



**ep&t global**

ENVIRONMENT | PROPERTY | TECHNOLOGY

**31 October 2022**

## **Investor Presentation**

EP&T Global Limited (ASX: EPX) is pleased to provide the attached investor presentation.

*This announcement has been authorised for release to the ASX by the Board of EPX.*

**For more information, please contact:**

John Balassis

**Interim Chief Executive Officer**

[investor@eptglobal.com](mailto:investor@eptglobal.com)

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# Environment, Property & Technology

Delivering operational efficiency and significant energy savings in all forms of commercial real estate

## Investor Update

October 2022

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“For over 25 years EP&T Global has been a leader in reducing operating costs and carbon emissions in the built environment.”



# Corporate Snapshot

## ASX: EPX

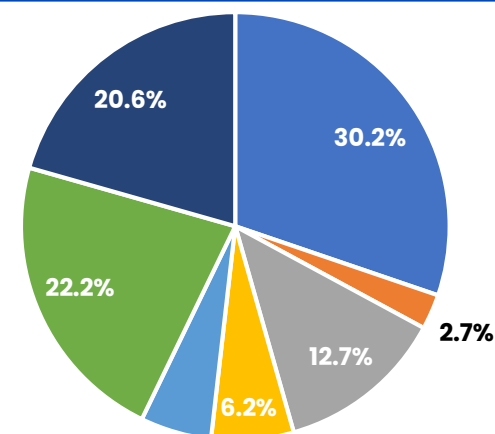
Share price (30 September 2022)	A\$0.048
Fully Paid Ordinary Shares	240,799,500
Options on issue	18,622,287
Undiluted Market Capitalisation	\$11.6 million
Cash (as at 30 June 22)	\$4.2 million
Enterprise Value	\$7.4 million
Annualised Recurring Revenue (as at 30 June 22)	\$9.2 million
Enterprise Value / ARR multiple	0.8x

## Board and management

Chairman	Jonathan Sweeney
Executive Director & Interim CEO	John Balassis
Non-executive Director	Victor Van Bommel
Founder and Executive Director	Keith Gunaratne
Chief Financial Officer	Richard Pillinger

## Share register<sup>1</sup>

- Founder
- Directors & Employees
- Perennial
- Regal
- Ingot Capital
- Other Institutions
- Retail



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# Positive Trends in EP&T's Key Operating Metrics

ARR increased 74% in FY22 to \$9.2m and target to achieve \$13.5m in Q3 FY23

Annualised Recurring Revenue (ARR<sup>1</sup>) increased 74% in FY22 to \$9.2m and contracted projects (once installed) with an ARR of \$3.2m at 30 June 2022.

Annualised Contract Value (ACV<sup>2</sup>) has increased 23% to \$13.3m at 30 June 2022, an increase of 70% since IPO in May 21 (18 months)

Long term contracts driving increased unbilled contract value<sup>5</sup>, with growth of 20% to \$44.0m at June 22.

Recurring revenue<sup>4</sup> in FY22 made up 89% of total revenue compared to 82% in FY21 as transition to subscription model gains traction.

## Other highlights

Contracted buildings increased +24% to 471 in the 12 months to 30 June 2022

FY22 statutory recurring revenue increased 27% on the pcp to \$6.3m

Internal analysis projects that the monthly run rate operating cashflow<sup>(3)</sup> breakeven point of the business will be achieved when ARR reaches ~\$13.5m – target Q3FY23

\$'000		Jun-20	Jun-21	Jun-22
<b>Annualised Recurring Revenue (ARR)</b>	(\$'000)	5,075	5,307	9,228
ARR annual growth rate	(%)	-4	5	74
<b>Annualised Contract Value (ACV)</b>	(\$'000)	7,649	10,872	13,341
ACV annual growth rate	(%)	23	43	23
<b>Unbilled Contract Value (UCV)</b>	(\$'000)	23,390	36,648	44,024
Total UCV annual growth rate	(%)	25	57	20
<b>Recurring revenue % total revenue</b>	(%)	82	82	89

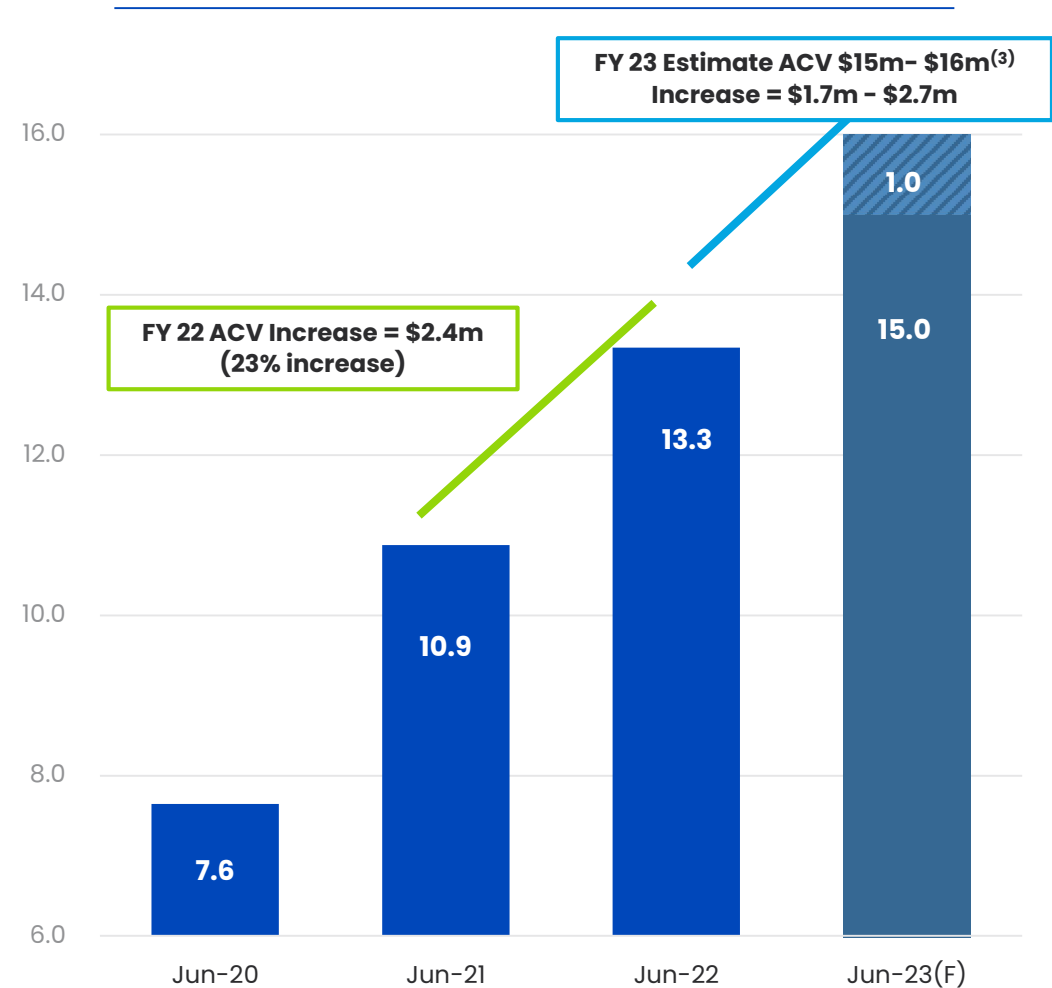
- ARR is the contracted recurring revenue component of subscriptions on an annualised basis.
- ACV is defined as the annualised monthly fees charged under contracts on hand at each period end.
- Monthly operating cashflow breakeven is defined as monthly operating cash inflows (being receipts from operations and other revenue) less monthly operating cash outflows (being ordinary operating costs of the business) but excluding new project deployment costs and other investing and financing cash flows. Installation of projects on hand and conversion to ARR may be subject to delays caused by further COVID-19 related restrictions or other factors outside of the Company's control. Allowance made for \$0.4m of increased operating costs in FY23, which may be subject to change as actual costs may be higher or lower than this estimate
- Recurring revenue is defined as contracted service and software revenue
- Unbilled Contract value is the amount yet to be invoiced to customers under long term contracts

