**30 July 2024**

**Pod Point Group Holdings PLC (Symbol: PODP)**
**(the "Company", the "Group" or "Pod Point")**
**Half-year results for the six months ended 30 June 2024**

**Good progress against operational milestones and FY24 guidance confirmed**

Pod Point Group Holdings PLC, a leading provider of Electric Vehicle ("EV") charging solutions in the UK, is pleased to announce its interim results for 2024, in line with expectations. The Group is making good progress against its Powering Up strategic initiatives, particularly with the Home segment returning to growth, cost restructuring actions and the development of Energy Flex. 2024 guidance has been maintained despite the more challenging EV market backdrop.

**Melanie Lane, Chief Executive Officer of Pod Point, said:**

"Since joining Pod Point in May this year, I have been pleased to see continued strong progress against the Powering Up strategy and in our Energy Flex business in particular. We remain on track to deliver against all of our nine key operational milestones as well as our financial targets for the current year, with our performance contrasting the weaker than expected private EV demand so far in 2024."

| Key Financials | Six months to 30.06.24 | Six months to 30.06.23 | Period on period change |
|---|---|---|---|
| Revenue | £28.1m | £30.6m | (8.2)% |
| Adjusted EBITDA[(1)] | £(8.8)m | £(6.8)m | (29.4)% |
| Loss Before Tax | £(18.7)m | £(32.8)m | 43.0% |
| Closing cash and cash equivalents | £29.0m | £58.8m | £(29.8)m |

[(1)] See Note 5 for definition of Adjusted EBITDA

**Group Highlights**

- Installed base of communicating devices rose to 242k units, up 14% compared to H1 2023. Pod Point maintains its leading position at scale in the UK
- Revenue declined by 8% with planned reduction in non-core activities within the UK Commercial segment more than offsetting growth across our core segments
- Return to growth in the Home segment with revenues up 6.5% for H1 2024 vs. H1 2023, continuing the positive momentum for this core segment despite a challenging 2024 market
- Following maiden Energy Flex revenues in Q4 2023, £0.2m revenue generated in H1 2024 (H1 2023: £nil) and on track to deliver 2024 FY guidance of £0.3m
- Gross margin of 32%, up 200 bps compared to H1 2023 driven by pricing, operational efficiency and mix
- Adjusted EBITDA loss of £8.8m (H1 2023: loss of £6.8m) driven by higher legacy overheads in advance of the benefits from the cost reduction programmes in H2 2024, as well as some investment in the new growth areas of Energy Flex and International
- H1 2024 Loss Before Tax of £18.7m (H1 2023: £32.8m) including no further non-cash impairment charges required in H1 2024 (H1 2023: £18.6m), and exceptional charges of £2.6m

relating to the restructuring programme  in 2023, and £1.7m provision relating to a supplier in administration
- Healthy cash position of £29.0m (FY 2023: £48.7m) and fully undrawn £30m EDF credit facility, providing the Group with a robust liquidity position
- Brand trust of our customers remains high, with improved TrustPilot score to 4.4 (2023: 4.3)
- The Group has now delivered six of its nine Operational KPIs for the year and remains on track to deliver all targets during 2024

**Focus on UK Home and Workplace, plus Capital Light International**
- Successful launch of the Solo 3S (Arch 5), our new OCPP-compliant chargepoint , delivering a key 2024 objective
- Continued growth in average revenue per install, up 2% to £815 following 7% growth in H1 2023
- New contract wins including Rentokil, Speedwell Group and Avery Dennison Group, and renewals with Zenith Leasing and TSB
- On track to launch in two international markets in 2024 with units now successfully certified and in active testing in Spain and France

**Drive Energy Flex Value and Recurring Revenue**
- Hosted Energy Flex Capital Markets Event, replay available at www.investors.pod-point.com
- Signed key contracts with EDF and Centrica to enable access to wholesale markets for Energy Flex trading
- Delivered £211,000 of Energy Flex revenues from local DSO markets, the smallest of the Energy Flex market segments
- Launch of consumer proposition on track for end of 2024

**Cost Out**
- Restructuring programme on track, with first and second phase complete and on course to deliver £6m of annualised savings
- Gross margin up 200bps in H1 2024 (vs H1 2023) on pricing, improved BOM and mix
- ROI discipline embedded with increasing focus on Customer Lifetime Value

| **Financial Summary** | **Six months to 30.06.24 £m**[1] | **Six months to 30.06.23 £m** | **Period on period change** |
|---|---|---|---|
| **Total revenue** | **28.1** | 30.6 | **(8.2)%** |
| Home | 13.2 | 12.4 | 6.5% |
| UK Commercial | 7.5 | 10.7 | (29.9)% |
| UK Distribution | 3.1 | 3.4 | (8.8)% |
| Owned Assets | 4.0 | 4.1 | (2.4)% |
| Energy Flex | 0.2 | - | n.m. |
| **Gross profit** | **9.0** | 9.2 | **(2.2)%** |
| *Gross margin* | **32%** | 30% | 2ppts |
| **Adjusted EBITDA** | **(8.8)** | (6.8) | **(29.4)%** |
| **Loss before tax** | **(18.7)** | (32.8) | **43.0%** |
| **Closing cash and cash equivalents** | **29.0** | 58.8 | **£(29.8)m** |

[1]This table presents revenue in £m by segment and in total, and does not cast due to rounding differences

| **Headline KPIs** | **Six months to 30.06.24** | **Six months to 30.06.23** | **Period on period change** |
|---|---|---|---|
| $CO_2e$ avoided through the use of Pod Point's chargepoints (ktonnes) | **238** | 191[1] | 24.6% |
| Home units installed | **16,215** | 15,525 | 4.4% |
| Average revenue per Home chargepoint (£) | **815** | 801 | 1.7% |
| Total Home chargepoints installed and able to communicate at period end | **213,298** | 188,158 | 13.4% |
| Total Commercial units installed and able to communicate at period end | **28,442** | 23,771 | 19.6% |
| Total chargepoint units installed and able to communicate at period end | **241,740** | 211,929 | 14.1% |
| Energy transferred across our Network (GWh) | **259** | 215 | 20.5% |

[1]Restated to conform to the FY23 methodology

## Current trading and outlook

The Group continues to trade in line with expectations, despite private plug-in vehicle demand remaining weak. The Group is making good progress against all nine of its operational targets set at the Capital Markets Day in November 2023.

2024 is a transitional year for the Group, as we execute our restructuring plan and exit non-strategic business activities. Overall, our guidance for full year 2024 revenue and adjusted EBITDA is unchanged. Revenues are expected to be around £60m, with the Group exiting mid-single-digit million pounds of non-core revenues. Adjusted EBITDA losses are expected to be around £14m in 2024. We will deliver growth in our core Home segment for the second half and expect to see significant positive momentum in our Energy Flex segment as set out in the Energy Flex Capital Market Event earlier this month.

We maintain our guidance on cash, and expect to end 2024 with around £15m of cash and to remain undrawn on our £30m credit facility.

**Webcast presentation**

There will be a webcast presentation for investors and analysts this morning at 09:00am. Please contact podpoint@teneo.com if you would like to attend.

**Enquiries:**


| | |
|---|---|
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### About Pod Point Group Holdings plc

Pod Point was founded in 2009. Driven by a belief that driving shouldn't cost the earth, Pod Point is building the infrastructure needed to enable the mass adoption of electric vehicles and to make living with an EV easy and affordable for everyone. As at 30 June 2024 the company has shipped more than 240k charge points on its network in the UK and is an official charge point supplier for major car brands.

Pod Point works with a broad range of organisations and customers to offer home and commercial charging solutions.

Pod Point is admitted to trading on the London Stock Exchange under the ticker symbol "PODP."

# Chief Executive Officer's statement

I am pleased to present my first report as Chief Executive Officer of Pod Point.  Having admired and respected Pod Point for a long time, with its scaled charging network, reputation of great customer service, diverse distribution relations and strong brand, I was delighted to join the business on 1 May.  I would like to thank Andy for all his hard work and effort as interim CEO and look forward to working closely with him in his role of Chair.  Andy and the team did a huge amount of work in the last 12 months in the formulation of the Powering Up strategy, and we have already started to see real progress in delivering on our targets in a difficult EV market.

After a challenging period for the business, there are clear signs of stabilisation and progress evident in our performance during the first half of 2024.  This set of results marks the fourth update in a row from Pod Point where we have maintained or upgraded our financial targets.  While our financial performance today clearly does not represent the potential of Pod Point, we are steadily building momentum and embedding a culture of performance.

Our transformation plan is built on three interconnected priorities: focusing on our core strengths and leveraging them into adjacent markets; driving customer lifetime value through grid load management services or "Energy Flex" and recurring revenues; and implementing our cost optimisation programme to ensure the Group's operating model is set up for success. This new strategy has received strong support from EDF, our largest shareholder and a key partner in our international expansion.

I would like to thank all my new colleagues for their warm welcome, their hard work and their dedication to making Pod Point a great place to work. Collectively, we have made great progress in the first half of the year, and I am confident we can make further progress in the months ahead.

**Review of H1 2024**

We are in the early stage of our transformation and our financial performance in H1 2024 was in line with our expectations.  The delivery of our strategy will create significant value over the long term, as we move towards both adjusted EBITDA profitability and positive cash flows. As we laid out at the 2023 Capital Markets Day, 2024 will be a year of transition as we exit some non-core parts of our business and adjust our cost base; however, in the first half, we have delivered underlying growth in our core Home segment and delivered significant positive momentum in our Energy Flex segment.

