ENERGY ONE LIMITED

ABN 37 076 583 018

APPENDIX 4D
for the half year ended 31 December 2022

Contents

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Energy One Limited
37 076 583 018

Appendix 4D
Half Year Final Financial Report

Reporting Period	**for the half year ended 31 December 2022**
Previous Reporting Period	for the half year ended 31 December 2021

Results for announcement to the market	**31 Dec 2022**	31 Dec 2021	Change
	$ '000	$ '000	%
Revenue and other income	**20,577**	14,611	41%
EBITDA *	**5,869**	4,411	33%
Net profit before tax	**1,773**	2,200	(19%)
Comparative Net profit before tax *	**2,648**	2,763	(4%)
Profit after tax attributable to members	**1,261**	1,461	(14%)
Net tangible asset backing per ordinary share shown (in cents) **	**(12.48)**	53.51	(123%)
Earnings per share (in cents)	**4.21**	5.66	(26%)

* Before acquisition and other one off costs
** NTA includes software development used to generate income and excludes deferred tax assets and amounts recognised under AASB16 Leases

Commentary
Please refer to the attached Chief Executive Officer's commentary and financial report for the half year ended 31 December 2022.

Other information
Control gained over entities having a material effect
N/A
Loss of control over entities having a material effect
N/A
Details of associates and joint venture entities
Please refer to the 31 December 2022 Financial Statements for details.
Audit Status
This report is based on accounts that have been subject to review.
Attachments
Further disclosure can be found in the notes to the attached interim Financial Report.

Dividends	**Amount per ordinary share**	**Franked Amount per ordinary share**
Dividend for the year ended 30 June 2022 declared 22 August 2022 paid 20 October 2022	6.00 Cents	0.00 Cents
Dividend for the year ended 30 June 2021 declared 23 August 2021 paid 18 October 2021	6.00 Cents	0.00 Cents

Shaun Ankers - Chief Executive Officer
20 February 2023

Dear Shareholders

The Energy One Group is pleased to report another profitable period of growth for the six months to 31 December 2022.

The performance of the Group versus the prior comparative period (pcp), was as follows:

·	Group revenue (and other income)	$20.6M	up	41%
·	Recurring revenue	$18.4M	up	42%
·	EBITDA*	$ 5.9M	up	33%

* Normalised EBITDA included one-off and acquisition expenses of $0.87M for the period.

NPBT was $1.78M, down 19% on the pcp, with bank interest and fees as well as amortisation of recent acquisitions featuring as a major part of this variance. Likewise, the change in Net Tangible Assets is due to the acquisition of significant intangible assets coupled with the bank debt taken to fund the recent CQ acquisition.

This result is in line with expectations, albeit affected by timing delays in project revenues and an increase in human resource costs related to building resource capability for upcoming projects and our global capability project.

It has been a feature of our business for many years that, despite having some 85% recurring revenue, we are affected by the timing of one-off project revenues. These timing impacts are often caused by routine events, such as customer delays in ‘signing off’ specifications and assembling client teams. For example, in this period, routine customer delays for a large project in Europe has meant the anticipated revenue from the first half is now expected in the second half.

In addition, we have been investing in people, to help us scale, to reduce the key person risk in our specialised team, and to build out capability. This includes (for example) transferring staff from Europe to the Adelaide operation as part of developing follow-the-sun trading operations capability.

While our Australian and UK software businesses typically rely on winning 1-2 large software projects per year our other businesses are less reliant on these larger project-type sales, focussing more on medium or smaller sized customers with an emphasis on recurring software or service.

The pipeline in both Australia and Europe is strong, with 6-8 medium/large projects in development. Historically, we typically win more than 50% of these types of opportunities in Australia and perhaps 30% to 40% out of Europe given the competitive landscape there.

CQ Energy which, via providing trading services, has historically won contracts with 35% of all new entrants to the Australian generation market since 2015. In addition, Energy One has also supplied roughly 30% of the new entrants with software. The balance of these new entrants often use an in-house solution. In Europe, our eZ and Egssis business typically win more than 60% of available opportunities.

On top of this we now have a strong consulting capability for market strategy and a broking capability for weather derivatives and other complex energy related products.

Our strategy has focussed on building recurring revenue software and services to complement the SaaS software business. In reviewing the revenue performance of these business lines, we find:

Software and Services – This is the operational 24/7 software-plus-service offering that we have been investing in. Using historical growth (from our France business) this business line has an *organic revenue* growth rate of about 24% p.a. all of which is recurring revenue.