# Annualised Contract Value (ACV)

ACV of \$13.3m at June 2022 with forecast FY23 estimated range \$15.0m-\$16.0m

Total ACV (\$m)

- At June 2022 ACV is \$13.3 million, an increase of \$2.4m (23%) from June 2021.
- ACV of ~\$14.5m targeted by Q3FY23 to reach operating ARR break even point.
- FY23 target ACV range \$15.0m (13.0%) - \$16.0m (20.0%)
- ACV is generated from ongoing fees for the provision of access to EP&T's Edge software platform and associated contracted ongoing services. ACV converts to ARR on completion of the installation at which point billing of subscription fees commences.
- Contracts typically range from 3 years to 7 years in duration and fees are typically invoiced monthly or quarterly in advance.
- Current contracts have an average remaining unexpired term of 3 years and 4 months<sup>(2)</sup>.



Notes:

1. ACV is defined as the annualised monthly fees charged under contracts on hand at each period end.

2. Weighted average based on contract value

3. Assumptions: ACV at 30 June 2022 + new contract wins to 20/10/22 of \$0.5m ACV - allowance for 5% annual ACV churn + estimated conversion of sales pipeline of \$2m-\$3m prior to 30 June 2023. Prospective financial information is predictive in character, may be affected by inaccurate assumptions or by known or unknown risks and uncertainties and may differ materially from results ultimately achieved



# ARR increase of 74% from conversion of ACV in FY22

Target ARR of \$13.5m by end Q3FY23 to achieve operating cashflow breakeven<sup>2</sup>

- Subscription-based engagement model drives ACV and ARR growth

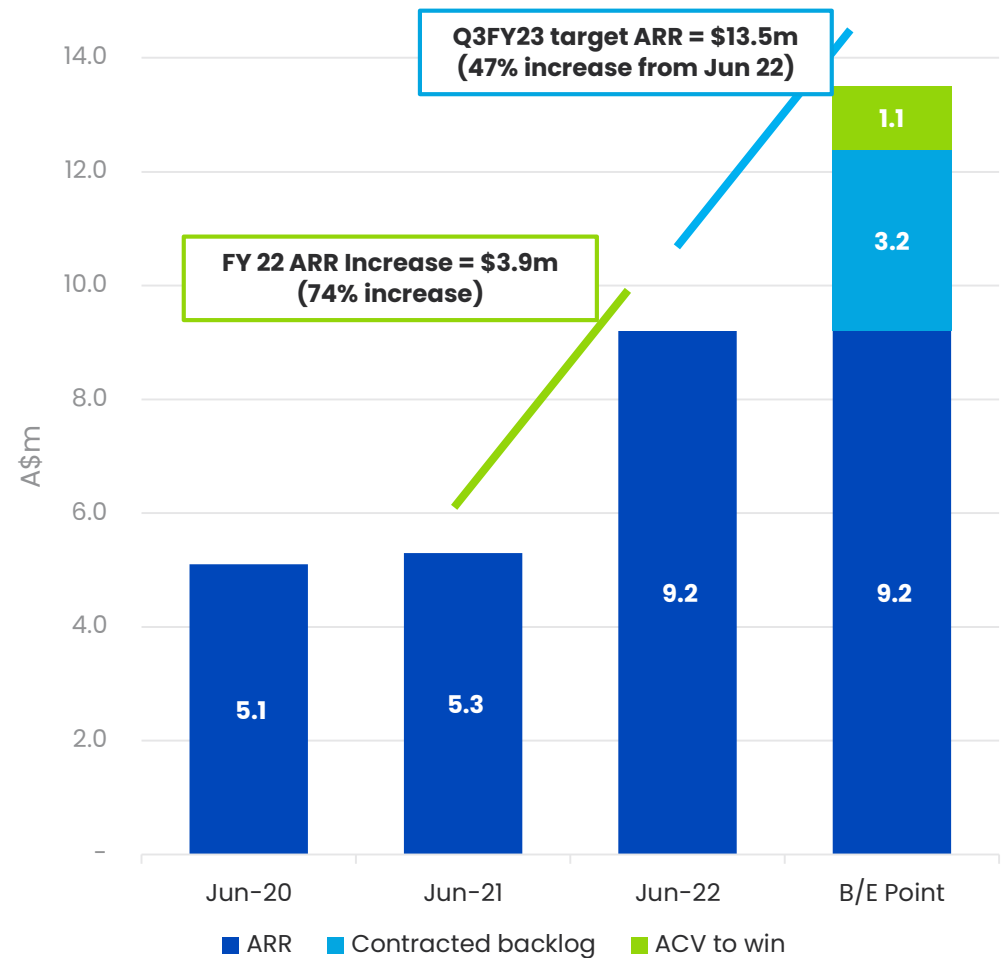
- In FY22 ARR increased by \$3.9m (74%) to \$9.2m.

- Market tailwinds increase opportunities to deliver ACV and ARR growth.

- ARR of ~\$13.5m is estimated to be achieved during Q3 FY23 and requires an additional ~\$4.3m in ARR from June 2022

- Of the \$4.3m ARR required, currently \$3.2m (74%) is already contracted and included in current ACV. Planning is underway to install and commence billing of these contracts<sup>1</sup>
- The required ARR balance of ~\$1.1m (26%) is targeted to be delivered from EP&T's current global sales pipeline

ARR growth on implementation of backlog (\$m)