Powering Up, Pod Point's transformation plan, builds on the Group's core strengths in its brand, leading market share and broad partnerships.  This strategy prioritises the Home and Workplace segments and developing an Energy Flex recurring revenue stream to build customer lifetime value, combined with a significant cost out programme.

We have further enhanced our core strengths during the first half. Our installed base of connected chargepoints is now over 240,000; our excellent Trust Pilot scores have improved, and we have launched our new OCPP-compliant Solo 3S chargepoint in market.

**Powering Up: our strategy to deliver significant growth and value**

We aim to power up 1 million customers from our current base of over 240,000 and help make living with an EV easy and affordable for everyone. Through our Powering Up strategy, we are committed to achieving sustainable leadership in the Home and Workplace markets; bringing our UK strengths into European markets; and driving customer lifetime value through Energy Flex and recurring revenues. Our financial performance will be enhanced by improving our cost position. We have made good progress on all fronts.

**Looking ahead**

The market has remained soft so far in 2024 and is likely to remain so for the balance of the year with ongoing consumer uncertainty in anticipation of potential changes to UK Government policy and ongoing volatility in private new EV demand. However, the long-term structural demand drivers and need for electrification remain in place; the UK market should see significant tailwinds from the zero-emission vehicle ("ZEV") Mandate legislation that requires automotive manufacturers to materially increase their ZEV sales mix materially, from 22% in 2024 to 38% by 2027 and 80% by 2030.

Pod Point will focus on the operational execution of our Powering Up strategy, which will include the orderly exit of some non-core parts of our existing business. 2024 will be a transition year for the Group, reflecting the impact of these exits and only a part-year of the anticipated £6m of annualised cost savings.

I am pleased to confirm that we are maintaining our guidance for 2024 and remain on track to deliver all nine of our operational KPIs.

Melanie Lane
Chief Executive Officer

# Chief Financial Officer's statement

2024 has been a year in which we have focused on executing against the Powering Up strategy communicated at our Capital Markets Events in November 2023. Our trading and financial performance reflects a combination of planned exits from some non-core activities and growth in core. We are very encouraged with the progress made in our transformation and strong delivery against our 9 key operational milestones.

While our overall revenues were down 8% from £30.6 million to £28.1 million, we saw our Home business return to growth with revenues increasing by over 6% from £12.4 million to £13.2 million. This was offset by a 30% reduction in our Commercial revenues from £10.7 million to £7.5 million, however, this was a planned decline as we move away some commercial activities and refocus the core of the business on Home. Following our maiden revenues from Energy Flex in H2 2023, we continue to make strong progress in this segment and delivered revenues of £0.2 million in H1 2024.

While revenues declined, our overall gross profit was only down by 2% from £9.2 million to £9.0 million with gross margin improvements largely offsetting the revenue decline. Our gross margin percentage improved by a further 2ppts year-on-year from 30% to 32% as we continue to see the benefits of our operational efficiency, price optimisation and the strategic focus on higher margin business units.

**Business Segment Review:**
In the Home business segment:

- Revenue of £13.2 million was 6.5% up compared to of £12.4 million in H1 2023.
- The number of Pod Point Home units installed increased to 16,215 versus 15,525 in H1 2023.
- The higher revenue growth drove total gross margin in H1 2024 to £3.5 million, from £3.4 million in H1 2023.
- Percentage gross margin in H1 2024 decreased by 120 basis points to 26.5% compared to H1 2022 at 27.7%, driven by the IFRS15 deferral of £0.5m of income related to 5 year warranties offered free of charge to customers as an acquisition incentive.

In the Commercial business segment:

- Due to the planned exit of non-core customer activities, revenue decreased by 30% to £7.5 million from £10.7 million in 2023
- Total gross margin in H1 2024 reduced to £2.0 million, compared to H1 2023 at £2.6 million, a decrease of 23%.
- Percentage gross margin increased by 310 basis points to 27.0% in H1 2024 from 23.9% in H1 2023, due to a shift in the mix of installations toward higher margin direct sale units.

In the Distribution business segment:

- Revenue decreased by 9% to £3.1 million from £3.4 million in H1 2023, reflecting a reduction in volumes via our Housebuilder channel due lower housing completions.

- Total gross margin in H1 2024 of £1.9 million, compared to H1 2023 at £2.0 million, a decrease of 5%, less than the decline in line with revenue as margins improved.
- Percentage gross margin increased slightly by 30 basis points to 59.5% in H1 2024 from 59.2% in H1 2023

In the Owned Asset business segment:

- Following the completed roll-out of the Tesco network, we delivered consistent revenues of £4.0 million in H1 2024 compared to H1 2023 of £4.1million.
- Gross margin in H1 2023 to £1.4 million compared to H1 2022 at £1.2 million, an increase of 17%.
- Percentage gross margin in H1 2024 increased by 530 bps to 35.4% compared to H1 2022 of 30.1% due to revenue mix.

In the Energy Flex business segment:

- Revenues of £0.2 million in H1 2024 (H1 2023: £nil) which flowed directly to gross margin as there are no associated costs of goods sold

Our overhead costs (excluding depreciation and amortisation, share-based payment charges and exceptional items) were up 10% on last year at £18.4 million, but this does not reflect the benefit of the significant restructuring and cost reduction initiatives which took place in H1 2024 and will benefit H2 2024 and into 2025. Indeed, to support new growth initiatives such as International and Energy Flex there was some overheads investment in the period.

Overall, the business generated an adjusted EBITDA loss of £8.8 million in H1 2024 (H1 2023: £6.8 million loss).

Administrative expenses excluding impairment charges increased by £4.4 million from £24.3 million in H1 2023 to £28.7 million in H1 2024.

The key factor driving this increase of 18% was an increase of £3.9 million in exceptional charges, to £4.3 million in H1 2024 from £0.4 million in H1 2023, reflecting the restructuring exercise communicated in FY23 (£2.6 million) and a provision of £1.7 million for the carrying value of stock and for maintenance obligations arising from Tritium, a supplier in administration.

During April 2024, Tritium DCFC Limited, the parent entity of a supplier of rapid charging units to the Group, entered administration. The uncertainty caused by this situation has led to customers of the Group delaying installation of Tritium products. There is also uncertainty among customers as to the timely satisfaction of warranty obligations in respect of installed units.

The Group has therefore recognised provisions for:

i) The carrying value of Tritium stock on hand which does not have a committed order (£0.4 million);

ii) £1.3 million relating to the expected future costs of maintenance and repair services due under existing warranty commitments, which the Group currently expects to have to fulfil.

We saw a £0.9 million increase in depreciation and amortisation, reflecting additional investment in the Group's technology.

Share-based payment charges reduced from £2.2 million in H1 2023 to £nil in H1 2024, reflecting significant credits arising from lapses on employees leaving the Group.

Unadjusted losses after tax reduced to £18.8 million in H1 2024 (H1 2023: £33.0 million, including goodwill impairment charges of £18.6 million). Depreciation and amortisation costs of £6.0 million were incurred in H1 2024 (H1 2023: £5.1 million), while net financing income was £0.5 million, slightly up from £0.3 million in H1 2023.

Our balance sheet remains strong. Working capital movements have been limited in H1 2024 across trade and other receivables, inventory and trade and other payables. Fixed assets grew as we continue to build the software platforms that will drive future growth.

After further capital investment of £5.9 million, including £5.7 million in software and product development, and exceptional cash charges of £2.6 million, 2023 year-end cash and cash equivalents were £29.0 million compared to £48.7 million at the end of 2023.

Closing cash and cash equivalents were £29.0 million at 30 June 2024 (31 December 2023: £48.7 million). Closing net assets were £83.6 million (31 December 2023: £102.3 million).

The £30 million credit facility available from EDF remains undrawn.

Cash outflow from operating activities in H1 2024 increased by £3.8 million to £12.8 million (H1 2023: £9.0 million). This was primarily due to administrative expenses as described above.

Cash flow from investing activities had outflows of £5.2 million (H1 2023: £6.3 million). In both periods the primary factor was investment in capitalised software development to drive future recurring revenues.

Cash flow from financing activities were an outflow of £1.7 million (H1 2023: £0.1 million). H1 2023 included inflows of £1.5 million relating to loans funding the owned asset portfolio.

During H1 2023, transactions with related parties included sale of goods of £0.1 million (H1 2023: £0.1 million) and purchase of goods of £0.4 million (H1 2023: £0.1 million). These transactions were undertaken with the shareholders EDF Energy Customers Limited and its subsidiaries and related parties.

**Principal Risks and Uncertainties**

Effective risk management is essential to the achievement of our strategic objectives and driving sustainable business growth. We aim to maintain an appropriate balance between protecting the company against specific risks while being able to encourage appropriate and monitored risk-taking and innovation that allows us to take advantage of business opportunities.

The Board, as part of its half year processes, considered reports from management reviewing the principal risks and uncertainties and how these might evolve during the second half of 2024.

