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Energy Action Limited

ABN 90 137 363 636

Annual Financial Report - 30 June 2024

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30 September 2024

Letter to Shareholders

Dear Shareholder,

Energy Action has made significant progress this year, showing that our strategy is working. By focusing on what we do best – delivering energy and emissions procurement and management services to Australian businesses – we've returned to profit and generated positive cash flows. These are important steps towards long-term financial stability and growth.

Delivering Exceptional Customer Service

Our recent success is because of a common-sense focus on strengthening customer relationships, reaching new customers, and delivering exceptional service. We continue to help more businesses secure better energy prices, reinforcing our market position. This year, we revitalised our brand and sharpened our sales processes, ensuring our value proposition is clear and compelling.

Delivering exceptional service is the key to winning in a competitive market. Utilibox, our AI-driven, cloud-based platform for energy and emissions management, gives us a competitive edge by providing the insights and control that businesses need to confidently manage their energy and emissions. By automating routine tasks, we've freed up resources to focus on delivering higher-value services.

Technology as a Key for Growth

We use technology as a key growth driver, developing customer-centric solutions that can scale. This year, we introduced a solution designed to address Australia's mandatory climate-related financial disclosures, simplifying compliance for our clients. Early feedback has been positive, and we expect this will drive increased adoption of our reporting services. This represents a strategic shift in customer demand, allowing us to go beyond cost-saving and address customer compliance needs essential to their businesses.

Small Team, Big Impact

I'd like to acknowledge Energy Action's management team. They've rolled up their sleeves and done the hard work to achieve our turnaround. Like me, they look for cost savings at every opportunity and work hard to make our business simpler. Our FY24 financial results are a testament to the impact this team has had. Through their efforts, we've seen significant improvements, proving that the right people, with the right mindset, can lead to extraordinary outcomes.

Delivering Sustainable Financial Results

Energy Action returned to profitability in FY24, marked by a positive net profit and cash flow. This result reflects our disciplined approach to cost management and positions us to take advantage of near-term opportunities to grow both revenue and our customer base. Our financial results included an impairment expense on software assets providing a transparent view of financial performance.

Thanks to the support of our shareholders, we've been able to pay down more of our debt. Combined with the improvements we've made in how we run the business, these steps have put us on even stronger financial footing.

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Investing in growth. Maintaining our strategy

At Energy Action, we are focused on creating long-term value for customers and shareholders. This year's financial results highlight our strong execution, disciplined cost control, and strategic investment. With a solid foundation in place, we are well-positioned for growth. Our Board and management are committed to maintaining this momentum, with the aim of delivering sustained profitability while keeping customer service at the centre of what we do.

We are fortunate to have customers who trust us, a team that delivers, and shareholders who support us.

Thank you for your ongoing support.

Bruce Macfarlane
Interim CEO and Director

Energy Action Limited
Corporate directory
30 June 2024

Directors	Murray Bleach - Non-Executive Chairman Paul Meehan - Non-Executive Director Bruce Macfarlane - Executive Director and Interim CEO Derek Myers - Non-Executive Director Caroline Wykamp - Non-Executive Director
Company secretary	Kimberly Sue
Registered office and principal place of business	Level 5, 56 Station Street Parramatta NSW 2150
Share register	Link Market Services Limited Level 12 680 George Street Sydney NSW 2000
Auditor	RSM Australia Partners Level 13, 60 Castlereagh Street Sydney NSW 2000
Solicitors	DLA Piper No 1 Martin Place Sydney NSW 2000
Bankers	Commonwealth Bank of Australia Level 3, 101 George Street Parramatta NSW 2150
Stock exchange listing	Energy Action Limited shares are listed on the Australian Securities Exchange (ASX code: EAX)
Corporate Governance Statement	https://energyaction.com.au/about/corporate-governance/

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The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Energy Action Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were directors of Energy Action Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Murray Bleach - Non-Executive Director and Chairman
Paul Meehan - Non-Executive Director
Bruce Macfarlane - Executive Director and Interim CEO
Derek Myers - Non-Executive Director
Caroline Wykamp - Non-Executive Director (appointed 1 September 2023)

Principal activities

Energy Action offers Australian business customers energy and carbon emissions procurement and management services. Our three core revenue streams are energy procurement, energy management, and solar PV.

- **Energy Procurement** - Broking or consulting using a range of procurement methodologies including auctions, tenders, progressive and structured purchasing, corporate power purchase agreements.
- **Energy Management** - Managed client energy contracts and environmental reporting, including account management, liaison with their retailer, validating their bill, ensuring the right tariff, and helping them to understand how they are using energy and their emissions profile.
- **Solar PV** - Sourcing and contracting of solar project suppliers for business customers looking to implement solar solutions.

The services are supported by the Company's proprietary software solution, Utilibox, an energy and emissions management platform designed to transform energy data.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The profit for the consolidated entity after providing for income tax amounted to $584,407 (30 June 2023: loss of $298,475).

Operating profit for the consolidated entity after tax amounted to $584,407 (30 June 2023: loss of $208,366) and EBITDA for the consolidated entity after providing for income tax amounted to $1,795,869 (30 June 2023: $902,539).

A reconciliation of the consolidated entity's Statutory profit/(loss) to Operating profit/(loss) after tax and EBITDA is shown in the table below:

	Profit/(loss) after tax		EBITDA	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	$	$	$	$
Statutory profit/(loss) after tax	584,407	(298,475)	1,795,869	812,430
Proceeds received on sale of embedded networks	-	(50,000)	-	(50,000)
Deregistration of subsidiaries	-	140,109	-	140,109
Operating profit/(loss) after tax	584,407	(208,366)	1,795,869	902,539

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Reconciliation of profit / (loss) before income tax to EBITDA:

	Consolidated	
	2024	2023
	$	$
Profit / (loss) before income tax	584,407	(298,475)
Finance costs	746,863	676,548
Depreciation	201,631	269,606
Amortisation	262,968	164,751
EBITDA	1,795,869	812,430

Key Financial Metrics

	2024	2023	Change	Change
	$	$	$	%
Revenue from ordinary activities	11,426,602	11,492,851	(66,249)	(1%)
Operating profit/(loss) after tax attributable to the owners of Energy Action Limited*	584,407	(208,366)	792,773	(380%)
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	1,795,869	902,539	893,330	99%
Statutory profit/(loss) after tax attributable to the owners of Energy Action Limited	584,407	(298,475)	882,882	(296%)

* Operating profit/(loss) after tax is defined as Statutory profit/(loss) excluding significant items and is reported to give information to shareholders that provide a greater understanding of operating performance by removing significant items and facilitating a more representative comparison of performance between financial periods.

Revenues

Total revenue saw a reduction of $66,249 compared to previous period. Energy Buying revenue declined 1% with an increase to Total auction bid value increased 6% to $172 million. Energy Management revenue declined 5%, although we saw an increase of 1,317 in sites under management to 6,706, the average contract duration decreased by 4 months. Embedded Networks activities were sold in April 2022 and the full assignment of embedded networks customers was completed in February 2023.

	2024	2023	Change	Change
	$	$	$	%
Energy buying	5,922,251	5,975,083	(52,832)	(1%)
Energy management	4,857,520	5,121,001	(263,481)	(5%)
Embedded networks	-	42,429	(42,429)	(100%)
Other revenue	-	30,084	(30,084)	(100%)
Other income	646,831	324,254	322,577	99%
Total revenue	**11,426,602**	**11,492,851**	**(66,249)**	**(1%)**

Operating Expenditure

Expenditure totalled $10.8M, compared to $11.8M in FY23, a reduction of $1.0M (8.4%). The most significant reduction was in employment benefits expense reducing by $0.59M.

Discretionary spend is monitored and managed accordingly in order to satisfy the groups Capital Risk Management Policy and address its Financial Risk Management Objectives around Liquidity Risk.

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Other

A Nil dividend was declared in FY24 with a priority of managing net debt, investing in value added technology, service and delivery, expand customer value and continue to see growth in customer sales and revenue.

Operational Key Performance Indicators

	2024	2023	Change %
Energy Buying			
No. of successful AEX auctions	787	686	15%
Average AEX contract duration (months)	23.7 mths	24.81 mths	-1.11 mths
TWhs sold via Auction (annualised equivalent)	1.2	0.5	140%
Average annualised MWhs per successful AEX	1529.3	773	98%
Average $/MWh	$103.36	$144.60	-29%
Total Auction bid value[1]	$172m	$162m	6%
No. of electricity tender events	5	8	-38%
No. of gas tender events	109	41	166%
Managed & Embedded Networks			
Sites under current contract[2]			
Total Energy Management sites under contract	6,706	5,389	24%
Average Metrics contract duration (months)	31 mths	35 mths	-4 mths
Ongoing Services future contracted revenue	**$8.9m**	**$9.5m**	**-6%**
Contract Asset - Revenue not Invoiced – Current	$3.6m	$3.2m	13%
Revenue not Invoiced - Non-Current	$2.7m	$2.5m	8%
Total Revenue not Invoiced	**$6.3m**	**$5.7m**	**11%**

[1] Electricity component of contract only, i.e. excluding network and other charges
[2] Does not include contracts which are signed, but yet to commence service delivery

Forward contracted revenue

The forward contract revenue balance for FY24 was $8.9M which was a decrease on prior periods.

The Company continues to focus on improving acquisitions, retentions, customer service and enhancing the Energy Management offering with a key strategy to see growth in future contract revenue for annuity based revenue streams.