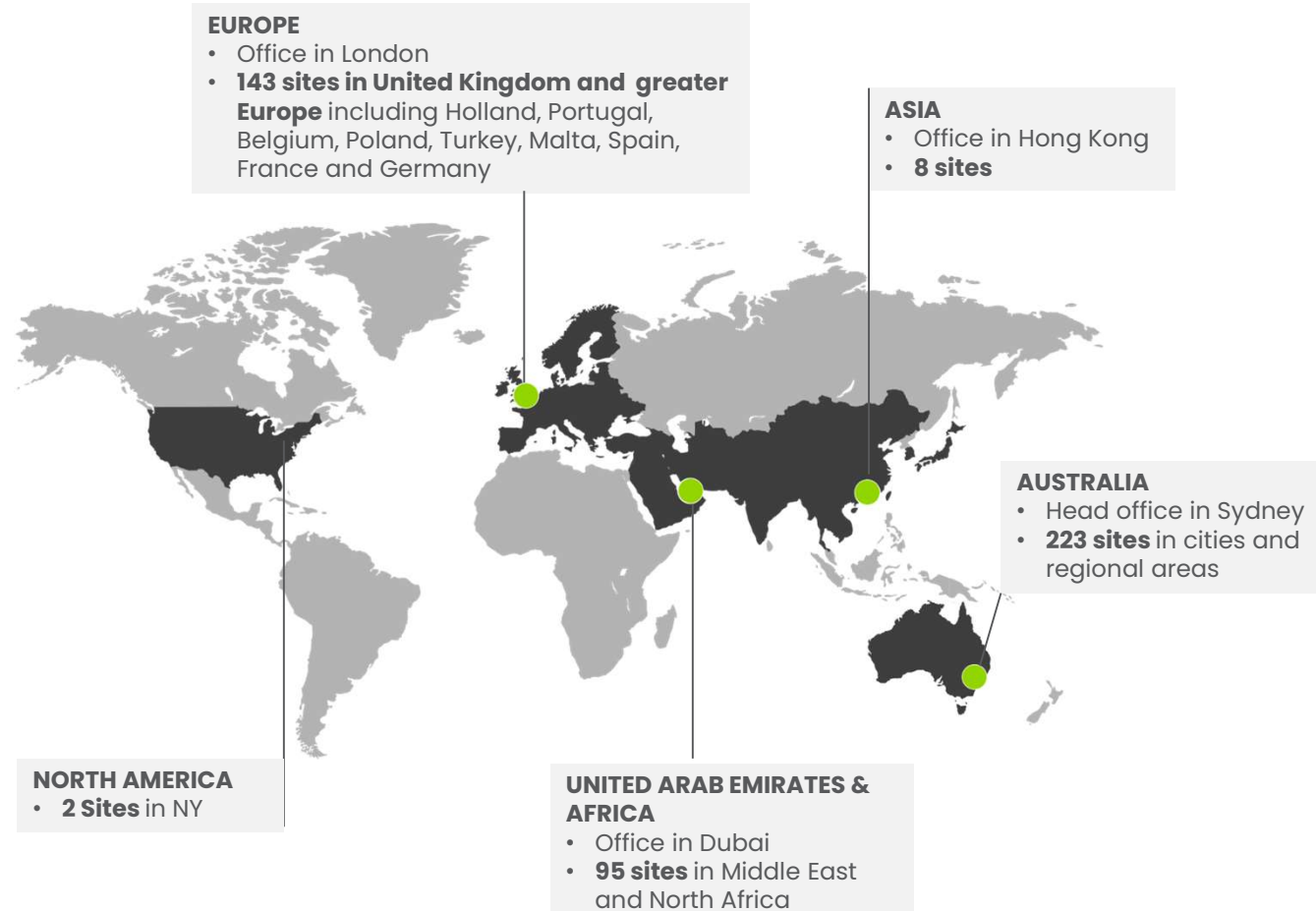
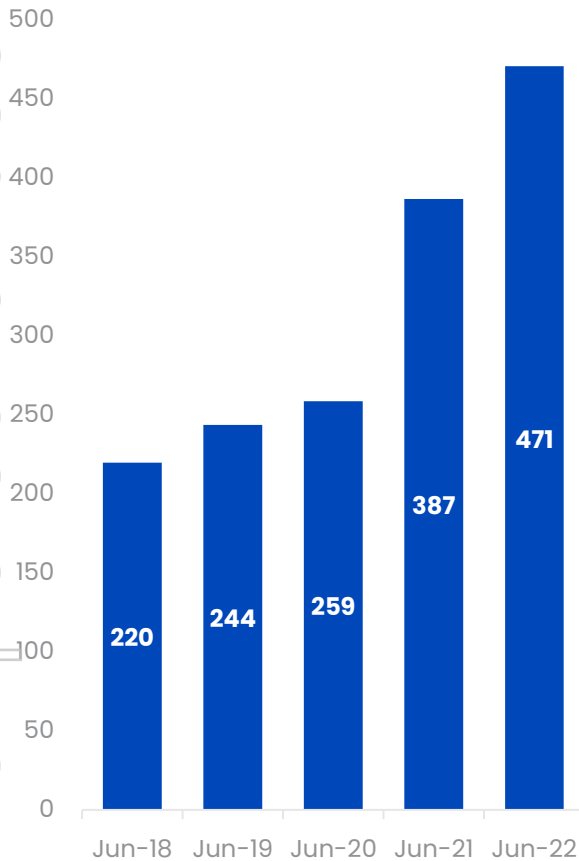
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- Backlog installation (and therefore ARR conversion) may be impacted by COVID-19 delays and other factors outside of EP&T's control. Future ARR may be impacted by unforeseen events leading to contract termination or cancellation
- Operating cashflow is defined as monthly operating cash inflows (being receipts from operations and other revenue) less monthly operating cash outflows (being ordinary operating costs of the business including employment costs, direct cost of goods sold, occupancy, marketing, corporate and other operating costs) but excluding new project deployment costs and other investing and financing cash flows.
- Prospective financial information is predictive in character, may be affected by inaccurate assumptions or by known or unknown risks and uncertainties, and may differ materially from results ultimately achieved

# International Client Base – 26 countries in 5 continents

International client base currently installed in +470 buildings

Contracted Building #s



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# International Growth Trajectory

EP&T's international growth continues with ACV and site metrics increasing despite almost two years of COVID impacts

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• **EP&T is achieving growth in its 3 main markets of Europe, Middle East and Australia**

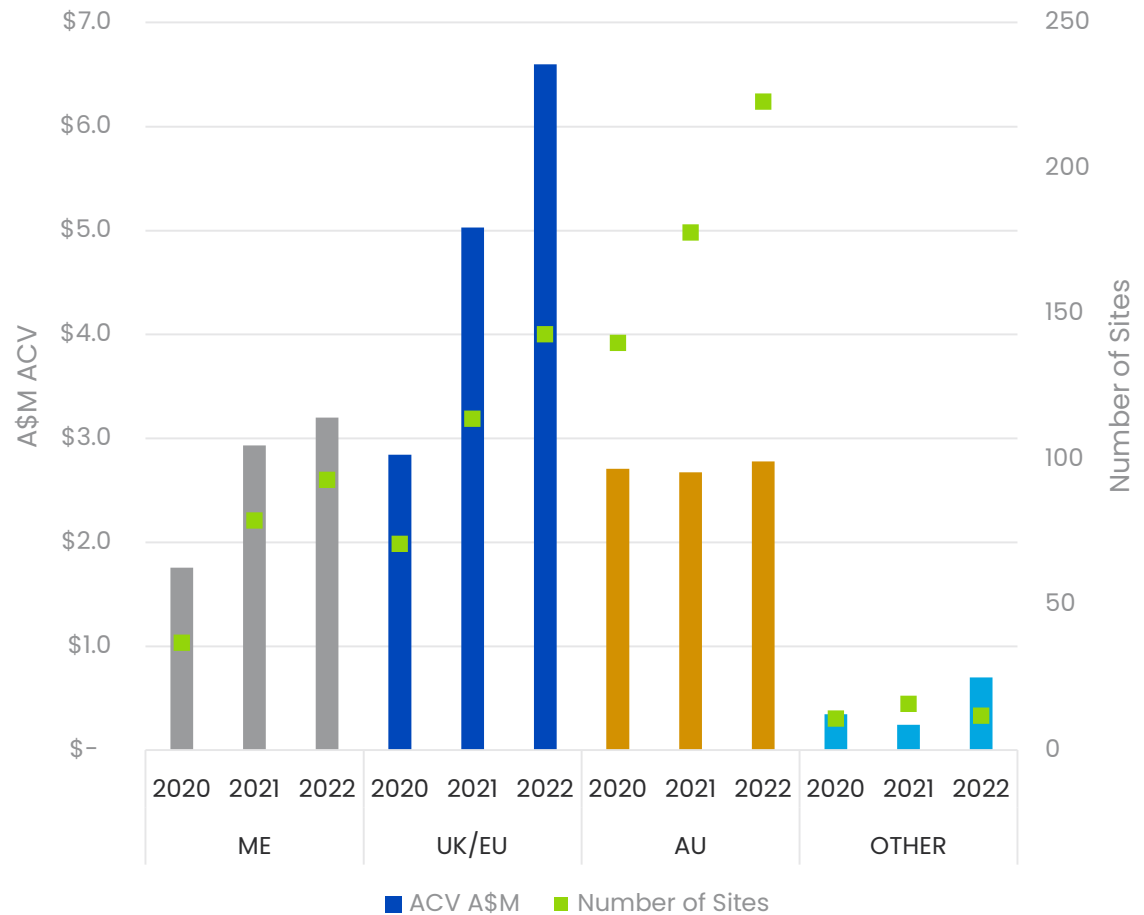
• UK/EU market now represents approximately 50% of ACV up from 37% at FY20

• ME market continuing to expand and represents approximately 24% of ACV

• Australian market turning around with number of sites up and ACV starting to increase.