Following this review the Board is satisfied that the  Group's principal risks remain unchanged from those contained in our 2023 Annual Report to bring to your attention. These are listed below:

1. Dependency on the continuing adoption of and demand for EVs
2. Competition in the industry and market segments in which we operate
3. Delays to Product Development and a failure to innovate
4. High lead times for specific commodities or loss of a major supplier
5. Government and regulatory initiatives with unknown outcomes
6. Health and safety risks related to our products, installation, maintenance and operation of electrical equipment
7. Potential undetected defects, errors or bugs in our hardware or software
8. Disruptions to our network and IT systems, including from malware, viruses, hacking, phishing attacks and spamming
9. Ability to hire and retain key management and other skilled employees
10. Delay or disruption to execution of our international expansion and Energy Flex plans during a period of cost-optimisation and transformation
11. Value from energy flexibility services could be impacted by regulatory developments or unexpected changes in customer demand or behaviour

Further details of the  Group's principal risks and uncertainties can be found on pages 76-89 of the 2023 Annual Report, which is available on https://investors.pod-point.com/

**Prospects and outlook**

Trading in 2024 has been affected by the slower than expected progress in EV adoption, especially in the private BEV segment with these customers fully exposed to the cost of living crisis.  There has also been uncertainty around government policy and the regulatory landscape which may resolve following the recent election.

Despite these headwinds, the Group maintains its overall guidance for 2024 with revenue expected to be around £60 million, adjusted EBITDA around £14 million, and year end cash position around £15 million with the EDF credit facility remaining undrawn.

**Directors' Responsibilities Statement**

We confirm that to the best of our knowledge:

a) The condensed consolidated interim set of financial statements has been using accounting policies consistent with IFRS as adopted by the UK and in accordance with IAS 34 "Interim Financial Reporting".

b) The interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risk and uncertainties for the remaining six months of the year); and

c) The interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related party transactions and changes therein).

By order of the Board

D Wolffe
Director
29 July 2024

**Basis of Preparation and General Information**

The condensed consolidated interim financial statements for Pod Point Group Holdings Plc (the Company) and its subsidiaries (together, the Group) have been prepared using accounting policies consistent with IFRS as adopted by the UK and in accordance with IAS 34 "Interim Financial Reporting".

The same accounting policies and methods of computation are followed in this set of condensed consolidated interim financial statements as compared with the most recent Annual Report. A copy of the statutory accounts for the year ended 31 December 2023 has been delivered to the Registrar of Companies.

The auditor's report on those accounts was not qualified, did not draw attention to any matters by way of emphasis and did not contain statements under Section 498(2) or (3) of the Companies Act 2006.

The condensed consolidated interim financial statements do not constitute the full financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the UK and have been prepared on a going concern basis.

The condensed consolidated interim financial statements were approved by the Board of directors on 29 July 2024

| Condensed Consolidated Income Statement | Notes | **Six months ended 30 June 2024 £'000** | Six months ended 30 June 2023 as restated[1] £'000 | Year ended 31 December 2023 £'000 |
|---|---|---|---|---|
| **Revenue** | | **28,084** | 30,614 | 63,756 |
| Cost of sales | | **(19,048)** | (21,375) | (44,516) |
| **Gross profit** | | **9,036** | 9,239 | 19,240 |
| Other income | | **484** | 600 | 1,000 |
| Administrative expenses excluding impairment charges | | **(28,701)** | (24,346) | (51,439) |
| **Operating loss before impairment of intangible assets** | | **(19,181)** | (14,507) | (31,199) |
| Impairment charges relating to intangible assets | | **-** | (18,645) | (53,154) |
| **Operating loss** | | **(19,181)** | (33,152) | (84,353) |
| Finance income | | **710** | 542 | 1,586 |
| Finance costs | | **(204)** | (205) | (418) |
| **Loss before tax** | | **(18,675)** | (32,815) | (83,185) |
| Income tax expense | | **(144)** | (138) | (229) |
| **Loss after tax** | | **(18,819)** | (32,953) | (83,414) |
| **Basic and diluted loss per ordinary share** | 7 | **£(0.12)** | £(0.22) | £(0.54) |

All amounts relate to continuing activities.

All realised gains and losses are recognised in the consolidated income statement and there is no other comprehensive income. Therefore, no separate statement of other comprehensive income is presented.

The notes set out below form part of the condensed consolidated interim financial statements.

[1]The income statement for the six months ended 30 June 2023 has been re-presented to conform with the 31 December 2023 and 30 June 2024 presentation

**Condensed Consolidated Statement of Financial Position**

| | Notes | As at 30 June 2024 £'000 | As at 30 June 2023 restated[1] £'000 | As at 31 December 2023 £'000 |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Goodwill | 9 | **34,365** | 58,994 | 34,365 |
| Intangible assets | 9 | **27,907** | 35,231 | 26,735 |
| Property, plant and equipment | | **4,520** | 5,619 | 4,957 |
| Right of use assets | | **2,364** | 2,949 | 2,379 |
| | | **69,156** | 102,793 | 68,436 |
| **Current assets** | | | | |
| Inventories | | **4,336** | 6,686 | 4,524 |
| Trade and other receivables | | **21,178** | 16,370 | 16,809 |
| Contract assets - accrued income | | **7,093** | 7,714 | 6,730 |
| Cash and cash equivalents | | **29,000** | 58,766 | 48,743 |
| | | **61,607** | 89,536 | 76,806 |
| **Total assets** | | **130,763** | 192,329 | 145,242 |
| **Current liabilities** | | | | |
| Trade and other payables | | **(25,482)** | (18,803) | (22,835) |
| Contract liabilities - deferred income | | **(14,838)** | (12,959) | (13,398) |
| Loans and borrowings | | **(1,159)** | (1,271) | (1,272) |
| Lease liabilities | | **(908)** | (1,466) | (1,095) |
| Provisions | | **(127)** | (290) | (530) |
| | | **(42,514)** | (34,789) | (39,130) |
| **Net current assets** | | **19,093** | 54,747 | 37,676 |
| **Total assets less current liabilities** | | **88,249** | 157,540 | 106,112 |
| **Non-current liabilities** | | | | |
| Loans and borrowings | | **(1,565)** | (2,821) | (2,140) |
| Lease liabilities | | **(1,547)** | (1,700) | (1,406) |
| Provisions | | **(1,534)** | (302) | (219) |
| | | **(4,646)** | (4,823) | (3,765) |
| **Total liabilities** | | **(47,160)** | (39,612) | (42,895) |
| **Net assets** | | **83,603** | 152,717 | 102,347 |
| **Equity** | | | | |
| Share capital | | **156** | 154 | 154 |
| Share premium | | **139,887** | 139,887 | 139,887 |
| Shared-based payment reserve | | **4,874** | 8,236 | 8,327 |
| ESOP reserve | | **(1,318)** | (1,318) | (1,318) |
| Retained earnings | | **(59,996)** | 5,758 | (44,703) |
| | | **83,603** | 152,717 | 102,347 |

[1]See note 10

Company registration number 12431376

**Condensed Consolidated Statement of Changes in Equity**

| | Share capital | Share premium | Share-based payment reserve | ESOP reserve | Retained earnings | Total equity |
|---|---|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 January 2022 as previously reported | 154 | 140,057 | 2,264 | (1,318) | 58,678 | 199,835 |
| Restatements[1] | - | (158) | - | - | 86 | (72) |
| Balance at 1 January 2022 as restated | 154 | 139,899 | 2,264 | (1,318) | 58,764 | 199,763 |
| Loss after tax | | | | - | (20,211) | (20,211) |
| Issue of shares during the year as restated | | | (158) | | 158 | - |
| Equity-settled share-based payments | | - | 4,545 | | | 4,545 |
| Share issuance costs | - | (12) | - | - | - | (12) |
| Balance at 31 December 2022 as restated | 154 | 139,887 | 6,651 | (1,318) | 38,711 | 184,085 |
| Loss after tax for H1 23 | | | | - | (32,953) | (32,953) |
| Share-based payments for H1 23 | | - | 1,585 | | - | 1,585 |
| Balance at 30 June 2023 as restated | 154 | 139,887 | 8,236 | (1,318) | 5,758 | 152,717 |
| Loss after tax for H2 23 | | | | - | (50,461) | (50,461) |
| Share-based payments for H2 23 | | - | 91 | | - | 91 |
| Balance at 31 December 2023 | 154 | 139,887 | 8,327 | (1,318) | (44,703) | 102,347 |
| Loss after tax for H1 24 | | | | **-** | **(18,819)** | **(18,819)** |
| Share-based payments for H1 24 | **2** | - | **(3,453)** | - | **3,526** | **75** |
| Balance at 30 June 2024 | **156** | **139,887** | **4,874** | **(1,318)** | **(59,996)** | **83,603** |

