Half Year Report 2024

Good Energy Group PLC

Un-audited Half Year Report for the six months ended 30 June 2024

17 September 2024

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Good Energy Group PLC
("**Good Energy**" or the "**Company**")

Un-audited results for the six months ended 30 June 2024

Good Energy profitable half year as services business expands in normalising market

Good Energy Group PLC (AIM: GOOD), the renewable electricity and energy services provider, today announces its interim results for the six months ended 30 June 2024.

Financial highlights

- Full year profit expectation unchanged, strong first half of the year during a period of normalised trading and stability, with solid profit in energy supply and promising indicators from consolidation in services:
    - Reported profit before tax of £4.4m, 78% of 2023 FY profit (2023 H1: £13.1m and FY 2023: £5.7m)
    - Revenues of £97.4m (2023 H1: £156.1m and FY 2023: £254.7m). Revenues are directly linked to externally driven commodity costs. In H1 2024 both revenue and costs of sales reduced replicating the reductions in wholesale costs seen since the start of 2023.
    - Reported gross profit decreased 28% to £23.6m (2023 H1: £32.7m). Gross margin increased to 24.3% (2023 H1: 20.9%).
    - Operating profit of £4.8m (2023 H1: £14.1m)
    - Reported profit after tax of £2.6m (2023 H1: £12.0m). 2024 profitability following a more normalised profile, in comparison to 2023 where an abnormal H1 operating profit was followed by very tough margin position in H2 2023.
    - Reported earnings per share of 15.6p (2023 H1: 72.0p).
    - Cash and cash equivalents of £39.9m (FY 2023: £41.3m) reflecting £6m of cash generated from operations and ongoing focus on working capital management.
    - Interim dividend of 1.1p (2023 H1: 1.0p).

Operational highlights

- Performing on track as the market normalises, with solid profit in energy supply and consolidation in services.
- Acquisition of second solar installation business.
    - £7m initial investment in JPS Renewable Energy Limited in February 2024, in part funded via £2.1m share issuance, with the remainder paid in cash.
    - Establishes capability for solar installation services across the South of the UK.
    - Three acquisitions undertaken in the past two years, two businesses are now fully integrated into the Good Energy brand, with JPS to follow.
    - Additional investments in other energy services businesses are being actively considered with a view to expanding regional footprint.
- Full greener home and business solutions positioning in market as installation services including heat pumps, solar, storage and EV charging are established under the Good Energy brand alongside supply and export.
- Evidence that there is customer demand for a more straightforward trusted provider for multiple energy services with 18% of solar sales coming from existing Good Energy customers (supply and Feed-in-Tariff).
- Established as the microgeneration specialist with 20% share in solar export, and a premium solar install services in an increasingly positive policy environment.
- Innovating in supply with hourly renewable matching for businesses, enduring derogation from the price cap in domestic market due to material support for renewables above and beyond existing subsidies.
- Time of use and flexibility tariffs for storage, heat pumps and electric vehicles going to market.
- Passed milestone of 50,000 smart meter installations shortly following end of period.
- B Corp certification secured in July 2024, further establishing the credibility of the Company’s high environmental, social and governance standards.

- The Company maintains 49.9% ownership of Zapmap, the UK's leading EV charging app now with over 900K registered users as it focuses on achieving profitability in core UK market. Further invested in June 2024 through loan of £1.7m which can be converted to further equity.

Outlook highlights

- The Company is now positioned to offer 'whole greener home and business' energy services to customers, including supply, export, installation service and flexibility.
- Solar installation capability across the South — rooftop solar in the region indicated to be a nationally important strategic pillar of the recently appointed government's energy strategy.
- Installation services are actively integrating into the Good Energy brand with completion of Wessex ECOEnergy rebrand to Good Energy Solar South West.
- Active consideration of further acquisitions underway to solidify offering and accelerate growth in services.
- With around 20% share of domestic scale solar export customers including Feed-in-Tariff ("FIT") and smart export, Company is positioned as the microgeneration specialist and well positioned for growth in this market.
- Innovation and research in flexibility developing into products which optimise customers' energy use with grid demand — providing value for customers, the grid and the Company — entering the market over next six months.
- Zapmap continues to grow both in users and in commercial agreements across its app, data and insights offering. Good Energy maintains largest share of business in addition to recent loan providing options for additional equity.

Nigel Pocklington, CEO, Good Energy Group PLC:

"As the energy supply market has normalised, we have shown strong profitability in the first half of the year, whilst our expansion into energy services is showing promise as we consolidate our offer to customers."

"Having completed three acquisitions in the clean energy installation services space we are now offering solar, storage, heat pumps and EV charging across the South — a trusted, truly green brand offering whole greener home and business solutions. Good Energy is established as the microgeneration specialist, with a significant market share of rooftop solar customers, leading export tariff rates and premium installation services."

"In a favourable policy environment promising an imminent 'rooftop revolution' as the new government accelerates the clean energy transition, Good Energy is well placed for growth."