• Pipeline leading into FY23 is strong in key existing markets

Country breakdown ACV and Sites FY20 - FY22





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# AREAS OF FOCUS

## Targeting profitable growth

# EP&T is focussing on profitable growth

Alongside continuing to deliver growth in key markets, EP&T has identified 3 levers to focus on to deliver growth profitably

## Operating Cashflow Break Even

- Projected to be reached at ARR of ~\$13.5m – Target Q3 FY23 through:
  - Focussing on blue chip brands with global portfolios
  - Growing with our existing customers
  - Improving our ACV to ARR conversion rate with experienced international installation partners and our unique capability in larger scale installations

## Product Development

- Product strategy developed with focus on increasing market share in EP&T's core markets
- Product delivery identified over three Horizons [refer to slide 20]
- Horizon 1 Product Roadmap delivery started with near term release of updated dashboard

## Operational Improvements

- Review of customer proposals to bring forward cash receipts has started to yield some success with approx. \$1m in upfront invoicing on sales in FY23 to date
- Review of operating metrics has improved servicing from avg. 14 sites per customer delivery FTE to 19 sites per FTE, an improvement of 35%
- Operational cost base in place to support on-going growth

# Market tailwinds supporting EP&T's core strength – granular, accurate data

EP&T's technology has the ability to capture and analyse granular data from multiple sources within a building ecosystem. This is a key differentiator from competitors who may source data solely from a Building management System (BMS). Verifiable, granular data is an important requirement of commercial building owners and operators in today's real estate market.

## Macro-level challenges facing the global real estate market



### Transition to smart and flexible use of buildings

- Quantity of data, devices and systems has increased exponentially
- Asset owners, operators and occupiers require a portfolio view and access to verifiable data to make decisions



### High energy prices

- Energy prices have increased by up to 300% in some global markets<sup>2</sup>.
- Every kWh of energy saved becomes increasingly valuable
- Access to core meter data enables verification of savings on a "bill" to "bill" basis



### Transition to net-zero buildings

- Countries with net zero targets together represent 90% of global Gross Domestic Product<sup>1</sup>
- Organisations are translating these into Energy Use Intensity (EUI) targets
- Regulated and standardised reporting requires auditable data to avoid claims of 'greenwashing'



### ESG skills gap

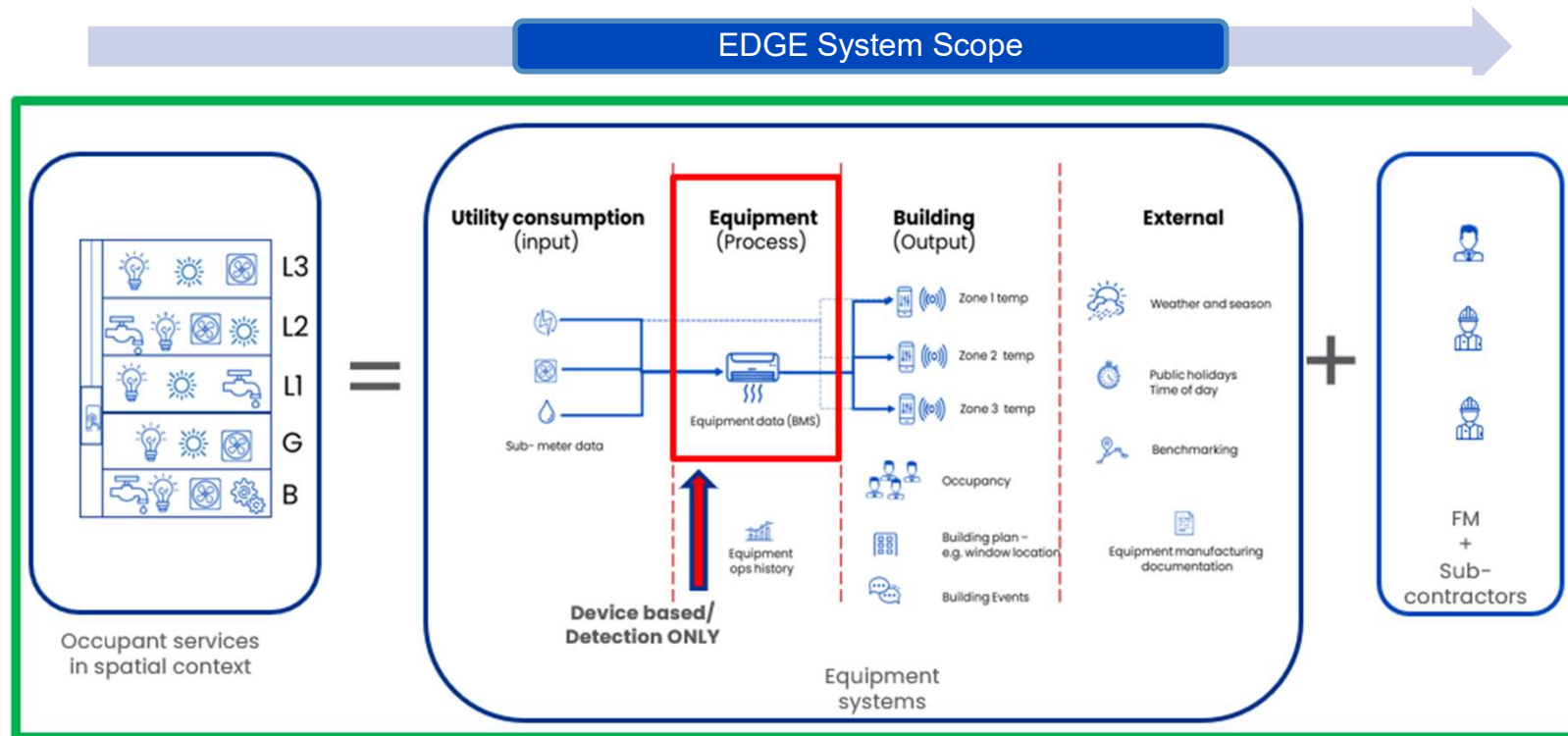
- ESG reporting is now a necessity for many organisations in the property industry
- ESG dashboard providers require access to verifiable data sources
- A core requirement is access to meters
- EP&T can connect the ESG dashboard and this core data

1. <https://netzeroclimate.org/innovation-for-net-zero/progress-tracking/>  
2. IEA (2022), Electricity Market Report – July 2022, IEA, Paris

