



Good Energy Group plc **Preliminary results**

12 months to 31 December 2022

28 March 2023



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Nigel Pocklington, CEO

Rupert Sanderson, CFO

Overview

Nigel Pocklington

CEO



Our transition to a green energy services company

Sale of 47.5MW generation asset portfolio

Completed Series A fundraise to scale Zap-Map

Acquired installation business – heat and solar

Launched innovative new tariffs for solar users



Strong balance sheet

Investing in high growth markets

Helping more to decarbonise and save

Financial performance

Rupert Sanderson
CFO



Delivering stability in a volatile market

Revenue growth

- Revenue growth of £100m, up 70% versus 2021
- Pricing driven by increased wholesale price

Commodity prices

- Commodity cost growth of 85%, versus 2021 primarily due to impacts of the Russian invasion of Ukraine on wholesale costs
- Commodity costs have been falling steadily since Sept-22

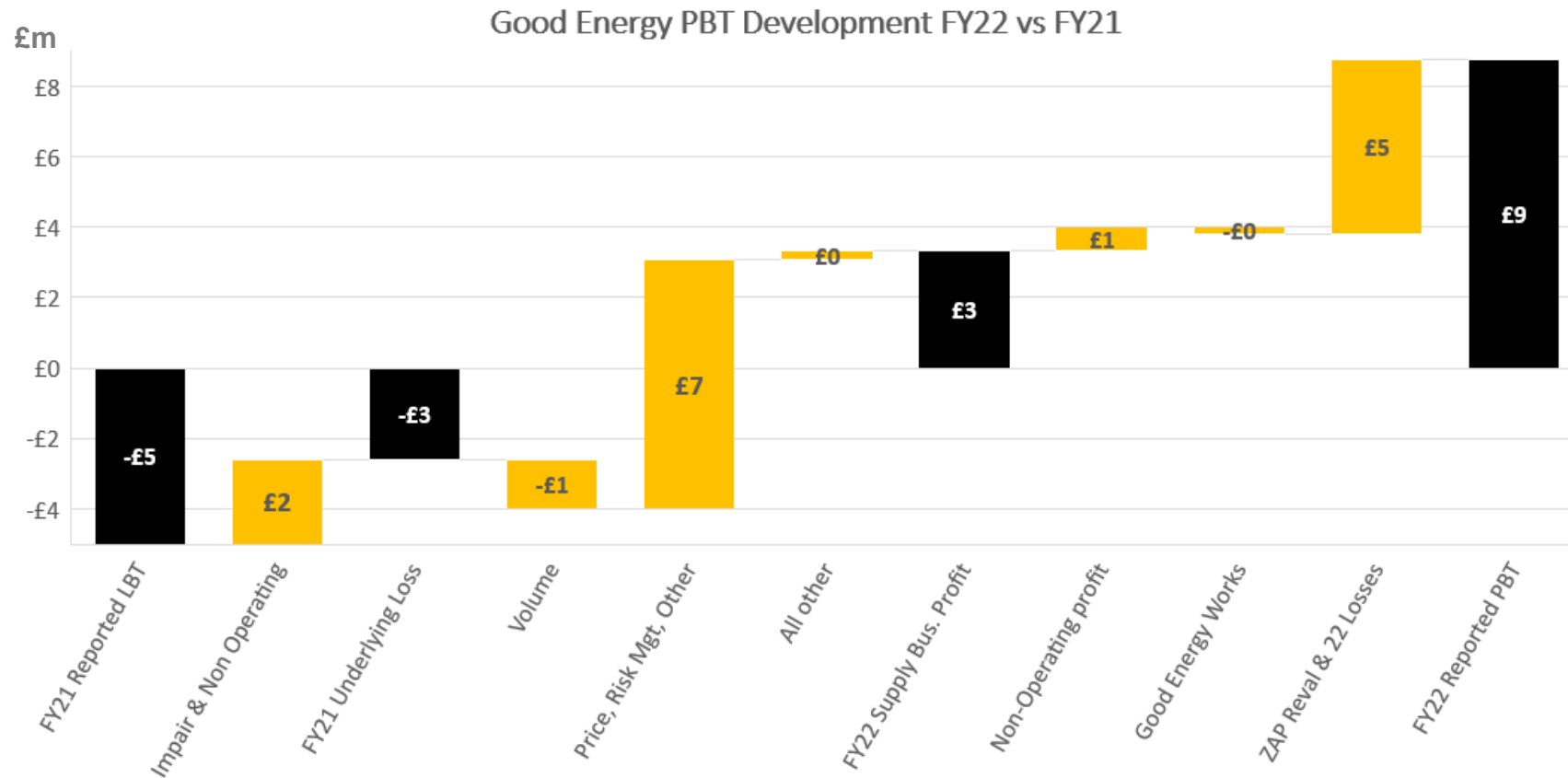
An evolving P&L

- Resilient PBT performance in challenging conditions
- Ongoing segmental reporting to split out Energy Services and Supply
- Zap-Map series A drives onetime benefit of £7m to the 2022 P&L
- Zap-Map earnings now deconsolidated

£m	Baseline*	ZAPMAP	FY 22
Revenue	248.6	0.6	249.2
Cost of Sales	(218.9)	(0.2)	(219.1)
Gross Profit	29.7	0.5	30.1
Administration Costs	(26.9)	(1.9)	(28.8)
Other Operating Income	(0.1)	0.2	0.1
Operating Profit	2.7	(1.3)	1.4
Net Finance Income/(Costs)	0.2	-	0.2
Share of Loss in Associate	0.0	(0.7)	(0.7)
Non-Op/Discontinued. Profit	0.8	6.9	7.7
Profit/(Loss) before tax	3.6	4.9	8.5
Tax	0.7	-	0.7
Profit/(Loss) after tax	4.3	4.9	9.2

PBT development – FY 2022

Margin upside returning supply earnings to normalised position post 2021 pressures. Revaluation of Zap-Map investment post Series A fund rise provides £7m P&L upside



Cashflow statement

Strong operational performance in a difficult market

- Underlying £6m of cash generated from operations

Investing for growth

- Restructured business to support growth into Energy Services
- £20m inflow from the sale of the generation assets
- £2m investment for the acquisition of Igloo works
- £2.8m invested in Zap-Map series A fundraise

Year End £(000)s	FY 2022	FY 2021
Operational cashflows before working capital	2,799	£3,991
Working Capital movement	2,964	-£93
Cash generated from operations	£5,763	£3,898
Finance and tax cost	-£334	-£2,282
Net cashflow from operating activities	£5,429	£1,616
Net cashflow from investing activities	£14,183	£963
Net cashflow from financing activities	-£1,824	-£11,988
Net increase in cash and cash equivalents	£17,888	-£9,408
Cash and cash equivalents at beginning of year	£6,699	£18,282
Cash and cash equivalents at end of year	£24,487	£8,874
Cash and cash equivalents continuing operations	£24,487	£6,699
Cash and cash equivalents discontinued operations	£0	£2,175

