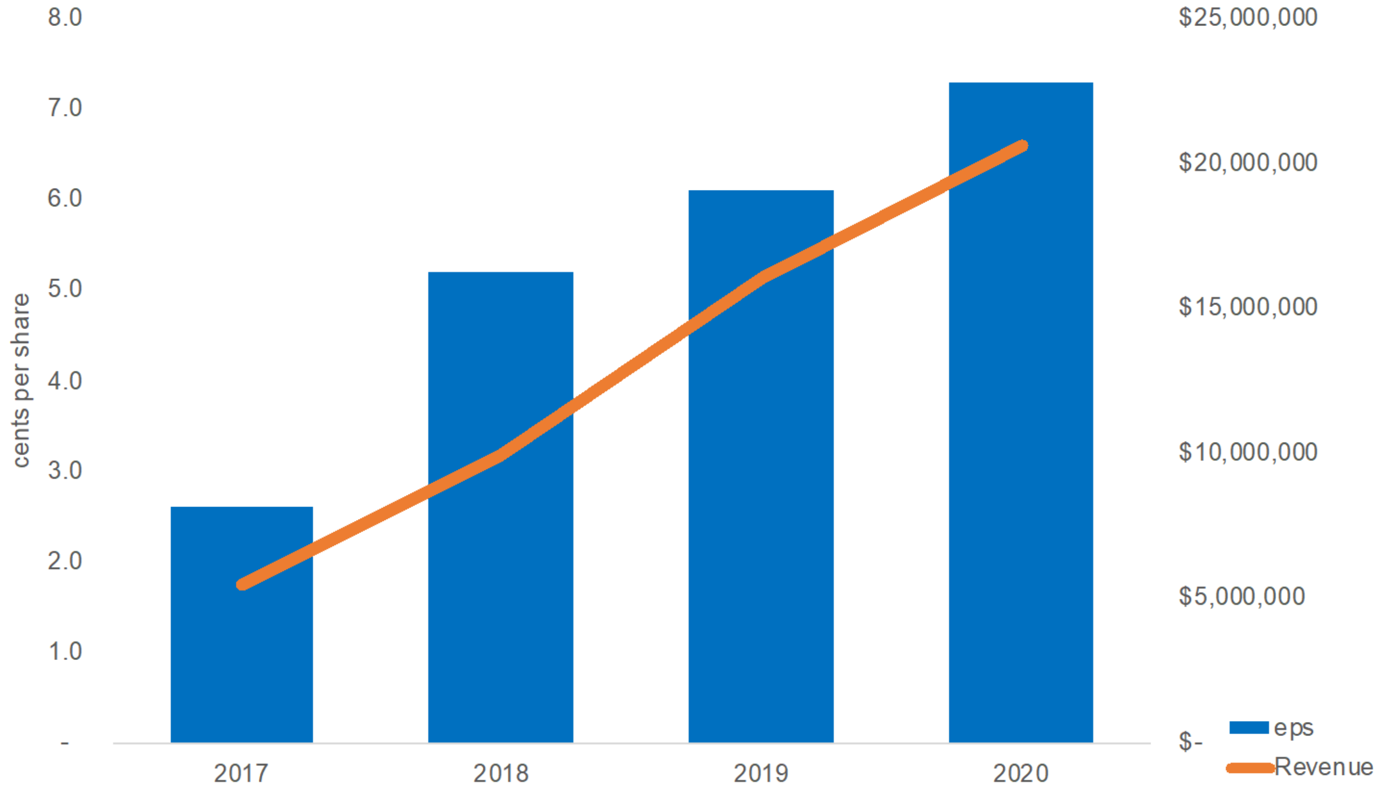
energyone

Financial results summary

	30 June 19	30 June 20	Change
Revenue	$16,065,000	$20,604,000	28%
Comparative EBITDA*	$3,851,000	$4,718,000	23%
EBITDA	$3,851,000	$5,320,000	38%
NPAT	$1,309,000	$1,647,000	26%
EPS diluted (cents)	6.15	7.30	19%
NTA / share (cents)	14.83	39.73	168%
Cash and equivalents	$2,216,000	$3,534,000	59%