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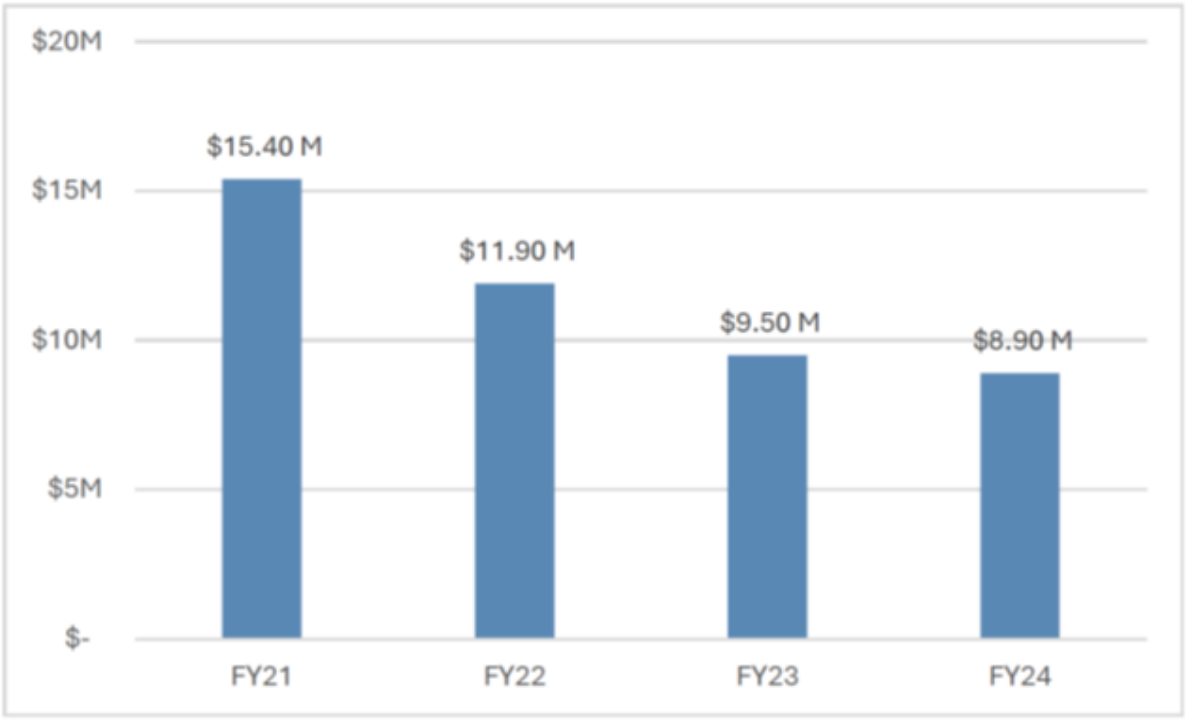
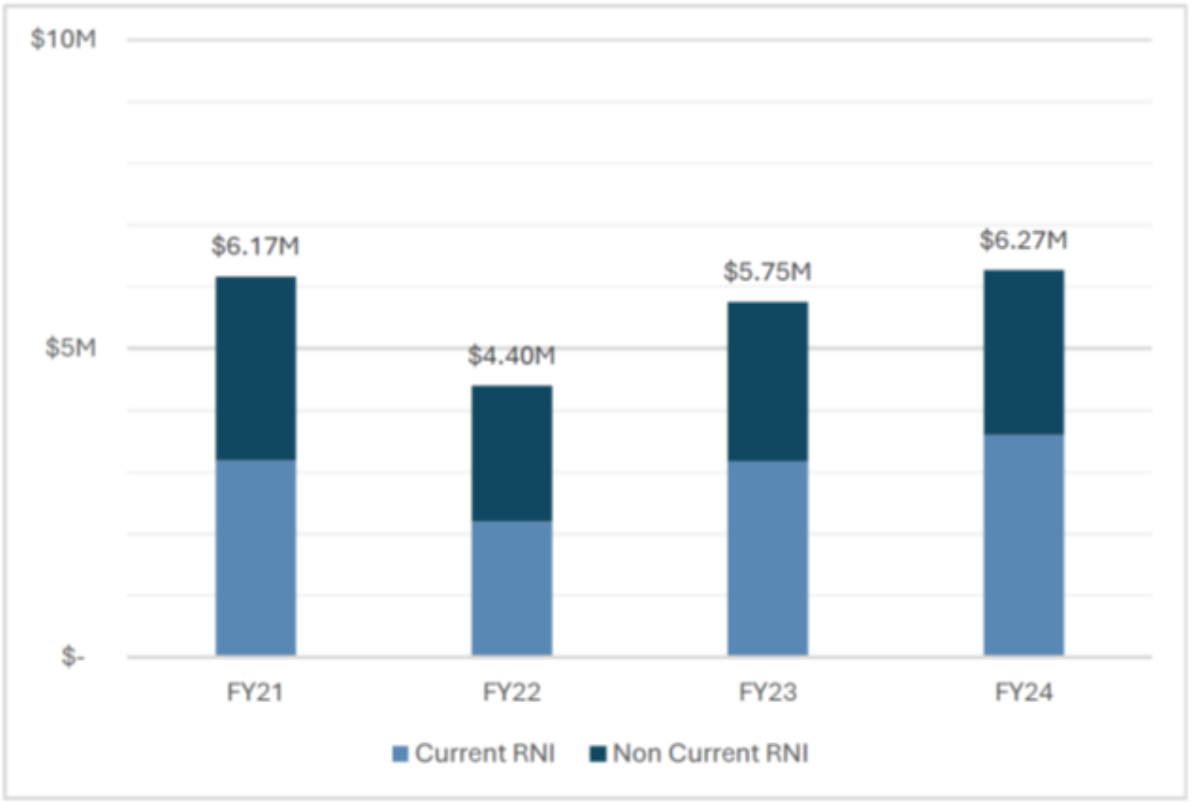


Contract Assets

Revenue from Auction, Commission based tenders and Tariff revenues are recognised upfront once the Auction is complete and the contract signed between the retailer and customer. The payments are received over the life of the contract. A contract asset called “Revenue not Invoiced” holds the net balance after provisions of $6.27 million to be received as cash in the future for revenue recognised in current and previous fiscal periods.



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Significant changes in the state of affairs

On 13 May 2024, 5,018,933 ordinary shares were issued under a 1 for 6 non-renounceable pro-rata entitlement offer to raise $1,003,786 (refer note 21).

On 27 June 2024, 3,336,428 and 512,480 ordinary shares were issued to the Directors Bruce Macfarlane and Derek Myers respectively, to settle loans from Directors totalling $769,782 (refer note 18).

During the year, the consolidated entity revised its Facility Agreement with Commonwealth Bank of Australia (CBA) resulting in several key changes to its debt structure as part of ongoing financial management efforts, as follows:

(1) The facility final repayment date was extended from 31 December 2024 to 31 March 2026.
(2) The repayment of $1.5 million due on 31 August 2023 was removed.
(3) The consolidated entity agreed to increase quarterly repayment obligations from $250,000 to $300,000 with these repayments backdated to start from 30 September 2023. Subsequent to the March 2024 repayment, the timing of quarterly repayments have been changed to the last weeks of November, February, April & August each year commencing November 2024.
(4) The consolidated entity successfully negotiated a lower minimum cash balance requirement from $1 million to $500,000, enhancing cash flow flexibility.
(5) Removal of requirement to repay excess where cash balances held exceed $1.5 million in a quarter.
(6) Updated gearing ratios and interest cover ratios.
(7) Included requirement that EBITDA in respect of each 12 month period up to the calculation date is at least equal to or greater than $1 million. The calculation date is at the end of each quarter.
(8) Included requirement to ensure that Operating Expenditure does not exceed 90% of the total Revenue of the group for the financial year.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

Subsequent to the year-end, Derek Myers was appointed as Chief Executive Officer (CEO), commencing on 1 October 2024. Derek Myers will receive a base salary of $300,000 per annum, plus superannuation. His total remuneration package includes compensation for both his role as CEO and as a Non-Executive Director.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Material business risks

Energy Action identifies major risks using an enterprise-wide risk program. Energy Action faces a wide variety of risks due to the nature of the industry in which it operates. Energy Action has processes in place to reduce the possibility of the risk occurring and/or, to the greatest extent possible, the adverse consequences of the risk occurring. Many of the risks are influenced by factors external to, and beyond the control of Energy Action. Details of Energy Action's main risks and the related mitigations are set out below:

Risk	Risk description	Potential consequences and mitigation strategies
Cyber Security Risk	Cyber-attack or similar event involving unauthorised access to the consolidated entity's IT systems leading to denial of systems and/or corruption of data.	Modern triage approach is taken to cyber-security to limit attack vectors. Regular proactive cyber security testing and external review of systems. Implementation of procedures for systems recovery, including offsite data storage. Modern systems restoration and business continuity strategies are in place to minimise the impact of cyber incidents.

Risk	Risk description	Potential consequences and mitigation strategies
Strategic Risk	Energy Action faces the risk of failing to achieve its long-term strategic objectives to grow its market share of the market for business energy procurement and emissions reporting, by using technology to deliver services at low cost, which could impact its growth potential.	Energy Action has three strategies to maintain and grow market share: acquisition, retention, and cross-sell. Each are invested in and continuously improved. The business service focus is on delivering technology-driven solutions, particularly in the net-zero space, to support long-term relevance and competitiveness.
Market Risk	Energy Action is exposed to fluctuations in market conditions, including changes in customer demand, competition, and economic downturns, which could adversely affect its business operations and revenue streams.	Diversified service offering including energy procurement, carbon emissions reporting, and solar PV procurement. Close monitoring of market conditions with adjustments to sales and marketing strategies. Use of technology to remain adaptable and responsive, ensuring a strong value proposition for customers.
Financial Risk	The risk of insufficient earnings and cash flow to support business operations and growth, potentially leading to an inability to meet financial obligations and deliver shareholder value.	Implementation of a "back to basics" strategy focusing on core revenue-generating activities. Establishment of a financial buffer between operating expenses and baseline revenue. Long term debt reduction.
Regulatory / Compliance Risk	The risk of non-compliance with legal and regulatory requirements, including those related to the Competition and Consumer Act and the Australian Financial Services Licence (AFSL), which could result in legal action and reputational damage.	Rigorous compliance training for all outward-facing staff. Comprehensive AFSL compliance system with regular monitoring and reporting of potential breaches. Use of external audits and legal consultations to ensure ongoing compliance and proactively address risks.
Operational Risk	The risk of process inefficiencies, technology failures, or service delivery disruptions that could impact Energy Action's ability to meet its contractual obligations and maintain customer satisfaction.	Energy Action has developed top-tier technology for energy and emissions category management, using modern software development practices and supported by an in-house technology team. The same software is used for both internal operations and customer services, ensuring that any disruptions are identified and addressed promptly. Continuous improvement of operational processes and strategic technology investments help maintain efficiency and reliability. Business continuity plans and disaster recovery procedures are in place to mitigate any potential operational disruptions.
People Risk	The risk of losing key staff or experiencing high turnover rates, leading to a decline in company performance due to the loss of expertise and increased training demands.	Energy Action talent management strategies including staff cross-training, succession planning, and effective recruitment. The Company offers competitive remuneration and career development opportunities to attract and retain skilled employees.

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Risk	Risk description	Potential consequences and mitigation strategies
Reputational Risk	The risk of negative public or customer perception due to service failures, legal issues, or market actions, which could damage Energy Action's brand and customer trust.	Energy Action's brand is important to the business's success - for sales and for attracting talent. Mitigation strategies include active management of reputation through consistent, high-quality service delivery and transparent communication with stakeholders. Commitment to sustainability, particularly in helping clients achieve net-zero outcomes. Crisis management plans in place for rapid response and resolution of incidents that could harm the company's reputation.
Environmental Risk	The risk associated with environmental factors, including the impact of climate change on operations and the need to comply with environmental regulations.	Environmental risks for Energy Action are limited, with primary impacts likely to be felt as business disruption. Energy Action has made a commitment to environmental sustainability with Climate Active Net Zero certification. As a Company we monitor compliance requirements.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law. However, Energy Action is committed to implementing the requirements of all applicable Commonwealth, State and local environmental legislation and regulations and, where possible, exceeding any relevant minimum requirements.