Cashflow and collections remain robust

● Cash and collections

- Significant improvement in collections year on year
- H1 22 up 72% (vs H1 21) and H2 up 88% (vs H1 21)
- H2 22 includes £27m of Government bill support schemes

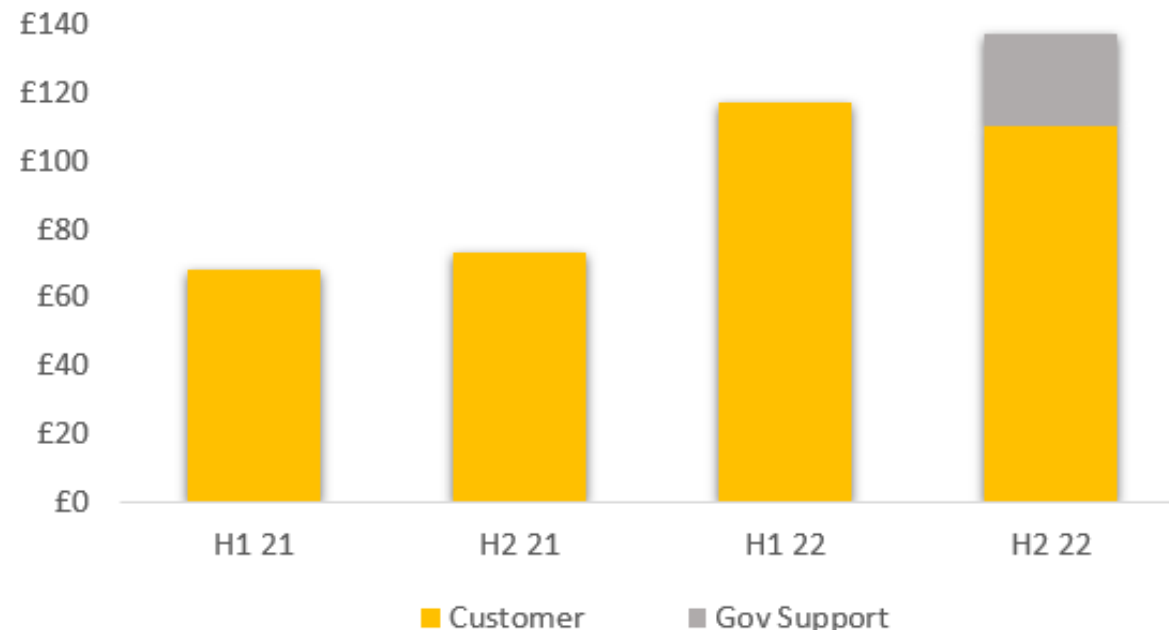
● Customer base

- Price rises across domestic and business portfolios
- Careful management of debt and direct debit collection rates. No material deterioration seen to date
- Government support schemes mitigating impact of very high commodity driven price points across the industry in Q4 2022

● 2023 outlook

- Prices expected to fall from Q1 2023 high point
- Government support schemes to reduce significantly
- Increased investment in resources and debt path processes

Cash Collections 2021/22 £m



Active planning for changes in commodity market conditions

- Actively executed winter 2022 trading and risk mitigation as planned
- Continue to monitor and manage hedge position despite ever changing trading environment
- Well hedged for summer 2023
- Fuel mix continually monitored to reduce over exposure to single technologies
- Counterparty trading environment remains more challenging than pre-2021



Value upside through a sum of the parts approach

	£m	% of market cap
Net available cash*	22.7	73.5%
Net cash + Zap-Map	35.8	116.0%

Valuation further supported by

Energy services

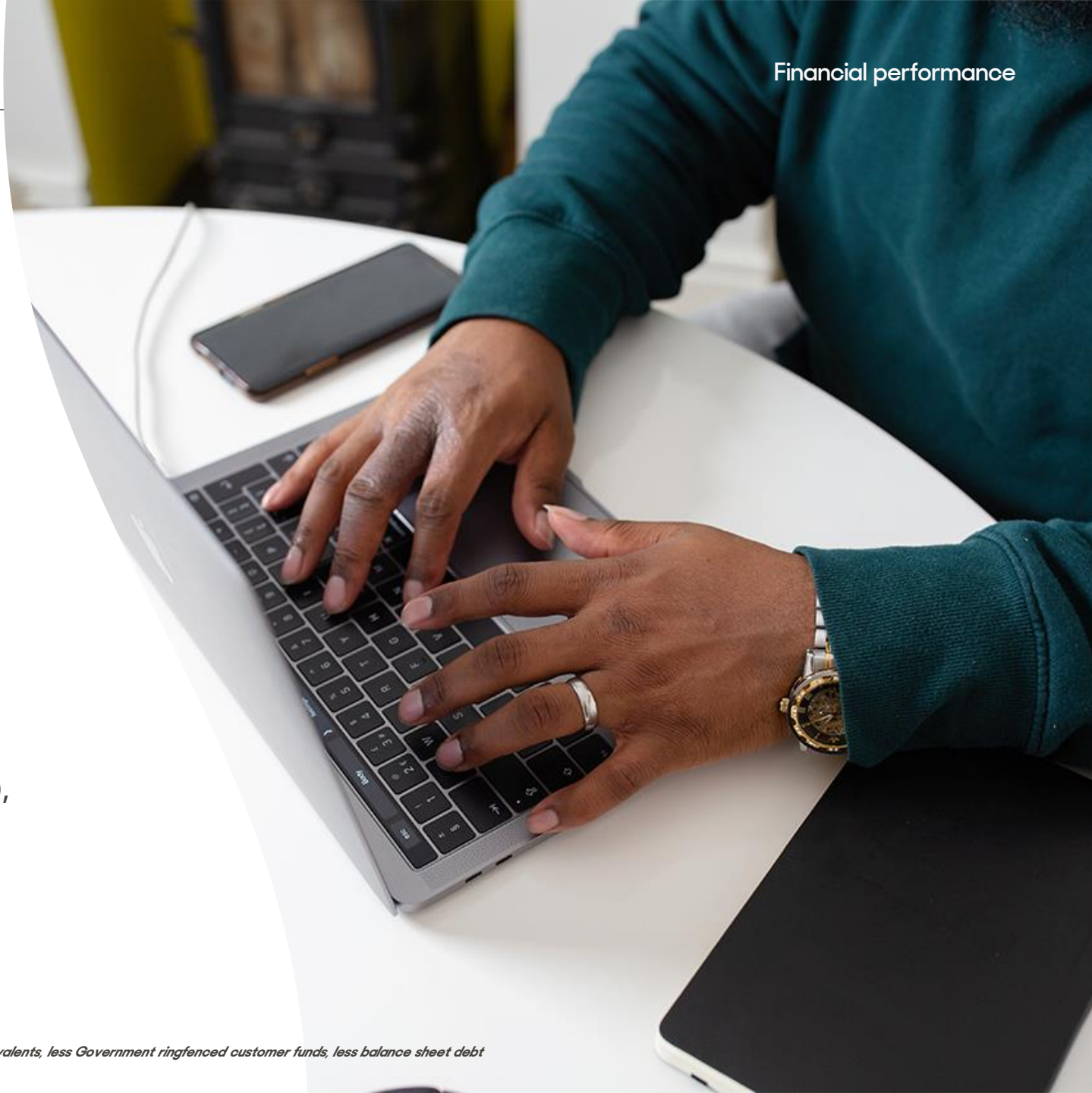
Installation, service and related home energy technology growth