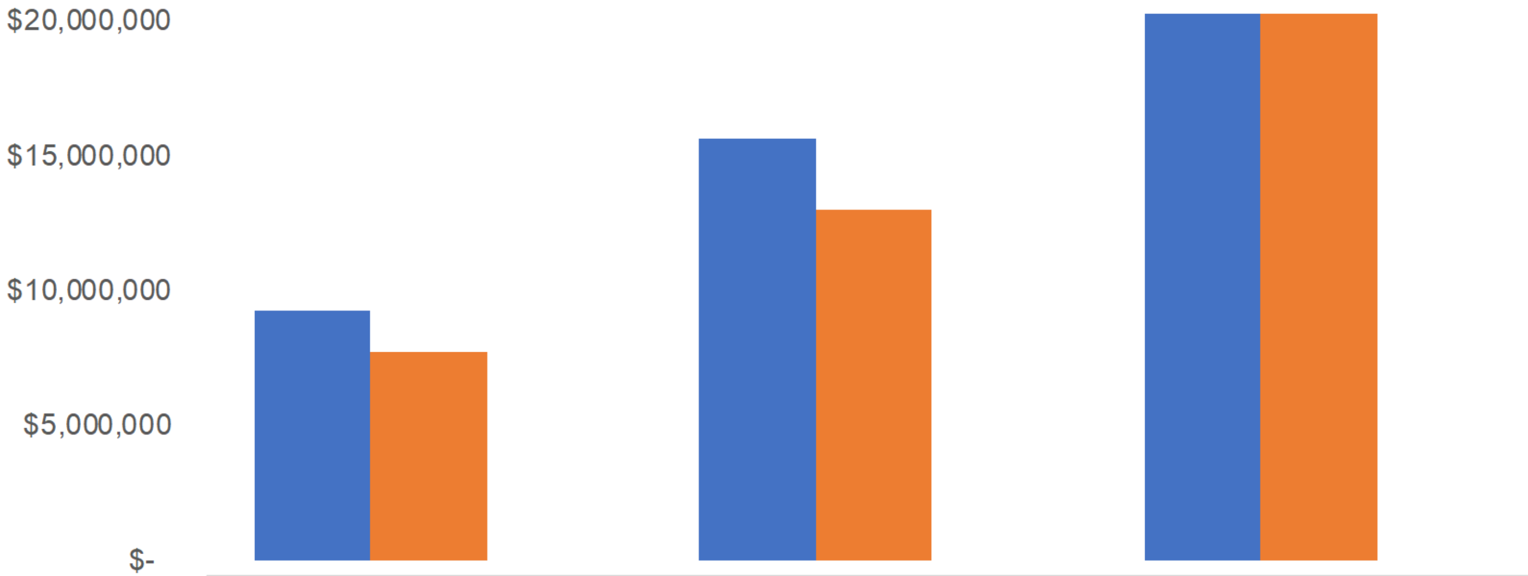
* Excludes one off changes relating to the adoption of new accounting standards and acquisition costs

EPS & Revenue show strong CAGR



Over the last four years the Compound Annual Growth Rate (CAGR) in revenue has been 50% and in EPS it has been 41%

Annual Recurring Revenue is also growing at over 50% per annum



	Jul-18	Jul-19	Jul-20
Revenue	$9,299,107	$15,670,928	$20,304,159
ARR	$7,766,220	$13,045,128	$20,287,674
ARR Growth		68%	56%

Operational review

energyone

Sticky customer base…

SaaS Metric	July 19	July 20
Average LTV per customer	$1,449,506	$1,666,245
LTV/CAC	12.5	10.8
Customer-installs	143	203
Typical contract length	1-5 year initial term, then annual renewals	
Churn	3.8%	4.1%
Gross margin	60%	59%

- Gross LTV equivalent to $338M
- Decline in LTV/CAC due in part to slight rise in Australian churn. CAC higher for UK/EU than AU.
- Energy One looks to sell more than one product from the range to customers
- While gross margin may be lower than other SaaS companies, we consider this a positive. See slide 39

energyone

Supplying large blue chip companies in essential industries

Our customers are large:

- Utilities – such as power stations and vertically integrated retailers
- Infrastructure providers – such as gas pipelines, electricity transmission

- Our customers supply an essential service, namely gas and electricity
- The software we supply is mission-critical to these enterprises
- SaaS is deployed and supported remotely

- Business was not materially impacted by Covid during FY20

energyone

Contigo and eZ-nergy are strategic acquisitions to expand our market

With a strong position in the energy ETRM space in Australia, an off shore market like the U.K. and Europe provides an exciting expansion opportunity.
The market size in UK/EU is more than 10x the size of the Australian market.

energyone

Our European expansion plan validated…

- In FY18 we starting building a presence in the UK and Europe
- In FY20, some 44% of group revenue and 37% of EBITDA was generated in Europe, our growth market.
- Over 200+ installations in 17 countries
- We're now one the largest independent vendors of such systems globally

energyone

eZ-nergy - a great acquisition

Completed in June 2020.

eZ was founded in 2013, with customers in 9 countries of the EU.

Highly synergistic with Contigo. Joint product offerings for energy traders across UK & Europe.

Acquisition price of $6.5M (including equity) over 18 months. Founders are staying on.

Expected to contribute approx. $1.1M of EBITDA in FY21

energyone

Integration of eZ-nergy now underway

Energy One acquired eZ-nergy in June 2020. eZ-nergy is a French vendor of European energy trading software.