Information on directors

Name:	**Murray Bleach**
Title:	Non-Executive Chairman
Qualifications:	BA (Financial Studies), MAppFin, CA, GAICD
Experience and expertise:	Board member since 2012, Chairman since 2015. Partner in Alfred Street Investment Partners, Chairman of AddVenture Fund and Tidal Ventures and consultant to Australia Super.
Other current directorships:	Carlton Investments Ltd (ASX:CIN) (since 2 December 2014)
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Nomination and Remuneration Committee
Interests in shares:	5,864,041 ordinary shares
Interests in rights:	None

Name:	**Paul Meehan**
Title:	Non-Executive Director
Qualifications:	Diploma of Law
Experience and expertise:	Board member since 2003. Director of Meehans Solicitors Pty Ltd, Non-Executive Director of Commercial First Realty Pty Ltd t/a LJ Hooker Commercial Macarthur.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Management Committee (Chair until 21 September 2023) Chair of the Nomination and Remuneration Committee until 21 September 2023
Interests in shares:	4,792,846 ordinary shares
Interests in rights:	None

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Name:	**Bruce Macfarlane**
Title:	Executive Director and Interim CEO
Qualifications:	BEng (Mining), MCom (Economics)
Experience and expertise:	Bruce has been a board member since 2021 and brings 25 years of experience in the energy utility sector, both in line management and consulting. His background covers technology, sales and marketing, and regulation. Bruce co-founded BidEnergy, leaving that company in 2017. He has been an active shareholder of Energy Action since 2019.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None Project management of business improvement projects
Interests in shares:	6,382,414 ordinary shares
Interests in rights:	None

Name:	**Derek Myers**
Title:	Non-Executive Director
Qualifications:	BCom, MBA
Experience and expertise:	Board member since 21 June 2023. Director of Polaris Stella Ltd and Beond Group Ltd.
Other current directorships:	None
Former directorships (last 3 years):	eEnergy Group Plc (LSE: EAAS) (until 2 May 2023)
Special responsibilities:	Member of the Audit and Risk Management Committee
Interests in shares:	5,437,955 ordinary shares
Interests in rights:	None

Name:	**Caroline Wykamp** (appointed 1 September 2023)
Title:	Non-Executive Director
Qualifications:	BAppSc, DAppFin. GAICD
Experience and expertise:	Caroline is an experienced executive and authority in energy markets with over 25 years in the industry. She has expertise in leadership, wholesale energy market, and renewable energy. She has previously held senior leadership roles at Hydro Tasmania, Origin Energy and was the Chief Executive Officer of Marinus Link from January 2023 until September 2024.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of the Audit and Risk Management Committee (since 1 September 2023) Chair of the Nomination and Remuneration Committee (since 1 September 2023)
Interests in shares:	None
Interests in rights:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Dray Andrea resigned as Company Secretary on 16 September 2024 and was replaced by Kimberly Sue on that date.

Dray Andrea holds a Bachelor Business Studies (Finance) degree and a Graduate Diploma in Applied Corporate Governance and Risk Management. Dray is an experienced corporate governance professional and a member of the Governance Institute of Australia and the Chartered Governance Institute (UK).

Kimberly Sue has over 15 years of company secretarial, corporate administration and governance advisory experience across a diverse range of industries and sectors, including in ASX listed, unlisted public and private entities, and not-for-profit organisations. Kimberly has a Bachelor of Arts (Hons), a Graduate Diploma in Applied Corporate Governance, and is a Fellow of the Governance Institute of Australia and the international Chartered Governance Institute.

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Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Management Committee	
	Attended	Held	Attended	Held	Attended	Held
Murray Bleach**	12	12	-	-	1	1
Paul Meehan	12	12	-	-	1	1
Bruce Macfarlane**	12	12	-	-	1	1
Derek Myers	12	12	-	-	1	1
Caroline Wykamp*	9	12	-	-	1	1

Held: represents the number of meetings held during the time the director held office.

* Caroline Wykamp was appointed to the board of Energy Action Limited on 1 September 2023.
** Murray Bleach and Bruce MacFarlane attended the Audit and Risk Management Committee meeting as observers.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Nomination and Remuneration Committee ('the Committee') is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Committee consisted of two directors, Caroline Wykamp (Chair since 21 September 2023) and Murray Bleach. Paul Meehan (Chair until 21 September 2023), Derek Myers and Bruce Macfarlane attended as observers. The Committee charter is available on the consolidated entity's website.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The Chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. When required, the board considers the advice of independent remuneration consultants to ensure directors' fees are appropriate and in line with the market. The chairman's fees are determined independently to the fees of directors and are based on comparative roles in the market. The chairman is not present at any discussion relating to the determination of his remuneration. Directors' fees are determined within an aggregate fee pool limit approved by shareholders. This is currently set at $400,000 per annum.

The annual base fees for each of the non-executive directors, including superannuation, was as follows:

Base fees	**30 June 2024**	**30 June 2023**
	$	**$**
Chair		
Murray Bleach	45,617	45,411
Other non-executive directors		
Paul Meehan	36,493	36,329
Derek Myers (appointed 21 June 2023)	36,000	-
Caroline Wykamp (appointed 1 September 2023)	60,000	-

The above fees include committee membership.

Executive remuneration

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- long-term incentives
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

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(i) Fixed remuneration
Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

(ii) Short-term incentives
The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. Mid-year and final performance reviews measure performance against the established KPI's and criteria which are compiled in a matrix comprising consolidated entity and individual components. KPI's include profitability, revenue growth and customer satisfaction. Individual measures are developed having regard to functional plans and targets, aligned to the Company strategy.

The outcome of the performance review process is a rating, applied to each of these three KPI's for an individual, culminating a percentage (capped at 100%). The final percentage allocated to each person is then applied to the STI potential to determine the actual STI payment to be made to an individual.

The Board is responsible for assessing the performance of the CEO. The CEO is responsible for assessing the performance of other executives.

Bonus payments are made annually, where applicable, in September in relation to the preceding year. No bonus was paid or payable to the CEO or CFO in the current or previous year.

(iii) Long-term incentives
The long-term incentives ('LTI') include share-based payments. The LTI's are part of the annual remuneration based on the fair value of options granted.

The consolidated entity operates a long-term incentive scheme (LTI) for its senior executives. The LTI is governed by the Performance Rights and Options Plan (PROP), under which performance rights are granted to participants. Each performance right entitles the participant to one share in the Company at the time of vesting subject to meeting the conditions and financial consideration as outlined below.

The LTI aligns key employee awards with sustainable growth in shareholder value over time. It also plays an important role in employee recruitment and retention.

During the year ended 30 June 2023, 1,870,000 performance rights were awarded to employees, including 1,225,000 to key management personnel. Of these performance rights, 400,000 were granted to Simon Smith (former Chief Financial Officer) that expired upon his resignation on 23 June 2023. No further performance rights were granted during the year ended 30 June 2024.

The performance rights vest in 2 equal tranches. The first tranche vests once the Company share price remains at $0.40 cents or greater based on a 10 day Volume Weighted Average Price and the second tranche vests once the Company share price remains at $0.80 cents or greater based on 10 day Volume Weighted Average Price.

Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

Use of remuneration consultants
The Company did not engage remuneration consultants during the financial year ended 30 June 2024.

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Voting and comments made at the Company's 9 November 2023 Annual General Meeting ('AGM')

At the 9 November 2023 AGM, 98.18% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors of Energy Action Limited:

- Murray Bleach - Non-Executive Chairman
- Paul Meehan - Non-Executive Director
- Bruce Macfarlane - Executive Director and Interim CEO
- Derek Myers - Non-Executive Director
- Caroline Wykamp - Non-Executive Director (appointed 1 September 2023)

And the following persons:

- Gregory Tamvakellis - Chief Financial Officer (appointed 4 September 2023)
- Clint Irving - Chief Technology Officer
- Edward Hanna - Head of Commercial and Growth
- Tony Giannikos - Sales General Manager
- Simon Smith - Chief Financial Officer (until August 2023)

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2024	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Murray Bleach	41,096	-	-	4,521	-	-	45,617
Paul Meehan	32,877	-	-	3,616	-	-	36,493
Derek Myers	121,000	-	-	-	-	-	121,000
Caroline Wykamp[(1)]	50,000	-	-	-	-	-	50,000
Executive Directors:							
Bruce Macfarlane	122,877	-	-	13,516	-	-	136,393
Other Key Management Personnel:							
Gregory Tamvakellis[(2)]	201,667	-	-	22,183	-	-	223,850
Edward Hanna	254,386	-	-	27,399	-	-	281,785
Clint Irving	250,101	-	-	27,399	-	-	277,500
Tony Giannikos	202,737	73,284	-	24,166	-	-	300,187
Simon Smith[(3)]	40,943	-	-	4,504	-	-	45,447
	1,317,684	73,284	-	127,304	-	-	1,518,272

(1) Caroline Wykamp was appointed as Non-Executive Director on 1 September 2023.
(2) Gregory Tamvakellis was appointed as Chief Financial Officer on 4 September 2023.
(3) Simon Smith resigned as Chief Financial Officer on 27 June 2023 however continued on in the position until August 2023.

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	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2023	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Murray Bleach	41,096	-	-	4,315	-	-	45,411
Paul Meehan	32,877	-	-	3,452	-	-	36,329
Derek Myers[1]	-	-	-	-	-	-	-
Executive Directors:							
Bruce Macfarlane	97,877	-	-	10,277	-	-	108,154
Other Key Management Personnel:							
Simon Smith[2]	296,999	-	-	25,292	-	-	322,291
Edward Hanna	212,251	-	-	23,986	-	-	236,237
Clint Irving	200,000	-	-	21,000	-	-	221,000
Tony Giannikos	167,463	-	-	17,059	-	-	184,522
	1,048,563	-	-	105,381	-	-	1,153,944

(1) Derek Myers was appointed as Non-Executive Director on 21 June 2023.
(2) Simon Smith resigned as Chief Financial Officer on 27 June 2023 however continued on in the position until August 2023.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2024	2023	2024	2023	2024	2023
Non-Executive Directors:						
Murray Bleach	100%	100%	-	-	-	-
Paul Meehan	100%	100%	-	-	-	-
Derek Myers	100%	100%	-	-	-	-
Caroline Wykamp	100%		-		-	
Executive Directors:						
Bruce Macfarlane	100%	100%	-	-	-	-
Other Key Management Personnel:						
Gregory Tamvakellis	100%		-		-	
Simon Smith	100%	100%	-	-	-	-
Edward Hanna	100%	100%	-	-	-	-
Clint Irving	100%	100%	-	-	-	-
Tony Giannikos	76%	100%	24%	-	-	-

The proportion of the cash bonus paid/payable or forfeited is as follows:

	Cash bonus paid/payable		Cash bonus forfeited	
Name	2024	2023	2024	2023
Other Key Management Personnel:				
Tony Giannikos	100%	-	-	-

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Service agreements

On appointment, all directors enter into an agreement which outlines obligations and minimum terms and conditions. Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Bruce Macfarlane
Title:	Interim CEO
Term of agreement:	On-going (no fixed term)
Details:	Base salary of $75,000 increased to $125,000 backdated to 1 January 2024, plus $1,250 per month Living Away From Home allowance 1 months notice to be provided on termination by either party
Name:	Gregory Tamvakellis (appointed 4 September 2023)
Title:	Chief Financial Officer
Term of agreement:	On-going (no fixed term)
Details:	Base salary $210,000 plus superannuation 1 months notice to be provided on termination by either party
Name:	Edward Hanna
Title:	Head of Commercial and Growth
Term of agreement:	On-going (no fixed term)
Details:	Base salary $253,849 plus superannuation 3 months notice to be provided on termination by either party
Name:	Clint Irving
Title:	Chief Technology Officer
Term of agreement:	On-going (no fixed term)
Details:	Base salary $250,000 plus superannuation 3 months notice to be provided on termination by either party
Name:	Tony Giannikos
Title:	Sales General Manager
Term of agreement:	On-going (no fixed term)
Details:	Base salary $190,000 plus superannuation 3 months notice to be provided on termination by either party

Termination benefits are payable at the option of the company in lieu of notice, other than in the event of termination for a cause.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2024.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2024.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2024.

Performance rights

During the year ended 30 June 2023, the Company awarded 1,870,000 performance rights to employees, including 1,225,000 to key management personnel. Of these performance rights, 400,000 were granted to Simon Smith (former Chief Financial Officer) that were forfeited upon his resignation on 23 June 2023.