Renewable supply

Profitable energy supply business and feed in tariff administration service

Capital allocation

- Debt free with strong available cash balance of £24.5m
- Further M&A in energy services
- Invest in services and transport product development
- Dividend of 2.0p final dividend (2021:1.8p), alongside interim 0.75p paid



Strategic update

Nigel Pocklington

CEO



We have a clear strategic vision

To support one million homes and businesses cut carbon from their energy and transport use by 2025.

Powering a cleaner, greener, world. We make it simple to generate, share, store, use and travel by clean power.



Aligning the business to our strategic vision

Energy services

Solar and generation

Heat

Transport

- Services and tariffs for domestic and small generators
- Installation of solar, battery storage and heat pumps
- High growth market
- Active M&A to acquire further capabilities

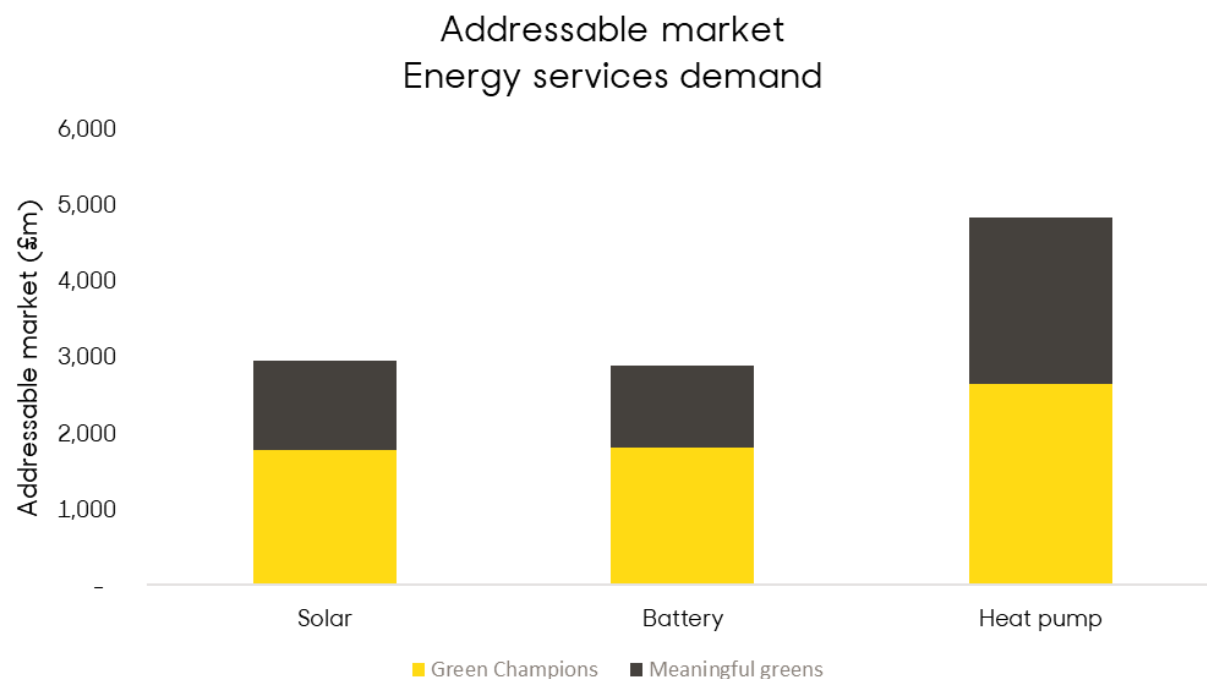
Renewable supply

Domestic

Business

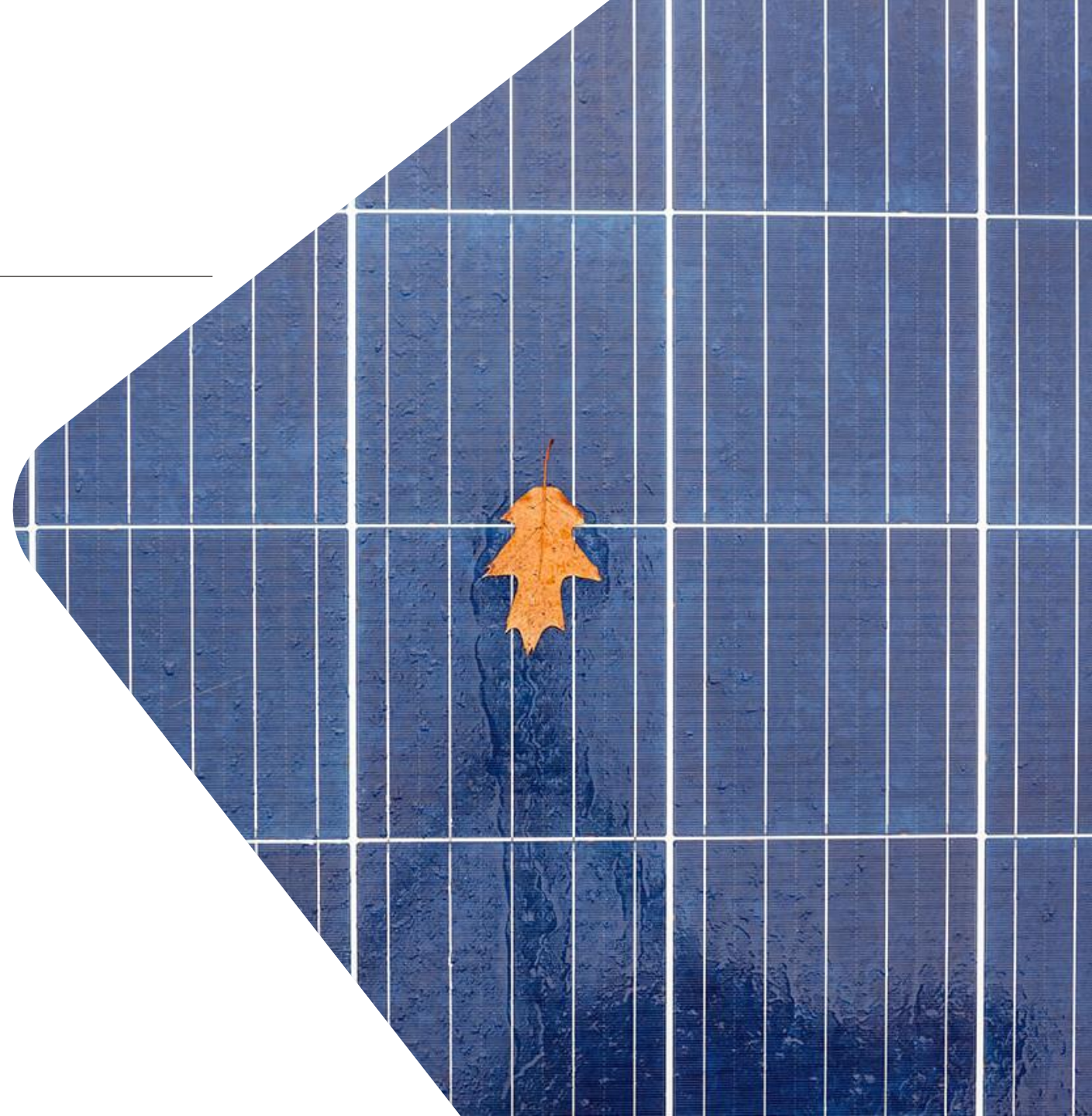
- Fairly priced, real 100% renewable electricity
- Underpins energy service offering
- Proven operating capability and stable growth in regulated market

Energy services – a £5bn to £10bn addressable market opportunity

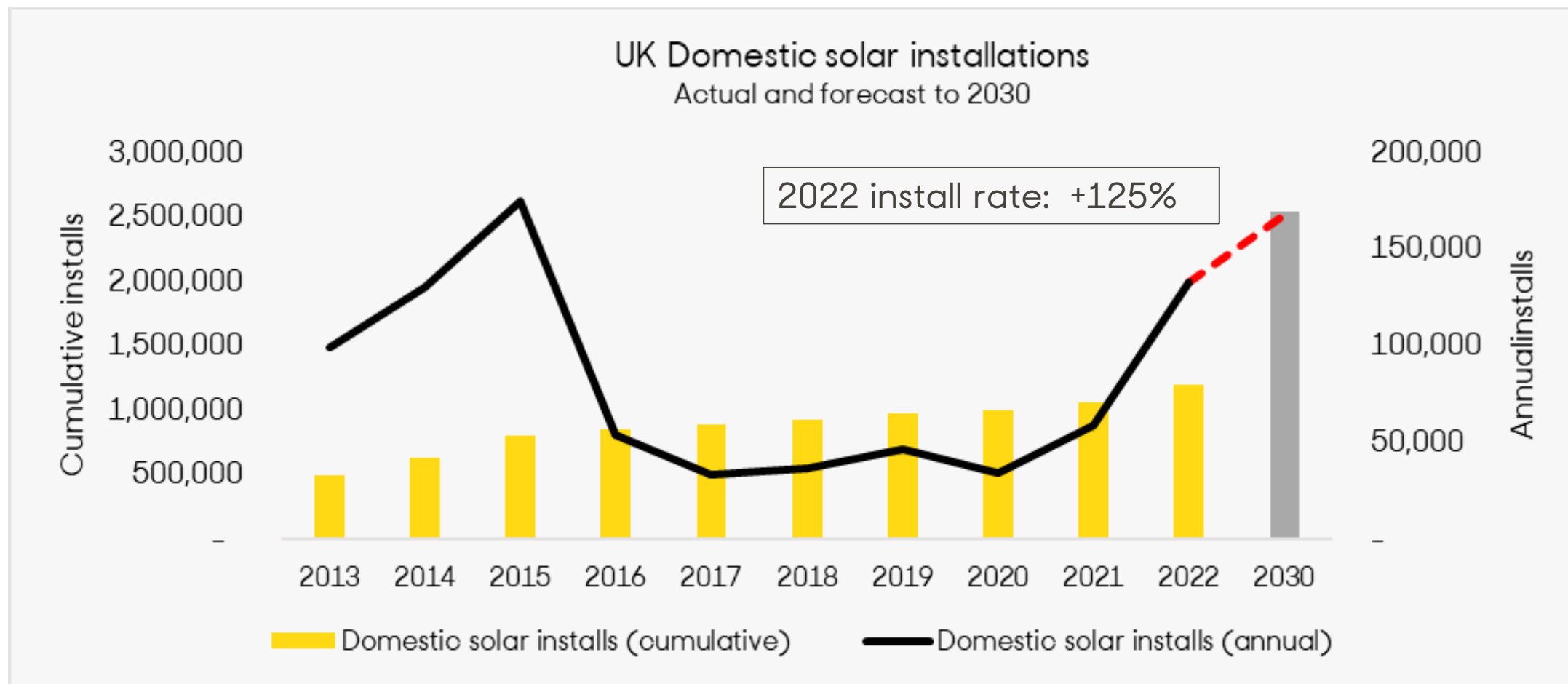


	Market growth	EBITDA margin	Working capital intensity
Energy services	10 – 20%	10 – 20%	Low
Energy supply	0%	1 – 3%	High

Solar and generation



Return to market highs driving sustained solar market growth



The go-to company for solar

Product innovation

- A smart export for our Feed-in Tariff (FiT) customers
- Pays a fair price for excess electricity put onto the grid
- Roll out to 80k customers in 2023

Power for Good

- Power for Good domestic and business export tariff
- Open to customers not on Feed-in Tariff