Analyst and Retail Investor Presentations

A briefing for Analysts will be held at 9:30am today. Analysts wishing to attend the presentation either in person or virtually should register their interest by emailing **investor.relations@goodenergy.co.uk** or telephoning 0124 976 5573.

An investor presentation and Q&A will be held today at 13:00pm. Investors can sign up to Investor Meet Company for free and add to meet Good Energy via: **https://www.investormeetcompany.com/good-energy-group-plc/register-investor**.

A video overview of the results from the Chief Executive Officer, Nigel Pocklington, is available to watch here.

Please take a moment to give your feedback and share your thoughts on the announcement using the link below:

https://www.investormeetcompany.com/feedback/9cfe52b1-ca92-4e71-a5e3-030da76c8594

Enquiries

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About Good Energy www.goodenergy.co.uk

Good Energy is a supplier of 100% renewable power and an innovator in energy services. It has long term power purchase agreements with a community of more than 2,500 independent UK generators.

Since it was founded 25 years ago, the Company has been at the forefront of the charge towards a cleaner, distributed energy system. Its mission is to power a cleaner, greener world and make it simple to generate, share, store, use and travel by clean power. Its ambition is to support one million homes and businesses to cut carbon from their energy and transport used by 2025.

Good Energy is recognised as a leader in this market, through its B Corp accreditation, Which? Eco Provider status and Gold Standard Uswitch Green Tariff Accreditation.

CEO's review

Overview

Good Energy is now a full-service clean energy business, offering truly renewable supply, market leading export tariffs, solar, storage, heat and EV charging installations and with a stake in the UK's go-to app for public EV charging. We offer premium solutions for a whole greener home or business, from a trusted brand.

Strong financial performance in a normalising market

The period under review has seen us deliver in line with market expectations for the current financial year and operate in a period of far more normalised market conditions, as expected and outlined in my statement in the 2023 full year results and in line with the wider sector.

Our supply business has continued to deliver strong profit, with PBT for the first half of the year 2024 representing 78% of that achieved for the entire 2023 FY, in line with the H1 weighting of our financials traditionally. Although energy prices are widely expected to elevate in the latter months of 2024, overall, we expect the 12 months to 31 December to be characterised by improved stability overall. This is in stark contrast to last year when market prices fell faster than tariffs, delivering high revenues and a profit level for 2023 H1 which unwound through the second half of the year.

Our cash position for the period has remained strong, consistent with H1 2023.

Delivering the 'whole green home or business'

During the period we largely completed the core development of our full-service clean energy business and are now well positioned to offer premium, higher margin solutions for a whole greener home or business, from a trusted brand.

Our services business grew further in the first half of 2024 with the acquisition of JPS Renewables Limited ("JPS"), a Kent-based solar installer. When combining this with the rest of our proposition across truly renewable supply, market leading export tariffs, solar, storage, heat, and EV charging installations, it is clear that Good Energy really is the go-to for any home-owner or business looking to enhance the environmental credentials of their premises.

As outlined in our FY 2023 results, a core aim for the period was to integrate our prior two services acquisitions into the Good Energy brand and I'm pleased to report that this was achieved during H1 2024. We are beginning to see the benefits of being able to cross-sell premium, green products and offer customers a high level of service and expertise from one trusted provider. Following the implementation of an active cross-selling process for customers, we saw 18% of solar sales were from existing Good Energy customers — both supply and FIT. 10% of solar customers also buy a heat pump, and 20% have more than one Good Energy service, be that supply, export, or another installation.

Margin expansion and EBITDA are moving in the right direction and we are aiming to grow this side of our business to a point where it becomes more profitable than our supply business in the next two to three years.

A differentiated green energy supply business

Our supply business continues to be differentiated in the market, as acknowledged by the energy regulator Ofgem following its review of tariffs derogated from the energy price cap. Good Energy's SVT has held a derogation since the price cap was introduced, due to the material support it offers to renewables above and beyond subsidies, and the fact that our customers choose it for this reason. Following a review earlier this year Ofgem has confirmed that this derogation remains.

This, alongside our Which? Eco Provider and Uswitch Green Tariff Gold Standard accreditations mark out the environmental credentials of our green tariffs to the extent that the Board now confidently believes we can claim to be the UK's greenest energy supplier. In addition, our 'excellent' five star rating on TrustPilot is testament to the high levels of customer service we provide too.

For business customers, in the first half of this year we became the first supplier to roll out hourly matched renewable services across our portfolio. Our fully renewable power purchase agreement backed model makes us uniquely able to match customer demand with genuinely sourced renewable power, and this is something we have been doing to a very high standard for many years through our trading strategy. Now we have made this data available to our business customers so that they can flex when they use their energy to further reduce their carbon footprint. Our service for business customers is further evolving, as we migrate their accounts to the Kraken platform on which we have been successfully been managing domestic customers' through since 2020.