[1]See note 10 for details of the restatement

**Condensed Consolidated Statement of Cash Flows**

| | Notes | **Six months ended 30 June 2024 £'000** | Six months ended 30 June 2023 as restated[1] £'000 | Year ended 31 December 2023 £'000 |
|---|---|---|---|---|
| **Cash flows from operating activities** | | | | |
| Loss for the period | | **(18,819)** | (32,953) | (83,414) |
| *Adjustment for non-cash items:* | | | | |
| Amortisation of intangible assets | | **4,517** | 3,792 | 8,138 |
| Impairment of customer relationship intangibles | | | - | 9,880 |
| Impairment of goodwill | | | 18,645 | 43,274 |
| Impairment of internally generated intangibles | | - | 235 | - |
| Depreciation of tangible assets | | **664** | 656 | 1,338 |
| Depreciation of right of use assets | | **825** | 679 | 1,378 |
| Share based payment charges | | **75** | 1,683 | 1,676 |
| Tax expense | | **144** | 138 | 229 |
| Interest received | | **(710)** | (542) | (1,586) |
| Interest paid | | **204** | 205 | 418 |
| Tax paid | | **(144)** | (138) | (229) |
| **Operating cash outflow before changes in working capital** | | **(13,244)** | **(7,600)** | **(18,898)** |
| *Changes in working capital* | | | | |
| Movement in inventories | | **188** | (1,046) | 1,116 |
| Movement in trade and other receivables | | **(4,370)** | 284 | (155) |
| Movement in contract assets - accrued income | | **(363)** | (1,487) | (503) |
| Movement in trade and other payables | | **2,642** | (1,265) | 2,866 |
| Movement in contract liabilities - deferred income | | **1,440** | 2,126 | 2,565 |
| Movement in provisions | | **911** | 25 | 183 |
| **Net cash flow used in operating activities** | | **(12,796)** | (8,963) | (12,826) |
| ***Cash flows from investing activities*** | | | | |
| Purchase of tangible assets | | **(242)** | (777) | (797) |
| Development expenditure capitalised | | **(5,689)** | (6,023) | (11,518) |
| Interest received | | **710** | 542 | 1,586 |
| **Net cash flow used in investing activities** | | **(5,221)** | (6,258) | (10,729) |
| ***Cash flows from financing activities*** | | | | |
| Proceeds from new borrowings | | - | 1,466 | 1,466 |
| Loan repayment of principal | | **(690)** | (666) | (1,401) |
| Loan repayment of interest | | **(84)** | (84) | (166) |
| Payment of principal of lease liabilities | | **(846)** | (711) | (1,481) |
| Payment of lease interest | | **(106)** | (121) | (223) |
| **Net cash flows used in financing activities** | | **(1,726)** | (116) | (1,805) |
| **Net decrease in cash and cash equivalents** | | **(19,743)** | (15,337) | (25,360) |
| **Cash and cash equivalents at beginning of the period** | | **48,743** | 74,103 | 74,103 |
| **Closing cash and cash equivalents** | | **29,000** | 58,766 | 48,743 |

[1]For details of the restatement see note 10

**Consolidated Notes to the condensed financial statements**

## 1. General information

Pod Point Group Holdings plc (referred to as the "Company") is a public limited company incorporated in the United Kingdom under the Companies Act 2006 and registered in England. Its registration number is 12431376. The registered address is 222 Gray's Inn Road, London WC1X 8HB.

The principal activity of the Company and its subsidiary undertakings (the "Group") during the periods presented is that of development and supply of equipment and systems for recharging electric vehicles. The entire issued share capital of the Company is admitted to trading on the Main Market of the London Stock Exchange.

All figures presented in these condensed consolidated interim financial statements are in £ sterling.

These interim financial statements for the six months ended 30 June 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2023 ("last annual financial statements"). They do not include all of the information required for a complete set of financial statements prepared in accordance with UK-adopted international accounting standards ("UK-adopted IFRS") accounting standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

These condensed consolidated financial statements do not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2023 have been delivered to the Registrar of Companies. The auditor has reported on those accounts and their opinion was (i) unqualified, (ii) did not include any matters to which the auditor drew attention by way of emphasis of matter without modifying their opinion, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006. These condensed consolidated financial statements have been reviewed by the Group's auditors pursuant to the Auditing Practices Board guidance on the Review of Interim Financial Information (although the comparative figures were not subject to review by the Group's auditor).

## 2. Going concern

In adopting a going concern basis for the preparation of the condensed consolidated interim financial statements, the Directors have made appropriate enquiries and have considered the Group's business activities, cash flows and liquidity position, and the Group's principal risks and uncertainties, in particular economic and competitive risks.

The Directors have taken into account reasonably possible future economic factors in preparing and reviewing trading and cash flow forecasts covering the period to 31 July 2025 (the assessment period), being at least over 12 months from the date of approval of these condensed consolidated interim financial statements. This assessment has recognised the significant loss and cash outflow in FY2023 and in H1 24, and the actions management has taken and has planned in FY2024 to implement the Group's change in strategy as set out above.

The Group is expected to continue to experience negative cash flows in 2024 and 2025, before becoming cash generative in 2027. The Directors are of the view that the plans in place are realistic and achievable.

This assessment has taken into consideration sensitivity analysis as set out below and the steps which could be taken to further mitigate costs if required. Mitigations which are available and entirely within the control of the Group include a reduction in investment in brand marketing expenditure, delays in investment in new technology not expected to be in use during the assessment period, and reductions in expenditure on the Group's support functions to match any reductions in demand levels. Since the Group's commitments to carbon emission reductions do not have a significant cost implication, the impact of climate change has not had a significant effect on the forecasts considered.

In satisfying themselves that the going concern basis is appropriate, the Directors have considered the following key sensitivities to the base case forecast listed below. In assessing the impact of a reasonably possible downside scenario, the Directors have modelled the combined impact of those sensitivities set out below.

The Directors consider a scenario where these sensitivities occur in combination is unlikely, but not remote. A scenario where some of these sensitivities occur, but not others, would therefore be upsides against the scenario considered.

i) A sensitivity related to economic risk factors, reflecting a general reduction in economic confidence or reduction in willingness of individual and corporate customers to incur discretionary cost, or reduction in expected rates of adoption of EVs. This sensitivity results in a fall in forecast revenues of 5% resulting from a decrease in UK installations resulting from lower than expected market demand for EVs.

ii) A reduction of 1% in revenue during the assessment period due to a reduction in the Group's ability to apply inflationary price increases.

iii) In addition to sensitivity (i), a further fall in forecast revenues of 5% resulting from a decrease in UK installations resulting from lower than expected market share performance by the Group, due to realisation of risks arising from competitive pressures or to the Group's own execution performance.

iv) A sensitivity to supply chain risk, with an increase of 1% in total cost of sales due to supplier cost increases which cannot be passed on to customers.

v) A sensitivity reflecting an increase in forecast cashflow outflow during the assessment period due to a six-month delay in scaling the Energy Flex business and the International business resulting in a 2% decrease in revenue through the assessment period

Mitigating actions available to the Group have been considered as follows, resulting in a 22% overall reduction in the sensitised cash outflow, arising from actions to delay or reduce:
i) investment in new product technology (8%);
ii) investment in internal systems (4%); and
iii) to reduce overhead costs including discretionary bonuses (10%).

The severe but plausible downside scenario considered shows, prior to mitigating actions, a minimal but positive cash position at the end of the assessment period. The effect of mitigating actions leaves the

Group with positive liquidity throughout the assessment period, without the need for borrowing to maintain a positive cash position.

In the event of a further downside beyond the severe but plausible scenario considered, or to offset mitigating actions which may prove ineffective, the EDF facility is also available to provide £30m of further liquidity headroom to the Group. The Board has received assurances that EDF Energy Customers Limited would not seek repayment of the facility within the assessment period, if doing so would cause the Group liquidity issues.

Given the Group's cash position at 30 June 2024 of £29.0m, and mitigations available in a downside scenario, the Group expects to maintain a position of sufficient liquidity throughout the forecast period to at least 31 July 2025. The level of liquidity available, along with the facility provided by EDF, means that the Group has the flexibility to address any reasonably possible change in costs, and the Group does not anticipate the need to seek further sources of finance during the assessment period. The Directors will re-assess whether the EDF facility would be required in a severe but plausible downside scenario at the 2024 year end reporting date based on the Group's H2 24 performance.

In light of the Group's current liquidity and the results of the sensitivity testing conducted, the Directors are satisfied that the Company, and the Group as a whole, has sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and consequently have prepared the condensed consolidated interim financial statements on a going concern basis.

## 3. Accounting policies

The accounting policies and methods of computation followed in these condensed consolidated financial statements are consistent with those applied during the year ended 31 December 2023.

There is no significant seasonality or cyclicality of interim operations as presented. The Group's Energy Flex business is expected to generate additional returns in Winter compared to Summer, when demand on the energy grid is higher, however the activity within this segment is not significant in the periods presented.

Except as set out below, these policies are consistent with those applied in the six-month period ended 30 June 2023 as previously reported.

A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after 1 January 2024, and early adoption is permitted. The Group has not adopted early any of the forthcoming new or amended accounting standards in preparing these condensed consolidated interim financial statements. No significant impact on the Group's reported results or financial position is currently expected in respect of these forthcoming new or amended accounting standards.

### *3.1 Revenue - commercial installation projects*

The Group offers a commercial installation service, whereby units are delivered to and installed at a specific customer site as agreed on a case-by-case basis.

During the year ended 31st December 2023, management identified that the previous policy for recognition of revenue arising from commercial installation contracts did not faithfully reflect the transfer of control of goods and services to the customer. The Group concluded that the previous policy did not fully align to the requirements of IFRS 15. The update to the accounting policy to comply with IFRS 15 is set out below and the application of the updated policy has resulted in the correction of previously misstated balances, as set out in note 10.

*Previous accounting policy*
Previously, costs associated with commercial installation contracts, being both the cost of units purchased and installation costs, were presented in inventory as work-in-progress. This work-in-progress balance did not reflect an asset controlled by the Group, since the installation projects take place on a customer site, with transfer of control of the installed units to the customer over time as work is completed.

Previously, revenue was not recognised until invoice for the majority of projects. For a limited number of larger projects, revenue was accrued based on customer agreement that key project milestones had been reached.

Under the revised accounting policy, revenue is recognised at the point of delivery to customer site, for units sold, and over time for installation services, as these services are provided. Where work takes place ahead of invoicing, this leads to recognition of a contract asset in the form of accrued income.

*Current accounting policy*
The Group has re-assessed that these installation contracts include two separate performance obligations that are distinct under IFRS 15, the first being the delivery to the customer of the chargepoint units, and the second being the service of installation of those units.

