

Results Presentation Year Ended 31 March 2023

7 June 2023

enÉrgia group

Financial highlights

Strong set of results for the year continue to prove the benefits of integration in exceptionally challenging market conditions

- Total Group EBITDA* for the Year Ended 31 March 2023 was €267.1m (2022 - €200.1m).
- Pro-forma EBITDA for the Senior Secured Notes Restricted Group** for the Year Ended 31 March 2023 was €239.4m (2022 - €139.1m).
- Pro-forma cash flow before interest and tax*** for the Year Ended 31 March 2023 was €166.7m (2022 - €250.0m).
- Senior net debt was €107.5m at 31 March 2023 (2022 - €303.6m).

Unaudited reconciliations for pro-forma EBITDA and net debt of the Senior Secured Notes Restricted Group are provided in the Appendix to the Group's consolidated financial statements

** EBITDA based on regulated entitlement, before exceptional items and certain remeasurements;*

*** EBITDA based on regulated entitlement, before exceptional items and certain remeasurements and excluding earnings from unrestricted investments, but includes distributions from unrestricted investments of €61.8m from wholly owned assets in the Year Ended 31 March 2023 (2022 - €18.1m);*

**** Pro-forma EBITDA for the Senior Secured Notes Restricted Group, less pension charges, plus movements in provisions and working capital (incl. purchase of and proceeds from sale of other intangibles), less gross capex (excluding capex of unrestricted investments) and exceptional items and including the effects of FX.*

Energy Markets

Impact on financial performance for Financial Year 2023

- The Group's financial performance remained strong throughout the year, notwithstanding the volatility in commodity prices, reflecting the integrated benefit and complementary nature of the Group's operating segments. The impact on the each of the Group's segments is outlined in more detail later in this presentation.
- Delivery of support payments to customers in both the RoI and NI is now largely complete and while such support measures are not expected to be extended, they have been positive for the Group's residential and business customers.
- While legislation to enact the Inframarginal Revenue Cap in the RoI and the Electricity Generator Levy in the UK is awaited, management continues to monitor and assess the implementation of such market interventions and other developments in the wider energy markets, influenced by geopolitical circumstances, and the potential impact on the Group's businesses and financial performance.
- The Group continues to have strong liquidity with €577.3m cash and cash equivalents at 31 March 2023 (excluding project finance cash and restricted cash) and undrawn committed revolving credit facilities of €29.1m.

Renewables business developments

The Renewables business:

- Owns and operates 309MW of wind assets;
- Purchases electricity from 1,247MW of renewable generation capacity throughout Ireland under PPA contracts; and
- Is developing a further pipeline of wind and solar projects across Ireland.

Onshore wind operational assets

- 309MW of onshore wind generation assets operational at 31 March 2023 (31 March 2022 – 309MW).
- Renewable assets availability for the Year Ended 31 March 2023 was 97.6% (2022 – 97.1%) with a wind factor of 25.7% (2022 – 23.8%).
- Distributions of €61.8m were paid to the Senior Secured Group in the year ended 31 March 2023 (2022 - €18.1m) from the wholly owned onshore wind generation assets.

Renewable PPA portfolio

- Average contracted renewable generation capacity for the Year Ended 31 March 2023 was 1,266MW (2022 – 1,282MW) with 1,247MW operational capacity at 31 March 2023 (2022 – 1,282MW).

Renewables business developments

Solar

- The Group is developing four large scale solar projects in the RoI , with a total capacity of 628MW, and continues to make good progress in the development of this portfolio.
- At 31 March 2023 the Group had 313MW of capacity which is fully consented and a further 120MW pending a decision from An Bord Plenala in respect of planning appeals.
- The Group plans to further increase the scale of its projects and at 31 March 2023 had 110MW of capacity for which planning applications have been submitted and a decision is awaited and a further 85MW of capacity in the planning preparation stage.

Onshore wind development assets

- The Group continues to progress the development of its onshore wind pipeline projects (49MW under construction and 218MW in development).
- Construction of the Drumlin wind farm (49MW) continued during the quarter with turbine foundations, site roads and hardstands largely complete.
- Commissioning is expected in 2024 and the project will be underpinned by a Corporate PPA with Microsoft.