Earn more for generating green power

Scaling solar and energy services

Installation capability

First installs completed by
in house team

Targeted growth

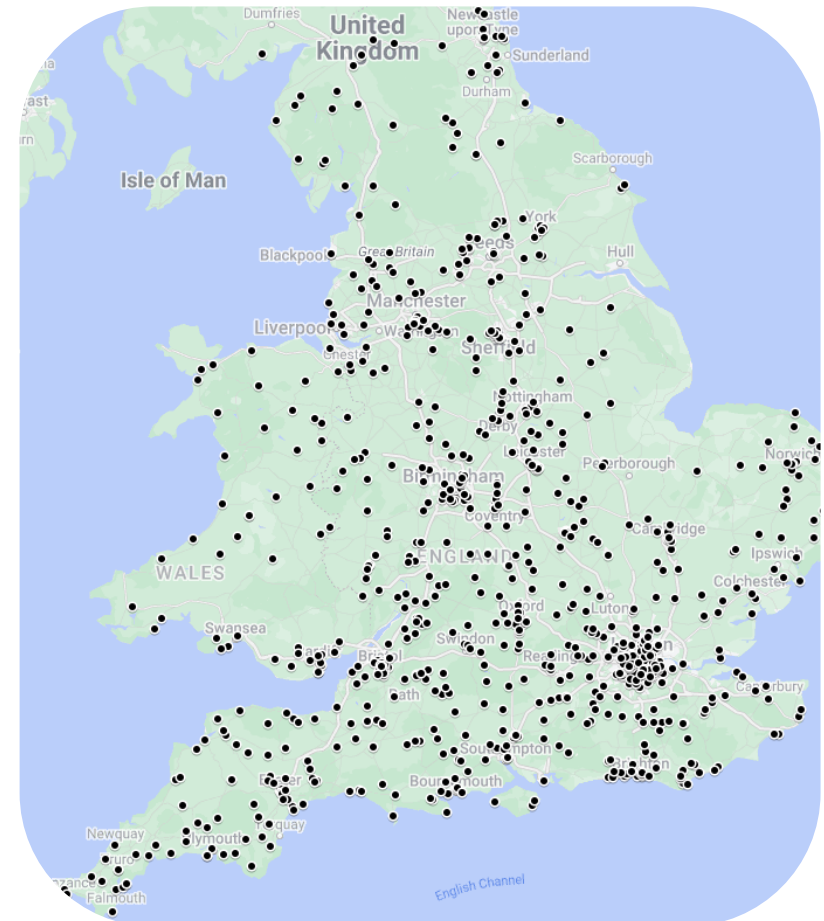
Significant national
demand from own
customer base

Leveraging Good Energy credentials

Brand, trust and reputation
in renewable energy
services

M&A

Regional roll up in
fragmented market to
build national scale

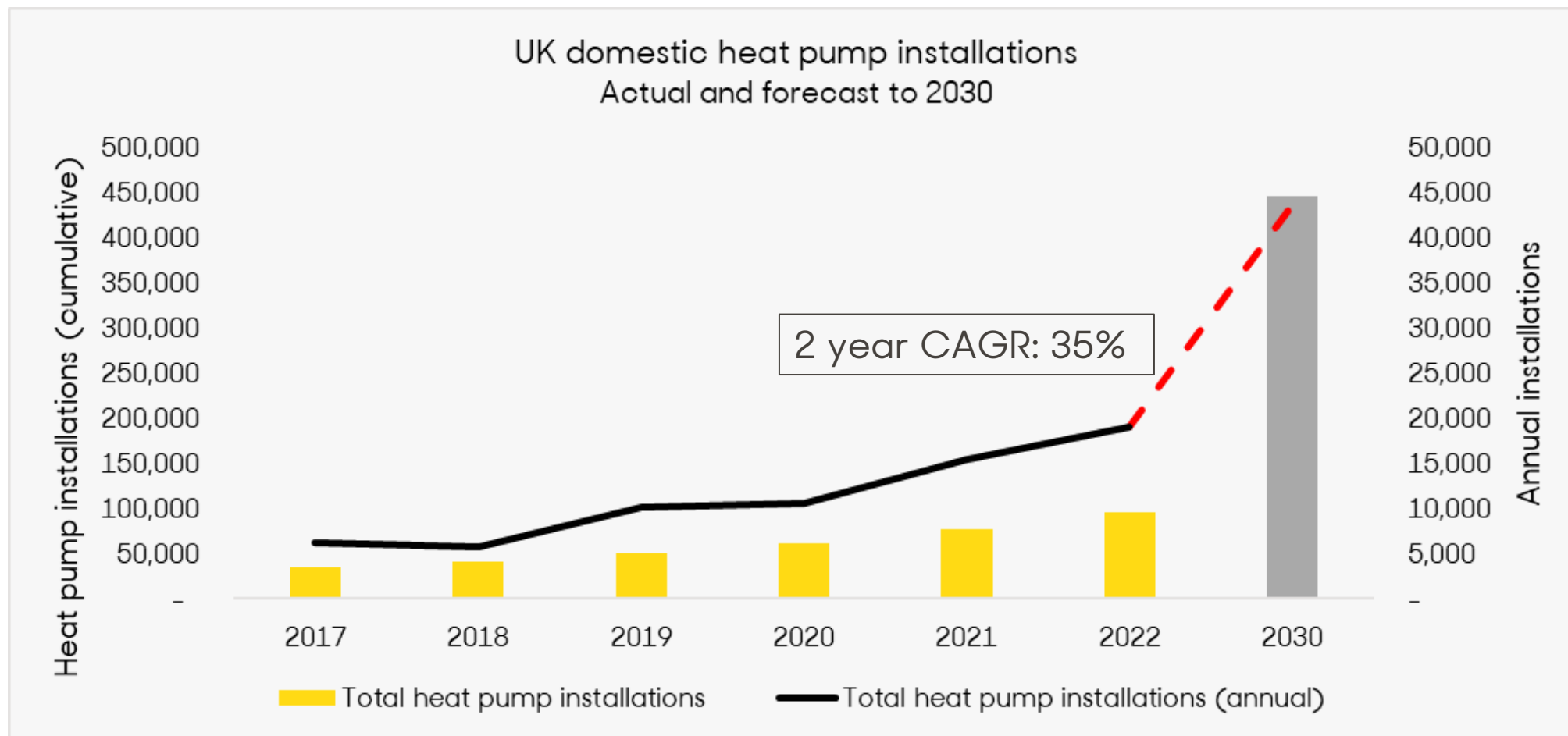


Good Energy customer demand from register interest for solar products – Feb 2023

Heat



Tipping point in heat installs, but more needed to be done



Heat pump installations underway and growing

Growth

Focused on existing
c.60k domestic supply
customer base

Future ambition to target
1.5m boiler replacement
market

Installations

Target of
500 heat pump installations in
2023

Capacity for 12k per year by
2026

Services to improve user experience

Energy tariffs to underpin
overall renewable offering
and reduce cost of ownership