Favourable policy environment

During the period, we have seen the advent of a new government. Early indications from the new Labour administration are that they intend to accelerate the country's clean energy goals, immediately unblocking onshore wind and promising a 'rooftop revolution'. On the latter, the South of the country specifically has been called out as having nationally critical importance and it is worth noting that this is exactly where we have been building a market-leading presence. This is as decentralised power, especially where sunshine is more abundant, affirms our energy security.

As such we are now operating in an increasingly supportive policy environment. Good Energy is well established as the microgeneration specialist, with our legacy in home export tariffs through to our position today with around 20% market share of domestic scale solar customers across the FIT and smart export. We are confident that we are ideally positioned to capitalise on a market in which we expect to see rapid growth in over the next two to five years.

Innovating in flexibility

Last winter saw Good Energy successfully trialling participation in the National Grid's Demand Flexibility Service, our 'Power Pause' scheme paying customers credit for reducing their energy usage at set times. We have also been researching heat demand flexibility in partnership with the University of Southampton, through the LATENT project. This has investigated customer resilience to adapting power usage for heat pumps, the findings of which we will be looking to implement into live products over the coming months.

This is in addition to our time-of-use EV tariff, which we have relaunched this September with a best-in-market off peak charging rate, encouraging EV drivers to charge their vehicles at times of low grid demand.

Zapmap

This tariff also comes bundled with a premium Zapmap subscription — offering customers additional service for charging on the go, too.

Zapmap continues its trajectory of strong growth, now with nearly one million registered users (916k) constituting a 75% share of the still rapidly growing EV market, which is now at 1.2m battery electric vehicles and 0.7m plug-in hybrids. New features in premium including a price filter and charging discounts have drawn growth in paid subscribers. Its commercial offering is growing too, as its Insights product solidifies as the industry's go-to source for data on the nationally critical public EV charging network, and Spark as the API for businesses looking to integrate Zapmap's data into their digital infrastructure.

B Corp

Finally Good Energy has now successfully certified as a B Corp, joining the global movement for purpose led businesses. Securing an impact score of 118.5, impressive against the minimum qualifying score of 80 and median for companies of 50.9, sees one of the UK's original purpose led businesses enter a community of like-minded companies. This further solidifies our commitment to having a positive impact on the environment and society, whilst maintaining high standards of governance and transparency.

Looking ahead

It has been an extremely positive milestone in a year which has seen further strides forward in Good Energy's strategy against a backdrop of a stabilising market and shift to supportive policymaking. As we continue to integrate services, innovate in flexibility and affirm ourselves as the microgeneration specialists, the short and medium term future looks good for Good Energy.

Nigel Pocklington, CEO

Operating review

Wholesale energy market conditions

Wholesale power and gas prices

UK power and gas prices begun the year continuing the bearish trajectory which was established in Q4 2023. Between the turn of the year and the end of February, the Winter 2024 gas contract lost 18% and was trading around pre-crisis lows. The outlook was soft as we exited the winter with healthy gas storage levels across Europe following another mild winter and with industrial demand remaining low. With a relatively subdued Norwegian maintenance schedule planned for the summer, it looked like supply was adequate to meet demand. The change in direction began in March, with drivers including unplanned outages at the US Freeport LNG terminal as well as at the Australian Gorgon and Wheatsone terminals. Demand has been supported across Asia and Europe due to high cooling requirements, and with Asian prices at a premium to their European counterparts, European LNG send out has fallen to a three-year low. Geopolitical risks have also provided significant support with fears that the ongoing conflicts in the Middle East and between Russia and Ukraine will disrupt gas supplies.

Keeping a cap on the bullish movements has been French nuclear generation increasing back to the higher levels seen in 2021. Norwegian maintenance has also been significantly lower than last year which, coupled with lower demand for storage injections has resulted in a comfortable supply picture. We have also continued to see mild UK temperatures, with the average temperature at 9.7 degrees for the first half of 2024, compared to 9.5 degrees for the same period last year, and a 30-year mean of 8.7 degrees. UK gas demand was 5% lower in H1-2024, which was driven by a 23% reduction in gas demand for power generation due to an increase in supply from interconnectors and renewables.

Renewable supply business

Cash collections

Cash collections through 2024 have remained strong, and though economic pressures around inflation and the cost-of-living crisis have shown signs of easing, consumer indebtedness across the wider industry is at an all-time high.

Whilst residential debt has remained fairly static, commercial debt has reduced through 2024 by 25%.

We continued to see rapid speed to cash from key accounts and larger business supplies, further demonstrating our ability to manage large and complex billing portfolios and broker relationships.

Direct Debit (“DD”) collections remained healthy through the year, with consistent payments made in line with consumption changes. We have been able to issue credit back to a number of DD customers that had previously overpaid in the prior year, leaving a healthy DD book in advance of winter consumption.