Renewables business developments

Offshore wind

- The Group continues to develop its North Celtic Sea and South Irish Sea offshore wind projects and during the year completed initial site investigation works permitted under its foreshore licences.
- Environmental Impact Assessment scoping is expected to be issued for both projects during 2023.

Outlook

- The Group continues to make good progress in the development of its pipeline of wind and solar projects across Ireland.

Flexible Generation business developments

The Flexible Generation business:

- Owns and operates 747MW of conventional generation assets at the Huntstown site in Dublin;
- Owns and operates a 50MW battery storage facility in Belfast which was commissioned in October 2022;
- Is progressing the development of 50MW of emergency gas generation capacity and a proposed data centre at its Huntstown campus in Dublin; and
- Procures power under contract with Ballylumford power station in Northern Ireland for the output from 600MW of conventional generation assets. This legacy contract expires in September 2023.

Huntstown plant availability and utilisation

- Availability for the year ended 31 March 2023 for Huntstown 1 was 94.8% (2022 – 97.0%) and Huntstown 2 was 99.4% (2022 – 44.3%). Huntstown 1's availability reflects a 12-day forced outage in October 2022.
- Unconstrained utilisation for the year ended 31 March 2023 for Huntstown 1 was 63.9% (2022 – 65.5%) and Huntstown 2 was 73.0% (2022 – 44.0%).
- The incremental impact of constrained utilisation for Huntstown 1 was 4.1% constrained on (2022 – 0.9%) and for Huntstown 2 was 11.4% constrained off (2022 – 0.4%).

Capacity auctions

- The Huntstown plants and the Group's battery storage facility in Belfast bid into the competitive capacity auctions.
- Final auction results for the T-4 auction for the 2026/27 capacity year were confirmed on 4 May 2023.
- The final results confirmed that both Huntstown plants and the Group's 50MW battery storage project in Belfast had been awarded reliability options for the 2026/27 capacity year.
- The auction clearing price received by both Huntstown plants was €83,050/MW.

Flexible Generation business developments

Storage

- Commissioning of the Group's 50MW battery storage facility in Belfast successfully completed in October 2022.
- The facility is one of the largest utility-scale battery storage facilities on the island of Ireland and provides grid-balancing services, operating reserve and steady state reactive power to the System Operator for NI in order to help cope with the varying nature of wind generation on the system.

Emergency generation capacity

- In December 2022 the Group was awarded a contract with EirGrid to provide 50MW of emergency gas generation capacity to be located at the Huntstown site.
- The three-year contract includes an option for EirGrid to extend for an additional two years.
- Preliminary construction works are underway, and the new gas generation capacity is targeted to be commissioned in Second Half 2024.

Outlook

- The Group continues to assess a number of flexible generation, energy storage and behind the meter projects in line with its strategy to grow the business in a manner which supports its renewable asset portfolio and product offerings to customers.

Customer Solutions business developments

The Customer Solutions business:

- The Group's Customer Solutions business operates under the Energia and Power NI brands:
 - Energia supplies electricity and natural gas to business and residential customers in the RoI; and
 - Power NI is the regulated electricity supplier in Northern Ireland and supplies electricity to business and residential customers.

Customer sites and energy sales

- RoI residential customer sites supplied at 31 March 2023 were 261,400 (2022 – 265,100).
- Non-residential electricity customer sites in the RoI were 47,400 (2022 – 48,000).
- Non-residential gas customer sites in the RoI were 2,900 (2022 – 3,500).
- Residential customer numbers in Northern Ireland at 31 March 2023 were 477,900 (2022 – 465,700).
- Non-residential customer numbers in Northern Ireland at 31 March 2023 were 38,700 (2022 – 38,700).
- Total electricity sales volumes in the RoI for the Year Ended 31 March 2023 were 5.0TWh (2022 – 5.0TWh) and in Northern Ireland were 2.7TWh (2022 – 2.8TWh).
- RoI gas sales volumes for the Year Ended 31 March 2023 were 80.6m therms (2022 – 91.2m therms).