In arriving at the assessment that sale of units and installation of units represents two separate performance obligations, the Group has considered the fact that the Group sells units as a stand- alone product, with the customer either installing themselves or separately contracting for installation with a third party.

The transaction price is allocated to each performance obligation based on the stand-alone selling prices. Where such stand-alone selling prices are not directly observable, these are estimated based on expected cost-plus margin. The Group has assessed that control of units passes to the customer upon delivery of units to the customer site. Therefore, revenue associated with the units is recognised at a point in time, upon delivery.

The installation work performed by the Group under commercial installation contracts has no alternative use. Under these contracts, the Group has an enforceable right to payment for work done, including if a contract is cancelled part-way through by a customer.

The installation service is recognised as it is provided over time, with revenue accrued on an input basis using the costs incurred to date as a ratio of total expected costs. This approach gives rise to a contract asset in the form of accrued income, until the relevant amounts are invoiced.

Under this method, actual costs are compared with the total estimated costs to measure progress towards complete satisfaction of the performance obligation. To measure the relevant proportion of revenue to recognise, the Group is required to estimate the margin on contracts in progress at each reporting date. This estimation is performed on a portfolio basis.

The effect of the change in policy on the results as previously stated is set out in note 10.

***3.2 Taxation***

The income tax charge in H1 24 relates to the accrued RDEC tax credit income for the period.

There is no deferred tax charge for the period, since deferred tax assets are recognised only up to the level of deferred tax liabilities arising. Since these assets and liabilities arise only in the UK, and since they therefore relate to income taxes levied by the same tax authority on the same group of entities, and since there is an expectation that the tax assets and liabilities will be realised simultaneously, these assets and liabilities are netted off in the balance sheets presented.

***3.3 Exceptional items***

Exceptional items represent amounts which result from unusual transactions or circumstances, and which in management's view need to be separately disclosed by virtue of their nature and significance.

In the annual report and accounts for the year ended 31 December 2023, items that met this definition included large corporate transactions and restructuring costs.

For these condensed consolidated financial statements, the Directors have assessed those transactions which should be considered exceptional in providing more relevant and reliable information and in the period ended 30 June 2024 have included certain warranty and stock provisions related to the administration of a key supplier.

For clarity going forward, items requiring separate disclosure will be summarised under the term 'exceptional items'.

The identification of these items is judgemental, and this judgement is made at Board level. We believe that adjusting for such items presents an alternative perspective which can improve comparability period on period and which therefore can represent more relevant and reliable information in understanding the Group's financial performance. These amounts are adjusted from alternative performance measures for this reason.

**4. Critical accounting judgements and key source of estimation uncertainty**

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only the period or in the period of the revision and future periods if the revision affects both current and future periods.

## Critical judgements in applying accounting policies

### (i) Capitalisation of development costs

Development costs are capitalised where they relate to a qualifying project and where the relevant costs can be separately identified. The capitalised development costs are based on management judgements taking into account:

• the technical feasibility to complete the product or system so that it will be available for use
• management intends to complete the product or system and use or sell it
• the ability to use or sell the product or system
• the availability of adequate technical, financial and other resources to complete the development

In determining the development costs to be capitalised, the Group estimates the expected future economic benefits of the respective product or system that is the result of a development project. Management also make judgements regarding the level of purchased services which are directly attributable to the work to develop the capitalised projects and therefore are included within the overall project costs.

The overall cost of this team is material and a significant change in this estimate could have a significant effect on the value of costs capitalised. The impact of a change to this estimate could result, at the most extreme, i.e. in a scenario where either no development team costs are capitalised, or where they are capitalised in full, in a decrease of £1.3m or increase of £5.7m in administrative expenses in the current period.

### (ii) Revenue recognition

Contracts are accounted for in accordance with IFRS 15 'Revenue from Contracts with Customers'. Revenue is recognised as, and when, identified performance obligations are satisfied. Identifying the performance obligations, and the relevant method to faithfully reflect the timing of transfer of control of services to customer, for some contracts, may require management to exercise judgement.

#### Performance obligations identified in contracts

In the year ended 31 December 2023, the Group identified that there are separate performance obligations in respect of Commercial installation contracts, for the supply of units and the installation of those units. In the year ended 31 December 2023, the revenue recognition approach to these contracts has changed in two respects. Firstly, to split the delivery of units to customer site from the work done to install those units into two performance obligations, as set out above. Secondly, to recognise contract assets in the form of accrued income prior to invoicing, based on the percentage of the total installation project which has been completed. Revenue accrued also includes the relevant proportion of expected margin to be earned on the overall project as set out below. If the Group cannot reliably measure progress of installation services, the Group restricts revenue recognition to the level of costs incurred. Costs are taken to the income statement as incurred.

#### Transfer of control to customers

In the year ended 31 December 2023, management identified that the previous policy for recognition of revenue arising from commercial installation contracts did not appropriately reflect the transfer of control of the installation of the asset to the customer. Previously, including in the six months ended 30 June 2023 as previously reported, revenue derived from funded development and large programmes was recognised as milestone obligations were completed in full. Since many projects did not contain such milestones, for many projects, this resulted in point-in-time recognition, at the end of an installation. A work-in-progress inventory asset was recognised on the balance sheet prior to completion of milestones or invoicing, reflecting costs incurred by the Group but not margin. This work-in-progress balance did not reflect an asset controlled by the Group, since the project was on a customer site.

Under the revised method, actual costs are compared with the total estimated costs to measure progress towards complete satisfaction of the performance obligation. To measure the relevant proportion of revenue to recognise, the Group is required to estimate the margin on contracts in progress at each reporting date. This estimation is performed on a portfolio basis.

The changes described above resulted in a new contract asset, accrued income, and the derecognition of a previously presented asset, work in progress. The revised approach therefore results in earlier recognition of revenue and of cost of sales. The effect of the change on the prior period is set out within note 9.

**Key source of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**(i) Impairment of goodwill and other intangibles**

During the year ended 31 December 2023, the Group performed a value-in-use assessment of the carrying value of goodwill arising on acquisition and concluded that an impairment of £53.2m was required, primarily relating to goodwill allocated to the UK Commercial CGU.

At 30 June 2024, the remaining carrying value of goodwill and other intangibles arising on acquisition has been re-assessed, using a fair value less costs of disposal ("FVLCOD") approach. The Directors are required to consider the recoverable amount, being the higher of FVLCOD and value in use at each reporting date. The Directors consider the FVLCOD approach gives rise to a higher recoverable value at 30 June 2024.

FVLCOD reflects market inputs or inputs based on market evidence if readily available. If these inputs are not readily available, the fair value is estimated by discounting future cash flows modified for market participants' views.

Since observable market inputs or inputs based on market evidence are not readily available, management have used a discounted cash flow model to estimate the FVLCOD of each CGU. The discounted cash flows represent a Level 3 valuation as defined by IFRS 13 Fair Value Measurement.

The Directors have assessed the appropriate basis to determine the recoverable amount including the growth in adoption of battery electric vehicles ("BEVs") after 2030, which was the terminal period applied at 31 December 2023. The Directors consider that an assessment on a FVLCOD basis is a more useful representation of the recoverable amount when considering the future strategy of the business, including the impact of continued adoption of BEVs in the UK market over the medium term.

Management has projected cash flows using Board-approved budgets and forecasts to 2030. Management has then, for the assessment at 30 June 2024, estimated a growth rate for the period from 2030 to 2035 of 5.9%, reflecting a further period of strong growth arising from adoption of BEVs.

This change to include a period longer than 5 years is considered appropriate given the growth in electric vehicles is expected to increase significantly beyond 5 years, driven by Government policy initiatives to decarbonise most transport and increased demand for electric vehicles.

The Group's forecasts have been updated in light of trading in H1 24 and latest expectations.

The key assumptions in the model remain in line with the Group's November 2023 strategic plan, and include:

i) 15% CAGR in the addressable residential home charging market between 2024 and 2030, and a 40% CAGR growth in the Workplace market over the same period;
ii) 20% cumulative annual growth rate in revenue between 1 January 2024 and 31 December 2027;
iii) A 5 percentage point improvement in gross margin by 2025 and sustained throughout the plan period;
iv) A £6m annualised reduction in overhead costs by 2025, offset in later years by investment in brand marketing and international expansion; and
v) The Group to become cash generative from 2027.

As well as estimates on future trading performance, key estimation inputs include the weighted average cost of capital used to discount the estimated cash flows, and the terminal growth rate applied to cash flows beyond the specific assessment period. Changes in these assumptions could have led to an additional impairment charge.

## 5. Operating segments, revenue and alternative performance measure

During the second half of the year ended 31 December 2023, the Group undertook a strategic review, which resulted in a change in the operating segments reviewed by the Chief Operating Decision Maker ("CODM"). The Group now has six operating segments, five of which are as set out in the table below.

The results for the six months ended 30 June 2023 have been re-presented according to the revised segments.

In future, the Group also expects to report activity within an International segment. However, for all periods presented, trading, assets and liabilities and cash flows for this segment is immaterial.

| Reportable Segment | Operations |
|---|---|
| UK Home | Activities generated by the sale of chargepoints for installation at homes in the UK. |
| UK Commercial | Activities generated by the sale and installation of chargepoints in commercial settings such as destinations and workplace parking in the UK, as well as the recurring revenue generated on chargepoints, relating to fees charged from the ongoing use of the Pod Point software and information generated from the management information system. |

| | |
|---|---|
| UK Distribution | Activities generated by the sale of chargepoints to commercial customers such as housebuilders and wholesale channels in the UK |
| Owned Assets | Operating activities relating to customer contracts, in which Pod Point owns the chargepoint assets but charges a fee for provision of media screens on the chargepoints for advertising purposes, and charges end customers for the use of these assets. |
| Energy Flex | Activities relating to provision of a flexibility service, to arrange access to Pod Point's installed base of domestic charging units, distributor network operators and distribution system operators to manage energy usage in geographically designated areas over time to match production capacity. |

There are no transactions with a single external customer amounting to 10 per cent. or more of the Group's revenues.