Business

Total annualised volume has fallen by 53GWh (18%). This was a result of a conscious decision made to reduce our portfolio to a size with a comfortable level of risk whilst remaining highly profitable. The reduction came primarily from one large customer, meaning despite the volume decrease our customer numbers increased by 6% (+284) in the same period.

Domestic

We remain committed to ensuring that we offer a fair priced, transparent 100% renewable electricity proposition.

Services business

Feed in tariff (FiT)

FIT administration provides the foundation of our energy services model. Despite the FIT scheme closing to new entrants in March 2019, we continue to administer the scheme for domestic and business customers.

Live customers are 181.1k, a 1% reduction vs December 2023 following an audit of dormant meters. FIT sales were restructured in H1 2024 to support maintaining growth through H2 2024 and into 2025.

Smart meters

At end of June 2024 Good Energy had installed +49,000 smart meters, constituting over 62% of all domestic customer meters.

Heat pump installations

Revenue from heat pump installations for the first half of the year is £0.9m.

Solar installations

Revenue from solar installations for the first half of the year is £5.4m.

CFO review

Financial performance – H1 2024 delivers 78% of 2023 full year PBT. Stabilising market results in a more normalised H1 PBT post a significant period of market fluctuations.

Profit and loss

Revenue is heavily linked to wholesale costs, and in H1 2024 both revenue and costs of sales reduced replicating the reductions in wholesale costs seen since 2023. Revenue decreased 38% in the period to £97.4m (2023 H1: £156.1m) reflecting:

1) The steep wholesale cost decreases seen in 2023 flowing through into tariffs charged – e.g. Ofgem mandated domestic dual fuel price Cap Q1 2024 £1,928, Q1 2023 £4,059
2) The previously communicated right sizing of the business portfolio to align with the energy services strategy. This right sizing was enacted in April 23 and no further material reduction to business supply volumes are envisaged.

Cost of sales decreased by 40% to £73.8m (2023 H1: £123.5m) driven largely by wholesale costs falling materially versus 2023 H1. Per revenue we are seeing more normalised commodity cost environment reflecting the return to more normalised earnings profile for 2024.

Reported gross profit decreased by 28% to £23.6m (2023 H1: £32.7m). The decrease on 2023 H1 reflects a return to more normal market and margin condition following extraordinary margins in 2023 H1, but also reflects improvement versus 2023 H2 reflecting the tough margin conditions experienced in 2023 H2.

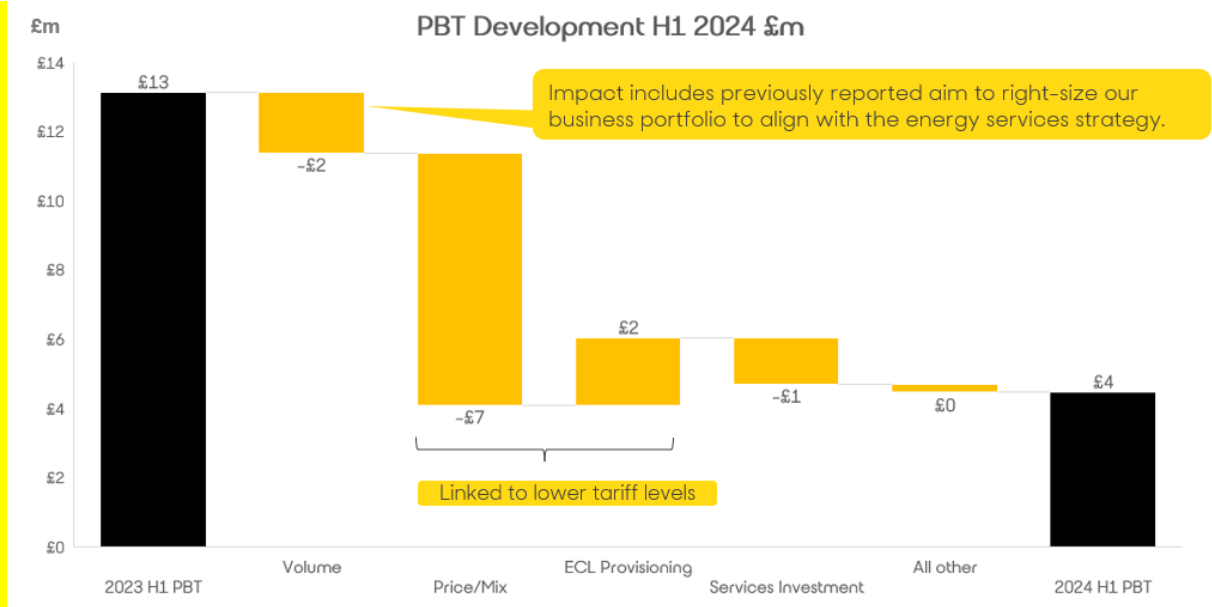
Total administration costs increased 2% to £18.9m (2023 H1: £18.6m). The growth reflects the impact of inflation and expansion/investment into the services business. This is partially offset by a smaller ECL provision requirement (driven by lower absolute tariffs flowing through to the ECL provision) and internal cost focus.