SaaS Software - In our traditional core-business, recurring SaaS revenue has seen organic growth of 19% annually, over the past 4 years. Over a similar period, specialist/niche software products had had an organic recurring revenue growth rate of 8%

Whereas gas has relatively modest growth rate (being a mature market) revenue growth for electricity and renewable customers is considerably stronger. This is supportive of (and a considerable part of the rationale for) our current strategy.

The investments we are making will benefit from and support our businesses already enjoying high growth and recurring revenue.

Gross Margins for individual business lines (excluding software amortisation) are:

- Software and (operational) services, 65%
- SaaS is 80%
- One-off software implementation and enhancement is 40%

Commitment to software product excellence

Whereas we are building out specialist software and services business, our commitment to software excellence remains pivotal. Our software products are (in their respective markets) class leading. We devote a considerable amount of resource (typically 10%+ of revenue annually) to continuous development of our products introducing new features and additional functionality. We have recently enhanced our products to further serve emerging markets such as algo-trading, battery optimisation and auto-trading.

We are about to go-live with a large multinational customer using our battery bidding solution and we have a framework agreement in place to work with them on additional sites in the future. Furthermore, we have a proof-of-concept underway for a major European utility and we hope this significant opportunity will come to fruition by the start of the next financial year.

We remain committed to product strategy and development going forward, seeking (via user forums and the like) continuous feedback from customers. We see the operational services as being a complement to the technology, and vice versa.

Integration of our global businesses

Integration is going well, with financial integrations in back-office and corporate support systems well supported and other front-office systems (like sales and marketing) are being developed to be coordinated on a global or regional basis as needed. Technical integration projects and joint development projects are in place in Europe with a focus on cross-selling.

After 3 years of extended transition, the founders of eZ-nergy will be moving on to other ventures during the year. We thank them for their efforts in promoting the merged business and for having developed such a high-quality product. New management structures have been developed in the transition period and we are pleased to announce the appointment of Vincent Dumontoy, a very experienced French-based executive as GM of our France business unit.

The integration of CQ Energy is going well with ongoing, dynamic input from that team into the globalisation project. CQ Energy will play a pivotal role in our global solution. The interest from existing CQ clients and new clients for our energy services indicates a continued strong relationship with existing clients and positive engagement from new project proponents. CQ continues to grow its strong business reputation based on capability and intellectual property which it is renowned for. Since the acquisition by Energy One, the CQ business has continued to grow its portfolio of assets under management and has added valuable human resources that will enable CQ to continue to be a global leader for solutions in this sector.

Update on Globalisation and Software-and-Services solutions

As shareholders will know, we have decided to invest $1.5M - $2M in each of the next 2 years to build out our global 24/7 solution. Within the current period $0.5M has been spent and also included in normalised one-offs to better reflect underlying performance across periods . As I said (at the time), returns on these Investments in capability are expected within 12-24 months, but we are already seeing initial signs of progress on a much shorter timeframe, even if those signs are not yet in the form of tangible revenue.

I am pleased to report that we are seeing very promising feedback and progress related to this effort. A few items are worth highlighting:

ISO27001 (Cyber security) – While the company already has sophisticated cybersecurity measures in place, ISO27001 is the global best practice standard for cybersecurity, and we are making tangible progress gaining this certification. Customers are increasingly focussed on this aspect, and we believe, based on customer feedback, that this will be a key differentiator for winning very large customers.

Branding and awareness – we have commenced integrating and co-ordinating our marketing efforts. We have also re-branded integrating the individual brands in Europe, under the Energy One banner. We have launched a new website at www.energyone.com showcasing our global capability and broad range of solutions.

Global operations – Pleasingly, our European customers have agreed to have some operational services provided from Australia. In so doing, we are now covering a European night shift, from Australia. This will be expanded, and the next stages involve rolling out full capability for customers regardless of their location to have true follow-the-sun 24/7 operational support.

Global opportunity – We are receiving strong interest in our global offering and have signed framework-type contracts with major customers to support the roll-out of their global renewables developments as they come online. While initial revenue from these customers will be modest, we expect substantial growth over time as their renewable portfolios expand. These opportunities (and the aforementioned proof-of-concept underway with a major European utility) are predicated on the strength of our technical offerings but also the operational and financial viability of our business. Further updates will be forthcoming.

Acquisition/Inorganic growth update

We have previously said that our internal research shows a potential Total Addressable Market of US$1bn (A$1.4bn) per year for this new market. We now estimate based on the current market spend we are seeing that the global market will be at least twice this size by 2032.