# EP&T takes a holistic view of the full equipment ecosystem to give deeper insights and verifiable data

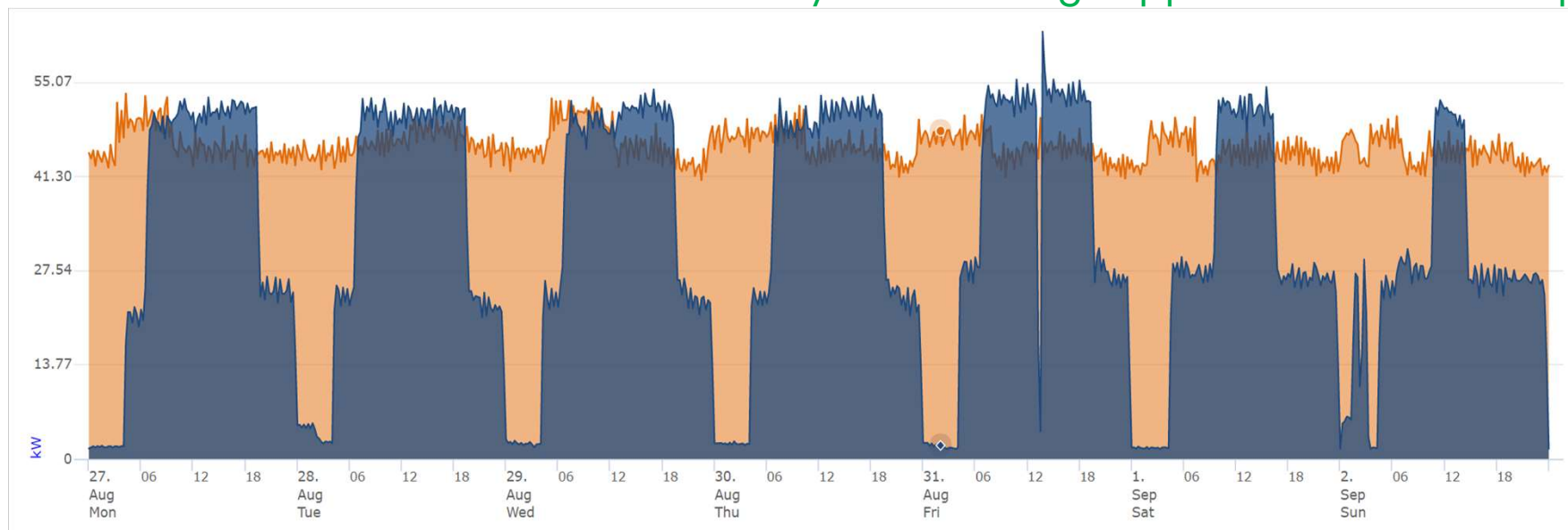
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- **Data is sourced from hardware and building systems** – EDGE connects to the central meters (electricity, gas, water, thermal) as well as external data e.g. Bureau of Meteorology data, Building Management System, Internet of Things (IoT) which enables triangulation of data
- **Full ecosystem** view of key building services – the EDGE platform ingests data directly from water, thermal and gas meters enabling servicing of **ALL** forms of property view of key building services and can connect to common reporting platforms (e.g. Envizi, Deepki, etc.)
- **Active systems management** – dedicated technical services team takes an active approach with customers to meet their stated objectives and accurate data enables reporting of the “E” (within ESG)
- **Proactive engagement** with subcontractors to realise energy savings outcomes.



# Edge MARS Alert Example

EP&T's 24/7 monitoring of multiple data sources and highly accurate identification of energy inefficiencies enables the detection of many more savings opportunities than our peers



- Previous energy consumption
- Corrected energy consumption

**Opportunity:** Edge algorithms identified the building heating equipment was running 24/7 at higher than expected levels given ambient conditions. The Building Management System (BMS) was incorrectly showing the equipment running as planned from 07:00 to 19:00, however this was due to a BMS software fault.

**Action:** BMS engineer reset the BMS software and the operation returned to normal of 12hrs/day vs 24hrs/day

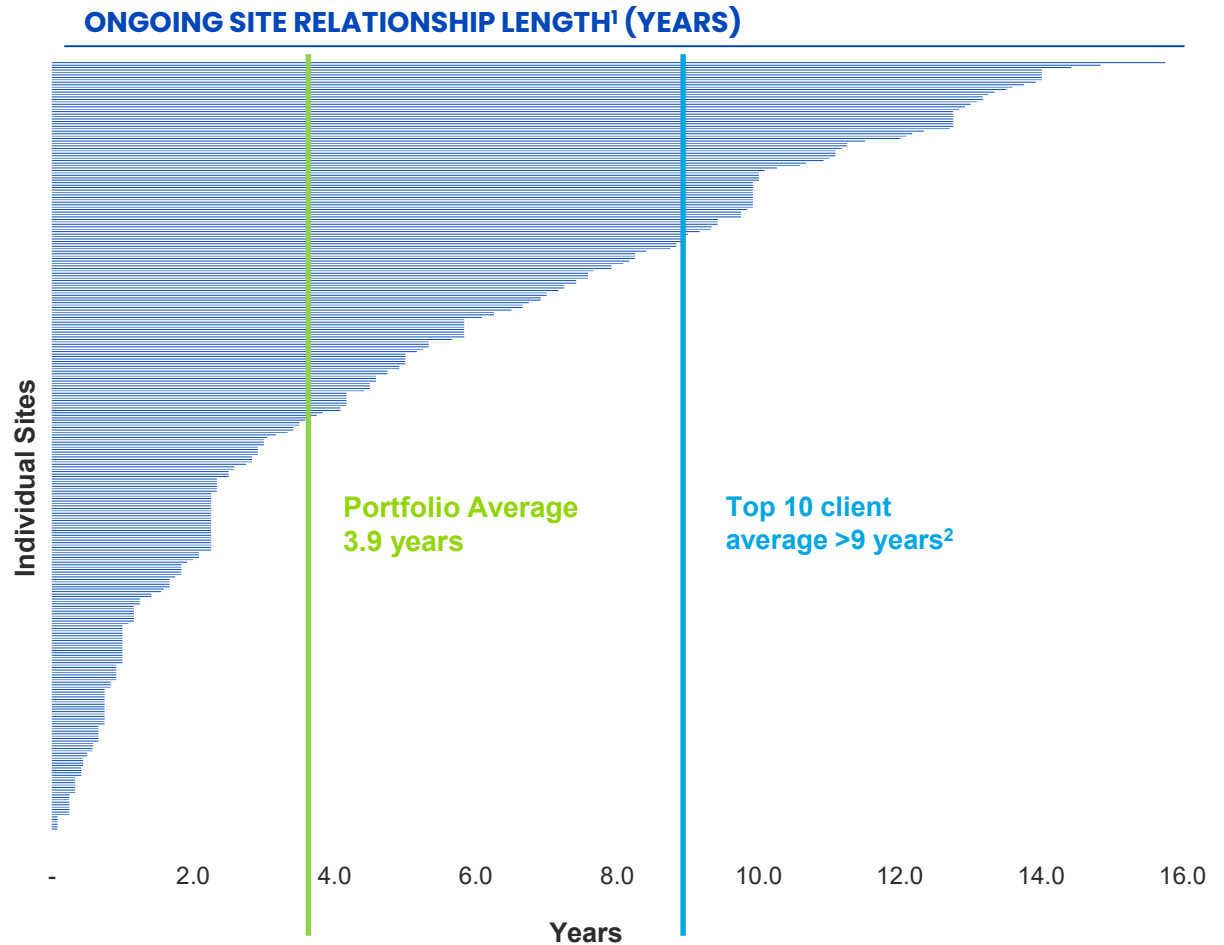
**Outcomes:** Annual savings of more than \$54,000 per year financial impact and improved tenant comfort conditions.