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The performance rights vest in 2 equal tranches. The first tranche vests once the Company share price remains at $0.40 cents or greater based on a 10 day Volume Weighted Average Price and the second tranche vests once the Company share price remains at $0.80 cents or greater based on 10 day Volume Weighted Average Price.

No fair value was assigned to the performance rights granted during the year ended 30 June 2023 as the rights were provided at no cost to the employees and no hurdles were met and therefore no rights had vested.

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Vesting date	Expiry date	Fair value per right at grant date
Clint Irving	400,000	17/02/2023	Per conditions detailed above	30/11/2025	$0.000
Edward Hanna	200,000	17/02/2023	Per conditions detailed above	30/11/2025	$0.000
Tony Giannikos	200,000	17/02/2023	Per conditions detailed above	30/11/2025	$0.000
Gregory Tamvakellis	25,000	17/02/2023	Per conditions detailed above	30/11/2025	$0.000

Performance rights granted carry no dividend or voting rights.

There were no performance rights over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2024.

Additional information

The earnings of the consolidated entity for the five years to 30 June 2024 are summarised below:

	2024 $'000	2023 $'000	2022 $'000	2021 $'000	2020 $'000
Revenue and other income	11,427	11,492	10,378	14,359	19,782
Profit/(loss) after income tax	584	(298)	(2,841)	(1,000)	(2,487)
Operating net profit/(loss) after income tax*	584	(208)	(2,790)	(420)	24

* Operating net profit/(loss) after income tax (Operating NPAT) adds back significant items

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2024	2023	2022	2021	2020
Share price at financial year end ($)	0.2	0.2	0.2	0.3	0.2
Basic earnings/(loss) per share (cents per share) - statutory	1.9	(1.1)	(10.5)	(3.7)	(9.6)
Basic earnings/(loss) per share (cents per share) - operating	1.9	(0.8)	(10.3)	(1.6)	0.1

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Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Murray Bleach	5,026,320	-	837,721	-	5,864,041
Paul Meehan	4,792,846	-	-	-	4,792,846
Bruce Macfarlane	3,045,986	-	3,336,428	-	6,382,414
Derek Myers	3,299,746	-	2,138,209	-	5,437,955
Caroline Wykamp	-	-	-	-	-
Gregory Tamvakellis	-	-	-	-	-
Clint Irving	-	-	-	-	-
Edward Hanna	611,387	-	-	-	611,387
Tony Giannikos	-	-	-	-	-
	16,776,285	-	6,312,358	-	23,088,643

Performance rights holding

The number of performance rights over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
Gregory Tamvakellis	25,000	-	-	-	25,000
Clint Irving	400,000	-	-	-	400,000
Edward Hanna	200,000	-	-	-	200,000
Tony Giannikos	200,000	-	-	-	200,000
Simon Smith	400,000	-	-	(400,000)	-
	1,225,000	-	-	(400,000)	825,000

* Includes the net balance of performance rights held on appointment/resignation.

Loans to key management personnel and their related parties

Details of the loans from key management personnel are listed below:

- Murray Bleach is a director and shareholder of Bleach Family Co. A loan of $500,000 from Bleach Family Co was received on 31 January 2022 and was due to expire on 1 May 2025, however the lender has agreed to extend it to 1 May 2026. The loan is unsecured and accrues interest at 12% p.a daily, payable on expiration of the loan.
- Paul Meehan is a director and shareholder of Meehans Business. A loan of $500,000 from Meehans Business was received on 31 January 2022 and was due to expire on 1 May 2025, however the lender has agreed to extend it to 1 May 2026. The loan is unsecured and accrues interest at 12% p.a daily, payable on expiration of the loan.
- Bruce Macfarlane is a director and shareholder of Millar & Macfarlane Pty Ltd. A loan of $500,000 from Millar & Macfarlane Pty Ltd was received on 31 January 2022 and was due to expire on 1 May 2025. The loan is unsecured and accrues interest at 12% p.a daily, payable on expiration of the loan. On 27 June 2024, 3,336,428 shares were issued to repay the loan and accrued interest on that date totalling $667,286.
- A loan of $500,000 from Derek Myers was received during the year ended 30 June 2023. No interest was accrued on the loan and the loan was attached to a warrant to exercise 3,125,000 shares at a value of $0.16 each. On 21 June 2023, the warrant was exercised and 3,125,000 shares were issued to Derek Myers in full settlement of the loan.
- A loan of $100,000 from Derek Myers was received on 12 April 2024 and was due to expire on 1 May 2026. The loan was unsecured and accrued interest at 12% p.a daily, payable on expiration of the loan. On 27 June 2024, 512,480 shares were issued to repay the loan and interest outstanding on that date totalling $102,496.

Movements of the loans from key management personnel and their related parties are as follows:

Lender	Related party	Opening balance	Additions	Interest earned	Converted to equity	Closing balance
		$	$	$	$	$
Bleach Family Co	Murray Bleach	592,425	-	75,739	-	668,164
Meehans Business	Paul Meehan	592,425	-	75,739	-	668,164
Millar & Macfarlane Pty Ltd	Bruce Macfarlane	592,425	-	75,080	(667,286)	219
Derek Myers	Derek Myers	-	100,000	2,529	(102,496)	33
		1,777,275	100,000	229,087	(769,782)	1,336,580

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of Energy Action Limited under option outstanding at the date of this report.

Shares under performance rights

Unissued ordinary shares of Energy Action Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under exercisable rights
17 February 2023	30 November 2025	$0.00	1,115,000

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of Energy Action Limited issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

Shares issued on the exercise of performance rights

There were no ordinary shares of Energy Action Limited issued on the exercise of performance rights during the year ended 30 June 2024 and up to the date of this report.

Indemnity and insurance of officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

To the extent permitted by law, the Company has agreed to indemnify its auditors, RSM Australia Partners, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify RSM Australia Partners during or since the financial year.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

As detailed in note 26 a proceeding in the Federal Court of Australia has been filed against the Company.

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Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Other audit-related services provided include an audit of the subsidiary Energy Action (Australia) Pty Limited in relation to its financial statements for the purposes of maintaining its Australian Financial Services Licence (AFSL).

Officers of the Company who are former partners of RSM Australia Partners

There are no officers of the Company who are former partners of RSM Australia Partners.

Auditor's independence declaration

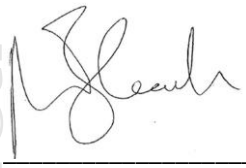
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Murray Bleach
Director

30 September 2024

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RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Energy Action Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PARTNERS

Cameron J Hume
Partner

Sydney, NSW
Dated: 30 September 2024

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Energy Action Limited
Contents
30 June 2024

Consolidated statement of profit or loss and other comprehensive income	24
Consolidated statement of financial position	25
Consolidated statement of changes in equity	26
Consolidated statement of cash flows	27
Notes to the consolidated financial statements	28
Consolidated entity disclosure statement	54
Directors' declaration	55
Independent auditor's report to the members of Energy Action Limited	56
Shareholder information	60

General information

The financial statements cover Energy Action Limited as a consolidated entity consisting of Energy Action Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Energy Action Limited's functional and presentation currency.

Energy Action Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5, 56 Station Street
Parramatta NSW 2150

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors. The directors have the power to amend and reissue the financial statements.

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Energy Action Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	Consolidated 2024 $	Consolidated 2023 restated $
Revenue	5	10,779,771	11,168,597
Other income	6	646,831	324,254
Total revenue		11,426,602	11,492,851
Expenses			
Accounting, audit and tax fees		(159,599)	(209,344)
Advertising		(169,570)	(328,319)
Channel partners rebates		(271,388)	(394,559)
Computer maintenance		(577,545)	(660,959)
Consultancy		(151,074)	(126,675)
Contractors		(956,485)	(705,260)
Costs associated with derecognition of subsidiaries		-	(140,109)
Depreciation and amortisation expense	7	(464,599)	(434,357)
Employee benefits expense		(5,281,083)	(5,869,766)
Impairment of intangibles	15	(410,608)	(353,219)
Insurance		(222,036)	(227,106)
Legal and professional fees		(355,391)	(124,212)
Payroll tax		(247,888)	(304,260)
Recruitment		(112,931)	(154,475)
Short-term leases, outgoings and make-good provision	7	(261,856)	(373,019)
Subscriptions		(46,071)	(149,647)
Other expenses		(407,104)	(559,473)
Finance costs	7	(746,863)	(676,548)
Total expenses		(10,842,091)	(11,791,307)
Profit/(loss) before income tax expense		584,511	(298,456)
Income tax expense	8	(104)	(19)
Profit/(loss) after income tax expense for the year attributable to the owners of Energy Action Limited		584,407	(298,475)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Energy Action Limited		584,407	(298,475)
		Cents	**Cents**
Basic earnings/(loss) per share	31	1.9	(1.1)
Diluted earnings/(loss) per share	31	1.8	(1.1)

Refer to note 3 for detailed information on Restatement of comparatives.

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

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Energy Action Limited
Consolidated statement of financial position
As at 30 June 2024

	Note	Consolidated 2024 $	Consolidated 2023 $
Assets			
Current assets			
Cash and cash equivalents	9	1,447,286	1,397,164
Trade and other receivables	10	1,567,501	1,221,605
Contract assets	11	3,605,986	3,182,359
Other	12	139,846	146,648
Total current assets		6,760,619	5,947,776
Non-current assets			
Contract assets	11	2,667,994	2,570,126
Plant and equipment	13	36,546	30,997
Right-of-use assets	14	175,033	354,098
Intangibles	15	800,000	676,153
Other	12	8,358	49,315
Total non-current assets		3,687,931	3,680,689
Total assets		10,448,550	9,628,465
Liabilities			
Current liabilities			
Trade and other payables	16	2,611,797	1,563,673
Contract liabilities	17	147,679	210,522
Borrowings	18	900,000	2,712,719
Lease liabilities	19	194,182	185,158
Income tax	8	136	32
Provisions	20	422,915	454,978
Total current liabilities		4,276,709	5,127,082
Non-current liabilities			
Borrowings	18	3,786,580	4,277,275
Lease liabilities	19	-	194,182
Provisions	20	51,392	54,032
Total non-current liabilities		3,837,972	4,525,489
Total liabilities		8,114,681	9,652,571
Net assets/(liabilities)		2,333,869	(24,106)
Equity			
Issued capital	21	9,111,474	7,337,906
Reserves		6,723,064	6,723,064
Accumulated losses		(13,500,669)	(14,085,076)
Total equity/(deficit)		2,333,869	(24,106)

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

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Energy Action Limited
Consolidated statement of changes in equity
For the year ended 30 June 2024

Consolidated	Issued capital $	Dividend profit reserve $	Foreign currency translation reserve $	Accumulated losses $	Total deficit in equity $
Balance at 1 July 2022	6,837,906	6,723,064	3,702	(13,930,408)	(365,736)
Loss after income tax expense for the year	-	-	-	(298,475)	(298,475)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(298,475)	(298,475)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 21)	500,000	-	-	-	500,000
Transfer to foreign currency translation reserve	-	-	(3,702)	3,702	-
Removal of accumulated losses on deregistration of subsidiaries*	-	-	-	140,105	140,105
Balance at 30 June 2023	7,337,906	6,723,064	-	(14,085,076)	(24,106)

* During the year ended 30 June 2023, the following wholly-owned subsidiaries were deregistered:
- Energy Advice Pty Limited
- Eactive Consulting Pty Limited
- Ward Consulting Services (NSW) Pty Limited
- ACN 087 790 770 Pty Limited