Revenue in all periods presented arises materially all in the United Kingdom.

Costs have been attributed to segments on a specific basis where possible, and on an activity basis where necessary.

Information relating to assets, liabilities and capital expenditure information is presented to the CODM in aggregate. Materially all assets and liabilities were UK based in all periods presented.

**Alternative performance measures**

The Group makes use of an alternative performance measure, adjusted EBITDA, in assessing the performance of the business. The definition and relevance of this measure is set out below. The Group believes that this measure, which is not considered to be a substitute for or superior to IFRS measures, provides stakeholders with helpful additional information on the performance of the Group.

**Adjusted EBITDA**

**Definition**

Profit or loss from operating activities, adding back depreciation, amortisation, impairment charges, share-based payment charges and exceptional items.

**Relevance to strategy**

The adjusted measure is considered relevant to assessing the performance of the Group against its strategy and plans.

The rationale for excluding certain items is as follows:

• Depreciation: a non-cash item which fluctuates depending on the timing of capital investment. We believe that a measure which removes this volatility improves comparability of the Group's results period on period.

• Amortisation: a non-cash item which varies depending on the timing of and nature of acquisitions, and on the timing of and extent of investment in the internally generated intangibles arising from development of the Group's products. We believe that a measure which removes this volatility improves comparability of the Group's results period on period. Where applicable, impairment of intangible assets is also excluded as an exceptional item.

- Share-based payment charges: a non-cash item which varies significantly depending on the share price at the date of grants under the Group's share option schemes, and depending on the assumptions used in valuing these awards as they are granted. We believe that a measure which removes this volatility improves comparability of the Group's results period on period and also improves comparability with other companies that do not operate similar share-based payment schemes.

- Exceptional items: these items represent amounts which result from unusual transactions or circumstances and of a significance which warrants individual disclosure to provide reliable and more relevant information on financial performance. We believe that adjusting for such items improves comparability period on period.

Other income represents grant income relating to the R&D expenditure credit for relief on the Group's research and development costs.

**Segmental Analysis for the six months ended 30 June 2024:**

| | **UK Home**<br><br>**£'000** | **UK Commercial**<br><br>**£'000** | **UK Distribution**<br><br>**£'000** | **Owned Assets**<br><br>**£'000** | **Energy Flex**<br><br>**£'000** | **Total Group**<br><br>**£'000** |
|---|---|---|---|---|---|---|
| Installation services provided to Commercial customers | - | 5,593 | - | - | - | 5,593 |
| Other services provided to customers over time | 130 | 1,503 | - | 4,009 | - | 5,642 |
| Wholesale and Supply only sales to Commercial customers at point in time | - | 409 | 3,143 | - | - | 3,552 |
| Sale and installation of chargepoints to residential customers at point in time | 13,086 | - | - | - | - | 13,086 |
| Energy flex revenues | - | - | - | - | 211 | 211 |
| **Revenue** | **13,216** | **7,505** | **3,143** | **4,009** | **211** | **28,084** |
| Cost of sales | (9,711) | (5,476) | (1,272) | (2,589) | - | (19,048) |
| **Gross margin** | **3,505** | **2,029** | **1,871** | **1,420** | **211** | **9,036** |
| *Gross margin %* | *26.5%* | *27.0%* | *59.5%* | *35.4%* | *100%* | *32.2%* |
| Other income | 268 | 149 | 63 | - | 4 | 484 |
| Administrative expenses excluding impairment charges | (14,721) | (9,770) | (3,425) | (574) | (211) | (28,701) |
| Impairment charges | - | - | - | - | - | - |
| **Operating (loss)/profit** | **(10,948)** | **(7,592)** | **(1,491)** | **846** | **4** | **(19,181)** |
| Finance income | 397 | 218 | 87 | - | 8 | 710 |
| Finance costs | (59) | (35) | (15) | (94) | (1) | (204) |
| **(Loss)/profit before tax** | **(10,610)** | **(7,409)** | **(1,419)** | **752** | **11** | **(18,675)** |

**Reconciliation of operating loss to adjusted EBITDA for the six months ended 30 June 2024**

| | **UK Home** £'000 | **UK Commercial** £'000 | **UK Distribution** £'000 | **Owned Assets** £'000 | **Energy Flex** £'000 | **Total Group** £'000 |
|---|---|---|---|---|---|---|
| **Operating (loss)/profit** | (10,948) | (7,592) | (1,491) | 846 | 4 | (19,181) |
| Depreciation and amortisation | 3,191 | 1,637 | 667 | 465 | 46 | 6,006 |
| Impairment charges | - | - | - | - | - | - |
| Share-based payments charge | (5) | (4) | (2) | - | - | (11) |
| Exceptional items | 2,207 | 1,421 | 694 | - | 21 | 4,343 |
| **Adjusted EBITDA** | **(5,555)** | **(4,538)** | **(132)** | **1,311** | **71** | **(8,843)** |

**Segmental Analysis for the six months ended 30 June 2023:**

| | UK Home<br>£'000 | UK Commercial<br>£'000 | UK Distribution<br>£'000 | Owned Assets<br>£'000 | Energy Flex<br>£'000 | Total Group<br>£'000 |
|---|---|---|---|---|---|---|
| Installation services provided to Commercial customers | - | 9,180 | - | - | - | 9,180 |
| Other services provided to customers over time | 48 | 1,549 | - | 4,052 | - | 5,649 |
| Wholesale and Supply only sales to Commercial customers at point in time | - | - | 3,399 | - | - | 3,399 |
| Sale and installation of chargepoints to residential customers at point in time | 12,386 | - | - | - | - | 12,386 |
| Energy flex revenues | - | - | - | - | - | - |
| **Revenue** | **12,434** | **10,729** | **3,399** | **4,052** | **-** | **30,614** |
| Cost of sales | (8,989) | (8,165) | (1,387) | (2,834) | - | (21,375) |
| **Gross margin** | **3,445** | **2,564** | **2,012** | **1,218** | **-** | **9,239** |
| *Gross margin %* | *27.7%* | *23.9%* | *59.2%* | *30.1%* | - | *30.2%* |
| Other income | 370 | 191 | 39 | - | - | 600 |
| Administrative expenses excluding impairment charges | (14,641) | (7,558) | (1,530) | (617) | - | (24,346) |
| Impairment charges | - | (18,645) | - | - | - | (18,645) |
| **Operating (loss)/profit** | **(10,826)** | **(23,448)** | **521** | **601** | **-** | **(33,152)** |
| Finance income | 334 | 173 | 35 | - | - | 542 |
| Finance costs | (74) | (39) | (8) | (84) | - | (205) |
| **(Loss)/profit before tax** | **(10,566)** | **(23,314)** | **548** | **517** | **-** | **(32,815)** |

**Reconciliation of operating loss to adjusted EBITDA for the six months ended 30 June 2023**

| | **UK Home** £'000 | **UK Commercial** £'000 | **UK Distribution** £'000 | **Owned Assets** £'000 | **Energy Flex** £'000 | **Total Group** £'000 |
|---|---|---|---|---|---|---|
| **Operating (loss)/profit** | **(10,826)** | **(23,448)** | **521** | **601** | **-** | **(33,152)** |
| Depreciation and amortisation | 2,871 | 1,483 | 300 | 472 | - | 5,126 |
| Impairment charges | - | 18,645 | - | - | - | 18,645 |
| Share-based payments charge | 1,384 | 715 | 145 | - | - | 2,244 |
| Exceptional items | 222 | 114 | 23 | - | - | 359 |
| **Adjusted EBITDA** | **(6,349)** | **(2,491)** | **989** | **1,073** | **--** | **(6,778)** |

**Segmental Analysis for the year ended 31 December 2023:**

| | UK Home<br><br>£'000 | UK Commercial<br><br>£'000 | UK Distribution<br><br>£'000 | Owned Assets<br><br>£'000 | Energy Flex<br><br>£'000 | Total Group<br><br>£'000 |
|---|---|---|---|---|---|---|
| Installation services provided to Commercial customers | - | 19,835 | - | - | - | 19.835 |
| Other services provided to customers over time | 135 | 3,162 | - | 8,348 | - | 11,645 |
| Wholesale and Supply only sales to Commercial customers at point in time | - | - | 5,400 | - | - | 5,400 |
| Sale and installation of chargepoints to residential customers at point in time | 26,837 | - | - | - | - | 26.837 |
| Energy flex revenues | - | - | - | - | 39 | 39 |
| **Revenue** | **26,972** | **22,997** | **5,400** | **8,348** | **39** | **63,756** |
| Cost of sales | (19,406) | (16,943) | (2,281) | (5,886) | - | (44,516) |
| **Gross margin** | **7,566** | **6,054** | **3,119** | **2,462** | **39** | **19,240** |
| *Gross margin %* | *28.1%* | *26.3%* | *57.8%* | *29.5%* | *100%* | *30.2%* |
| Other income | 617 | 319 | 64 | - | - | 1,000 |
| Administrative expenses excluding impairment charges | (30,863) | (16,094) | (3,225) | (1,235) | (22) | (51,439) |
| Impairment charges | - | (47,396) | (5,758) | - | - | (53,154) |
| **Operating (loss)/profit** | **(22,680)** | **(57,117)** | **(5,800)** | **1,227** | **17** | **(84,353)** |
| Finance income | 979 | 505 | 102 | - | - | 1,586 |
| Finance costs | (136) | (70) | (14) | (198) | - | (418) |
| **(Loss)/profit before tax** | **(21,837)** | **(56,682)** | **(5,712)** | **1,029** | **17** | **(83,185)** |