The USA is the largest energy market in the world. We have previously discussed (and are often asked about) our ambitions towards a potential entry to the USA. For this, our favoured (and previously proven) approach would be to acquire an appropriately sized pre-existing business, giving us immediate technical footprint for the varied and complex US markets and hubs.

The business would then be able to pursue the significant US organic growth opportunity with the benefit of that footprint, as it has done in Australia and Europe. While there are potential acquisition candidates in the US none are imminent with our current focus for the remainder of FY23 being on the global integration project and driving our existing organic trajectory of growth in European and A/NZ markets. Such an acquisition would be dependent upon the availability of an appropriate target as well as the capital required to execute the strategy. We will continue to monitor opportunities in the US.

Summary and Guidance

As mentioned, the first half has been affected by the timing of project revenue, but those timings are expected to resolve themselves in the months ahead. We continue to invest in common operating platforms, in global operations staff and in integrating solutions across the group. Nonetheless, as always, we remain committed to profitable growth.

The Board maintains guidance for the FY23 year.

Energy One is operating in what is arguably the most exciting sector in the world today, the green power revolution. We enable new customers to enter this market, to monetise their energy and where appropriate, assist our existing customers to make the transition from traditional fuel sources without interrupting current operations providing solutions to gas as a vital transition fuel underpinning energy security for the foreseeable future. The world is making its way toward a 'Net Zero' future, and Energy One is proudly playing its part in facilitating this revolution.

Shaun Ankers - Chief Executive Officer

Interim Financial Report
for the half year ended 31 December 2022

Contents	**Page**

Directors' Report

for the half year ended 31 December 2022

Your directors present their report on Energy One Limited (the Company) and its controlled entities (the Group) for the half year ended 31 December 2022

Directors

The names of directors who held office during or since the end of the half-year :

Andrew Bonwick – Chairman
Shaun Ankers – Chief Executive Officer
Ian Ferrier - Non-executive Director
Ottmar Weiss – Non-executive Director (Resigned 17 November 2022)
Vaughan Busby – Non-executive Director
Leanne Graham - Non-executive Director (Appointed 16 December 2022)

Principal activities

The principal activity of the Group during the half year was the development and supply of software and services as well as energy trading and associated advisory services to energy companies and utilities. In the provision of software and services to customers, the Group does not take positions with respect to the energy traded and is therefore not subject to the risks of energy trading positions. The Group is typically remunerated on the basis of a fee for service.

There were no significant changes in the nature of the principal activities of the Group during the half year.

Review of operations

The revenue and other income for the Group for the half year was **$20,577,000** (31/12/2021: $14,611,000). The earnings before depreciation, amortisation, interest, tax and acquisition costs was **$5,869,000** (31/12/2021: $4,411,000). The comparative net profit before tax was **$2,648,000** (31/12/2021: $2,763,0000) and net profit after tax for the Group for the half year was **$1,261,000** (31/12/2021: $1,461,000).

Significant changes in the state of affairs

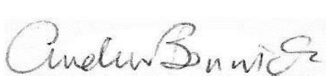
There were no material changes to the state of affairs of the Group in the first half of FY22. The Group has continued to invest in people and systems to ensure that Energy One maintains its position both as a leader in information systems within the energy trading and risk management (ETRM) software and services market - both in Australasian and European markets.

Rounding of amounts

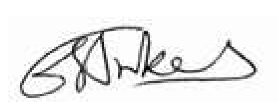
Amounts in this report have been rounded off to the nearest thousand dollars, unless otherwise stated, in accordance with Corporations Instrument 2016/191, as issued by the Australian Securities and Investments Commission relating to 'rounding-off'.

Auditor's independence declaration

The auditor's independence declaration, as required under section 307C of the Corporations Act, for the year ended 31 December 2022 has been received and can be found after this Directors' Report.



Andrew Bonwick
Chairman
20 February 2023



Shaun Ankers
Managing Director & Chief Executive Officer

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DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF ENERGY ONE LIMITED

As lead auditor for the review of Energy One Limited for the half year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Energy One Limited and the entities it controlled during the period.