Consolidated	Issued capital $	Dividend profit reserve $	Foreign currency translation reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2023	7,337,906	6,723,064	-	(14,085,076)	(24,106)
Profit after income tax expense for the year	-	-	-	584,407	584,407
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	584,407	584,407
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 21)	1,773,568	-	-	-	1,773,568
Balance at 30 June 2024	9,111,474	6,723,064	-	(13,500,669)	2,333,869

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

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Energy Action Limited
Consolidated statement of cash flows
For the year ended 30 June 2024

	Note	Consolidated 2024 $	Consolidated 2023 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		11,597,717	11,452,295
Payments to suppliers and employees (inclusive of GST)		(9,182,057)	(10,534,526)
		2,415,660	917,769
Interest received		28,505	18,652
Research & Development offset income		-	274,254
Interest and other finance costs paid		(562,759)	(480,265)
Net cash from operating activities	33	1,881,406	730,410
Cash flows from investing activities			
Payments for property, plant and equipment	13	(28,115)	(6,721)
Payments for intangibles	15	(797,423)	(706,442)
Proceeds from disposal of embedded networks business		-	50,000
Net cash used in investing activities		(825,538)	(663,163)
Cash flows from financing activities			
Proceeds from issue of shares	21	1,003,786	500,000
Share issue transaction costs		(24,374)	-
Proceeds from borrowings		100,000	-
Repayment of lease liability		(185,158)	(279,729)
Repayment of borrowings		(1,900,000)	(750,000)
Net cash used in financing activities		(1,005,746)	(529,729)
Net increase/(decrease) in cash and cash equivalents		50,122	(462,482)
Cash and cash equivalents at the beginning of the financial year		1,397,164	1,859,646
Cash and cash equivalents at the end of the financial year	9	1,447,286	1,397,164

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

Note 1. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these standards and interpretations did not have any impact on the financial position and performance of the consolidated entity.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

For the year ended 30 June 2024, the consolidated entity recorded a profit of $584,407 after income tax (2023: loss of $298,475). At 30 June 2024, the consolidated entity had net current assets of $2,483,910 (2023: $820,694) and net assets of $2,333,869 (2023: net liabilities of $24,106).

Included in the profit for the year is $646,831 (2023: $274,254) of Research & Development offset income which is at risk of ceasing in future years. After excluding the Research & Development offset income, the consolidated entity would have presented a loss of $62,424 (2023: $572,729). After excluding the $646,831 receivable at 30 June 2024, the consolidated entity maintains a net current asset position of $1,837,079, held $1,447,286 in cash at bank, and had net operating cash inflows of $1,881,406.

Based on the above, the Directors are of the opinion that at the date of signing of the financial report there are reasonable and supportable grounds to believe that the consolidated entity will be able to meet its liabilities from its assets in the ordinary course of business, for a period of not less than 12 months from the date of this financial report and has accordingly prepared the financial report on a going concern basis.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 28.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Energy Action Limited ('Company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended. Energy Action Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

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Note 1. Material accounting policy information (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces AASB 101 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

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Note 2. Critical accounting judgements, estimates and assumptions (continued)

Provision for cancellation

In accordance with AASB 15, revenue from auction contracts is recognised upfront once the auction is complete and contracts signed between the retailer and the customer. A resultant contract asset is recognised to account for the difference between current and future billings. Contracts have historically experienced cancellations during the period of the contract to which a provision is created. This provision is based on historical cancellations and is assessed annually with the requisite adjustments being accounted for.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Lease make good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Note 3. Restatement of comparatives

Reclassification

The expenses in the statement of profit or loss for the year ended 30 June 2023 were presented by function in some instances and by nature in other instances (a mixed basis of classification). For the year ended 30 June 2024, to achieve a consistent basis of classification of expenses as required by AASB 101: *Financial Statement Presentation*, the Company has presented all expenses by nature in the statement of profit or loss. To establish comparability, the expenses for the year ended 30 June 2023 have been reclassified to reflect the change in presentation.

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Note 3. Restatement of comparatives (continued)

Statement of profit or loss and other comprehensive income

	Consolidated		
	2023 $ Reported	$ Adjustment	2023 $ Restated
Revenue	11,168,597	-	11,168,597
Other income	324,254	-	324,254
Expenses			
Accounting, audit and tax fees	-	(209,344)	(209,344)
Advertising	-	(328,319)	(328,319)
Channel partners rebates	-	(394,559)	(394,559)
Computer maintenance	-	(660,959)	(660,959)
Consultancy	-	(126,675)	(126,675)
Contractors	-	(705,260)	(705,260)
Costs associated with derecognition of subsidiaries	(140,109)	-	(140,109)
Depreciation and amortisation expense	(434,357)	-	(434,357)
Employee benefits expense	(6,973,852)	1,104,086	(5,869,766)
Impairment of intangibles	(353,219)	-	(353,219)
Insurance	-	(227,106)	(227,106)
Legal and professional fees	-	(124,212)	(124,212)
Payroll tax	-	(304,260)	(304,260)
Recruitment	-	(154,475)	(154,475)
Short-term leases, outgoings and make-good provision	(373,019)	-	(373,019)
Subscriptions	-	(149,647)	(149,647)
Other expenses	-	(559,473)	(559,473)
Finance costs	(676,548)	-	(676,548)
Cost of sales	(418,468)	418,468	-
Travel costs	(31,306)	31,306	-
Administration expenses	(2,390,429)	2,390,429	-
Loss before income tax expense	(298,456)	-	(298,456)
Income tax expense	(19)	-	(19)
Loss after income tax expense for the year attributable to the owners of Energy Action Limited	(298,475)	-	(298,475)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive loss for the year attributable to the owners of Energy Action Limited	(298,475)	-	(298,475)

	Cents Reported	Cents Adjustment	Cents Restated
Basic earnings/(loss) per share	(1.1)	-	(1.1)
Diluted earnings/(loss) per share	(1.1)	-	(1.1)

Statement of financial position at the beginning of the earliest comparative period

When there is a restatement of comparatives, it is mandatory to provide a third statement of financial position at the beginning of the earliest comparative period, being 1 July 2022. However, as there were no adjustments made as at 1 July 2022, the consolidated entity has elected not to show the 1 July 2022 statement of financial position.

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Note 4. Operating segments

Identification of reportable operating segments

The consolidated entity has identified one reportable operating segment, which provides electricity and gas procurement services, energy management and retail billing services in Australia. As the consolidated entity operates in only one segment, the consolidated results are also its segment results.

Major customers

All revenue of the consolidated entity is from external customers. During the current and prior financial periods, there were no transactions with a single external customer that amounted to 10 per cent or more of the consolidated entity's revenues.

Note 5. Revenue

	Consolidated	
	2024	2023
	$	$
Revenue from contracts with customers		
Energy buying	5,922,251	5,975,083
Energy management	4,857,520	5,121,001
Embedded networks	-	42,429
	10,779,771	11,138,513
Other revenue		
Other	-	30,084
Revenue	10,779,771	11,168,597

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	2024	2023
	$	$
Geographical regions		
Australia	10,779,771	11,138,513
Timing of revenue recognition		
Services transferred at a point in time	5,166,733	5,265,940
Services transferred over time	5,613,038	5,872,573
	10,779,771	11,138,513

Accounting policy for revenue recognition

Revenue is disclosed net of rebates and discounts.

Energy buying

Energy buying includes broking or consulting using a range of procurement methodologies including auctions (via the Australia Energy Exchange (AEX)), tenders (small and large market), progressive and structured purchasing, corporate power purchase agreements, and broking of Solar and Energy projects.

The AEX electricity and gas procurement service is an online, real time and reverse auction platform for business customers which provides the opportunity to competitively obtain energy supply contracts from various energy providers.

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Note 5. Revenue (continued)

Revenue from auction and commission-based tenders are recognised upfront once the auction is complete and contract are signed between the retailer and the customer. The commercial and payment terms of the contract remain unchanged with payments being received over the life of the contract. Accordingly, a contract asset is recognised that represents the difference between the revenue recognised and the amount invoiced.

Auction contracts provide a customer with a right to cancel during the contract period. The consolidated entity estimates cancellation of auction revenue during the contract period of approximately 5.74% (2023: 10.13%) based on the last 2 years of history, in addition to specific provisions for certain aged items. Accordingly, it was assessed that 5.74% (2023: 10.13%) of the total values of contracts entered into should be provided for on the statement of financial position as a provision for cancellations on an ongoing basis. This has the effect of reducing revenue and providing for the risk of cancellation for the period between recognising the revenue and invoicing the retailer.

Other energy buying revenue is recognised over time as the services are rendered and/or in accordance with the percentage of completion of the project.

Energy management
Energy management services include the management of client energy contracts and environmental reporting, including account management, liaison with their retailer, validating their bill, ensuring the right tariff and helping them to understand how they are using energy. Utilibox is an independent Energy Management Services platform which transforms energy data into useable business intelligence that is easy to understand and essential for improving overall business efficiency.

The types of energy management services include energy consumption monitoring and costing, energy emissions monitoring, contract administration, detailed technical reporting, desktop energy efficiency review and additional reporting and monitoring.

Energy management revenue is recognised over time as the services are rendered and/or in accordance with the percentage of completion of the project.

Embedded networks
Embedded networks revenue was recognised over time as the services are rendered and/or in accordance with the percentage of completion of the project. The embedded networks activities were sold in April 2022 and the full assignment of embedded networks customers was completed in February 2023.

Note 6. Other income

	Consolidated	
	2024	2023
	$	$
Research & Development offset income	646,831	274,254
Proceeds received on sale of embedded networks	-	50,000
Other income	646,831	324,254

Research & Development offset income
The consolidated entity undertakes eligible research and development (R&D) activities and is therefore entitled to claim an R&D offset under the R&D incentive as administered by the Australian Tax Office (ATO).

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Note 7. Expenses

	Consolidated 2024 $	Consolidated 2023 $
Profit/(loss) before income tax includes the following specific expenses:		
Depreciation		
Furniture and fittings	530	1,034
Computer equipment	22,036	45,150
Buildings right-of-use assets	179,065	223,422
Total depreciation	201,631	269,606
Amortisation		
Software development	262,968	164,751
Total depreciation and amortisation	464,599	434,357
Finance costs		
Interest and finance charges paid/payable on borrowings	710,785	630,207
Interest and finance charges paid/payable on lease liabilities	21,089	37,680
Borrowing costs	44,404	27,313
Interest income	(29,415)	(18,652)
Finance costs expensed	746,863	676,548
Short-term leases, outgoings and make-good provision		
Short-term lease payments	54,910	70,852
Make-good provision	75,000	177,200
Outgoings	88,264	71,815
Parking	43,682	53,152
Total short-term leases, outgoings and make-good provision	261,856	373,019
Superannuation expense		
Defined contribution superannuation expense	547,766	601,281

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Note 8. Income tax

	Consolidated 2024 $	Consolidated 2023 $
Income tax expense		
Current tax	104	19
Aggregate income tax expense	104	19
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit/(loss) before income tax expense	584,511	(298,456)
Tax at the statutory tax rate of 25%	146,128	(74,614)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Research & Development offset income	(161,708)	(68,564)
Non-deductible expenses	916	37,875
	(14,664)	(105,303)
Current year temporary differences not recognised	14,768	105,322
Income tax expense	104	19

	Consolidated 2024 $	Consolidated 2023 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	5,121,730	3,244,905
Potential tax benefit @ 25%	1,280,433	811,226

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

	Consolidated 2024 $	Consolidated 2023 $
Provision for income tax		
Provision for income tax	136	32

Accounting policy for income tax

Energy Action Limited and its wholly owned subsidiaries formed a tax consolidated group with effect from 3 March 2009. Energy Action Limited is the head entity of the tax consolidated group.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. At 30 June 2024 and 30 June 2023 it was assessed that there was significant uncertainty whether the tax losses will be used in the foreseeable future.