**Reconciliation of operating loss to adjusted EBITDA for the year ended 31st December 2023**

| | UK Home £'000 | UK Commercial £'000 | UK Distribution £'000 | Owned Assets £'000 | Energy Flex £'000 | Total Group £'000 |
|---|---|---|---|---|---|---|
| **Operating (loss)/profit** | **(22,680)** | **(57,117)** | **(5,800)** | **1,227** | **17** | **(84,353)** |
| Depreciation and amortisation | 6,106 | 3,150 | 638 | 960 | - | 10,854 |
| Impairment charges | - | 47,396 | 5,758 | - | - | 53,154 |
| Share-based payments charge | 1,403 | 724 | 146 | - | - | 2,273 |
| Exceptional items | 1,729 | 892 | 181 | - | - | 2,802 |
| **Adjusted EBITDA** | **(13,442)** | **(4,955)** | **923** | **2,187** | **17** | **(15,270)** |

## 6. Exceptional items

Exceptional items, for the purposes of presenting non-IFRS measure of adjusted EBITDA are as follows:

| | **Six months ended 30 June 2024 £'000** | Six months ended 30 June 2023 £'000 | Year Ended 31 December 2023 £'000 |
|---|---|---|---|
| Supplier-related costs | 1,712 | - | - |
| Restructuring costs | 2,631 | 359 | 2,802 |
| | 4,343 | 359 | 2,802 |

In FY 23, £2,802k of restructuring costs were incurred, representing professional fees associated with the strategic review exercise undertaken in during 2023 and the staff costs arising from executing this restructuring activity. £346k of these costs related to amounts paid to the former CEO after he had left his role and associated professional fees.

Included within this amount was a provision of £326k which was recognised at 31st December 2023, to cover the expected costs of staff exits in 2024 resulting from the strategic review exercise which had been communicated to those affected by the year end. At 30 June 2024, this amount had been spent in full.

A further £2,631k of restructuring costs were incurred in H1 24, in line with previously communicated expectations, representing further actions arising from the strategic review undertaken in 2023, and forming part of the same overall restructuring exercise. These included additional staff exit costs, and professional fees and other costs associated with the exit of non-core segments.

During April 2024, Tritium DCFC Limited, the parent entity of a supplier of rapid charging units to the Group, entered administration. The uncertainty caused by this situation has led to customers of the Group delaying installation of Tritium products. There is also uncertainty among customers as to the timely satisfaction of warranty obligations in respect of installed units.

The Group has therefore recognised provisions for:

i) The carrying value of Tritium stock on hand which does not have a committed order (£428k);
ii) The expected future costs of maintenance and repair services due under existing warranty commitments, which the Group currently expects to have to fulfil in place of Tritium if Tritium is unable to fulfil these as would normally be the case (£1,284k).

Restructuring costs in 2023 related to changes within the senior management team.

## 7. Loss per share

Basic earnings per share is calculated by dividing the loss attributable to the equity holders of the Group by the weighted average number of shares in issue during the year.

The Group has potentially dilutive ordinary shares in the form of share options granted to employees. However, as the Group has incurred a loss in all periods presented, the loss per share is not increased for potentially dilutive shares.

| | **Six months ended 30 June 2024** | Six months ended 30 June 2023 | Year ended 31 December 2023 |
|---|---|---|---|
| Loss for the period attributable to equity holders (£'000) | **18,819** | 32,953 | 83,414 |
| Weighted average number of shares in issue | **155,275,651** | 153,473,724 | 154,104,570 |
| Loss per share (Basic and Diluted) (£) | **(0.12)** | (0.22) | (0.54) |

## 8. Related Parties

*Transactions with Shareholders*

During the six months ended 30 June 2024, the Group had the following transactions with entities which were part of the EDF Group:

| | Sales of goods | Purchase of goods |
|---|---|---|
| Group Company | £'000 | £'000 |
| **EDF Energy Limited** | **106** | - |
| **EDF Energy Customers Limited** | - | **391** |

During the six months ended 30 June 2023, the Group had the following transactions with entities which were part of the EDF Group:

| | Sales of goods | Purchase of goods |
|---|---|---|
| Group Company | £'000 | £'000 |
| EDF Energy Limited | 138 | - |
| EDF Energy Customers Limited | - | 143 |

During the year ending 31 December 2023, the Group had the following transactions with entities which were part of the EDF Group:

| | Sales of goods | Purchase of goods |
|---|---|---|
| Group Company | £'000 | £'000 |
| EDF Energy Limited | - | 488 |
| EDF Energy Customers Limited | 3 | - |

*Transactions with related parties who are not members of the Group*

During H1 2024, the Group had the following transactions with a related party who is not a member of the Group. Imtech Inviron Limited is a related party by virtue of their ultimate parent and controlling party being Electricite de France S.A.:

- Sale of goods of £nil million (H1 2023: £0.2 million, year ended 31 December 2023: £0.2 million)

## 9. Intangible assets

| | Development £'000 | Brand £'000 | Customer relationships £'000 | Goodwill £'000 | Total £'000 |
|---|---|---|---|---|---|
| Cost: | | | | | |
| At 1 January 2024 | 27,981 | 13,940 | 13,371 | 77,639 | 132,931 |
| Additions – H1 24 | 5,689 | - | - | - | 5,689 |
| **At 30 June 2024** | **33,670** | **13,940** | **13,371** | **77,639** | **138,620** |
| Accumulated amortisation and impairment charges: | | | | | |
| At 1 January 2024 | (12,456) | (2,730) | (13,371) | (43,274) | (71,831) |
| Amortisation - H1 24 | (4,168) | (349) | - | - | (4,517) |
| **At 30 June 2024** | **(16,624)** | **(3,079)** | **(13,371)** | **(43,274)** | **(76,348)** |
| Carrying amounts: | | | | | |
| **At 30 June 2024** | **17,046** | **10,861** | **-** | **34,365** | **62,272** |

| | Development £'000 | Brand £'000 | Customer relationships £'000 | Goodwill £'000 | Total £'000 |
|---|---|---|---|---|---|
| Cost: | | | | | |
| At 1 January 2023 | 20,702 | 13,940 | 13,371 | 77,639 | 125,652 |
| Additions - H1 23 | 6,023 | - | - | - | 6,023 |
| At 30 June 2023 | 26,725 | 13,940 | 13,371 | 77,639 | 131,675 |
| Accumulated amortisation and impairment charges: | | | | | |
| At 1 January 2023 | (10,146) | (2,033) | (2,599) | - | (14,778) |
| Amortisation - H1 23 | (2,997) | (349) | (446) | - | (3,792) |
| Impairment - H1 23 | (235) | - | - | (18,645) | (18,880) |
| At 30 June 2023 | (13,378) | (2,382) | (3,045) | (18,645) | (37,450) |
| Carrying amounts: | | | | | |
| At 30 June 2023 | 13,347 | 11,558 | 10,326 | 58,994 | 94,225 |

| | Development £'000 | Brand £'000 | Customer relationships £'000 | Goodwill £'000 | Total £'000 |
|---|---|---|---|---|---|
| Cost: | | | | | |
| At 1 January 2023 | 20,702 | 13,940 | 13,371 | 77,639 | 125,652 |
| Additions - 2023 | 11,518 | - | - | - | 11,518 |
| Disposals - 2023 | (4,239) | | | | (4,239) |
| At 31 December 2023 | 27,981 | 13,940 | 13,371 | 77,639 | 132,931 |
| Accumulated amortisation and impairment charges: | | | | | |
| At 1 January 2023 | (10,146) | (2,033) | (2,599) | - | (14,778) |
| Amortisation - 2023 | (6,549) | (697) | (892) | - | (8,138) |
| Impairment - 2023 | - | - | (9,880) | (43,274) | (53,154) |
| Disposals - 2023 | 4,239 | - | - | - | 4,239 |
| At 31 December 2023 | (12,456) | (2,730) | (13,371) | (43,274) | (71,831) |
| Carrying amounts: | | | | | |
| At 31 December 2023 | 15,525 | 11,210 | - | 34,365 | 61,100 |

***Impairment review exercise undertaken in 2023***

Following the Group's announcement of a change to its strategic priorities in November 2023, the Group operates reporting segments which are aligned to those priorities, as set out in note 5. Goodwill and other intangible assets arising on acquisition were re-allocated from the previous segments to the new segments during 2023. The goodwill previously allocated to the Commercial Recurring and Commercial Non-Recurring segments was split between the UK Commercial and UK Distribution segments based on the 2023 revenue associated with those segments under the new reporting structure.

As a result of the re-allocation exercise, there was no re-allocation to or from Home from other segments. No intangible assets were allocated to the Owned Assets segment, or to the new Energy Flex or International segments.

As a result of the November 2023 strategy change, the Group is exiting certain commercial markets, such as Fleet Depot and Public Charging, to focus on Home and Workplace charging going forward.