The business reported net finance income of £0.5m (2023 H1: £0.1m), whilst gross debt remained at £6m.

Reported profit before tax of £4.4m. (2023 H1: £13.1m). Adding back £0.7m of depreciation, amortisation, finance income & share in loss of associate gives £5.1m EBITDA for the period (2023 H1: £14.9m).

The tax charge for H1 2024 was £1.8m (2023 H1: £1.2m).

The reported profit for the period was £2.6m (2023 H1: £12.0m).



**A profit bridge slide has been included in the Investor presentation, which is available on the Company's website. (https://www.goodenergy.co.uk/investors/results-presentations/)*

Cash flow and cash generation

The profitability seen in H1 2024 has driven a £6m inflow from operations reducing to £3.1m after capturing tax and interest related outflows.

A net £5.9m outflow was seen in investing activities, this includes: 1) £7m initial investment in JPS Renewable Energy Ltd in Feb 2024. This was part funded by £2m of shares issued at the same time; and 2) A strategic investment of £1.7m (convertible loan note) into Zapmap in June 2024.

There was a net decrease in cash of £1.4m over the period reflecting the continued investments made by the business. Cash and cash equivalents at the end of June 2024 were £40.0m, with a further £7.5m held in restricted deposit accounts.

Funding and debt

Our business is debt free on a net basis.

Substantial progress has been made against reducing Group finance costs and reducing the gearing ratio over the last 2 years. The remaining Good Energy Bonds II outstanding £4.7m (2023 H1: £4.9m). This is primarily held within short term liabilities. This is due to an annual redemption request window for bondholders in December with repayment in June each year.

The Group continues to maintain capital flexibility, balancing operating requirements, investments for growth and payment of dividends. Our business remains mindful of the need to capitalise on strategic business development and investment opportunities. Prudent balance sheet management remains a key priority.

Earnings per share

Reported basic earnings per share decreased to 15.6p (2023 H1: 72.0p).

Dividend

The Board has declared an interim dividend for H1 2024 of 1.1p per ordinary share (2023 H1: 1.0p per ordinary share)

Good Energy continues to operate a scrip dividend scheme, and the payment timetable of the interim dividend will be announced in due course.

Expected Credit Loss (ECL)

ECL charge for H1 2024 was £1.8m, this is a decrease of £2.0m (2023 H1: £3.8m). The decrease year on year is a direct impact of lower absolute tariff levels.

Falling tariff levels are expected to flow through to lower absolute provision levels through 2024/2025 if wholesale cost continues to stabilise.

Consolidated Statement of profit or loss (Unaudited)

For the 6 months ended 30 June 2024

	Notes	**Unaudited 6 months to 30/06/2024 £000's**	**Unaudited 6 months to 30/06/2023 £000's**	**Audited 12 months to 31/12/2023 £000's**
Revenue		97,396	156,114	254,703
Cost of sales		(73,756)	(123,457)	(210,458)
GROSS PROFIT		**23,640**	**32,657**	**44,245**
Administration expenses		(18,874)	(18,574)	(37,282)
Other operating income		44	47	171
OPERATING PROFIT		**4,810**	**14,130**	**7,134**
Finance income		734	299	897
Finance costs		(185)	(169)	(321)
Share of loss of associate		(929)	(1,139)	(2,027)
PROFIT BEFORE TAX		**4,430**	**13,121**	**5,683**
Taxation		(1,808)	(1,156)	(2,807)
PROFIT FOR THE PERIOD		**2,622**	**11,965**	**2,876**
Earnings per Share				
- Basic	9	15.6p	72.0p	17.1p
- Diluted	9	15.1p	68.6p	17.0p

Consolidated Statement of Financial Position (Unaudited)
As at 30 June 2024

	Notes	**Unaudited 6 months to 30/06/2024 £000's**	**Unaudited 6 months to 30/06/2023 £000's**	**Audited 12 months to 31/12/2023 £000's**
ASSETS				
Non-current assets				
Property, plant and equipment		871	306	180
Right-of-use assets		1,086	46	1,227
Intangible assets		11,831	5,517	5,694
Deferred tax asset		-	87	131
Equity investments in associate		9,622	11,440	10,551
Total non-current assets		**23,410**	**17,396**	**17,783**
Current assets				
Inventories		20,054	20,252	11,026
Trade and other receivables	6	25,312	49,482	35,858
Restricted deposit accounts		7,457	8,489	5,912
Cash and cash equivalents	7	39,932	34,926	41,346
Total current assets		**92,755**	**113,149**	**94,142**
TOTAL ASSETS		**116,165**	**130,545**	**111,925**
EQUITY AND LIABILITIES				
Capital and reserves				
Called up share capital		912	844	845
Share premium account		16,233	12,915	12,975
EBT shares		-	(7)	-
Retained earnings		31,012	36,863	28,185
Total equity		**48,157**	**50,615**	**42,005**