- Operational integration with Contigo has commenced
  - Retained key staff (including founders) and capabilities
    - Technological and back office integration commenced
      - European operations now running on same accounting software as Australia

energyone

Well placed for European growth…

- Contigo based in the UK and eZ-nergy based in Paris
  - Joint technology stack
  - Highly synergistic products that now provide a pan-European trading solution reaching across national market boundaries
  - With a platform utilizing new technology & with less than 10% of the European market we are well positioned for further European growth.

energyone

eZ and Contigo have already won their first major customer together

In August 2020 Contigo and eZ-Nergy combined their product offerings and as a result won their first major customer, a large iconic national utility company

This customer was won via combination of UK and French solution offerings. Synergy in action…

energyone

The Australian business has remained strong

- Australian comparative EBITDA increased 8% (headline EBITDA up 14%).
- EBITDA margin of 29%
- Recurring revenues were $8.8M or 79% of operating revenue
- We added new customers and completed two large projects
- Business is ready for the 5MS market change

energyone

We now have a business with global capability

115 staff in 3 countries

Customers in 17 Countries

Global support 24/7 – follow-the-sun capability

Pan-European trading platform

Integrated operations

- Single back office infrastructure
- Global finance system
- Automated testing
- Joint development tools and toolkits

energyone

EOL's suite of software tools are used by customers to manage their exposure to risk and volatility

Our software is used to trade and manage both physical energy and derivative contracts either bilaterally (B2B) or on public exchanges.

Financial review

7th consecutive year of profitable growth

Revenue increased 28% to $21M

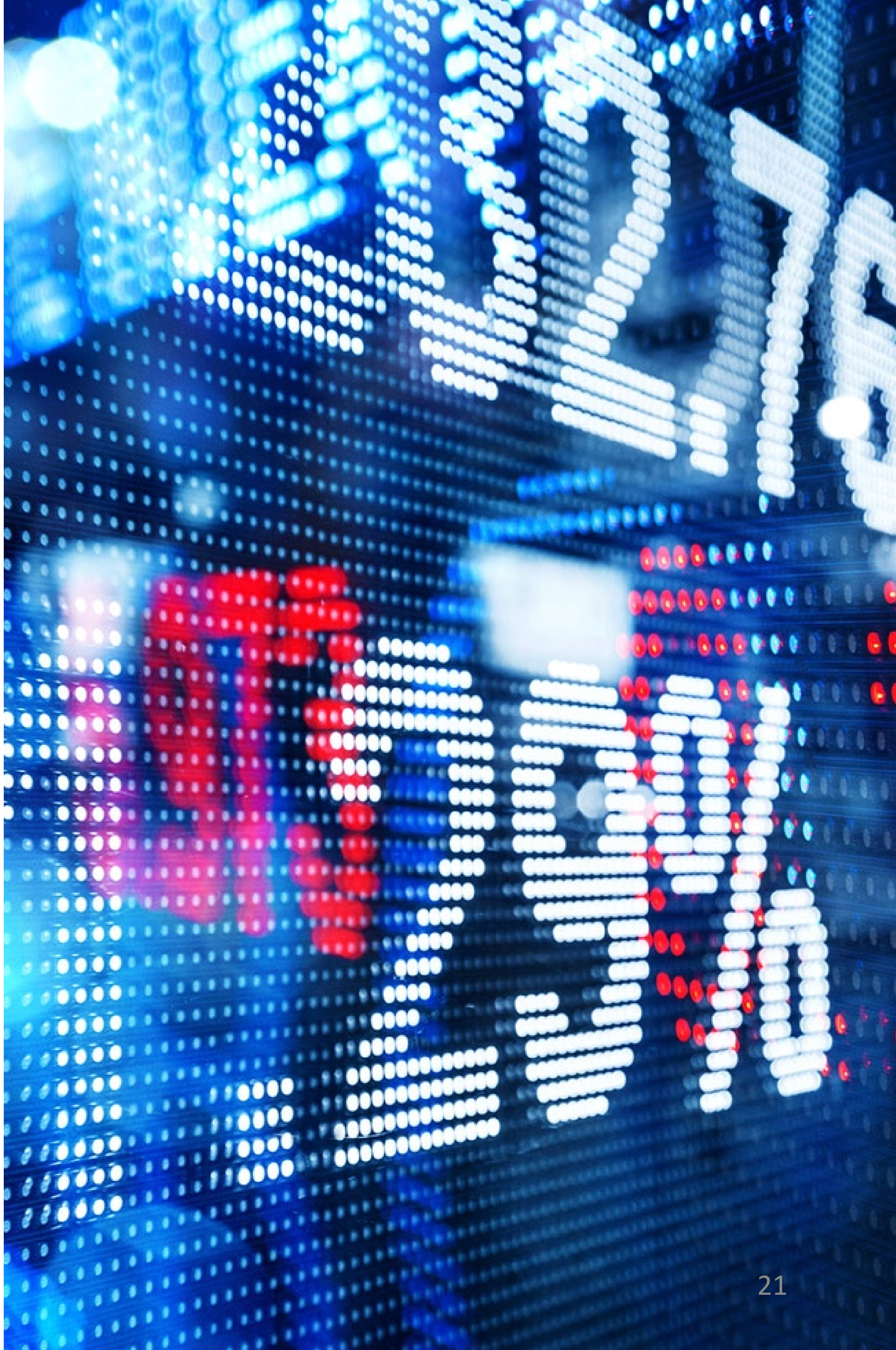
Comparative EBITDA* increased 23% to $4.7M