Customer Solutions business developments

Tariffs and customer support schemes

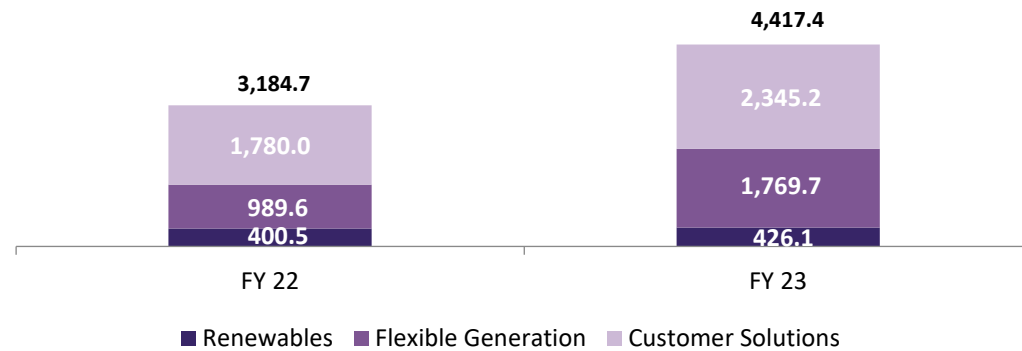
- In response to rising wholesale costs both Energia and Power NI increased their tariffs on a number of occasions over the past year. Power NI's regulated residential tariff has been aligned with the UK Government's quarterly review of the Energy Price Guarantee.
- Both Energia and Power NI continue to monitor wholesale prices and their implications for tariffs going forward.
- The RoI and UK Governments have both supported households with the energy related cost of living crisis and during the year Energia and Power NI administered delivery of support payments to their respective customers.

Outlook

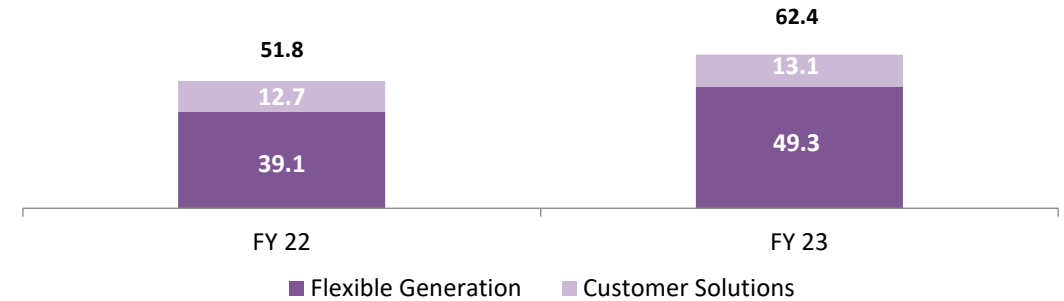
- The Group continues to progress its development of innovative, enhanced and differentiated product offerings to customers in line with its strategy. Digitalisation will remain a strong focus, and work will continue on a range of initiatives in the 'new energy' space.

Senior Secured Notes Restricted Group financial summary – Year Ended 31 March 2023

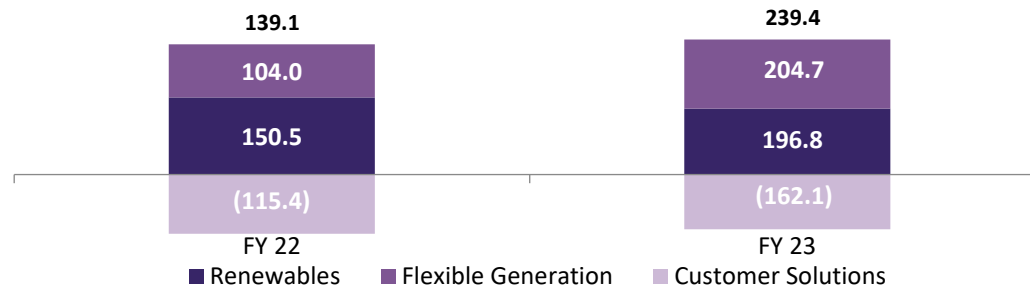
Revenue (€m)^(a)