Clayton Eveleigh

Director

BDO Audit Pty Ltd

Sydney, 20 February 2023

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the half year ended 31 December 2022

	Note	Consolidated Group 31 Dec 2022 $ '000	31 Dec 2021 $ '000
Revenue and other income			
Revenue	2	**20,483**	14,490
Other income	2	**94**	121
		20,577	14,611
Expenses			
Direct project costs		**(1,862)**	(1,041)
Employee benefits expense	3	**(11,367)**	(7,175)
Depreciation and amortisation expense	3	**(2,428)**	(1,587)
Rental expenses on short term leases		**(268)**	(54)
Consulting expenses		**0**	(906)
IT and communication		**(460)**	(317)
Insurance		**(299)**	(229)
Accounting fees		**(236)**	(199)
Finance costs	3	**(791)**	(61)
Acquisition and related expenses		**(10)**	(282)
Travel and accommodation		**(456)**	(37)
Shareholder and listing expenses		**(60)**	(75)
Other expenses		**(567)**	(448)
		(18,804)	(12,411)
Profit before income tax		**1,773**	2,200
Income tax expense	4	**(512)**	(739)
Profit after income tax attributable to owners of the parent entity		**1,261**	1,461
Basic earnings per share (cents per share)		**4.21**	5.66
Diluted earnings per share (cents per share)		**4.17**	5.58
Other comprehensive income :-			
Profit after income tax attributable to members		**1,261**	1,461
Exchange differences arising from translation of foreign operations		**524**	(57)
Total comprehensive income		**1,785**	1,404
Total comprehensive income attributable to owners of the parent entity		**1,785**	1,404

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

as at 31 December 2022

	Note	Consolidated Group 31 Dec 2022 $ '000	30 Jun 2022 $ '000
Current Assets			
Cash and cash equivalents	5	**2,139**	3,348
Trade and other receivables	6	**5,571**	4,936
Income tax receivable		**906**	259
Other assets	7	**1,100**	1,035
Total Current Assets		**9,716**	9,578
Non-Current Assets			
Property, plant and equipment	8	**504**	397
Lease right-of-use assets	9	**3,232**	3,540
Software development	10	**20,522**	19,214
Intangible assets	11	**52,821**	52,904
Other assets	7	**154**	197
Deferred tax asset	4	**929**	1,337
Total Non Current Assets		**78,162**	77,589
Total Assets		**87,878**	87,167
Current Liabilities			
Trade, other payables and deferred consideration	12	**6,546**	9,640
Lease liabilities	9	**1,027**	975
Borrowings	13	**2,515**	2,500
Contract liabilities	15	**3,909**	4,234
Provisions	14	**1,284**	1,509
Total Current Liabilities		**15,281**	18,858
Non-Current Liabilities			
Trade and other payables	12	**0**	39
Lease liabilities	9	**2,486**	2,774
Borrowings	13	**19,192**	24,404
Contract liabilities	15	**447**	518
Deferred tax liability	4	**5,692**	5,985
Provisions	14	**739**	350
Total Non Current Liabilities		**28,556**	34,070
Total Liabilities		**43,837**	52,928
Net Assets		**44,041**	34,239
Equity			
Contributed equity	16	**39,985**	29,773
Reserves	17	**185**	101
Accumulated profits		**3,871**	4,365
Total Equity		**44,041**	34,239

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

for the half year ended 31 December 2022

	Note	Consolidated Group				
		Contributed Equity	Share Based Payments Reserve	Foreign Exchange Reserve	Accumulated Losses	Total
		$ '000	$ '000	$ '000	$ '000	$ '000
Balance as at 1 July 2021		19,812	952	82	2,346	23,192
Total comprehensive profit for the half year:						
Profit after income tax for the period		0	0	0	1,461	1,461
Other comprehensive income		0	0	(57)	-	(57)
		0	0	(57)	1,461	1,404
Transactions with owners in their capacity as owners:						
Share issues		2,824	0	0	0	2,824
Dividends paid		0	0	0	(1,562)	(1,562)
Other transactions :-						
Share based payments		67	584	0	0	651
Shares vesting		933	(933)	0	0	0
Balance at 31 December 2021		23,636	603	25	2,245	26,509
Balance as at 1 July 2022		**29,773**	**757**	**(656)**	**4,365**	**34,239**
Total comprehensive profit for the half year:						
Profit after income tax for the period		0	0	0	1,261	1,261
Other comprehensive income		0	0	524	0	524
		0	0	524	1,261	1,785
Transactions with owners in their capacity as owners:						
Share issues	16	9,309	0	0	0	9,309
Dividends paid		0	0	0	(1,755)	(1,755)
Other transactions :-						
Share based payments	16	72	391	0	0	463
Shares vesting	16	831	(831)	0	0	0
Balance at 31 December 2022		**39,985**	**317**	**(132)**	**3,871**	**44,041**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