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Note 9. Cash and cash equivalents

	Consolidated 2024 $	Consolidated 2023 $
Current assets		
Cash at bank	1,439,802	1,389,917
Restricted cash*	7,484	7,247
	1,447,286	1,397,164

* Restricted cash refers to cash held in Energy Action Employee Share Trust, a subsidiary company used to manage employee equity plans as well as cash bank guarantees held by the bank.

Note 10. Trade and other receivables

	Consolidated 2024 $	Consolidated 2023 $
Current assets		
Trade receivables	1,120,390	1,461,091
Less: Allowance for expected credit losses	(199,720)	(239,486)
	920,670	1,221,605
Research & Development grant receivable	646,831	-
	1,567,501	1,221,605

Trade receivables are non-interest bearing and generally due for settlement within 30 to 90 days.

Allowance for expected credit losses

The consolidated entity policy states that receivables should be provided for as follows:

- Accounts with an administrator appointed or in liquidation or with 90 days+ outstanding - fully provide for except where a reasonable estimate can be made of the recoverable amount.
- Accounts assigned to a debt collector - 50% provided.
- Direct customers - expected credit loss model based on risk associated with ageing.
- Retailers and metering companies - no provision required; historical evidence shows immaterial write-offs, partially due to the pre-approval process for many of the retailers which results in the amounts being validated prior to invoicing.
- Disputed amounts owing which are in the process of litigation will be provided for on a case by case basis depending on the probability of recoverability.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2024	2023	2024	2023	2024	2023
Consolidated	%	%	$	$	$	$
Not overdue	-	2.402%	1,075,477	904,936	-	21,737
0 to 30 days overdue	3.646%	0.798%	213,785	149,342	7,795	1,192
31 to 60 days overdue	(17.685%)	1.789%	(19,886)	36,956	3,517	661
61 to 90 days overdue	14.513%	331.820%	35,726	3,934	5,185	13,054
Over 90 days overdue	(99.194%)	55.433%	(184,712)	365,923	183,223	202,842
			1,120,390	1,461,091	199,720	239,486

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Note 10. Trade and other receivables (continued)

Movements in the allowance for expected credit losses are as follows:

	Consolidated 2024 $	Consolidated 2023 $
Opening balance	239,486	283,054
Additional provisions recognised	47,000	48,000
Receivables written off during the year as uncollectable	(86,766)	(91,568)
Closing balance	199,720	239,486

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 11. Contract assets

	Consolidated 2024 $	Consolidated 2023 $
Current assets		
Contract assets	3,821,516	3,541,115
Less: provision for cancellation	(215,530)	(358,756)
	3,605,986	3,182,359
Non-current assets		
Contract assets	2,834,185	2,859,894
Less: provision for cancellation	(166,191)	(289,768)
	2,667,994	2,570,126
	6,273,980	5,752,485

Reconciliation
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

Opening balance	5,752,485	4,585,873
Additions	6,255,748	5,132,737
Transfer to trade receivables	(5,734,253)	(3,966,125)
Closing balance	6,273,980	5,752,485

Provision for cancellation
A provision is raised against contract assets that are estimated to be cancelled by the customer during the contract period (refer note 2). At 30 June 2024, the consolidated entity estimated cancellation of auction revenue during the contract period of approximately 5.74% (2023: 10.13%) based on the last 2 years of history, in addition to specific provisions for certain aged items.

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Note 12. Other

	Consolidated	
	2024	2023
	$	$
Current assets		
Prepayments	139,846	145,619
Other current assets	-	1,029
	139,846	146,648
Non-current assets		
Security deposits	8,358	49,315
	148,204	195,963

Note 13. Plant and equipment

	Consolidated	
	2024	2023
	$	$
Non-current assets		
Furniture and fittings - at cost	1,290,903	1,290,903
Less: Accumulated depreciation	(1,290,714)	(1,290,184)
	189	719
Computer equipment - at cost	2,162,163	2,134,049
Less: Accumulated depreciation	(2,125,806)	(2,103,771)
	36,357	30,278
	36,546	30,997

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Furniture and fittings $	Computer equipment $	Total $
Balance at 1 July 2022	1,419	69,041	70,460
Additions	334	6,387	6,721
Depreciation expense	(1,034)	(45,150)	(46,184)
Balance at 30 June 2023	719	30,278	30,997
Additions	-	28,115	28,115
Depreciation expense	(530)	(22,036)	(22,566)
Balance at 30 June 2024	189	36,357	36,546

Accounting policy for property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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Note 13. Plant and equipment (continued)

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Furniture and fittings	5 years
Computer equipment	3 - 4 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Note 14. Right-of-use assets

	Consolidated	
	2024	2023
	$	$
Non-current assets		
Land and buildings - right-of-use	670,266	670,266
Less: Accumulated depreciation	(495,233)	(316,168)
	175,033	354,098

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land and buildings
Consolidated	$
Balance at 1 July 2022	52,421
Additions	525,099
Depreciation expense	(223,422)
Balance at 30 June 2023	354,098
Depreciation expense	(179,065)
Balance at 30 June 2024	175,033

For information on the associated leases, refer to note 19.

Note 15. Intangibles

	Consolidated	
	2024	2023
	$	$
Non-current assets		
Software development - at cost	14,645,445	13,848,022
Less: Accumulated amortisation	(7,095,917)	(6,832,949)
Less: Impairment	(6,749,528)	(6,338,920)
	800,000	676,153

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Note 15. Intangibles (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Software development $
Balance at 1 July 2022	487,681
Additions	706,442
Impairment of assets	(353,219)
Amortisation expense	(164,751)
Balance at 30 June 2023	676,153
Additions	797,423
Impairment of assets	(410,608)
Amortisation expense	(262,968)
Balance at 30 June 2024	800,000

During the year ended 30 June 2023, the Company made a large investment in business software to create a new proprietary data and emission portal called Utilibox. Utilibox was launched in April 2023.

Impairment of intangibles

During the year ended 30 June 2024, the consolidated entity performed a review of the intangibles and reassessed the useful life of the software development intangibles. As a result, it was deemed that the assets relating to the Utilibox software that launched in April 2023 had a value assigned as at 30 June 2024 and the consolidated entity impaired those assets as required. The resulting impairment for the year ended 30 June 2024 totalled $410,608 (2023: $353,219).

Accounting policy

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of between 1 and 5 years.

Note 16. Trade and other payables

	Consolidated 2024 $	Consolidated 2023 $
Current liabilities		
Trade payables	745,596	598,663
BAS payable	(22,389)	28,358
Commissions payable	285,238	225,999
Rebates to channel partners	900,853	185,118
Interest payable	57,532	74,010
Accrued expenses	546,241	343,344
Other payables	98,726	108,181
	2,611,797	1,563,673

Refer to note 23 for further information on financial instruments.

Accounting policy for trade and other payables

Due to their short-term nature these amounts are measured at amortised cost and are not discounted. Trade payables are usually paid within 30 to 60 days of recognition. Other payables have an average term of 6 months.

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Note 17. Contract liabilities

	Consolidated 2024 $	Consolidated 2023 $
Current liabilities		
Contract liabilities	147,679	210,522

It is expected that all contract liabilities will be recognised as revenue within 12 months.

Note 18. Borrowings

	Consolidated 2024 $	Consolidated 2023 $
Current liabilities		
Market rate loan facility - CBA	900,000	2,750,000
Less capitalised debt establishment fees	-	(37,281)
	900,000	2,712,719
Non-current liabilities		
Market rate loan facility - CBA	2,450,000	2,500,000
Loans from Directors	1,336,580	1,777,275
	3,786,580	4,277,275
	4,686,580	6,989,994

Refer to note 23 for further information on financial instruments.

Market rate loan facility - CBA

During the year, the market rate loan facility agreement was amended twice to include the following changes:
Seventh Amendment dated 2 November 2023
(1) The repayment of $1.5 million due on 31 August 2023 was removed.
(2) The repayment schedule was revised to $300,000 per quarter with first repayment due 30 September 2023.
(3) The requirement to hold an aggregate balance of $1 million at all times was revised to $700,000.
(4) Where cash balances held exceed $1.5 million in a quarter, the excess funds are to be repaid to the bank.
(5) The requirement to ensure that Operating Expenditure does not exceed 90% of the total Revenue of the group for the financial year.
(6) Updated gearing ratios and interest cover ratios.

Eighth Amendment dated 24 June 2024
(1) The facility final repayment date was extended from 31 December 2024 to 31 March 2026.
(2) The repayment schedule was altered after the 31 March 2024 repayment, to $300,000 repayment in the last weeks of November, February, April & August each year commencing November 2024.
(3) The requirement to hold an aggregate balance of $700,000 at all times was revised to $500,000.
(4) Removed the requirement to repay the bank the excess where cash balances held exceed $1.5 million in a quarter.
(5) Updated gearing ratio to be no more than 3.0:1 and interest cover ratio at least equal to or greater than 3.5:1 on each calculation date (quarters ending March, June, September and December).
(6) Requirement that EBITDA in respect of each 12 month period up to the calculation date is at least equal to or greater than $1 million. The calculation date is at the end of each quarter.
(7) Requirement that Operating Expenditure (as per the financiers definition) does not exceed 90% of total revenue of the group for each financial year.

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Note 18. Borrowings (continued)

The market rate loan facility held with CBA requires mandatory loan repayments of $300,000 due in November 2024, February 2025 and April 2025, which are all within the next 12 months and are therefore classified as current liabilities. The remaining balance of the loan has been classified as non-current liabilities.

Assets pledged as security

The CBA facility is secured by a first-ranking charge over the consolidated entity's assets.

Loans from Directors

During the year ended 30 June 2023, a subordinated loan of $0.5 million was received from Mr Derek Myers, attached to 3,125,000 warrants which were available to be converted to ordinary shares at the exercise price of $0.16 per share. The warrants had an expiry date of 30 June 2023 and if they were not exercised would convert into an interest bearing loan from 1 July 2023 at the rate of 6% p.a quarterly in arrears. On 29 June 2023, Mr Derek Myers exercised the warrants and 3,125,000 ordinary shares were issued on this date (note 21), the $0.5 million was not converted into a loan.

On 27 June 2024, 3,336,428 and 512,480 ordinary shares were issued to Bruce Macfarlane and Derek Myers respectively to settle loans from Directors totalling $769,782 (refer note 21).