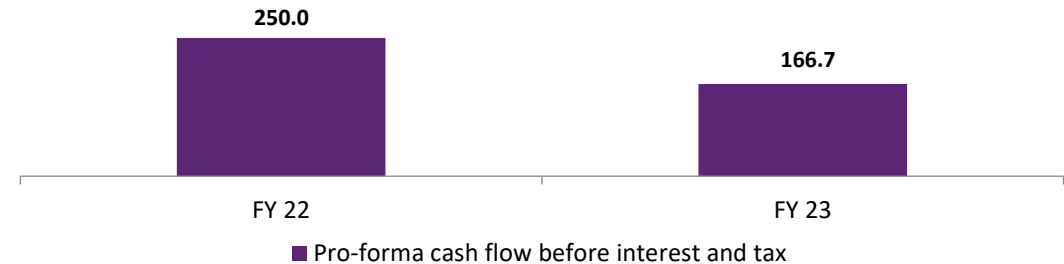
Capital expenditure for continuing operations (€m)^(c)



Pro-forma EBITDA (€m)^(b)



Pro-forma cash flow before interest & tax (€m)^(d)



(a) Revenue is based on regulated entitlement and excludes revenue of unrestricted investments;

(b) Pro-forma EBITDA is EBITDA based on regulated entitlement, before exceptional items and certain remeasurements and excludes earnings from unrestricted investments but includes distributions from unrestricted investments of €61.8m from wholly owned assets in the Year Ended 31 March 2023 (2022 - €18.1m);

(c) Excludes capital expenditure on unrestricted investments of €40.6m in the Year Ended 31 March 2022 (2022 - €14.7m);

(d) Pro-forma cash flow before interest and tax defined as Pro-forma EBITDA, less pension charges, plus movements in provisions and working capital (incl. purchase of and proceeds from sale of other intangibles), less gross capex (excluding capex of unrestricted investments) and exceptional items and including the effects of FX.

Senior Secured Notes Restricted Group pro-forma EBITDA

Renewables

- **Pro-forma EBITDA increased from €150.5m to €196.8m primarily reflecting:**
- Higher distributions from renewable assets;
- EBITDA from the renewable PPAs was broadly in line with last year (with higher wind volumes and higher energy prices largely offset by the impact of the RoI Inframarginal Revenue cap effective December 2022); and
- Lower development project costs.

Flexible Generation

- **Pro-forma EBITDA increased from €104.0m to €204.7m reflecting:**
- Higher Huntstown 2 availability and utilisation (due to the plant being on partial outage in the prior year (noting that the prior year benefited from property damage and business interruption insurance for the outage));
- Higher margins for both plants (associated with higher commodity prices and outages of other thermal plants) partly offset by higher operating costs;
- Higher PPB gain share (reflecting higher utilisation of the contracted Ballylumford plant); and
- Development milestone payments received for the emergency generation project under development together with initial contribution from the 50MW battery storage facility in NI commissioned October 2022.

Customer Solutions

- **Pro-forma EBITDA decreased from €115.4m loss to €162.1m loss reflecting:**
- Lower Energia electricity and gas margins (reflecting higher commodity and energy prices (from which the Renewables and Flexible Generation businesses have benefitted) partly offset by increases in tariffs);
- Higher Customer Solutions operating costs; partly offset by
- Favourable Power NI non-residential electricity margins (reflecting tariff increases partly offset by lower volumes) and favourable Power NI residential regulated margins (reflecting higher inflation and higher customer numbers).

Pro-forma EBITDA ^(a) (€m)	FY22	FY23
Renewables	150.5	196.8
Flexible Generation	104.0	204.7
Customer Solutions	(115.4)	(162.1)
	139.1	239.4

Note:

(a) Pro-forma EBITDA is defined as EBITDA before exceptional items and certain remeasurements and adjusted for (under)/over - recovery of Energia Group's regulated business against their regulated entitlement and excludes earnings from unrestricted investments but includes distributions from unrestricted investments of €1.8m from wholly owned assets in the Year Ended 31 March 2023 (2022 - €18.1m).