# Long-term client relationships

EP&T's proven and consistent energy savings and improved building sustainability ratings performance has led to long-term client relationships

- Average client relationship of **3.9 years**
- Average client relationship of 10 longest tenure clients is **>9 years**
- **11%** of sites have been with EP&T for past **10 years**
- **Long-term relationships lead to improving Lifetime Value (LTC) of clients**



Notes:

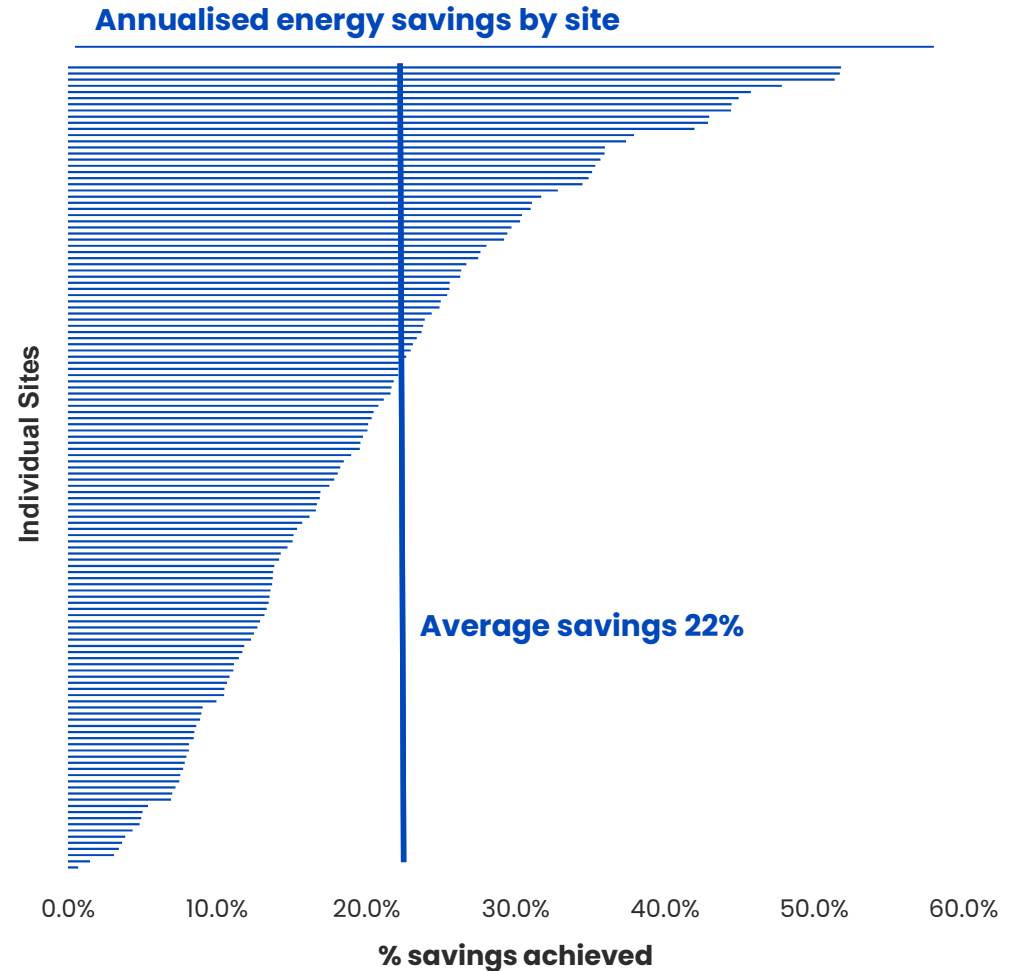
1) As at 30 June 2022

2) Top 10 based on initial contract date with EP&T

# Energy Savings & Improved Sustainability Ratings

EP&T has a proven track record of reducing energy consumption, delivering financial savings and improving building sustainability ratings across its client portfolio

- Portfolio average energy reductions of 22%
- 81% of sites achieve over 10% reductions
- EP&T has delivered material improvement in numerous clients NABERS ratings from when EP&T contract commenced:
  - Ratings increases of up to 2.5 stars
  - Average increase of 0.8 stars



**Notes:**

- Savings are average annual savings over the contract term versus the baseline 12 months energy usage
- The baseline is typically 12 months prior to project commencement of the contract
- Savings based on energy units (such as kWh)

# Global Clients Win Multiple Sustainability Awards...

Multiple EP&T clients have won the world's most prestigious energy efficiency and sustainability awards for the last 10 years. A selection of awards won since 2016 by our clients is shown below.

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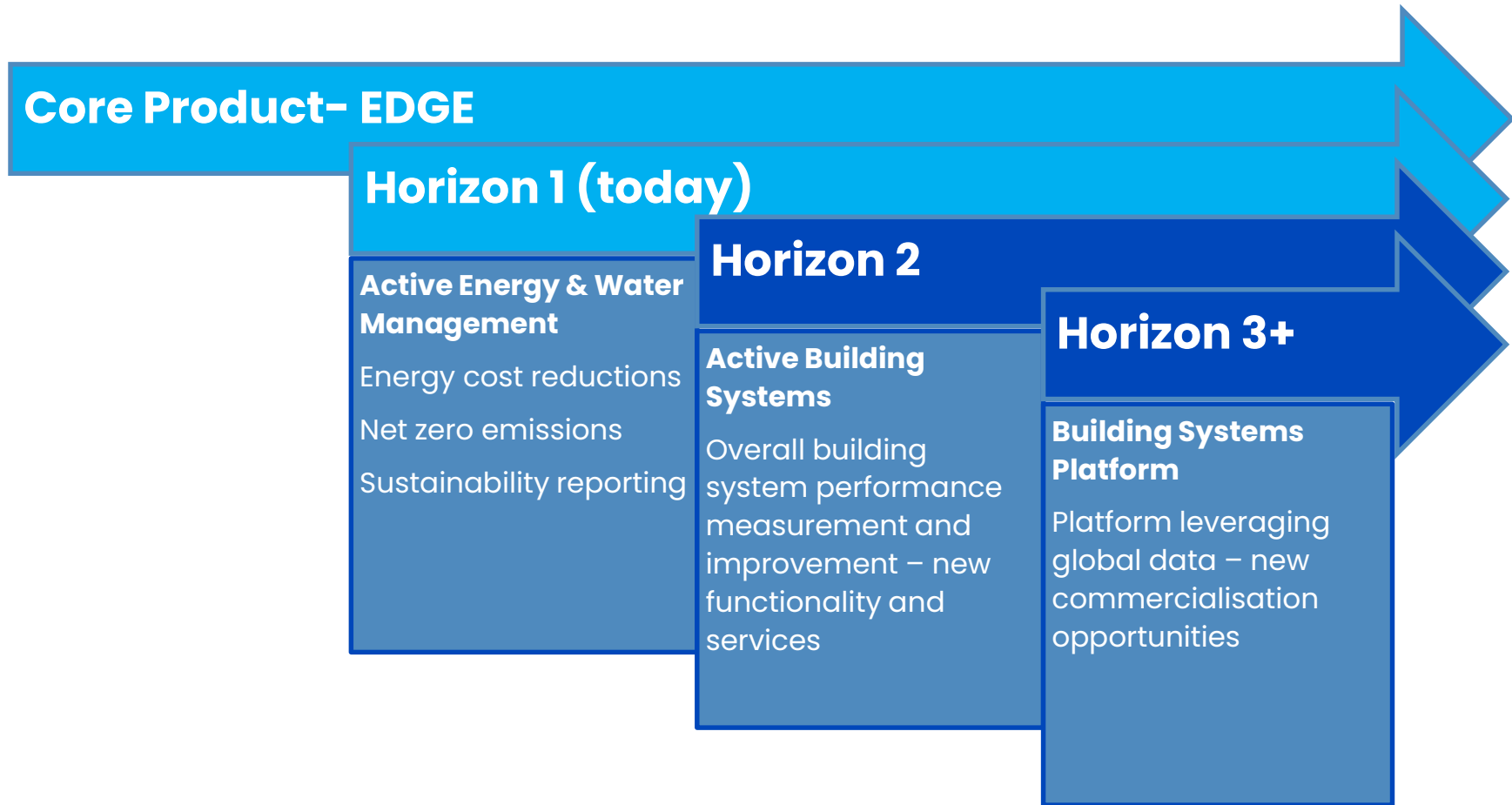