Rebrand

Igloo Works rebranded
Good Energy



Transport



Zap Map retains its position in the high growth electric vehicle market

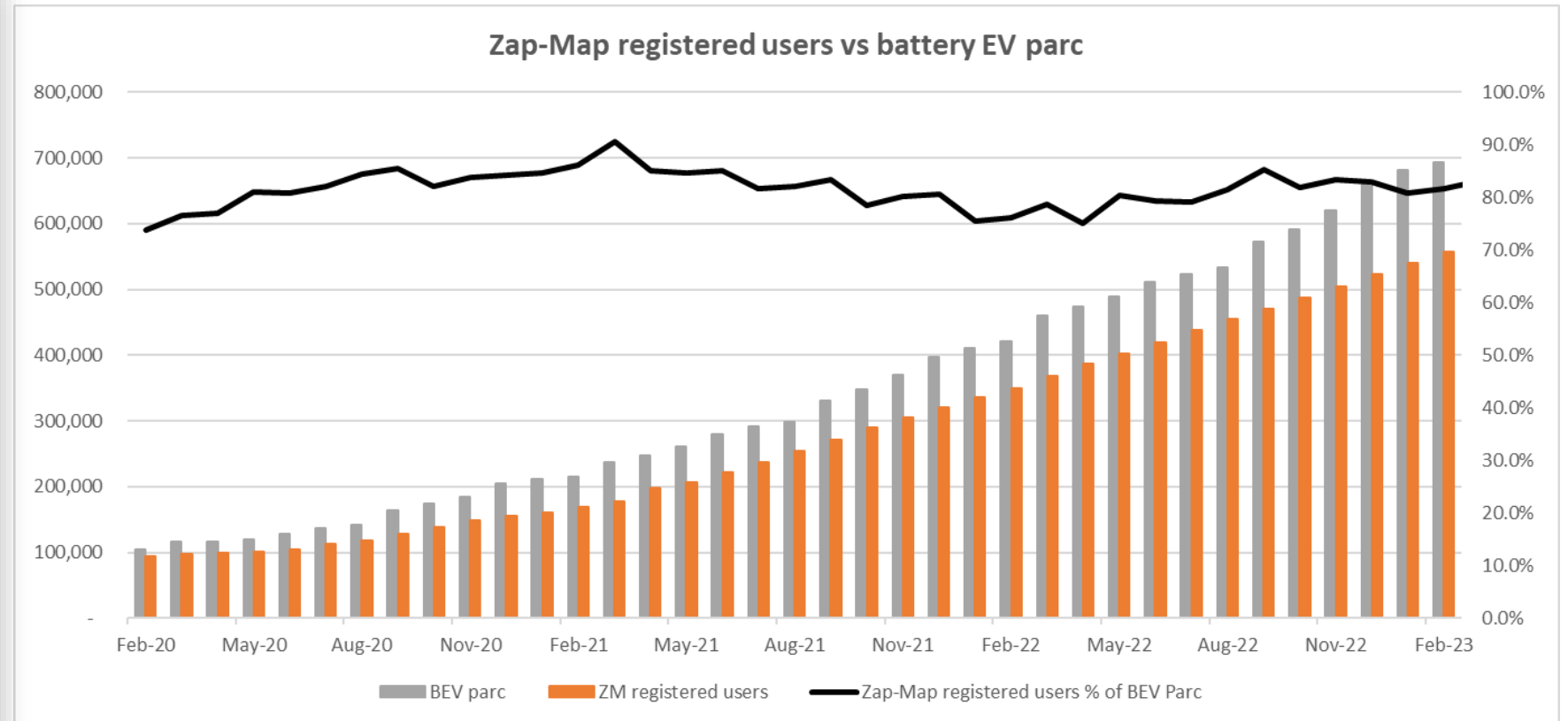
Market

EV growth

- Over 1.1m total EVs
- Battery EV growth 64% to 700k

App growth

- Over 1m app downloads
- 550k+ registered users
- Registered user growth
 - 2022: 63%
 - 2-year CAGR: 83%



Zap-Map: Building scale and recurring revenue



Growth

- x2 revenue growth to £1m+ in 2022, 2023 revenue forecast to double again
- Active app users growing in line with BEV market growth
- Targeting 10% of registered users on paid subscriptions
- 12 Zap-Pay signed covering 25% of rapid network
- Integration with fleet Allstar Electric card for payment
- First steps made on EU International expansion

App: Free users

The widest choice, the best data, the simple way to pay

Monetisation

- Advertising • Payment transactions • Data

App: Premium users

Added-value charging features on mobile and in-car

Monetisation

- Monthly or annual subscription • Payment transactions

Insights & data

Rich data to support required growth in UK EV charging infrastructure

Monetisation

- Insights • Data API sales

Strategic partners

The ability to build your own digital EV product set

Monetisation

- Transactions & usage fees

Renewable supply



A reminder of what we sell at Good Energy – 100% renewable power



Domestic

Limited growth and price cap impact
Smart meter installation continuing



Growth

Power for Good
Provide domestic and business solar / export customers access to profitable wholesale prices

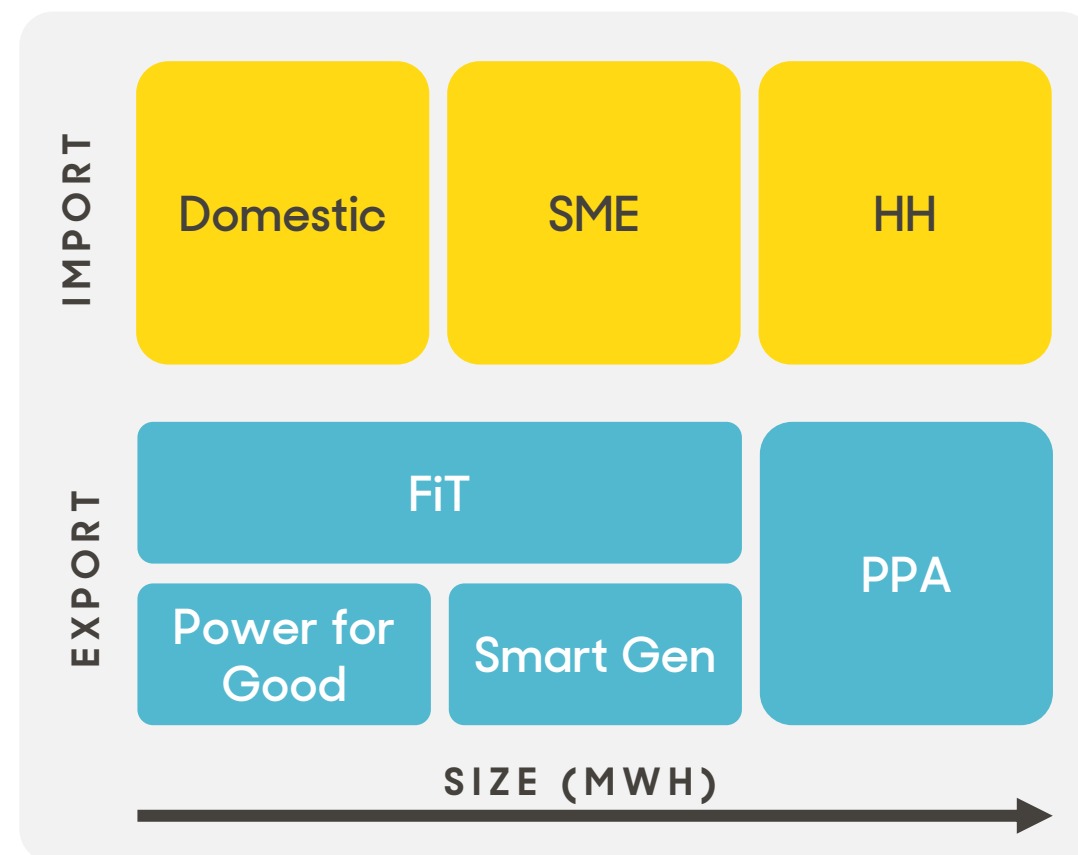


Business

Driven by pricing of PPAs
–
fixed v variable

Smaller SMEs and half hourly sites

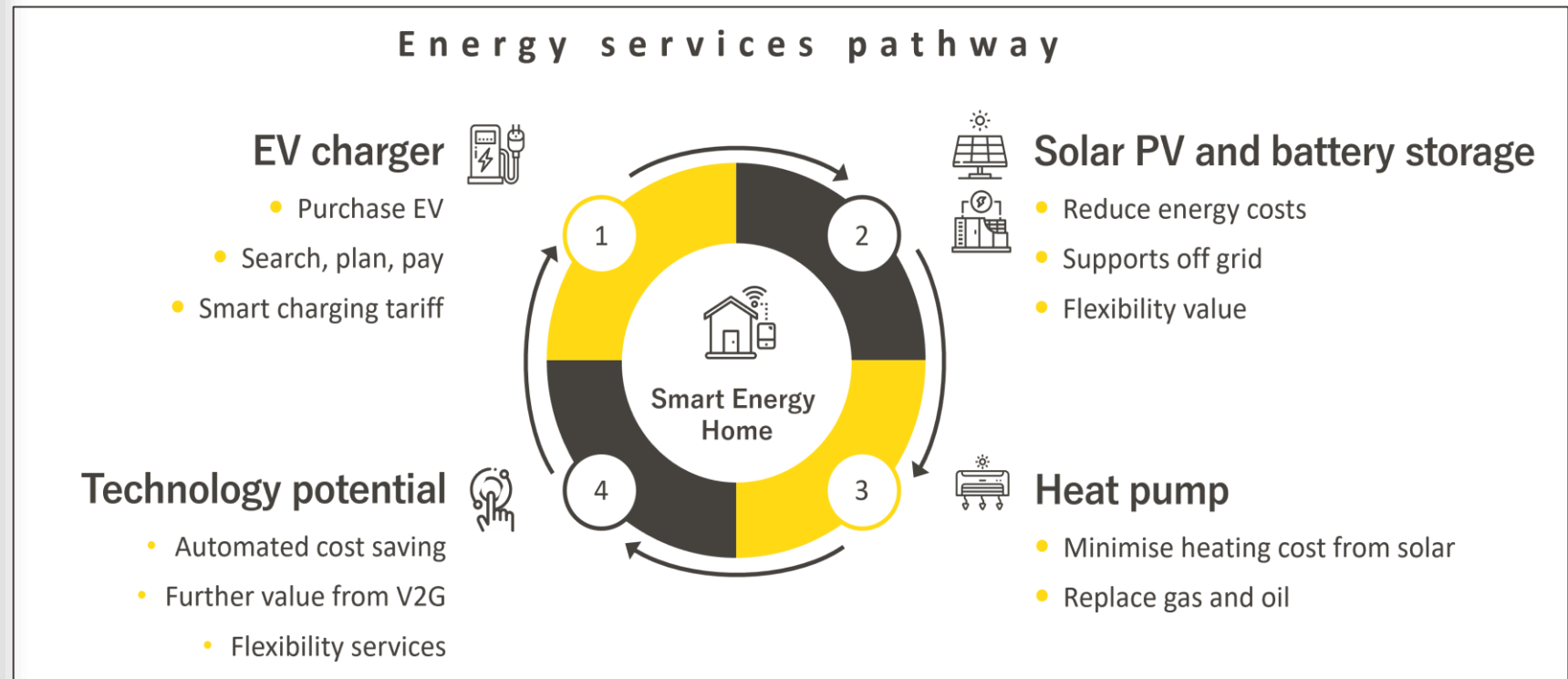
Sectoral targeting:
Office, arts and agriculture



Near term growth pathway

2023 Growth

- Roll out of solar services to our existing client base
- Roll out of solar and heat pump installations
- Acquire more capacity to accelerate services strategy faster
- Drive uptake of new tariffs to maximise our customer base and potential customers