Senior Secured Notes Restricted group cash flow summary

(€m)	FY 22	FY 23
Pro-forma EBITDA ^(a)	139.1	239.4
Defined benefit charge less contributions paid	(1.6)	(1.4)
Changes in working capital ^(b)	164.2	(18.2)
Effects of FX	(0.2)	2.0
Pro-forma cash flow from operating activities	301.5	221.8
Net capital expenditure ^(c)	(51.8)	(62.4)
Net receipt of Government grant / deferred income	0.3	7.3
Pro-forma cash flow before interest and tax	250.0	166.7
Net movement in security deposits	(30.8)	(15.0)
Over-recovery of regulated entitlement	35.5	149.8
Exceptional items ^(d)	(1.0)	(1.1)
Equity (investment in)/refunds from in-development unrestricted investments	(42.6)	(39.3)
Pro-forma cash flow before interest, tax and acquisitions and disposals	211.1	261.1

Note:

(a) Pro-forma EBITDA is defined as EBITDA before exceptional items and certain remeasurements and adjusted for (under)/over - recovery of Energia Group's regulated business against their regulated entitlement and excludes earnings from unrestricted investments but includes distributions from unrestricted investments of €61.8m from wholly owned assets in the Year Ended 31 March 2023 (2022 - €18.1m).

(b) Includes proceeds from sale and purchase of other intangibles which related to trading activities with respect to emissions allowances and ROCs and excludes changes in working capital from Energia Group's unrestricted investments of €10.6m decrease in the Year Ended 31 March 2023 (2022 - €3.7m increase).

(c) Net capex excludes capex on unrestricted investments of €40.6m in the Year Ended 31 March 2023 (2022- €14.7m).

(d) Includes exceptional costs associated with acquisitions whether successful or unsuccessful and share based payments.

Net debt

Net debt (€m) As at	31 Mar 22	31 Mar 23
Cash and investments	(369.3)	(577.3)
Senior secured notes due 2025	346.8	347.7
Senior secured notes due 2024	264.7	254.4
Senior revolving credit facility	59.3	80.7
Interest accruals	2.1	2.0
Senior net debt	303.6	107.5
Project finance cash	(53.0)	(42.6)
Project finance bank facilities	333.6	277.2
Total net debt	584.2	342.1

- FX rate at 31 March 2023: €/£1.1363 (2022: €/£1.1856).
- Senior net leverage at 31 March 2023 was 0.4x (2022 – 2.2x).
- Cash drawings under the RCF of €80.7m at 31 March 2023.
- Cash excludes €5.7m of restricted cash received from the UK Government in relation to administration of the Energy Bills Support Scheme.
- During April and May 2023 the Group purchased Euro denominated senior secured notes with a nominal value of €2.46m and Sterling denominated senior secured notes with a nominal value of €9.512m in a number of open market transactions. The purchased notes were subsequently cancelled.

Conclusion

Strong set of results for the year continue to prove the benefits of integration in exceptionally challenging market conditions

Outlook

- The Group has demonstrated resilient financial performance throughout the past year demonstrating the benefits of its integrated business model notwithstanding the volatility of commodity prices.
- We are delighted to have commissioned our first battery storage project (the 50MW battery in Northern Ireland) and entered into the emergency generation contract with EirGrid. Both projects are helping protect the security of supply of electricity for the island of Ireland, while the emergency generation project demonstrates the importance of gas as a transition fuel.
- The Group continues to have strong liquidity with €577.3m cash and cash equivalents at 31 March 2023 (excluding project finance cash and restricted cash) and undrawn committed revolving credit facilities of €29.1m and remains well placed to manage the current trading environment.
- We continue to progress the development of our proposed data centre alongside our significant pipeline of development projects including 267MW of onshore wind, 628MW of solar and c.1,600MW of offshore wind generation underlining the Group's key role in and commitment to the energy transition.

Forward looking statements

This presentation may include forward looking statements. These forward looking statements can be identified by the use of forward looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "intends," "may," "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts and include statements regarding the Group's intentions, beliefs or current expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which it operates. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward looking statements are not guarantees of future performance and that the Group's actual results of operations, financial condition and liquidity, and the development of the industry in which it operates may differ materially from those made in or suggested by the forward looking statements contained in this presentation. In addition, even if the Group's results of operations, financial condition and liquidity, and the development of the industry in which the Group operates are consistent with the forward looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods.