



good energy group plc

2019 Interim results for the period to 30 June 2019

October 2019

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agenda

**Highlights &
performance**

Juliet Davenport,
CEO

**Financial
performance**

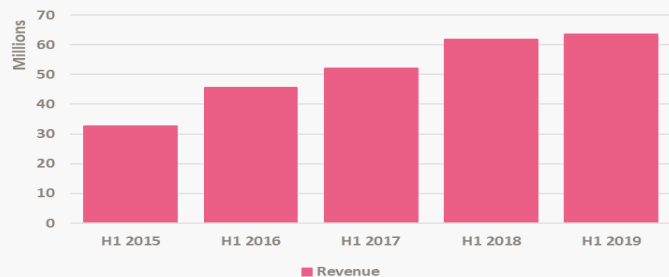
Rupert Sanderson,
FD

**Strategy &
beyond**

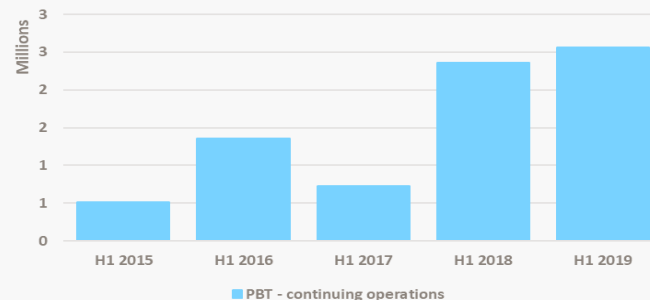
Juliet Davenport,
CEO

2019 key performance indicators

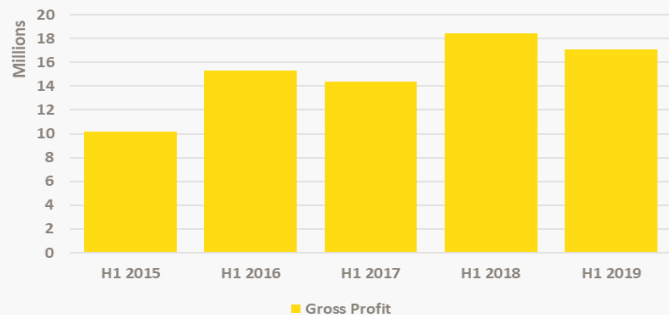
Revenue



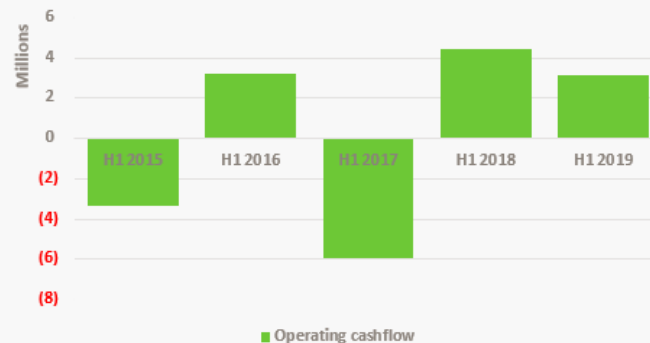
Profit before tax – continuing operations



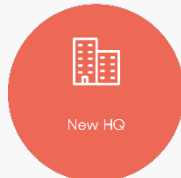
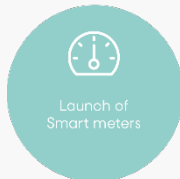
Gross Profit



Operating cashflow



2019 focus – progress so far



financial highlights

Income statement

Year end £000s	H1 2019 continued operations	H1 2019 discontinued operations	H1 2019 reported	H1 2018 continued operations	% change continued operations
Revenue	63,544	0	63,544	61,820	2.8%
Cost of Sales	-46,425	-995	-47,420	-43,415	6.9%
Gross Profit	17,119	-995	16,123	18,405	-7.0%
Administration Costs	-12,280	-38	-12,318	-13,780	-10.9%
Operating Profit	4,838	-1,033	3,805	4,625	4.6%
Finance costs	-2,290	0	-2,290	-2,266	1.0%
Profit before tax	2,548	-1,033	1,515	2,359	8.0%
Tax	-85	2	-83	-621	-86.2%
Profit after tax	2,463	-1,031	1,432	1,738	41.7%