for the half year ended 31 December 2022

	Consolidated Group	
	31 Dec 2022	31 Dec 2021
	$ '000	$ '000
Cash Flows from Operating Activities		
Receipts from customers	**20,698**	16,069
Receipts of research and development incentives	**0**	37
Payments to suppliers and employees	**(17,574)**	(13,242)
Finance costs	**(791)**	(61)
Interest received	**0**	1
Income tax	**(949)**	(1,379)
Net cash provided by operating activities	**1,384**	1,425
Cash Flows from Investing Activities		
Purchase of property, plant & equipment and leased assets	**(438)**	(29)
Purchase of intangible assets - patents & trademarks	**0**	(1)
Payment for software development costs	**(2,426)**	(2,060)
Payment of deferred consideration	**(2,540)**	(764)
Payment for acquisition of business (net of cash)	**0**	(3,537)
Net cash used in investing activities	**(5,404)**	(6,391)
Cash Flows from Financing Activities		
Proceeds/(repayment) of borrowings	**(5,278)**	2,699
Receipts from share issues, net of transaction costs	**9,792**	1,992
Payment of dividend	**(1,336)**	(1,082)
Lease payments	**(367)**	(338)
Net cash provided by financing activities	**2,811**	3,271
Net decrease in cash held	**(1,209)**	(1,695)
Cash and cash equivalents at beginning of financial year	**3,348**	5,422
Cash and cash equivalents at end of half year	**2,139**	3,727

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements
for the half year ended 31 December 2022

Note 1 Summary of Significant Accounting Policies

This consolidated interim financial report for the half-year reporting period ended 31 December 2022 ("financial period") has been prepared in accordance with the requirements of the Corporations Act 2001, and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

This consolidated interim financial report is intended to provide users with an update on the latest annual financial statements of Energy One Limited and its subsidiaries ('the Group'). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2022, together with any public announcements made during the half-year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The consolidated interim financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars, except when otherwise indicated. This presentation is consistent with the requirements of Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Financial Statements.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements and the corresponding interim reporting period.

New and amended standards adopted by the Group

There were no changes to Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

	Consolidated Group	
	31 Dec 2022	31 Dec 2021
	$ '000	$ '000
Note 2 Revenue and other income		
Revenue from contracts with customers		
Licences	**11,578**	9,652
Support and other recurring services	**3,907**	3,336
Project implementation and advisory	**2,088**	1,502
Operations support	**2,910**	0
	20,483	14,490
Recurring Revenue included in above	**18,395**	**12,988**
Other income		
Interest income	**2**	2
Research and development incentive income	**92**	106
Government grant and other income	**0**	13
	94	121
Total Revenue and other income	**20,577**	14,611

Notes to the Financial Statements
for the half year ended 31 December 2022

	Note	Consolidated Group 31 Dec 2022 $ '000	 31 Dec 2021 $ '000
Note 3 Expenses			
The consolidated income statement includes the following specific expenses :			
Depreciation and amortisation			
Depreciation - Plant and equipment	8	**107**	72
Amortisation - Leasehold improvements	8	**3**	2
Amortisation - Lease right-of-use asset	9	**543**	367
Amortisation - Software development	10	**1,380**	1,146
Amortisation - Customer lists	11	**394**	0
Amortisation - Patents	11	**1**	0
		2,428	1,587
Finance costs			
Interest and finance charges on borrowings		**737**	20
Interest and finance charges on lease liabilities		**54**	41
		791	61
Employee benefit expenses			
Superannuation expense		**1,096**	664
Employee share plan benefits	22	**463**	652
Other employee benefits		**9,808**	5,859
		11,367	7,175

Note 4 Income Tax Expenses

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:

	31 Dec 2022 $ '000	31 Dec 2021 $ '000
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2022: 25%)	**503**	571
Tax effect of overseas tax rate	**15**	10
Add tax effect of non-deductible items (excluding research & development)	**62**	176
Income tax expense before effect of R&D Incentive and prior period tax adjustment	**580**	757
Tax effect of R&D incentive	**31**	28
Deferred tax rate change	**(139)**	0
Under / (Over) provision for prior year tax	**40**	(46)
Income tax attributable to entity	**512**	739

Net deferred tax :-	31 Dec 2022 $ '000	30 Jun 2022 $ '000
Opening balance	**(4,648)**	(825)
Charged to income	**(362)**	(328)
Deferred tax liability on prior year acquisitions	**0**	(3,690)
Amortisation of deferred tax liability on prior acquisitions	**189**	235
Foreign exchange variance	**(50)**	80
Prior year tax adjustment	**108**	(120)
Closing balance net deferred tax asset / (liability)	**(4,763)**	(4,648)

		Consolidated Group	
		31 Dec 2022	30 Jun 2022
	Note	**$ '000**	$ '000
Note 5 Cash and Cash Equivalents			
Cash, Cash Equivalents and Restricted Cash Deposits		**2,139**	3,348

At the reporting date, the Consolidated Group has no deposits with banks that are used for restricted bank guarantees.