Q&A



Appendices

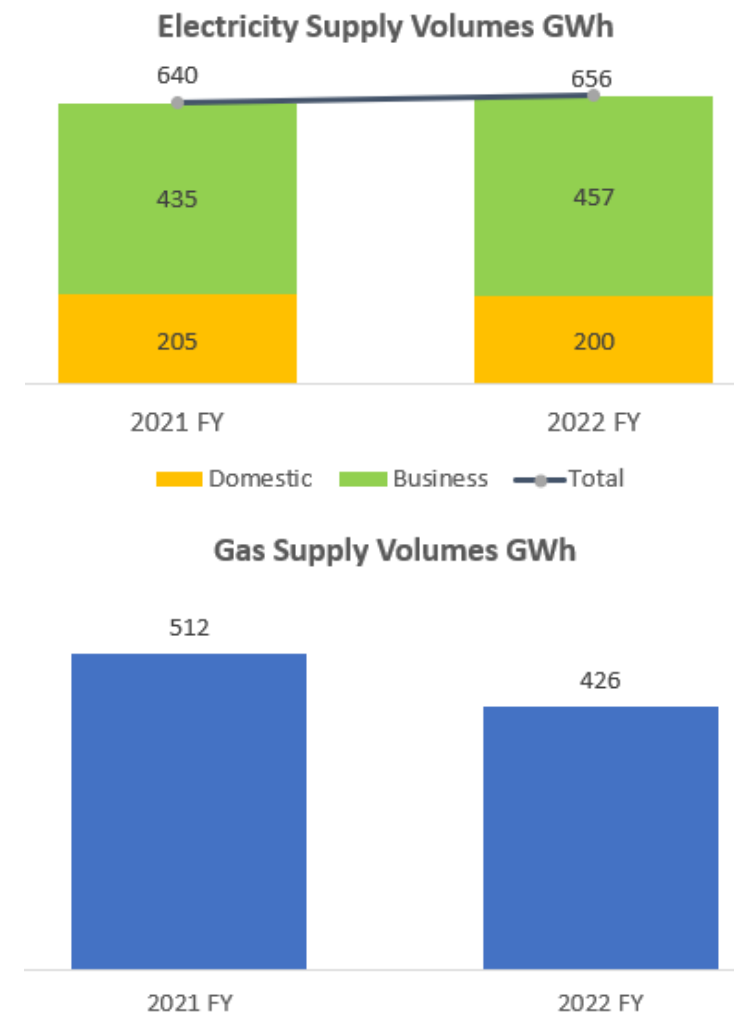


Customer numbers & volumes

- Total customer numbers decreased by 2%
- Gas supply volumes significantly down year on year reflecting the a warm 2022
- Business customer demand increased electricity supply volumes (2021 191 GWh, 2022 248 GWh)
- FiT customer numbers continued their long-term trend of managed growth. Leading player in FiT market.

Customer No's ('000's)	2021 FY	2022 FY	% Change
Domestic	86	84	-2%
SME	10	7	-30%
I&C	1	1	-35%
FiT	180	180	0%
Total	277	272	-2%

* Customer numbers based on meter points



Balance Sheet statement

Balance sheet significant restructured

- Generation assets now sold
- Non-current assets strengthened by increased ZAPMAP valuation following Series A fundraise
- Increase in cash and cash equivalents
- Restricted deposit amount growth includes collateral supporting trading lines and Government support scheme cash.
- Equity growth reflects in year profitability and impacts from sale of the Generations assets

Year End £m	FY 2022	FY 2021
Total Non-Current Assets	£16.7	£5.1
Inventories & Receivables	£66.0	£43.6
Restricted Deposit Accounts	£8.5	£2.4
Cash & Cash Equivalents	£24.5	£6.7
Total Current Assets	£99.0	£52.7
Held for sale assets	£0.0	£64.8
Total Assets	£115.7	£117.5
Total Non-Current Liabilities	£4.9	£5.1
Borrowings and other financial liabilities	£0.3	£2.1
Trade & other payables/liabilities	£71.5	£40.9
Total Current Liabilities	£71.8	£43.0
Liabilities associated with assets held for sale	£0.0	£45.2
Total Liabilities	£71.7	£88.3
Total Equity	£39.0	£29.3
Total Equity and Liabilities	£115.7	£117.5

Zap – Map: valuation impact

● Series A raised with Fleetcor

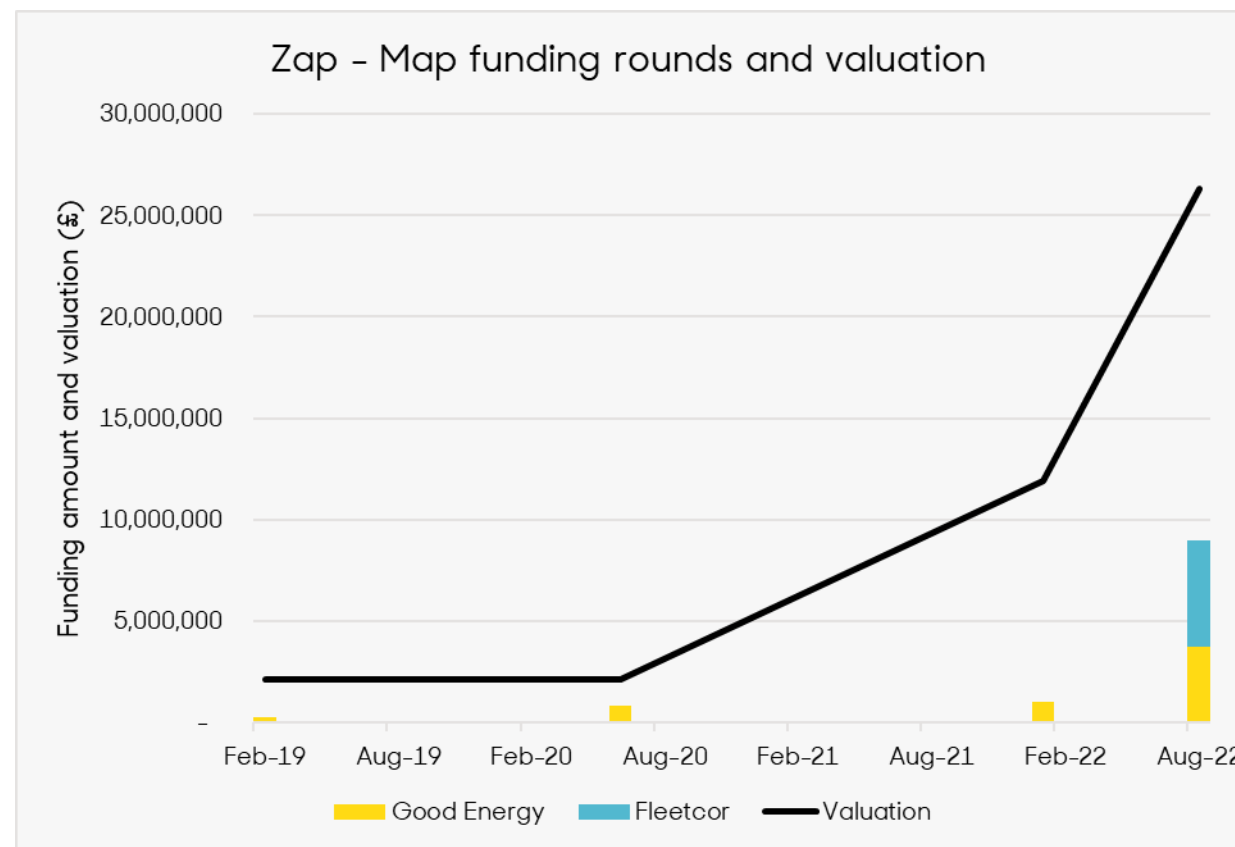
- £9m raised at a £26.3m post money valuation
- GE shareholding 49.9%, Fleetcor 19.99%
- GE total investment to date of £5.8m

● Accounting impact

- Deconsolidated from financial statements
- £7m profit recognised in 2022 P&L

● Outlook

- Zap-Map funded into 2024
- Key enabler to transport energy services strategy



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