Revenue

- Increased business supply volume growth, pricing, offset against lower domestic customers

Gross profit

- Well-documented increase in commodity prices in 2018
- Strategy to focus on and increase business customers

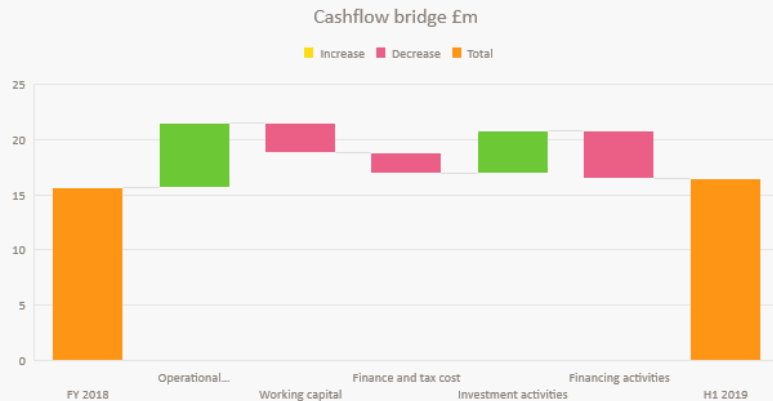
Operating profit

- Focus on cost control
- One off bad debt provision in 2018

cashflow

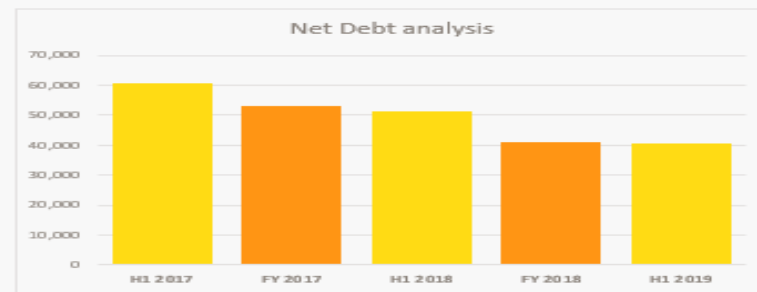
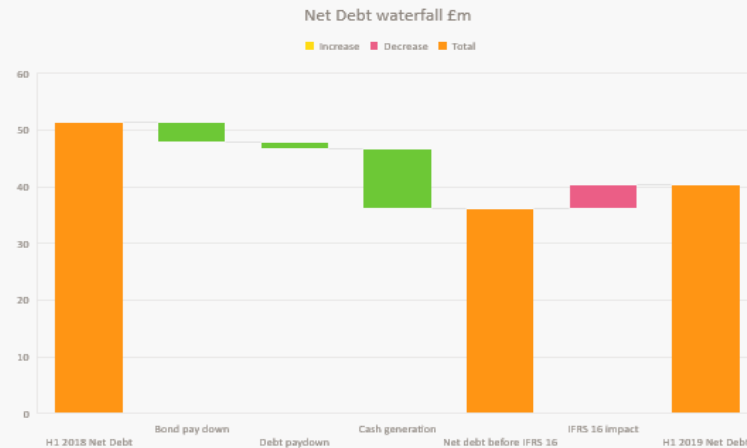
- Cash generative business model
- £3.1m cash generated from operations
- £4.6m of debt repaid in the period excluding impact of IFRS16
- Adverse working capital movement includes ROCs related phasing impact and usual seasonal trend.
- Repayment of GE Bond 1 of £3.6m in June 2019 following sale of Brynwhilach solar site