Note 6 Trade & Other Receivables			
Current			
Trade receivables		**4,728**	3,657
Allowance for expected credit losses		**(98)**	(104)
Contract assets		**941**	1,141
R&D tax incentive		**0**	164
Other receivables		**0**	78
		5,571	4,936

Note 7 Other Assets			
Current Prepayments and deposits		**1,100**	1,035
		1,100	1,035
Non current Prepayments and deposits		**154**	197
		154	197

Note 8 Property, Plant and Equipment			
Plant and equipment at cost		**1,893**	1,652
Accumulated depreciation		**(1,397)**	(1,266)
		496	386
Leasehold improvements at cost		**479**	476
Accumulated depreciation		**(471)**	(465)
		8	11
Total property, plant and equipment		**504**	397
Movements in carrying amounts			
Opening balance		**397**	245
Additions - at cost		**217**	170
Additions - acquisition		**0**	158
Disposals		**0**	(2)
Depreciation and amortisation expense	3	**(110)**	(169)
Foreign exchange currency translation		**0**	(5)
Closing balance		**504**	**397**

Notes to the Financial Statements
for the half year ended 31 December 2022

	Note	Consolidated Group 31 Dec 2022 $ '000	30 Jun 2022 $ '000
Note 9 Lease Right of Use Assets & Lease Liabilities			
Lease right-of-use cost		**3,540**	2,734
Additions - at cost		**221**	0
Additions - acquisition		**0**	1,699
Disposals		**(20)**	0
Modifications		**0**	0
Lease right-of-use amortisation	3	**(543)**	(851)
Foreign exchange currency translation		**34**	(42)
		3,232	3,540
Lease liabilities - current		**1,027**	975
Lease liabilities - Non current		**2,486**	2,774
Note 10 Software Development			
Software development - at cost		**31,437**	28,683
Accumulated amortisation		**(10,915)**	(9,469)
		20,522	19,214
Movements in Carrying Amounts			
Opening balance		**19,214**	15,725
Additions - at cost		**2,426**	4,461
Additions - acquisition		**0**	1,894
Amortisation	3	**(1,380)**	(2,497)
Foreign exchange currency translation		**262**	(369)
Closing balance		**20,522**	19,214
Note 11 Intangible Assets			
Patents and trademarks - at cost		**14**	14
Patents and trademarks - accumulated amortisation		**(11)**	(10)
Customer lists - at cost		**12,813**	12,787
Customer lists - accumulated amortisation		**(526)**	(132)
		12,290	12,659
Brand		**1,851**	1,851
Goodwill		**38,680**	38,394
Total Intangible Assets		**52,821**	52,904

Movements in Carrying Amounts	Brands $ '000	Patents $ '000	Customer Lists $ '000	Goodwill $ '000	Total $ '000
Balance as at 30 June 2022	1,851	4	12,655	38,394	52,904
Additions - at cost	**0**	**0**	**0**	**0**	**0**
Additions - acquisition	**0**	**0**	**0**	**0**	**0**
Amortisation	**0**	**(1)**	**(394)**	**0**	**(395)**
Foreign exchange currency translation	**0**	**0**	**26**	**286**	**312**
Balance as at 31 December 2022	**1,851**	**3**	**12,287**	**38,680**	**52,821**

Notes to the Financial Statements
for the half year ended 31 December 2022

		Consolidated Group 31 Dec 2022 $ '000	Consolidated Group 30 Jun 2022 $ '000
Note 12	**Trade, Other Payables & Deferred Consideration**		
Current	Trade payables	**895**	710
	GST payable	**577**	575
	Sundry creditors and accruals	**2,496**	3,255
	Deferred acquisition consideration	**2,578**	5,100
		6,546	9,640
Non Current	Trade payables	**0**	39
Note 13	**Borrowings**		
Current	Term Loans	**2,515**	2,500
Non Current	Term Loans	**19,192**	24,404

The Parent Company executed a finance facility with National Australia Bank on 11 April 2022. The finance facility has two components being an amortising loan of $20mil with repayments of $625k due on a quarterly basis and a second loan for $10mil that is interest only. Interest is based on the 3,4 or 6 month bank bill rate as chosen by the company with both a margin and facility fee payable. During FY2022 an average interest rate of 4.54% was charged on the drawn balance of these facilities. In addition to interest paid on the drawn balance a line fee of 1.2% was paid on the facility limit. The facilities are fully secured by a fixed and floating charge over the assets and operations of all group entities and have market standard positive and negative covenants, undertakings and events of default typical for the nature of facility. At the date of this report Energy One limited is in compliance with all requirements of the facility and the amount available to redraw is $6.5mil.