Details of the loans from Directors in place throughout the financial year are as follows:

- A loan of $500,000 from Bleach Family Co was received on 31 January 2022 and was due to expire on 1 May 2025, however the lender has agreed to be extend this to 1 May 2026. The loan is unsecured and accrues interest at 12% p.a daily, payable on expiration of the loan. At 30 June 2024 the loan balance was $668,164 (2023: $592,425).
- A loan of $500,000 from Meehans Business was received on 31 January 2022 and was due to expire on 1 May 2025, however the lender has agreed to be extend this to 1 May 2026. The loan is unsecured and accrues interest at 12% p.a daily, payable on expiration of the loan. At 30 June 2024 the loan balance was $668,164 (2023: $592,425).
- A loan of $500,000 from Millar & Macfarlane Pty Ltd was received on 31 January 2022 and was due to expire on 1 May 2025. The loan is unsecured and accrues interest at 12% p.a daily, payable on expiration of the loan. On 27 June 2024, 3,336,428 shares were issued to repay the loan and accrued interest on that date totalling $667,286. At 30 June 2024 the loan balance was $219 (2023: $592,425).
- A loan of $100,000 from Derek Myers was received on 12 April 2024 and was due to expire on 1 May 2026. The loan was unsecured and accrued interest at 12% p.a daily, payable on expiration of the loan. On 27 June 2024, 512,480 shares were issued to repay the loan and accrued interest on that date totalling $102,496. At 30 June 2024 the loan balance was $33.

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Note 18. Borrowings (continued)

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated 2024 $	Consolidated 2023 $
Total facilities		
CBA loan facility (excluding corporate card facility)	3,350,000	5,250,000
Loan from directors	1,336,580	1,777,275
	4,686,580	7,027,275
Used at the reporting date		
CBA loan facility (excluding corporate card facility)	3,350,000	5,250,000
Loan from directors	1,336,580	1,777,275
	4,686,580	7,027,275
Unused at the reporting date		
CBA loan facility (excluding corporate card facility)	-	-
Loan from directors	-	-
	-	-

Note 19. Lease liabilities

	Consolidated 2024 $	Consolidated 2023 $
Current liabilities		
Lease liability	194,182	185,158
Non-current liabilities		
Lease liability	-	194,182
	194,182	379,340

Refer to note 23 for further information on financial instruments.

The Company holds a lease in Parramatta, NSW. The Company also previously held a lease in Melbourne, which expired in July 2023. The Parramatta lease commenced in July 2022 and expires in June 2025. Monthly rent of $16,423, excluding outgoings, was payable under the lease agreement throughout the year ended 30 June 2024.

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Note 20. Provisions

	Consolidated 2024 $	Consolidated 2023 $
Current liabilities		
Annual leave	178,145	175,531
Long service leave	57,852	73,944
Lease make good	186,918	205,503
	422,915	454,978
Non-current liabilities		
Long service leave	51,392	54,032
	474,307	509,010

Note 21. Issued capital

	Consolidated 2024 Shares	Consolidated 2023 Shares	Consolidated 2024 $	Consolidated 2023 $
Ordinary shares - fully paid	38,981,441	30,113,600	9,111,474	7,337,906

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2022	26,988,600		6,837,906
Shares issues - convertible note (note 18)	29 June 2023	3,125,000	$0.16	500,000
Balance	30 June 2023	30,113,600		7,337,906
Issue of shares under 1 for 6 entitlement offer (a)	13 May 2024	5,018,933	$0.20	1,003,786
Debt conversion (b)	27 June 2024	3,848,908	$0.20	769,782
Balance	30 June 2024	38,981,441		9,111,474

Movements in share capital

(a) Issue of shares under 1 for 6 entitlement offer

On 13 May 2024, 5,018,933 ordinary shares were issued under a 1 for 6 non-renounceable pro-rata entitlement offer to raise $1,003,786. The entitlement offer was partially underwritten by Derek Myers (Director) and Webzone Holdings Pty Limited up to a maximum value of $645,875 equating to 3,229,377 shares. Upon completion of the entitlement offer, 2,702,889 shares totalling $540,578 were taken up and the remaining 2,316,044 shares valued at $463,208 not taken up by eligible shareholders were placed with the underwriters.

(b) Debt conversion

On 27 June 2024, 3,336,428 and 512,480 ordinary shares were issued to the Directors Bruce Macfarlane and Derek Myers respectively to settle loans from Directors totalling $769,782 (refer note 18).

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

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Note 21. Issued capital (continued)

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

There is an externally imposed capital requirement of $50,000 to be held in cash, as a requirement of holding an Australia Financial Services Licence.

The capital risk management policy remains unchanged from the 2023 Annual Report.

The consolidated entity monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'trade and other payables' and 'borrowings' as shown in the statement of financial position) less 'cash and cash equivalents' as shown in the statement of financial position. Total capital is calculated as 'total equity' as shown in the statement of financial position plus net debt.

The gearing ratio at the reporting date was as follows:

	Consolidated	
	2024	2023
	$	$
Current liabilities - trade and other payables (note 16)	2,611,797	1,563,673
Current liabilities - borrowings (note 18)	900,000	2,712,719
Non-current liabilities - borrowings (note 18)	3,786,580	4,277,275
Total borrowings	7,298,377	8,553,667
Current assets - cash and cash equivalents (note 9)	(1,447,286)	(1,397,164)
Net debt	5,851,091	7,156,503
Total equity/(deficit)	2,333,869	(24,106)
Total capital	8,184,960	7,132,397
Gearing ratio	71%	100%

Note 22. Dividends

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Franking credits

	Consolidated	
	2024	2023
	$	$
Franking credits available for subsequent financial years based on a tax rate of 25%	6,534,042	7,180,873

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Note 22. Dividends (continued)

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date

Note 23. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk.

The consolidated entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Audit and Risk Management Committee (ARMC) has been delegated responsibility by the Board of Directors ('the Board') for, amongst other matters, monitoring and management financial risk exposures of the consolidated entity. The ARMC monitors the consolidated entity's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to financial risk and interest rate risk. The ARMC met 1 time during the financial year and minutes of the ARMC are reviewed by the Board.

The ARMC's overall risk management strategy seeks to assist the consolidated entity in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of credit risk policies and future cash flow requirements.

Market risk

Interest rate risk

The consolidated entity's main interest rate risk arises from long-term borrowings with variable rates, which expose the consolidated entity to cash flow interest rate risk. Borrowings obtained at fixed rates expose the consolidated entity to fair value interest rate risk. Cash and cash equivalents are all on short term deposits. At 30 June 2024 the consolidated entity had bank loans of $3.35 million with a line fee of 2.2%, a usage fee of 2.0% and 4.495% interest rate.

The following table illustrates sensitivities to the consolidated entity's exposures to changes in interest rates on outstanding bank loans of $3,350,000 (2023: $5,250,000). The table indicates the impact on how profit and equity reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables, and the other assumptions remain consistent with prior years.

	Basis points increase			Basis points decrease		
Consolidated - 2024	**Basis points change**	**Effect on profit before tax**	**Effect on equity**	**Basis points change**	**Effect on profit before tax**	**Effect on equity**
Borrowings	100	(48,200)	(48,200)	100	48,200	48,200

	Basis points increase			Basis points decrease		
Consolidated - 2023	**Basis points change**	**Effect on profit before tax**	**Effect on equity**	**Basis points change**	**Effect on profit before tax**	**Effect on equity**
Borrowings	100	(58,041)	(58,041)	100	58,041	58,041

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

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Note 23. Financial instruments (continued)

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating. The institutions selected are determined by the Board.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

The consolidated entity has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as "Trade and other receivables" is considered to be the main source of credit risk for the consolidated entity (refer to note 10). Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2024	1 year or less $	Between 1 and 5 years $	Remaining contractual maturities $
Non-derivatives			
Non-interest bearing			
Trade and other payables	2,611,797	-	2,611,797
Interest-bearing - variable			
Bank loans	900,000	2,450,000	3,350,000
Interest-bearing - fixed rate			
Directors loans	-	1,336,580	1,336,580
Lease liability	201,902	-	201,902
Total non-derivatives	3,713,699	3,786,580	7,500,279

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Note 23. Financial instruments (continued)

Consolidated - 2023	1 year or less $	Between 1 and 5 years $	Remaining contractual maturities $
Non-derivatives			
Non-interest bearing			
Trade and other payables	1,563,673	-	1,563,673
Interest-bearing - variable			
Bank loans	2,712,719	2,500,000	5,212,719
Interest-bearing - fixed rate			
Director loans	-	1,777,275	1,777,275
Lease liability	195,547	201,902	397,449
Total non-derivatives	4,471,939	4,479,177	8,951,116

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 24. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2024 $	Consolidated 2023 $
Short-term employee benefits	1,390,968	1,048,563
Post-employment benefits	127,304	105,381
	1,518,272	1,153,944

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company:

	Consolidated 2024 $	Consolidated 2023 $
Audit services - RSM Australia Partners		
Audit or review of the financial statements	134,750	128,250

Note 26. Contingent liabilities

A demand was made in the FY20 period in respect of alleged unpaid amounts for previous work provided to the Company and the case remains ongoing at 30 June 2024. The claimant has filed proceedings in the Federal Court of Australia. The Company has disclaimed liability and is defending the action. The Company is of the view that it is unlikely that any significant liability will arise. The directors are of the view that no material losses will arise in respect of the legal claim at the date of these financial statements.

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Note 26. Contingent liabilities (continued)

The Company has provided a bank guarantee of $85,813 (2023: $85,813 and $26,312) in favour of the landlord of its office premises at Parramatta (Parramatta and Melbourne) as part of the lease agreement. The guarantee is in place to secure the company's obligations under the lease, including the payment of rent and other lease-related commitments.

The guarantee may be drawn upon by the landlord if the company fails to meet its obligations under the lease agreement. As at the reporting date, no claims have been made against the guarantee, and the Company does not expect any claims to arise.

Note 27. Related party transactions

Parent entity
Energy Action Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 29.

Key management personnel
Disclosures relating to key management personnel are set out in note 24 and the remuneration report included in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2024	2023
	$	$
Payment for other expenses:		
Interest paid/payable to Directors/Director-related entities	229,087	200,943
Other transactions:		
Subscription for new ordinary shares by key management personnel	492,690	-

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2024	2023
	$	$
Non-current borrowings:		
Loans from Directors	1,336,580	1,777,275

For more information on the loans from Directors, refer to note 18.

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Note 27. Related party transactions (continued)

Movements of the loans from related parties are as follows:

Lender	Related party	Opening balance $	Additions $	Interest earned $	Converted to equity $	Closing balance $
Bleach Family Co	Murray Bleach	592,425	-	75,739	-	668,164
Meehans Business	Paul Meehan	592,425	-	75,739	-	668,164
Millar & Macfarlane Pty Ltd	Bruce Macfarlane	592,425	-	75,080	(667,286)	219
Derek Myers	Derek Myers	-	100,000	2,529	(102,496)	33
		1,777,275	100,000	229,087	(769,782)	1,336,580

Note 28. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2024 $	Parent 2023 $
Loss after income tax	(843,246)	(11,496,896)
Total comprehensive loss	(843,246)	(11,496,896)

Statement of financial position

	Parent 2024 $	Parent 2023 $
Total current assets	15,516,499	15,504,626
Total non-current assets	4,059,910	4,063,942
Total assets	19,576,409	19,568,568
Total current liabilities	13,306,343	13,738,108
Total non-current liabilities	3,786,580	4,277,275
Total liabilities	17,092,923	18,015,383
Net assets	2,483,486	1,553,185
Equity		
Issued capital	9,111,474	7,337,906
Accumulated losses	(6,627,988)	(5,784,721)
Total equity	2,483,486	1,553,185

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2024 and 30 June 2023.

Contingent liabilities

For information on contingent liabilities, refer to note 26.