Consolidated Statement of Financial Position (Unaudited)
As at 30 June 2024

Non-current liabilities				
Borrowings	8	5,520	89	5,687
Total non-current liabilities		**5,520**	**89**	**5,687**
Current liabilities				
Borrowings	8	535	5,169	531
Trade and other payables		60,573	73,517	63,702
Current tax payable		1,381	1,155	-
Total current liabilities		**62,489**	**79,841**	**64,233**
Total liabilities		**68,009**	**79,930**	**69,920**
TOTAL EQUITY AND LIABILITIES		**116,165**	**130,545**	**111,925**

Consolidated Statement of Changes in Equity (Unaudited)

For the 6 months ended 30 June 2024

	Share Capital	Share Premium	EBT shares	Retained Earnings	Total
	£000's	£000's	£000's	£000's	£000's
At 1 January 2023	**844**	**12,915**	**(7)**	**25,234**	**38,986**
Profit for the period				11,965	11,965
Total comprehensive income for the period	**-**	**-**	**-**	**11,965**	**11,965**
Dividend paid	-	-	-	(336)	(336)
Total contributions and distributions to owners of the parent, recognised directly in equity	**-**	**-**	**-**	**(336)**	**(336)**
At 30 June 2023	**844**	**12,915**	**(7)**	**36,863**	**50,615**
At 1 July 2023	**844**	**12,915**	**(7)**	**36,863**	**50,615**
Loss for the period	-	-	-	(9,089)	(9,089)
Total comprehensive loss for the period	**-**	**-**	**-**	**(9,089)**	**(9,089)**
Exercise of options	-	-	7	-	7
Share based payments	-	-	-	341	341
Scrip dividends issued	1	60	-	(61)	-
Dividend paid	-	-	-	(108)	(108)
Deferred tax movement charged to equity	-	-	-	239	239
Total contributions and distributions to owners of the parent, recognised directly in equity	**1**	**60**	**7**	**411**	**479**
At 31 December 2023	**845**	**12,975**	**-**	**28,185**	**42,005**

Consolidated Statement of Changes in Equity (Unaudited)

For the 6 months ended 30 June 2024

	Share Capital £000's	Share Premium £000's	EBT shares £000's	Retained Earnings £000's	Total £000's
At 1 January 2024	**845**	**12,975**	**-**	**28,185**	**42,005**
Profit for the period	-	-	-	2,622	2,622
Total comprehensive income for the period	**-**	**-**	**-**	**2,622**	**2,622**
Exercise of options	1	19	-	-	20
Share based payments	-	-	-	205	205
Issue of shares	66	3,239	-	-	3,305
Total contributions by and distributions to owners of the parent, recognised directly in equity	**67**	**3,258**	**-**	**205**	**3,530**
At 30 June 2024	**912**	**16,233**	**-**	**31,012**	**48,157**

Consolidated Statement of Cash Flows (Unaudited)
For the 6 months ended 30 June 2024

	Notes	Unaudited 30/06/2024 £000's	Unaudited 30/06/2023 £000's	Audited 31/12/2023 £000's
Cash flows from operating activities				
Cash inflow from continuing operations		6,036	13,033	20,634
Finance income		464	65	434
Finance cost		(289)	(145)	(189)
Corporation tax paid		(3,048)	-	(550)
Net cash flows from operating activities	10	**3,127**	**12,953**	**20,329**
Cash flows from investing activities				
Purchase of property, plant and equipment		(437)	(61)	(168)
Purchase of intangible fixed assets		70	(3)	(12)
Acquisition of subsidiary, net of cash acquired		(5,524)	(2,163)	(2,204)
Net cash flows used in investing activities		**(5,891)**	**(2,227)**	**(2,384)**
Cash flows from financing activities				
Payments of dividends		-	-	(444)
Repayment of borrowings		(385)	(30)	(180)
Proceeds from borrowings		-	-	134
Capital repayment of leases		(389)	(257)	(646)
Issue of shares		2,124	-	-
Proceeds from EBT shares		-	-	50
Net cash flows from/(used in) financing activities		**1,350**	**(287)**	**(1,086)**
Net (decrease)/increase in cash and cash equivalents		**(1,414)**	**10,439**	**16,859**
Cash and cash equivalents at beginning of period		**41,346**	**24,487**	**24,487**
Cash and cash equivalents at end of period		**39,932**	**34,926**	**41,346**

Notes to the Interim Accounts

For the 6 months ended 30 June 2024

1. General information and basis of preparation

Good Energy Group PLC is an AIM listed company incorporated and domiciled in the United Kingdom under the Companies Act 2006. The Company's registered office and its principal place of business is Monkton Park Offices, Monkton Park, Chippenham, Wiltshire, United Kingdom, SN15 1GH.

The Interim Financial Statements were prepared by the Directors and approved for issue on 17th September 2024. These Interim Financial Statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2023 were approved by the Board of Directors on 26 April 2024 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain statements under 498 (2) or (3) of the Companies Act 2006 and did not contain any emphasis of matter.

As permitted these Interim Financial Statements have been prepared in accordance with UK AIM rules and the IAS 34, 'Interim financial reporting' as adopted by the United Kingdom. They should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2023 which have been prepared in accordance with IFRS as adopted by the European Union.

In accordance with IAS 34, the tax charge is estimated on the weighted average annual income tax rate expected for the full financial year. The accounting policies applied are consistent with those of the Annual Financial Statements for the year ended 31 December 2023, as described in those Annual Financial Statements.

The Interim Financial Statements have not been audited.

2. Going concern basis

The Group has seen a stable start to 2024 reflecting a consistency in wholesale costs over the last 12 months resulting in a return to normalised margin levels. The Group has performed a going concern review, going out until the end of 2025 considering both an internal base case, and various externally provided scenarios. The scenarios were provided by Ofgem in late 2023 as part of their ongoing check into the financial stability of UK Energy suppliers. Having reviewed this forecast, and having applied a reverse stress test, the possibly that financial headroom could be exhausted is remote.

The Directors are confident in the ongoing stability of the Group, and its ability to continue operation and meet commitments as they fall due over the going concern period. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

3. Estimates

The preparation of Interim Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this set of condensed Interim Financial Statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Annual Financial Statements for the year ended 31 December 2023.

4. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, currency risk, credit risk and liquidity risk. The condensed Interim Financial Statements do not include all financial risk management information and disclosures required in the Annual Financial Statements. They should be read in conjunction with the Annual Financial Statements as at 31 December 2023.

5.Segmental analysis

H1 2024	Electricity Supply £000s	FIT Administration £000s	Gas Supply £000s	Total Supply Companies £000s	Energy as a service £000s	Holding Company/ Consolidated Adjustments £000s	**Total £000s**
Revenue	71,791	2,730	16,673	91,195	6,202	-	**97,396**
Cost of sales	(54,435)	(141)	(13,658)	(68,234)	(5,523)	-	**(73,756)**
Gross profit	17,357	2,589	3,015	22,961	679	-	**23,640**
Gross margin	*24%*	*95%*	*18%*	*25%*	*11%*	*-*	***24%***
Admin costs				(14,108)	(2,831)	(1,891)	**(18,830)**
Operating profit/(loss)				8,853	(2,152)	(1,891)	**4,810**
Net finance costs				391	(176)	334	**549**
Share of loss of associate				-	(929)	-	**(929)**
Profit before tax				9,244	(3,257)	(1,557)	**4,430**

H1 2023	Electricity Supply £000s	FIT Administration £000s	Gas Supply £000s	Total Supply Companies £000s	Energy as a service £000s	Holding Company/ Consolidated Adjustments £000s	**Total** **£000s**
Revenue	122,092	2,730	30,890	155,712	402	-	**156,114**
Cost of sales	(92,003)	(93)	(30,797)	(122,893)	(564)	-	**(123,457)**
Gross profit/(loss)	30,089	2,637	93	32,819	(162)	-	**32,657**
Gross margin	*25%*	*97%*	*0%*	*21%*	*-40%*		***21%***
Admin costs				(16,102)	(1,500)	(925)	**(18,527)**
Operating profit/(loss)				16,717	(1,662)	(925)	**14,130**
Net finance costs				-	(53)	183	**130**
Share of loss of associate				-	(1,139)	-	**(1,139)**
Profit/(loss) before tax				16,717	(2,854)	(742)	**13,121**

6. Trade Receivables

	Unaudited As at 30/06/2024 £000s	Audited As at 31/12/2023 £000s
Gross trade receivables and unbilled receivables	40,504	49,211
Provision for impairment/non-payment of trade receivables	(18,290)	(18,872)
Net trade receivables and unbilled receivables	**22,214**	**30,339**
Prepayments	1,527	3,611
Other Taxation	1,571	1,908
Total	**25,312**	**35,858**

The movements on the provision for impairment and non-payment of trade receivables is shown below:

Movement on the provision for impairment and non-payment of trade receivables	**Unaudited** **As at 30/06/2024**	**Audited** **As at 31/12/2023**
	£000's	£000's
Balance at 1 January	18,872	15,428
(Decrease)/Increase in allowance for impairment/non-payment	(582)	3,444
Balance at 30 June 2024 / 31 December 2023	**18,290**	**18,872**

Unaudited **As at 30/06/2024**	**Current**	**Days past due** **<30 days**	**30-60 days**	**61-90 days**	**>91 days**	**Total**
	£000's	£000's	£000's	£000's	£000's	£000's
Expected credit loss rate	7.9%	14.0%	23.8%	36.5%	88.2%	
Estimated total gross carrying amount at default	13,087	3,023	1,993	1,172	18,068	37,343
Expected credit loss	**1,029**	**423**	**474**	**428**	**15,935**	**18,290**

Audited **As at 31/12/2023**	**Current**	**Days past due** **<30 days**	**30-60 days**	**61-90 days**	**>91 days**	**Total**
	£000's	£000's	£000's	£000's	£000's	£000's
Expected credit loss rate	7.9%	13.9%	28.6%	43.6%	92.1%	
Estimated total gross carrying amount at default	22,153	4,302	1,963	960	16,869	46,247
Expected credit loss	**1,759**	**597**	**562**	**419**	**15,538**	**18,872**

7. Cash and cash equivalents

	Unaudited As at 30/06/2024 £000s	Audited As at 31/12/2023 £000s
Cash at bank and in hand	23,989	25,319
Short-term bank deposits	15,918	16,000
Security deposits	27	27
Total	**39,934**	**41,346**

At June 2024, no money was held by the Good Energy Employee Benefit Trust (2023 H1: £6,911, 2023 FY: £nil). The Good Energy Employee Benefit Trust was wound up during 2023.

8. Borrowings

Current:	Unaudited As at 30/06/2024 £000s	Audited As at 31/12/2023 £000s
Bond	200	215
Bank loans	-	10
Lease liabilities	335	306
Total	**535**	**531**

Non-current:	Unaudited As at 30/06/2024 £000s	Audited As at 31/12/2023 £000s
Bond	4,540	4,726
Bank Loans	20	15
Lease liabilities	960	946
Total	**5,520**	**5,687**

The fair values of borrowings have been calculated taking into account the interest rate risk inherent in the bond. The fair value estimates and carrying values of borrowings (excluding issue costs) in place are:

	Unaudited As at 30/06/2024 Fair value £000s	Unaudited As at 30/06/2024 Carrying value £000s	Audited As at 31/12/2023 Fair value £000s	Audited As at 31/12/2023 Carrying value £000s
Corporate bond	4,954	4,750	4,833	4,449

9. Earnings per share

The calculation of basic earnings per share at 30 June 2023 was based on a weighted average number of ordinary shares outstanding for the six months to 30 June 2024 of 16,769,366 (for the six months to 30 June 2023: 16,609,219 and for the full year 2023: 16,793,375).

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares to assume conversion of all potentially dilutive ordinary shares. Potentially dilutive ordinary shares arise from awards made under the Group's share-based incentive plans. When the vesting of these awards is contingent on satisfying a service or performance condition, the number of the potentially dilutive ordinary shares is calculated based on the status of the condition at the end of the period. Potentially dilutive ordinary shares are actually dilutive only when the Company's ordinary shares during the period exceeds their exercise price (options) or issue price (other awards). The greater any such excess, the greater the dilutive effect. The average market price of the Company's ordinary shares over the six month period to 30 June 2024 was 281p (for the six months to 30 June 2023: 187p and for the full year 2023: 209p). The dilutive effect of share-based incentives was 548,129 shares (for the six months to 30 June 2023: 839 shares and for the full year 2023: 169,580 shares).

10. Net cash flows from operating activities

The operating cashflow for the six months to 30 June 2024 is an inflow of £6m (for the six months to 30 June 2023: £13m inflow and for the full year 2023: £21m inflow). The difference in the cashflow between the half year 2023 and its comparative for the same period is primarily due to timing of working capital related items.

11. Business Combinations

On 12 February 2024, the Group acquired 100% of the issued share capital of JPS Group, a specialist solar and storage installation and distribution business. Building on its acquisition of Good Energy Solar (South West) Limited (formerly Wessex ECOEnergy Limited) in June 2023, this acquisition strengthens Good Energy's service offering and accelerates the Company's energy services growth strategy.

	Unaudited As at 30/06/2024 Fair value £000s	**Unaudited As at 30/06/2024 Carrying value £000s**	**Audited As at 31/12/2023 Fair value £000s**	**Audited As at 31/12/2023 Carrying value £000s**
Property, plant and equipment	500	500	171	171
Intangible assets	-	-	889	-
Inventories	469	469	362	362
Receivables	2,395	2,395	246	246
Cash	284	284	350	350
Payables	(1,313)	(1,313)	(297)	(297)
Borrowings	(1,278)	(1,278)	(711)	(711)
Deferred tax liability	(137)	(137)	(223)	-
Total identifiable net assets	**920**	**920**	**787**	**121**

	Unaudited As at 30/06/2024	Audited As at 31/12/2023
	£000s	**£000s**
Goodwill	6,088	1,767
Consideration	7,008	2,554

The goodwill recognised in respect of the acquisition of JPS Group at 30th June 2024 is provisional, subject to a fair value assessment of identifiable intangible assets separable from goodwill in accordance with the provisions of IFRS 3: Business Combinations.