Year end £000s	H1 2019	H1 2018
Operational cashflows before working capital	5,821	5,209
Working capital movement	(2,682)	(749)
Cash generated from operations	3,140	4,460
Finance and tax cost	(1,899)	(2,106)
Net cashflows from operating activities	1,240	2,354
Net cashflow from investing activities	3,925	(1,512)
Net cashflows from financing activities	(4,375)	(8,503)
Net increase in cash and cash equivalents	790	(7,661)
Cash and cash equivalents at beginning of year	15,662	13,720
Cash and cash equivalents at end of year	16,452	6,059



funding & debt

- Net debt reduction of 21.4% to £40.4m following strong operational cash generation and first time inclusion of £4.4m IFRS debt impact
- Good Energy Bond I fully redeemed
 - £3.6m repaid in June 2019
- Gearing ratio decreased to 66.6% from 72.8% in H1 2019
- mindful of the need to capitalise on strategic business development and investment opportunities.
- Prudent balance sheet management remains a key priority



financial outlook



Profits
weighted to
first half



Continued
investment
across the
business



Progressive
dividend
policy



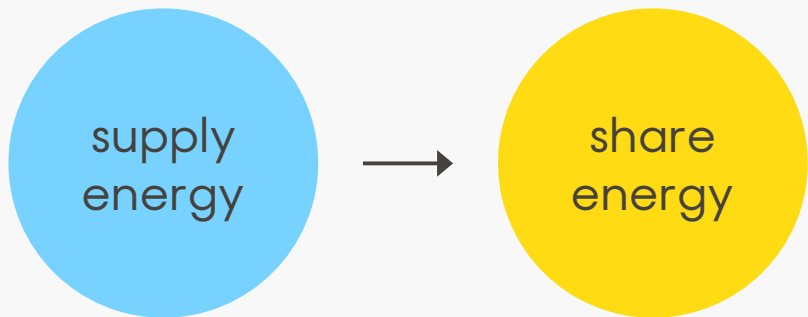
Financial
and
strategic
growth

our purpose

powering the choice
of a cleaner, greener
future together

Helping people to be part of the solution to the climate crisis is the core of who we are. It remains central to our strategy today and into the future.

our market



The clean energy grid of the future will no longer be a few large generators but millions of households and businesses generating, using and sharing their **own power**.

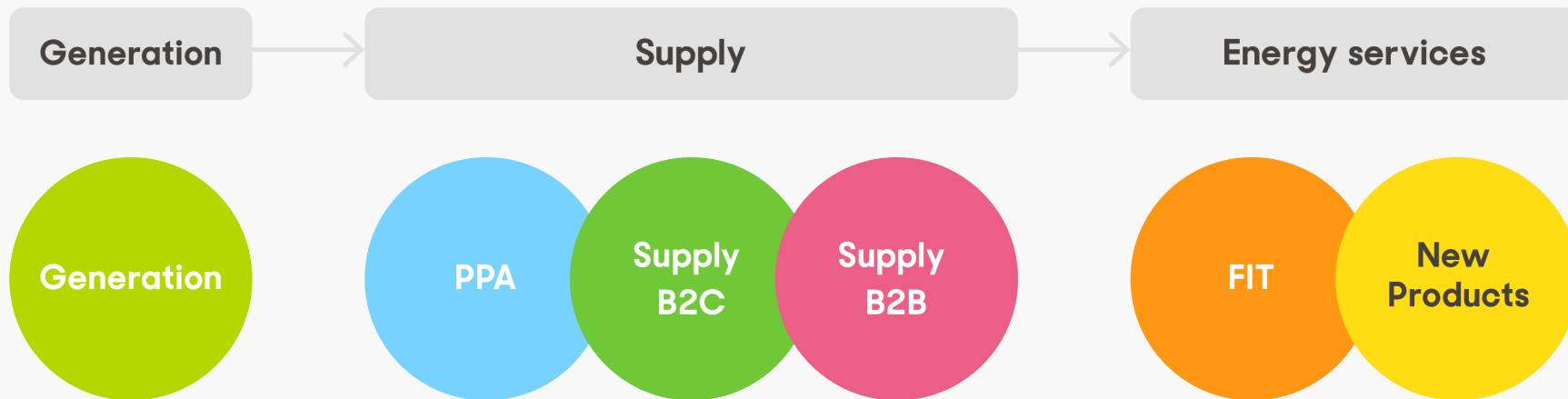
our opportunity



This shift represents an opportunity for us. We are already pioneers in renewables and in self-generation (FIT, Smartgen, PPA). As these accelerate, we can lead. We need to step up and do that.