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Note 28. Parent entity information (continued)

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

		Ownership interest	
	Principal place of business /	2024	2023
Name	Country of incorporation	%	%
Energy Action (Australia) Pty Limited	Australia	100%	100%
Employee Share Trust	Australia	100%	100%
Energy Action Trading Pty Ltd (formerly EAIP Pty Limited)	Australia	100%	100%
Exergy Holdings Pty Limited	Australia	100%	100%
Exergy Australia Pty Limited*	Australia	100%	100%

* Subsidiary of Exergy Holdings Pty Limited

Note 30. Events after the reporting period

Subsequent to the year-end, Derek Myers was appointed as Chief Executive Officer (CEO), commencing on 1 October 2024. Derek Myers will receive a base salary of $300,000 per annum, plus superannuation. His total remuneration package includes compensation for both his role as CEO and as a Non-Executive Director.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 31. Earnings per share

	Consolidated	
	2024	2023
	$	$
Profit/(loss) after income tax attributable to the owners of Energy Action Limited	584,407	(298,475)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	30,793,624	27,005,723
Adjustments for calculation of diluted earnings per share:		
Performance rights over ordinary shares	1,410,671	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	32,204,295	27,005,723
	Cents	**Cents**
Basic earnings/(loss) per share	1.9	(1.1)
Diluted earnings/(loss) per share	1.8	(1.1)

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Note 31. Earnings per share (continued)

Performance rights are considered to be potential ordinary shares but were anti-dilutive in nature for the previous financial year and were not included in the calculation of diluted earnings per share.

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Energy Action Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 32. Share-based payments

The consolidated entity operates a long-term incentive scheme (LTI) for its senior executives. The LTI is governed by the Performance Rights and Options Plan (PROP), under which performance rights are granted to participants. Each performance right entitles the participant to one share in the Company at the time of vesting subject to meeting the conditions and financial consideration as outlined below.

The LTI aligns key employee awards with sustainable growth in shareholder value over time. It also plays an important role in employee recruitment and retention.

During the year ended 30 June 2023, 1,870,000 performance rights were awarded to employees. No further performance rights were granted during the year ended 30 June 2024.

The performance rights vest in 2 equal tranches. The first tranche vests once the Company share price remains at $0.40 cents or greater based on a 10 day Volume Weighted Average Price and the second tranche vests once the Company share price remains at $0.80 cents or greater based on 10 day Volume Weighted Average Price.

No fair value was assigned to the performance rights as the rights were provided at no cost to the employee and no hurdles have been met to date and therefore no rights have vested.

Set out below are summaries of performance rights granted under the plan:

	Number of rights 2024	Weighted average exercise price 2024	Number of rights 2023	Weighted average exercise price 2023
Outstanding at the beginning of the financial year	1,470,000	$0.00	-	$0.00
Granted	-	$0.00	1,870,000	$0.00
Expired	(355,000)	$0.00	(400,000)	$0.00
Outstanding at the end of the financial year	1,115,000	$0.00	1,470,000	$0.00

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 1.4 years (2023: 2.4 years).

Expenses arising from share-based payment transactions

The total expense arising from share-based payment transactions recognised during the period as part of employee benefits expense was $nil (2023: $nil).

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Note 33. Cash flow information

Reconciliation of profit/(loss) after income tax to net cash from operating activities

	Consolidated 2024 $	Consolidated 2023 $
Profit/(loss) after income tax expense for the year	584,407	(298,475)
Adjustments for:		
Depreciation and amortisation	464,599	434,357
Impairment	410,608	353,219
Share issue transaction costs	24,374	-
Other expenses - non-cash	78,238	140,105
Finance costs - non-cash	229,087	200,939
Change in operating assets and liabilities:		
Increase in trade and other receivables	(345,896)	(100,592)
Increase in contract assets	(521,495)	(1,299,212)
Decrease in accrued revenue	-	132,627
Decrease in prepayments	5,773	17,790
Decrease in other operating assets	1,029	191,687
Increase in trade and other payables	1,048,124	765,645
Increase/(decrease) in contract liabilities	(62,843)	210,522
Decrease in other liabilities	(34,599)	(18,202)
Net cash from operating activities	1,881,406	730,410

Changes in liabilities arising from financing activities

Consolidated	Borrowings $	Lease liability $	Total $
Balance at 1 July 2022	7,539,055	133,970	7,673,025
Net cash used in financing activities	(750,000)	(279,729)	(1,029,729)
Interest capitalised	200,939	-	200,939
Additions of leases	-	525,099	525,099
Balance at 30 June 2023	6,989,994	379,340	7,369,334
Net cash used in financing activities	(1,800,000)	(185,158)	(1,985,158)
Interest capitalised	229,087	-	229,087
Equity settled debt	(769,782)	-	(769,782)
Other changes	37,281	-	37,281
Balance at 30 June 2024	4,686,580	194,182	4,880,762

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Energy Action Limited
Consolidated entity disclosure statement
As at 30 June 2024

Basis of preparation
The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of tax residency
Section 295 (3A) of the Corporation Acts 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

(a) Australian tax residency
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

(b) Foreign tax residency
Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency and ensure compliance with applicable foreign tax legislation.

Entity name	Entity type	Body corporate - Place formed / Country of incorporation	Ownership interest in body corporate %	Tax residency
Energy Action Limited (parent entity)	Body corporate	Australia		Australia
Energy Action (Australia) Pty Limited	Body corporate	Australia	100%	Australia
Employee Share Trust*	Trust			Australia
Energy Action Trading Pty Ltd	Body corporate	Australia	100%	Australia
Exergy Holdings Pty Limited	Body corporate	Australia	100%	Australia
Exergy Australia Pty Limited	Body corporate	Australia	100%	Australia

* The trustee of Energy Action Limited Employee Share Trust is Pacific Custodians Pty Limited.

Energy Action Limited and its wholly owned subsidiaries formed a tax consolidated group with effect from 3 March 2009.

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Energy Action Limited
Directors' declaration
30 June 2024

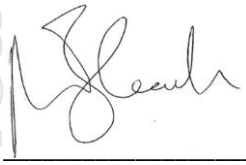
In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Murray Bleach
Director

30 September 2024

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INDEPENDENT AUDITOR'S REPORT
To the Members of Energy Action Limited

Opinion

We have audited the financial report of Energy Action Limited. (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group 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 our audit of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How our audit addressed this matter
Revenue Recognition - Refer to Note 5 in the financial statements	
The Group generates its revenue from a variety of services such as procurement, managed services, retail services and other service lines. Our audit team focused on revenue recognition across these services due to its importance and significance to shareholders. The Group has experienced a drop in revenue over a number of financial years, including the current financial year without considering the R&D tax refund. Therefore, revenue is seen as a key performance indicator and consequently, it necessitated greater involvement of the audit team, and a high portion of audit effort was applied to gather sufficient audit evidence. Refer to Note 1 (m) of the financial report for the related disclosures.	We have: • Assessed whether the Group's revenue recognition policies were in compliance with Australian Accounting Standards. Tested samples of revenue transactions during the year, from each revenue stream, by checking them to underlying records and ensuring consistency to the Group's timing and measurement of revenue recognition.
Going Concern - Refer to Note 1 in the financial statements	
As disclosed in Note 1 of the financial statements, the Company generated a profit after tax of $584,407 for the year (2023: loss of $298,456) and had a net cash inflow from operating activities of $2,415,660. We identify that the most significant assumption in assessing the Company's ability to continue as a going concern is its ability to maintain sufficient cash reserves to settle its liabilities as they become due. Management have performed a detailed analysis over the cashflow forecasts of the entity in relation to its imbedded budget. The calculations supporting the assessment require management to make highly subjective judgements. The calculations are based on estimates of future performance and are fundamental to assessing the suitability of the basis adopted for the preparation of the financial statements. We have therefore spent significant audit effort, in assessing the appropriateness of this assumption.	Our audit procedures included, among others: • Assess revised terms to the facility agreements ensuring there are no breaches with bank covenants. • Verifying the mathematical accuracy of the cashflow forecast assumptions. • Challenging the reasonableness of the assumptions built into the model, in particular: • Agreeing data inputs to budgets and forecasts approved by the Board. • Reviewing previous budgets against actual performance to assess the historical accuracy of forecasting. • Agreeing other key assumptions to supporting evidence.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and

b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf This description forms part of our auditor's report.

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Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 20 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Energy Action Limited., for the year ended 30 June 2024, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Cameron J Hume
Partner

RSM Australia Partners

Sydney, 30 September 2024

Energy Action Limited
Shareholder information
30 June 2024

The shareholder information set out below was applicable as at 16 September 2024.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares	
	Number of holders	% of total shares issued
1 to 1,000	10,801	0.03
1,001 to 5,000	341,615	0.88
5,001 to 10,000	277,874	0.71
10,001 to 100,000	1,093,054	2.80
100,001 and over	37,258,097	95.58
	38,981,441	100.00
Holding less than a marketable parcel	14,848	0.04

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
MR MURRAY EDWARD BLEACH & MRS NORMA LEIGH EDWARDS	5,632,136	14.45
MILLAR & MACFARLANE PTY LTD	4,314,789	11.07
BNP PARIBAS NOMINEES PTY LTD	3,721,604	9.55
WEBZONE HOLDINGS PTY LTD	3,414,359	8.76
ACRES HOLDINGS PTY LTD	3,051,220	7.83
MEEHANTEAM PTY LTD	2,900,698	7.44
MR BRUCE DUNCAN MACFARLANE & MS LINDA ANN MILLAR	2,067,625	5.30
TOVEELEN PTY LTD	1,978,911	5.08
HOLYOAKE INVESTMENTS PTY LTD	1,774,127	4.55
RADELL PTY LTD	1,408,846	3.61
BNP PARIBAS NOMS PTY LTD	1,000,040	2.57
J & C ALLEN SUPERANNUATION FUND PTY LTD	875,833	2.25
MR EDWARD JAMES HANNA	611,387	1.57
JASPER SUPERANNUATION FUND PTY LTD	552,553	1.42
SARAH MYERS	512,480	1.31
REDBROOK NOMINEES PTY LTD	329,000	0.84
EMERALD SHARES PTY LIMITED	300,000	0.77
PACIFIC CUSTODIANS PTY LIMITED	284,912	0.73
MR IVAN ROMAN SLAVICH & MRS ANNA SLAVICH	273,604	0.70
AMARINA SYSTEMS PTY LIMITED	254,720	0.65
	35,258,844	90.45

Unquoted equity securities

	Number on issue	Number of holders
Performance rights issued	1,115,000	25

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Energy Action Limited
Shareholder information
30 June 2024

The following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held
Clint Irving	Performance rights	400,000
Edward Hanna	Performance rights	200,000
Tony Giannikos	Performance rights	200,000

Substantial holders

Substantial holders in the Company as notified to the ASX via substantial shareholder notices are set out below:

	Ordinary shares		
	Number held [1]	Current Interest [1]	Latest Notice Date
Mr Murray Bleach & related entities	5,950,817	15.26%	04/07/2024
Mr Bruce Duncan MacFarlane and Ms Linda Ann Millar	6,382,414	16.37%	02/07/2024
Mr Paul Meehan & related entities	4,792,846	12.29%	03/07/2024
Webzone Holdings Limited	3,231,406	9.20%	22/05/2024
Derek Myers	4,925,475	14.01%	16/05/2024
Mr Noel Kagi	2,945,331	10.91%	26/03/2021
Mr Stephen Twadell & related entities	1,946,209	7.50%	13/11/2012

[1] as notified to the ASX. Changes of less than 1% are not required to be notified to ASX via a substantial shareholder notice.

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

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