2021/22	<p><b>5 STAR</b> – GRESB Global Sector Leader- Client: <b>British Land</b>,  <b>TOP RATED</b> – Dow Jones Sustainability World Index for Real Estate – <b>Stockland, CapitaLand</b>  <b>WINNER</b> – CDP Climate Performance scorers – Client: <b>Growthpoint</b>  <b>GOLD</b> – EPRA Sustainability Reporting Awards – Client: <b>British Land</b>,  <b>6 STARS</b> – Achieved maximum 6 Star NABERS Rating for <b>multiple customers</b>  <b>B List</b> – CDP Climate Performance scorers – Client: <b>Growthpoint</b>  <b>Sector Leaders (top quintile) – GRESB – Growthpoint</b></p>
2020	<p><b>TOP RATED</b> – Dow Jones Sustainability World Index for Real Estate – Client: <b>Stockland, CapitaLand</b>  <b>WINNER</b> – GRESB Global Leader for Listed Retail- Client: <b>Scentre Group</b>  <b>GOLD</b> – EPRA Sustainability Reporting Awards – Client: <b>British Land, Cofinimmo, Derwent London, Intu</b>  <b>6 STARS</b> – Achieved maximum 6 Star NABERS Rating for <b>multiple customers</b>  <b>B List</b> – CDP Climate Performance scorers – Client: <b>Growthpoint</b></p>
2019	<p><b>WINNER</b> – GRESB Global Leader for Listed Diversified Retail/Office – Client: <b>Stockland</b>  <b>WINNER</b> – No. 1 in DJSI Corporate Sustainability – Client: <b>Stockland</b>  <b>WINNER</b> – GRESB European Leader for Listed Retail- Client: <b>Unibail-Rodamco-Westfield</b>  <b>GOLD</b> – EPRA Sustainability Reporting Awards – Client: <b>British Land, Cofinimmo, Derwent London, Intu</b>  <b>6 STARS</b> – Achieved maximum 6 Star NABERS Rating for <b>multiple clients</b></p>
2018	<p><b>WINNER</b> – GRESB Global Leader for Listed Diversified Retail/Office – Client: <b>Stockland</b>  <b>WINNER</b> – No. 1 in DJSI Corporate Sustainability – Client: <b>Stockland</b>  <b>GOLD</b> – EPRA Sustainability Reporting Awards – Client: <b>British Land, Cofinimmo, Derwent London, Intu</b>  <b>6 STARS</b> – Achieved maximum 6 Star NABERS Rating for <b>multiple clients</b></p>
2017	<p><b>WINNER</b> – CIBSE Test of Time Award – Client: <b>British Land</b>  <b>GOLD</b> – EPRA Sustainability Reporting Awards – Client: <b>British Land, Cofinimmo, Derwent London, Intu</b>  <b>WINNER</b> – GRESB Global Leader for Listed Diversified Retail/Office – Client: <b>Stockland</b>  <b>6 STARS</b> – Achieved maximum 6 Star NABERS Rating for <b>multiple clients</b></p>
2016	<p><b>WINNER</b> – No. 1 in DJSI – Client: <b>Stockland</b>  <b>WINNER</b> – No. 1 in GRESB Aus/NZ (Aus/NZ GRESB benchmark is the highest globally) – Client: <b>Stockland</b>  <b>WINNER</b> – No. 1 in GRESB Europe Diversified Retail / Office category – Client: <b>British Land</b>  <b>GOLD</b> – EPRA Sustainability Reporting Awards – Client: <b>British Land, Cofinimmo, Derwent London, Intu</b></p>

Notes: Client awards, 2016 – 2021 – similar awards over past 9 years

# EP&T's product journey will continue to build on our leading data skillsets

Access and use to granular, reliable data will allow us to meet the evolving requirements of our market




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# Improving Operating Metrics


Operating performance metrics are also improving with more work to be done

Category	Description	FY21	FY22	Break-even target (Q3FY23)	FY23 focus
<b>Direct Costs</b> (% of ARR)	Employee and other direct costs related to system installation, configuration and provision of ongoing services.	\$3.2m (61%)	\$4.1m (45%)	~\$4.4m (30%)	<ul style="list-style-type: none"> <li>Core project delivery teams now in place to service future ARR growth at levels achieved in FY21-FY22 (FY22 = 74% ARR increase)</li> <li>Continue to leverage technology to improve operational delivery performance with metrics such as number of buildings monitored per customer delivery member improving from approximately 14 (FY21) to 19 (FY22) - an increase in efficiency of ~35% to date</li> </ul>
<b>Indirect operating costs</b> - net of other operating contribution (% of ARR)	Corporate, sales, development and admin costs less contribution from R&D incentives and other non-recurring income	\$5.0m (94%)	\$8.7m (94%)	~\$9.3m (70%)	<ul style="list-style-type: none"> <li>Investment in corporate support functions required in FY22 to meet listed company governance and reporting requirements now substantially complete</li> <li>Significant investment post IPO in sales, marketing and R&amp;D functions was required to establish platform which has delivered ~75% ACV growth since IPO</li> <li>FY21 net costs reduced by Covid stimulus payments and temporary salary reductions</li> <li>Indirect operating costs not expected to increase linearly to ARR growth as corporate functions are now in place to service requirements of the business</li> </ul>

# Company Highlights

 **Internationally proven technology** – proprietary technology operating in multiple sectors of commercial real estate – portfolio average of 22% pa energy savings resulting in annual reduction of over 100,000 tonnes of CO2 emissions

 **Continued growth in international blue chip client base** – EP&T's clients include leading blue chip companies and global real estate brands, currently contracted with 470+ sites in 26 countries in 5 continents

 **Market tailwinds support EP&T's core strength based on granular data** – EP&T takes a holistic view of the full equipment ecosystem to give deeper insights and verifiable data

 **Improving Operating Metrics and pathway to operating cashflow break even identified**

- FY22 **ARR growth of 74%** to \$9.2m
- FY22 **ACV growth 23%** to \$13.3 million
- Improvement in recurring revenues – from 82% at June 2021 to 89% as at June 22
- Projected ARR of \$13.5m to reach operating cashflow breakeven by end of Q3 FY23
- Sales pipeline and client interest at all time high in history of business