Term loans also include loans in respect of employee vehicles in Egssis NV with the balance of the NAB facility being $2.50mil current and $19.159mil non-current at 31 December 2022.

		31 Dec 2022 $ '000	30 Jun 2022 $ '000
Note 14	**Provisions**		
Current	Employee benefits	**1,284**	1,509
Non-Current	Employee benefits	**739**	350
Note 15	**Contract Liabilities**		
Current	Licences received in advance	**3,730**	4,035
	Unearned R&D Tax Incentive	**179**	199
		3,909	4,234
Non-Current	Unearned R&D Tax Incentive	**447**	518
		447	518

Note 16 Contributed Equity	**31 Dec 2022 No shares '000**	**31 Dec 2022 $ '000**
Issued capital at beginning of the financial period	**27,536**	**29,773**
Shares issued or under issue during the period -		
Shares Issued to employees	**20**	**72**
Shares issued as a result of the vesting of share rights	**185**	**831**
Shares issued as a result of businesses acquired	**0**	**0**
Shares issued as a result of capital raise	**2,113**	**9,520**
Capital raise transaction costs	**0**	**(628)**
Shares issued on dividend reinvestment plan and underwrite	**81**	**417**
Balance at the end of the financial period	**29,935**	**39,985**

	Note	Consolidated Group 31 Dec 2022 $ '000	Consolidated Group 30 Jun 2022 $ '000
Note 17 Reserves			
Share based payment reserve			
Balance at the beginning of the financial period		**757**	952
Movement in share based payments		**(440)**	(195)
		317	757
Foreign exchange reserve			
Balance at the beginning of the financial period		**(656)**	82
Retranslation of overseas subsidiaries to functional currency		**524**	(738)
		(132)	(656)
Balance at the end of the financial period		**185**	101

Note 18 Segment information

The Group is managed primarily on the basis of product and service offerings and operates in one segment, being the Energy software industry, and in two geographical segments, being Australasia and UK/Europe. Management and the Board of Directors assesses the performance of the operating segment based on the accounting profit and loss.

Management and the Board of Directors have determined the Group is organised into the two geographical segments for profit and loss purposes as represented in the following table :-

	Australasia 31 Dec 2022 $ '000	**UK/Europe 31 Dec 2022 $ '000**	Australasia 31 Dec 2021 $ '000	UK/Europe 31 Dec 2021 $ '000
Licences	**4,537**	**7,041**	4,108	5,544
Support and other recurring services	**1,848**	**2,059**	1,958	1,378
Project implementation	**397**	**1,691**	647	855
Operations support and advisory	**2,910**	**0**	0	0
Other income	**91**	**1**	112	9
Expenses	**(7,409)**	**(8,166)**	(4,735)	(5,747)
Earnings before interest, tax, depreciation & amortisation	**2,374**	**2,626**	2,090	2,039
Depreciation & amortisation	**(1,336)**	**(1,092)**	(851)	(736)
Earnings before interest, tax and acquisition costs	**1,038**	**1,534**	1,239	1,303

	Consolidated Group 31 Dec 2022 $ '000	Consolidated Group 31 Dec 2021 $ '000
Reconciliation of unallocated amounts to profit after tax :-		
Earnings before interest, tax and acquisition costs	**2,572**	2,542
Finance costs	**(791)**	(61)
Interest received	**2**	1
Acquisition and related costs	**(10)**	(282)
Profit before income tax	**1,773**	2,200

Segment revenue excludes interest received. Expenses exclude interest paid, depreciation, amortisation and acquisition costs.

During the financial period, the Australasian segment derived 29% (31 December 2021: 31%) of revenue from the top three customers and the UK/Europe segment derived 9% (31 December 2021: 14%) from the top three customers.

Notes to the Financial Statements
for the half year ended 31 December 2022

Note 19 Business combinations
CQ Energy Group
On 26 April 2022, Energy One Limited acquired all of the shares and units in the companies and unit trusts forming the CQ Energy Group. Total sale consideration was $36,000,000 to be paid in an initial cash payment of $26,400,000 , equity of $6,000,000 and a further two cash payments of $1,800,000 ($3,600,000 in total) due October 2022 and April 2023. In addition to the sale consideration of $36,000,000, payment was made on completion for the "working capital" of the CQ Energy group equating to 517,000. On completion the total cash payment made was $26,917,000.

The CQ Energy Group is an Australian based business who provide operational, consulting and risk based advisory services to the Australian energy sector. Established in 2008 and based in Adelaide, CQ Energy have 20 staff and over 30 customers, operating in the 24/7 Australian energy market.

On acquisition Brand of $1,851,000 and customer lists of $12,100,000 were identified and valued. Brand is considered to have an indefinite life and has not been amortised whilst the useful life over which customer contracts have been amortised is 17.5 years. Customer lists have been amortised in line with the expected life taking into account historical customer loss as well as EOL's judgment with respect to future attrition.

	2022
Consideration paid and or payable :-	AUD $ '000
Cash on acquisition	26,400
Cash instalments payable	3,600
Equity issued - 981,999 shares	6,000
	36,000
Adjusted for :-	
Net working capital adjustment	517
Market value of shares issued at $6.20	88
	36,605
Fair Value Recognised on acquisition :-	
Current Assets	
Cash and cash equivalents	57
Trade and other receivables	1,046
Other current assets	62
	1,165
Non Current Assets	
Lease Right of Use Asset	549
Brands - at valuation	1,851
Customer lists - at valuation	12,100
Goodwill on acquisition	25,147
Deferred Tax Assets	63
	39,710
Total Assets	40,875
Current Liabilities	
Trade and other payables	445
Contract liabilities	43
Employee benefits	251
	739
Non Current Liabilities	
Lease liabilities	506
Net deferred tax liabilities	3,025
	3,531
Total Liabilities	4,270
Net Assets	**36,605**

The acquisition accounting for CQ Energy is now final. There have been no changes to the provisional accounting from 30 June 2022.

Note 20 Commitments

The Group has no commitments as at 31 December 2022 or at the comparative period end.

Note 21 Subsequent Events

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 22 Share Based Payments

		Consolidated Group	
		31 Dec 2022	30 Jun 2022
		$'000	$'000
Total expense arising from the Energy One Equity Incentive Plan (EIP) share based payments for the financial period	Note3.	**463**	887
Movements in share rights under the EIP for the financial period:		**No of rights**	No of rights
Balance at the beginning of the financial period		**506,880**	420,796
Rights granted		**256,991**	358,493
Rights lapsing		**(268,759)**	(338)
Rights vested and issued as ordinary shares		**(187,893)**	(272,071)
Balance at the end of the financial period		**307,219**	506,880
Average issue price in dollars		**5.16**	6.43

The Company issued the following share rights on 17 November 2022 under the EIP which was approved at the AGM on 22 October 2020:

149,432 Shares to Senior Executive Staff of Energy One Limited and CQ Energy Group vesting on performance and service conditions between 31 August 2023 and 31 August 2025 valued at an average of $5.16.

The Company issued the following share rights on 17 November 2022 as approved at the AGM dated 17 November 2022 and under the EIP which was approved at the AGM on 22 October 2020:

20,349 Shares rights to Non Executive Directors vesting on service conditions to 31 October 2023 valued at $5.16

87,210 share rights to the Chief Executive Officer vesting on performance (KPI based) and service conditions between 31 August 2023 and 31 August 2025, valued at an average of $5.16

The Company issued the following share rights on 13 January 2023:

95,500 shares to Senior Executive Staff of Contigo Software Limited vesting on performance and service conditions between 31 August 2023 and 31 August 2025 valued at an average of $5.16

9,265 shares to Senior Executive Staff of eZ-nergy SAS vesting on performance and service conditions between 31 August 2023 and 31 August 2025 valued at an average of $5.16

17,080 shares to Senior Executive Staff of Egssis NV vesting on performance and service conditions between 31 August 2023 and 31 August 2025 valued at an average of $5.16

The Company also issued the following shares:

The Company issued 10,464 shares at $4.58 on 25 November 2022 and 436 shares at $4.58 on 22 December 2022 to Energy One Limited and CQ Energy Group employees under the EIP which was approved at the AGM 22 October 2020.

The Company issued 6,758 shares at $4.58 on 20 December 2022 to Contigo Software Limited employees.

The Company issued 1,524 shares at $4.58 on 13 January 2023 to Egssis NV employees.

Directors' Declaration
for the half year ended 31 December 2022

In the Directors' opinion:

(a) the financial statements and notes set out on pages 10 to 21 are in accordance with the Corporations Act 2001, including:

- (i) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001;
- (ii) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and

(b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors' made pursuant to section 303(5)(a) of the Corporations Act 2001

Andrew Bonwick	**Shaun Ankers**
Chairman	**Chief Executive Officer**
20 February 2023	

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Energy One Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Energy One Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

BDO

Clayton Eveleigh
Director

Sydney, 20 February 2023