our journey

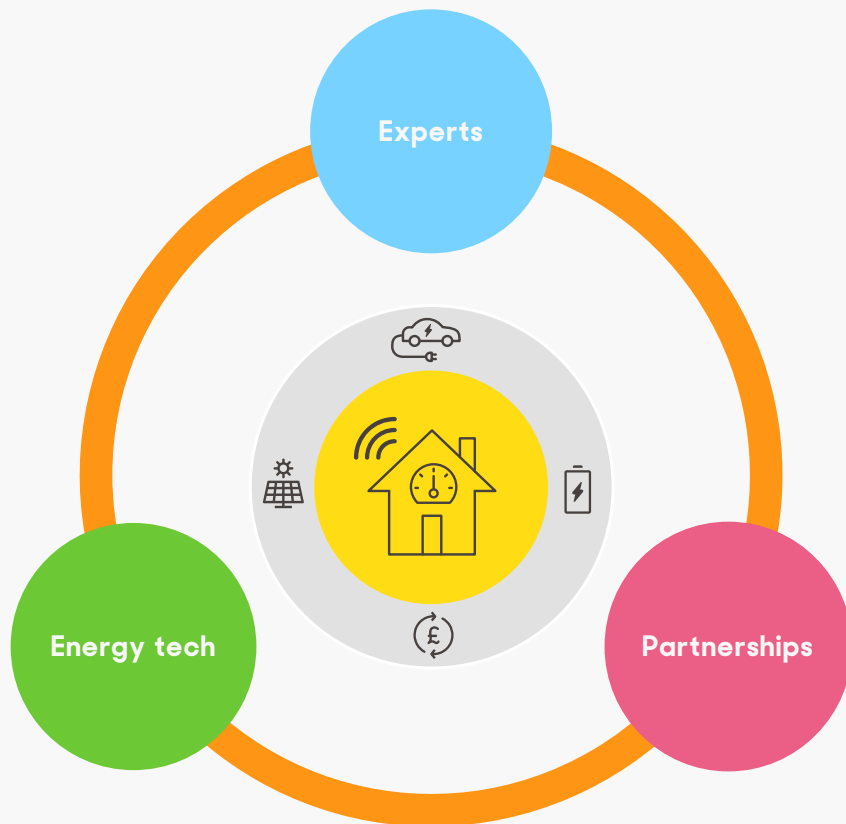
In the energy sharing future, we will no longer simply be selling energy, we will be selling the services that enable energy sharing. Our business already has a foothold in this future.



our strengths

Our strengths are in our unique expertise and understanding of renewables, in our ability to leverage clean energy technologies, working with other businesses/partners to deliver value for customers.

Our strategy needs to play to and build on these strengths. It differentiates us from competitors.



powering the choice of a cleaner, greener future together

We are, and always have been, much more than an electricity supplier

We support homes and businesses to generate, use and share their green power

Using our unique expertise, we create services which maximise the value of clean technology for customers

ways we are doing this over next 12 months



SMART
technology



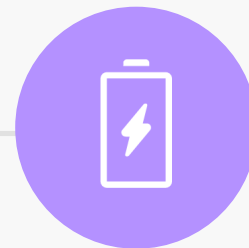
Investing in
Zap - Map



B2B EV
partnerships



Mass scale
smart export
project




Battery
technology

summary and outlook



Strong
business
growth



Solid returns
with strong
cashflow
generation



Energy
services
transition
and rollout



Investing in
future growth
opportunities