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**ep&t global**

ENVIRONMENT | PROPERTY | TECHNOLOGY

# **FY22 – FINANCIAL REPORT**

# FY22 Financial Results

## Profit and Loss Summary

- Total Revenue of \$7.1 million, a 16.6% increase from FY21
- Recurring subscription revenue has increased by 27.0% to \$6.3 million. Recurring revenue accounted for 88.9% of total revenue in FY22, an increase from 81.7% in FY21.
- Projects revenue has decreased by 39.7% to \$471k as EP&T's transition to a recurring subscription model continues.
- Other income in FY21 included ~\$0.5m of COVID-19 stimulus payments which were not repeated in FY22.
- Operating expenses increased by \$3.6m (+35%) to \$14.2m in FY22, with the main contributors being:
  - Wages and salaries growth of \$2.1m from FY21 to FY22 in order to meet growing opportunities in the UK and European markets, where the Company has seen a growth of 57% in ACV since IPO in May 2021.
  - Expansion of the executive team with the appointment of People & Culture and Product roles
  - Increased its marketing initiatives during FY22, to support growth, including global event sponsorship and attendance
  - Increased administrative costs as a listed entity
- Share-based payments expense of \$0.4 million relating to options issued prior to IPO and inventory and receivables impairment of \$0.3m.
- Depreciation on capitalized project costs and other plant and equipment has increased as a result of installation of new projects during FY22

	Consolidated	
	30-Jun-22	30-Jun-21
	\$	\$
Revenue		
<i>Recurring subscription revenue</i>	6,303,616	4,963,135
<i>Projects revenue</i>	470,910	780,784
<i>Service and maintenance revenue</i>	311,213	333,827
<b>Total Revenue</b>	<b>7,085,739</b>	<b>6,077,746</b>
Other income	601,962	1,219,357
Expenses	(14,221,103)	(10,554,304)
<b>Underlying EBITDA</b>	<b>(6,533,402)</b>	<b>(3,257,201)</b>
Share based payments, Impairment	(706,676)	(8,628,863)
Interest, taxation and depreciation	(1,164,555)	(270,797)
<b>Net Loss After Tax</b>	<b>(8,404,633)</b>	<b>(12,156,861)</b>



# FY22 Financial Results

## Balance Sheet Summary

- Cash on hand at 30 June 22 = \$4.2m
- Current assets include trade receivables of \$1.2m, R&D incentive receivables of \$0.7m, inventory of \$0.7m (equipment to be allocated to project installations), contract assets of \$0.7m
- Non-current assets include project assets and other PPE of \$3.6m, contract assets of \$1.9m, deferred tax \$0.6m and right of use asset of \$0.4m
- Current liabilities include:
  - trade payables of \$1.8m being predominantly due to installations linked to ARR growth,
  - accrued payroll, commissions and incentives of \$1.2m, with the majority being accrued monthly payroll which is paid at the start of each month.
  - accrued leave end of service liabilities of \$1.7m, with the majority being an end of service accrual under Dubai law, in the event of staff leaving,
  - lease liabilities of \$0.3m; and
  - borrowings of \$0.4m
- Non-current liabilities include borrowings of \$0.4m and lease liabilities of \$0.2m
- No intangibles – R&D costs are expensed as incurred

	Consolidated	
	30-Jun-22	30-Jun-21
	\$	\$
Cash and cash equivalents	4,218,773	5,300,099
Other Current Assets	3,877,514	3,908,231
<b>Total Current Assets</b>	<b>8,096,287</b>	<b>9,208,330</b>
Non-Current Assets	6,539,033	5,059,224
<b>Total Assets</b>	<b>14,635,320</b>	<b>14,267,554</b>
Current Liabilities	5,849,463	5,370,171
Non-Current Liabilities	604,764	786,147
<b>Total Liabilities</b>	<b>6,454,227</b>	<b>6,156,318</b>
<b>Net Assets</b>	<b>8,181,093</b>	<b>8,111,236</b>

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# FY22 Financial Results

## Cash flow Summary

- Cash receipts of \$7.8 million for FY22 up from \$7.6 million in FY21 – impacted by transition to subscription-based model completed in FY21. The FY21 includes receipts from customers related to sales made under the discontinued upfront capital model.
- Other operating cash flows decreased due to higher R&D incentive payment and COVID related stimulus payments in FY21.
- Investing cash flows relate to project implementation costs for projects installed or partially installed. This investment supports future revenues from ongoing fees for new projects when complete.
- Financing cash flows in FY22 includes the December 21 share placement completed to support further growth investment, including in sales and marketing and installation of project backlog. FY21 financing cashflows were from the IPO in May 2021.

	Consolidated	
	30-Jun-22	30-Jun-21
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of GST)	7,804,500	7,610,818
Payments to suppliers and employees (inclusive of GST)	(14,560,065)	(12,308,053)
Other operating cashflows	638,385	1,267,255
<b>Net cash used in operating activities</b>	<b>(6,117,180)</b>	<b>(3,429,980)</b>
Net cash flows from investing activities	(2,210,433)	(1,757,833)
Net cash flows from financing activities	7,246,287	10,221,915
<b>Cash and cash equivalents at the end of the period</b>	<b>4,218,773</b>	<b>5,300,099</b>

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# Operating Cost Management

FY22 saw investment in capacity to service future growth. FY23 focus is on cost management to deliver profitable growth.

Cost category	FY22 commentary	FY23 Focus
<b>Employee expenses</b>	<ul style="list-style-type: none"> <li>Increased 16% from \$8.9m (FY21) to \$10.4m (FY22)</li> <li>The FY21 expense benefited from COVID-19 related government relief payments and temporary one-off wage reductions of approximately A\$0.8m</li> <li>Staff numbers increased from 65 (FY21) to 75 (FY22), an increase of 15% primarily due to increase in research and development and service delivery staff to support ARR growth. In this time, the global net lettable area monitored by EP&amp;T increased by 60% to approx. 8m sqm</li> <li>Expansion of the executive team with the appointment of People &amp; Culture and Product roles</li> </ul>	<ul style="list-style-type: none"> <li>Core delivery teams now in place to service ARR growth</li> <li>Company is focussed on leveraging technology to improve operational delivery performance with metrics such as number of buildings monitored per customer delivery member improving from approximately 14 (FY21) to 19 (FY22) - an increase in efficiency of ~35%</li> <li>Investment in corporate support functions required to meet listed company governance and reporting requirements substantially complete</li> </ul>
<b>Marketing expenses</b>	<ul style="list-style-type: none"> <li>Increased by 87% to \$0.5m from FY21 to FY22 increase as a result of a new CRM system being implemented, brand refresh, new website and marketing collateral and more prominence at industry specific conferences.</li> </ul>	<ul style="list-style-type: none"> <li>Following the FY22 investment in brand and core material the go forward focus is on specific, ROI driven marketing activities to target key markets and verticals</li> <li>New global CRM system implemented to enable focussed tracking of outcomes of marketing activities</li> </ul>
<b>Administrative and Other expenses</b>	<ul style="list-style-type: none"> <li>Increased 47% from \$2.1m (FY21) to \$3.0m (FY22). The largest growth categories were with insurance expense, representing the insurances necessary for a public company, consultancy expenses and higher fees from listing including audit, legal and company secretarial</li> </ul>	<ul style="list-style-type: none"> <li>FY22 saw the step up in administrative and overhead costs following EP&amp;T's first year as a public company</li> <li>This cost base largely fixed in nature</li> </ul>

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