EBITDA increased 38% to $5.3M

NPAT increased 26% to $1.65M

Earnings per share up 19% to 7.3 cents/share (diluted)

* Excludes one off changes relating to the adoption of new accounting standards and acquisition costs

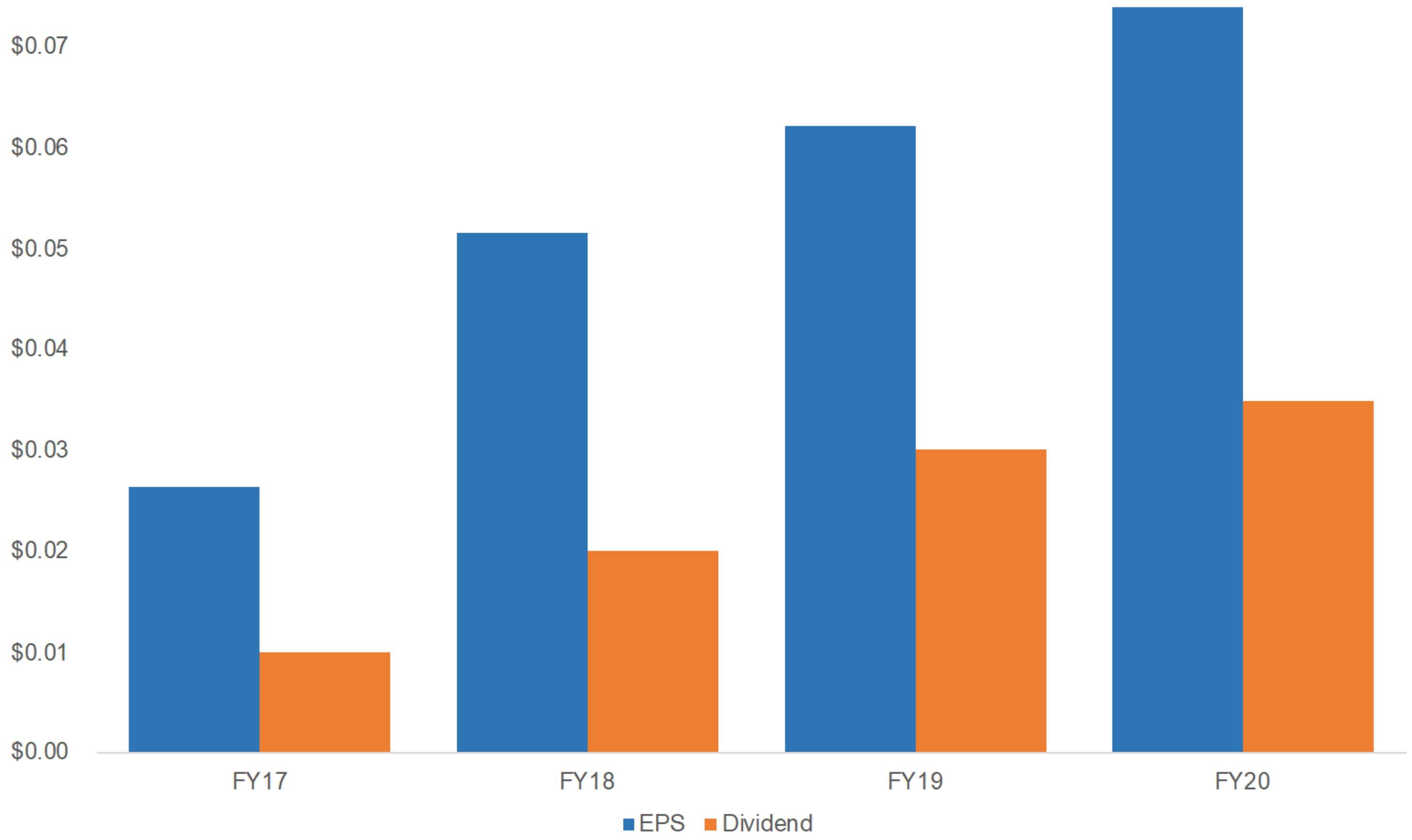


Profit & loss statement

$'000	2018	2019	2020	
Revenue	**9,299**	**15,671**	**20,304**	One month' contribution from eZ
Other revenue	628	395	300	R&D grant changed to tax offset in FY20 as per scheme rules
Direct project costs	(257)	(794)	(1,452)	Two large projects completed during the year
Employee benefits expense	(4,964)	(8,233)	(10,820)	Increased in line with revenue
Rental expense	(263)	(477)	(59)	AASB16 changes FY20. Leases for 6 offices, various durations
Consulting expense	(613)	(754)	(782)	Consultants used to balance workload from time to time
Insurance expense	(94)	(118)	(228)	Worldwide trend of increased premiums and larger business
Accounting fees	(93)	(153)	(225)	Larger group with financial reporting in three countries
Acquisition expense		(381)	(387)	One-off acquisition costs, eZ-nergy FY20 (Contigo FY19)
Overseas marketing	(157)	(88)	(0)	Marketing now conducted via offshore offices
Other expenses	(941)	(1,735)	(1,948)	In line with prior results and revenue growth
Depreciation & Amortisation	(772)	(1,269)	(2,363)	Change to treatment & amortization of leases (FY20) AASB-16
NPBT	**1,718**	**2,063**	**2,340**	
Tax	(673)	(754)	(693)	R&D grant now treated as tax offset under scheme rules
NPAT	**1,040**	**1,309**	**1,647**	
EBITDA	**2,500**	**3,850**	**4,718**	Comparative (excl AASB-16 and one-off acquisition costs)
Diluted EPS (cps)	*5.16*	*6.15*	*7.30*	
Dividend	***0.02***	***0.03***	***0.035***	Unfranked

energyone

EPS and dividends continue to grow



Directors declared an unfranked dividend of 3.5 cents per share for FY20
The DRP will issue shares at $4.35.

Profit & loss improved despite one off acquisition costs

Revenue increased by 28% with 44% of revenue now being generated from Europe

Pleasingly the EBITDA margin remains steady despite the strong revenue growth

Two one off items
- Change to accounting standards relating to leases AASB 16 of $609k
- Acquisition costs relating to eZ-nergy $387k

NPAT was impacted by the one-off costs for the acquisition of eZ-nergy. Given this occurred late in the financial year (June 2020) the acquisition costs were not offset by the single month of financial contribution from eZ-nergy.

energyone

European business grows

- Successful Contigo integration
- Added 8 new customers in FY20
- During its first full year, Contigo generated :
  - $8.7M in sales
  - $1.6M EBITDA (up 28% on acquisition forecasts)

- eZ-nergy joined in June 2020
- One-month EBITDA contribution of $0.12M.
- eZ is expected to produce approximately:
  - $4M in revenue; and
  - $1.1M in EBITDA over full 12-month period.

energy one

Balance sheet

$'000	2018	2019	2020	
Cash and cash equivalents	728	2,216	3,353	
Trade and other receivables	1,829	4,600	3,944	98% of receivables <60 days aging
Total Current Assets	**2,733**	**7,289**	**8,150**	
Trade and other receivables	324	99	0	
Plant and equipment	524	643	351	
Software development	5,065	9,964	14,109	Additions also made via acquisition during the year
Intangible assets	3,475	5,223	8,597	Includes goodwill additions made on acquisition
Other assets incl deferred tax	744	743	1,397	AASB 16 changes
Total Non-Current Assets	**10,131**	**16,671**	**24,454**	
Total Assets	**12,864**	**23,961**	**32,604**	
Trade and other payables	1,035	2,485	4,068	Includes deferred acquisition instalments
Borrowings		1,354	0	
Contract liabilities	2,125	2,916	3,317	In advance, unearned revenue
Provisions & tax payable	1,165	1,380	2,085	
Total Current Liabilities	**4,325**	**8,135**	**9,470**	
Total Non-Current Liabilities	**1,446**	**6,849**	**4,442**	Loan balance reduced to $0.6M
Total Liabilities	**5,770**	**14,985**	**13,912**	
Net Assets	**7,094**	**8,977**	**18,692**	
Net assets per share (cps)	**35.9**	**42.1**	**73.5**	

energyone

The balance sheet has been strengthened

Raised $4.4M equity for the eZ acquisition (April 20)

Raised $1.815M equity via an oversubscribed SPP (June 20) to strengthen balance sheet and provide working capital to support growth.

Bank debt was reduced from $5.4M to $0.6M ($4.45M available for redraw)

The company is well positioned for any economic turbulence and to take advantage of acquisition opportunities should they arise.

energyone

Cash flows

$'000	2018	2019	2020	
Receipts from customers	11,399	15,864	21,054	
Government R&D incentives/grants	815	693	505	Research & Development
Payments to suppliers and employees	(9,035)	(13,147)	(16,516)	Increase in line with revenue growth
Interest	9	30	17	
Cash provided by operating activities	**3,188**	**3,440**	**5,060**	
Purchasing plant & equipment	(155)	(169)	(142)	
Purchasing intangibles	(16)	(8)	(3)	
Development costs	(1,020)	(1,606)	(2,691)	
Payments for acquisitions (Net of cash acquired)	(150)	(925)	(1,173)	
Loan to Contigo on acquisition		(6,097)	(0)	Refund of a parent loan as part of acquisition
Restrictive term deposits	(184)	(0)	(0)	Rental guarantees
Cash used for investing activities	**(1,157)**	**(8,805)**	**(4,009)**	
Proceeds from borrowings	-	7,280	-	Bank loan for acquisition
Repayment of borrowings	(1,750)	(795)	(5,841)	
Receipts from share issues	152	481	6,913	Equity raise during FY20
Payment of dividends	(68)	(112)	(171)	To shareholders not in the DRP
Lease payments			(634)	AASB 16 – will be similar in FY21
Cash flows from financing activities	**(1,666)**	**6,854**	**267**	
Net increase / (decrease) in cash	365	1,489	1,318	
Cash at beginning of year	366	728	2,216	
Cash at end of year	**728**	**2,216**	**3,534**	

energyone

Strong recurring cash flows from SaaS business model

Total receipts from customers increased 33% to $21.05M

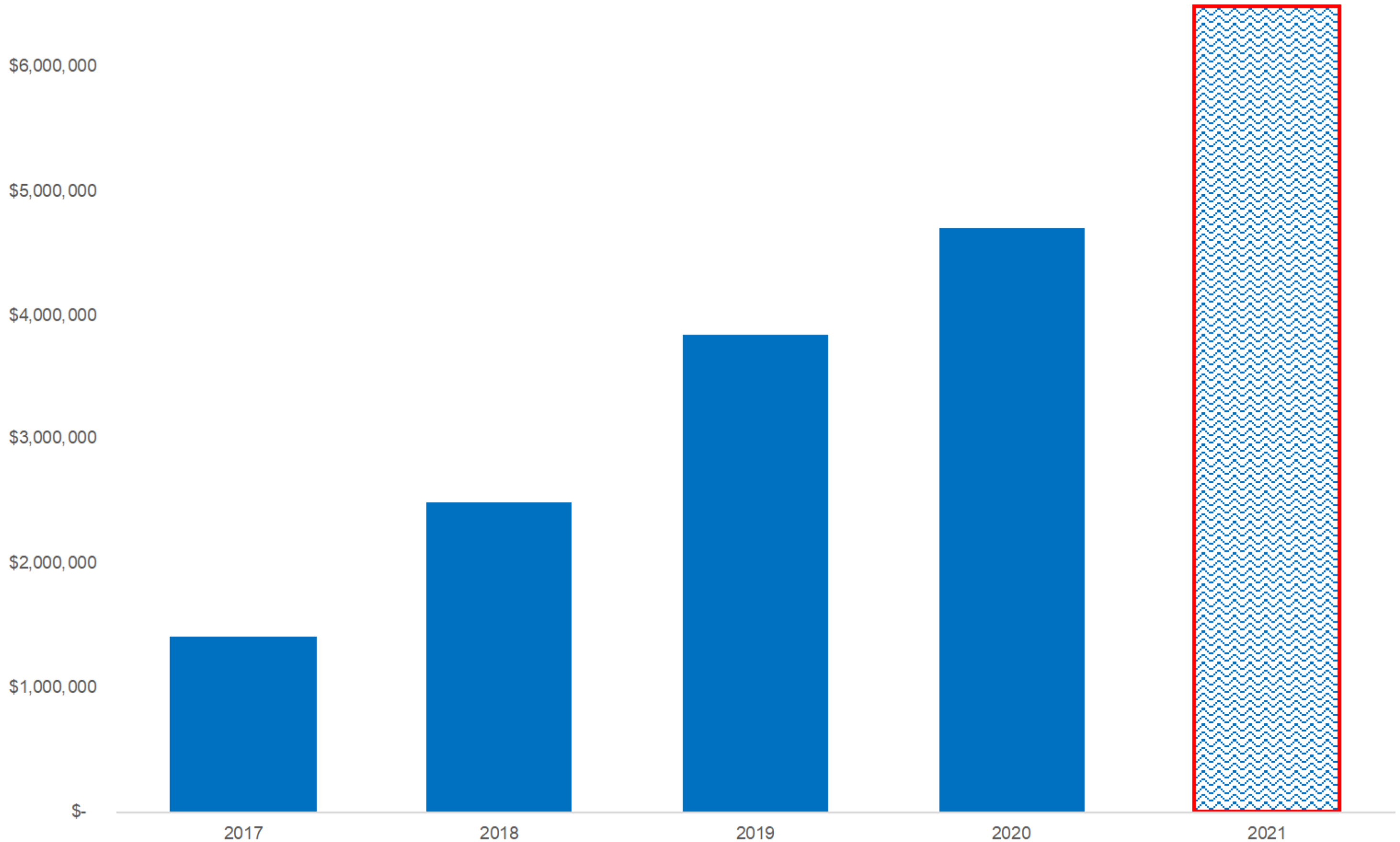
Recurring revenue of 77% across the group

Recently acquired eZ-nergy has recurring revenues of +86%

Operating cash flow increased 68% $5.06M

Company Outlook

FY21 guidance sees EBITDA increasing to $6.5M



energyone

Future growth to come from Europe

- Given our high market share in Australia, Europe will be the company's growth engine going forward
- Within two years 44% of our revenue is now being generated in Europe
- In FY21 we expect European revenues to exceed 50% of group revenue
- Energy One still has less than 5% European market share

That said EOL is well positioned in Australia for the new 5 minute market

- Our software is ready for the new Australian market requirements (30/9/21)
- We have $0.7M of contracted work for several upgrades going into FY21. More renewal work also expected later in FY21 and into FY22.
- EOL ahead of our competitors due to our key capabilities in this market.

energyone

We will continue to execute our long-term strategy growing offshore

Diversification

Invest in new products
- 5min settlement

Cross-sell products
- EOL products to Contigo customers and vice versa

Develop recurring revenue streams
- Enhance Contigo's recurring revenues

Release new products in FY20

Grow customer base

Geographic expansion
- Expand into new European markets

Target the large number of potential smaller European customers

Grow European Business

Grow by acquisition

Acquire complementary products/services
- Look for potential strategic acquisitions that will provide additional synergies

Continue to look for additional acquisitions

energyone

FY21 will be a year of consolidation

- ✓ Solid financial performance for the year past
- ✓ We plan to integrate the eZ-nergy acquisition during FY21.
- ✓ Focus on combining capabilities to provide pan-European trading system capability for both gas and electricity.
- ✓ Leverage our technology advantages to build our brand and reputation across Europe.
- ✓ Focus on helping customers navigate the new market changes in Australia (5MS and new technology).

energyone

energyone

Mr Shaun Ankers - CEO and Managing Director

Email: enquiries@energyone.com

Level 13, 77 Pacific Highway

North Sydney NSW 2060
+61 2 8916 2200

Appendix
Additional information

The benefits of geographic, product and customer diversity

Some software vendors selling to U.K. energy retailers have recently reported an increase in bad debts arising from corporate failures.

Our customer base is diversified, both geographically, Europe, Australia as well as UK but also by ‘verticals’.

This means not just energy retailers but also generators, aggregators, renewable energy producers, energy traders, gas producers and pipeline companies.

We also have more affordable products designed specifically for new entrant retailers.

During FY 20 EOL lost small new entrant retailers in the UK but the impact was immaterial to our financial results.

energyone

Project revenue creates a very *sticky* SaaS customer base

- Unlike other SaaS providers Energy One has a larger proportion (~23%) of revenue project revenue. While is lowers overall gross margin, we consider it to be a positiv
- For large blue-chip customers our software is often mission critical so installing new enterprise style ETRM software can involve quite large and sophisticated projects. large projects are to ensure the smooth ongoing day to day (24/7) operations are n interrupted.
- Project and installation revenue is created at the time of implementation and ensure
    - Historic data is mapped and transferred accurately
    - Valuation models are performing as expected
    - Market interfaces work seamlessly
    - Bespoke features required by customers are created and tested

- We also work closely with participants, stakeholders and regulators in each market ensure our roadmap continues to add value and relevance to our product suite

- All this creates a very stable customer base

energyone

Change in R&D tax incentives

In FY20 Group revenue exceeded $20M for the first time.

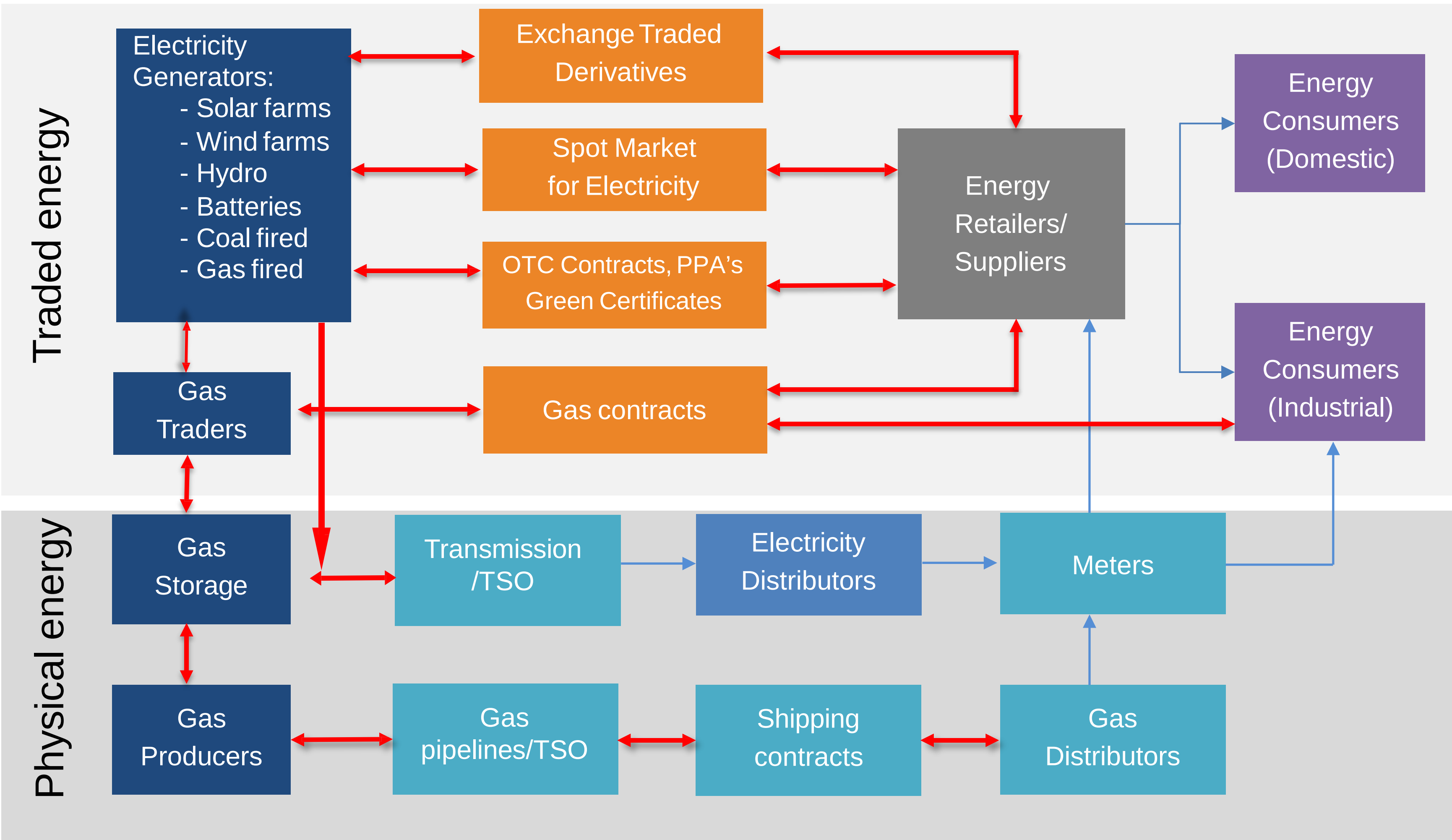
As a result Energy One now receives a tax offset, as per Australia Tax Office (ATO) scheme rules, for R&D activities as opposed to a cash grant.

In line with AASB 120, applicable tax legislation and ATO guidance, any incentive received is immediately recognised as a credit within the income tax expense. There are no substantial changes to the nature of the R&D activities

Prior to 2019 where Group revenue was less than $20 million the company received cash grants in relation to it's R&D activities.

energyone

Many energy market participants use EOL software



energyone

Energy One software potentially used to facilitate a transaction

A comprehensive suite of software

Physical Bidding

Allows a power station to bid it's electricity (quantity, price, time and place) into the National Electricity Market. Takes into account potential constraints in the transmission system allowing optimum dispatch for companies with multiple generators.

Market Analytics

Detailed data and market analytics platform and various trading tools for energy traders

ETRM

Contract management for recording physical trades (PPA's) and financial derivatives (Swaps, Options, Caps etc). Records the trade allocating it to a hedge book / portfolio. As market prices change hedge books are revalued. Forward books can be five years of more. Provides risk analytics such as GMaR, VaR, CaR, Monte Carlo etc. Electricity, gas, carbon, diesel, coal and Fx

Business Process Automation

Many systems and contracts in energy markets can be very complex. These tools automate complex but mundane tasks increasing not only accuracy but also efficiency. Can be used to help transport gas from one point through several different pipelines to and end point. Pipeline capacity for each pipeline has to be bought in advance

Business analytics, intelligence and reporting

Wrapping around various software products is a user-configured dashboard that can provide alerts, various market feeds, task management etc. It also offers comprehensive reporting and analytics

EOL software makes life easier

Participant	Challenges faced	EOL group products
Generators	Accurate, compliant energy spot market bidding	✓
	Efficiently dispatching generation during constrained network events	✓
	Energy operations (B2B, bid preparation, monitoring, compliance)	✓
	Hedging output against volatile spot market using derivatives	✓
	Management and valuation of complex PPA's	✓
Renewables	Automated bidding into the spot market	✓
	Curtailing dispatch during negative price events	✓
Retailers/Suppliers	Hedging load against the spot market and reconciliation with spot market	✓
	Trading energy derivatives deal capture and contract management	✓
	Logistics – transporting gas across multiple pipelines	✓
	Evaluation of risk exposure, monitoring risk limits	✓
	Renewable energy compliance	✓
	Energy operations (B2B, bid preparation, monitoring, compliance)	✓
Pipelines/TSOs	Deal capture, settlements, capacity trading	✓
	Contract and network optimisation	✓
Industrial customers	Management of PPA's and gas transport logistics	✓
	Carbon trading management	✓
	Energy monitoring	✗
	Retail invoice reconciliation	✗
Energy traders	Single comprehensive source of market data and analytics	✓
	Trading tools to facilitate / manage complex derivative trades	✓

energyone