During 2023 the Customer Relationships asset was re-assessed in light of the Group's strategy for its UK Commercial business and the updated cash flows expected from those customer relationships identified at initial recognition in 2020. The Directors assessed that the recoverable value of this asset on an individual basis at 31st December 2023 was nil and its carrying value at 31st December 2023 of £9,880k was impaired in full.

For the 2023 annual impairment review of goodwill, CGUs were identified in line with the new segments. The recoverable amount of each CGU was estimated on a value-in-use basis, using a discounted cash flow model.

The recoverable amount determined through this value-in-use test identified impairments in the UK Commercial and UK Distribution segments, totalling £53.2m. This amount was charged to the income statement within administrative expenses.

Of this amount, £18.6m had been identified at 30 June 2023 and charged within administrative expenses at that date. The Directors are of the view that this charge related entirely to goodwill within the UK Commercial segment.

***Impairment review exercise as at 30 June 2024***

At 30 June 2024, the remaining carrying value of goodwill and other intangibles arising on acquisition has been re-assessed, using a fair value less costs of disposal ("FVLCOD") approach. The Directors are required to consider the recoverable amount, being the higher of FVLCOD and value in use at each reporting date. The Directors consider the FVLCOD approach gives rise to a higher recoverable value at 30 June 2024.

FVLCOD reflects market inputs or inputs based on market evidence if readily available. If these inputs are not readily available, the fair value is estimated by discounting future cash flows modified for market participants' views.

Since observable market inputs or inputs based on market evidence are not readily available, management have used a discounted cash flow model to estimate the FVLCOD of each CGU. The discounted cash flows represent a Level 3 valuation as defined by IFRS 13 Fair Value Measurement.

The Directors have assessed the appropriate basis to determine the recoverable amount including the growth in adoption of battery electric vehicles ("BEVs") after 2030, which was the terminal period applied at 31 December 2023. The Directors consider that an assessment on a FVLCOD basis is a more useful representation of the recoverable amount when considering the future strategy of the business, including the impact of continued adoption of BEVs in the UK market over the medium term.

Management has projected cash flows using Board-approved budgets and forecasts to 2030. Management has then, for the assessment at 30 June 2024, estimated a growth rate for the period from 2030 to 2035 of 5.9%, reflecting a further period of strong growth arising from adoption of BEVs.

This change to include a period longer than 5 years is considered appropriate given the growth in electric vehicles is expected to increase significantly beyond 5 years, driven by Government policy initiatives to decarbonise most transport and increased demand for electric vehicles.

The Group's forecasts have been updated in light of trading in H1 24 and latest expectations.

Key assumptions in the model remain in line with the strategic plan presented at the Group's Capital Markets Day in November 2023. These assumptions include future trading estimates which include the size of the UK market for new charging points, and the Group's forecast market share. The Group's forecast takes into account its principal risks that may impact the cash flows, including macroeconomic factors, and has been determined using input from external advisors as part of the strategic review.

The forecasts are based on management's assessment of future market prospects, informed by publicly available data published by the UK Government and Euromonitor as well as proprietary insight from external advisors. The cashflow forecasts have been informed by the Group's actual trading performance in H1 24, management's assessment of current and likely future market conditions, and expectations on future cashflows arising from the Group's refocused Commercial activities following strategic review. The forecasts run to 31st December 2030.

Key assumptions include:
i) 15% CAGR in the addressable residential home charging market between 2024 and 2030, and a 40% CAGR growth in the Workplace market over the same period;
ii) 20% cumulative annual growth rate in revenue between 1st January 2024 and 31st December 2027;
iii) A 5 percentage point improvement on 2023 gross margin by 2025 and sustained throughout the plan period;
iv) A £6m annualised reduction in overhead costs by 2025, offset in later years by investment in brand marketing and international expansion; and
v) The Group to become cash generative from 2027.

The Group's Scope 1 and Scope 2 emissions targets for 2026 are not expected to have a material impact on the future cash flows of the Group.

A post-tax weighted-average cost of capital ("WACC") of 14.3% (2023: 12.7%) was used to discount forecast cash flows, along with a terminal growth rate of 1.7% (2023: 1.7%), based on UK GDP forecasts, to extrapolate cash flows beyond the forecast period.

The WACC of 14.3% is equivalent to a pre-tax discount rate of 19.1% (2023: 17.0%). Management considers that the inputs into the WACC model appropriately consider recent increases to risk-free rates and the estimated optimal long-term capital structure based on a market participant's view.

Based on the Directors' assessment of the risks associated with each business segment, a single WACC for each segment has been considered appropriate.

The value in use of each of the CGUs is in excess of its carrying value at 30 June 2024.

**Sensitivities**

*Home CGU*

The headroom of recoverable value over carrying value of intangible assets in the Home CGU is £21.5 million at 30 June 2024. A decrease in forecast revenue CAGR of 23% over the period to 31 December 2030 would be required to cause the carrying value of the intangible assets within the Home segment to exceed its recoverable value. A reduction in the expected growth rate between 2030 and 2035 to 1.7% in line with the long term growth rate would reduce the headroom to £14.1m.  A reduction in terminal growth rate to 1.0% from 2035 would reduce the headroom to £19.8 million.

*UK Commercial CGU*

The headroom of recoverable value over carrying value of intangible assets in the UK Commercial CGU is £0.9 million at 30 June 2024. A decrease in forecast revenue CAGR of 3% over the period to 31 December 2030 would be required to cause the carrying value of the intangible assets within the UK Commercial segment to exceed its recoverable value. A reduction in the expected growth rate between 2030 and 2035 to 1.7% in line with the long term growth rate would cause an impairment of £1.7m.  A reduction in terminal growth rate from 2035 to 1.0% would reduce the headroom to £0.3 million.

A decrease in forecast revenue CAGR of 55% over the period to 31 December 2030, or an increase in pre-tax discount rate to 27.0%, would be required to cause the carrying amount of the intangibles assets within the UK Commercial segment to become zero.

*UK Distribution CGU*

The headroom of recoverable value over carrying value of intangible assets in the UK Distribution CGU is £0.3 million at 30 June 2024. A decrease in forecast revenue CAGR of 1% over the period to 31 December 2030 would be required to cause the carrying value of the intangible assets within the UK Distribution segment to exceed its recoverable value. A reduction in the expected growth rate between 2030 and 2035 to 1.7% in line with the long term growth rate would cause an impairment of £1.3m. A reduction in terminal growth rate to 1.0% from 2035 would cause an impairment of £0.1 million.

A decrease in forecast revenue CAGR of 44% over the period to 31 December 2030, or an increase in pre-tax discount rate to 25.4%, would be required to cause the carrying amount of the intangibles assets within the UK Distribution segment to become zero.

The Directors have assessed the market capitalisation of the Group as an indicator of impairment in the context of the appropriateness of the assumptions applied.

## 10. Prior period restatement

### Commercial revenue accounting

In order to reflect the change in approach to commercial revenue recognition as set out in the accounting policies note 3 above, costs and revenue relating to the installation work which had been completed by 31 December 2022 and 30 June 2023 have been recognised.

The adjustment has resulted in commercial installation projects previously presented as work in progress as at 31 December 2022 and 30 June 2023 being de-recognised from the balance sheet, and presented within cost of goods sold. To reflect revenue, accrued income, inclusive of applicable expected margin, has been recognised as a contract asset, where work had been performed in advance of invoicing.

At 31 December 2022, WIP has been reduced by £1,702k, accrued income increased by £1,032k and deferred income reduced by £598k.

At 30 June 2023, WIP has been reduced by £1,326k, accrued income increased by £974k and deferred income reduced by £280k.

No income statement amounts have been re-presented in the six months to 30 June 2023, as the effects on revenue, cost of sales, and gross margin are not significant for the six month period ended 30 June 2023 or the full year ended 31 December 2023.

**Balance sheet representation**

*Presentation of contract assets and contract liabilities*

Management have also presented previously existing accrued income and deferred income balances at 31 December 2022 and 30 June 2023 as separate contract assets and liabilities, outside of trade and other receivables and trade and other payables respectively.

The effect at 31 December 2022 was to reduce trade payables by £11,431k and present the equivalent balance in deferred income, and to reduce trade receivables by £5,195k and present the equivalent balance as accrued

income.

The effect at 30 June 2023 was to reduce trade payables by £13,239k and present the equivalent balance in deferred income, and to reduce trade receivables by £6,740k and present the equivalent balance as accrued

income.

*Gross up adjustment*

Management have identified a gross up adjustment made as at 30 June 2023 as previously reported of £5,471k, which increased the reported amounts of trade and other receivables and trade and other payables respectively. This adjustment was not appropriate, and has been reversed in the restated figures for 30 June 2023.

The table below sets out the effect of these changes. No income statement amounts have been re-presented in the six months to 30 June 2023, as the effects on revenue, cost of sales, and gross margin are not significant for the six month period ended 30 June 2023 or the full year ended 31 December 2023.

These restatements have also resulted in changes to the prior year cashflow statement relating to working capital movements. The net cashflow from operating activities remains unchanged.

**Presentation of deferred tax assets and liabilities**

Historically the Group has presented deferred tax liabilities and assets on the face of the balance sheet. Deferred tax assets have been recognised only up to the level of deferred tax liabilities arising.

Since these assets and liabilities arise only in the UK, and since they therefore relate to income taxes levied by the same tax authority on the same group of entities, and since there is an expectation that the tax assets and liabilities will be realised simultaneously, these have been netted off at H1 24 and in the comparative balance sheets presented, including at 30 June 2023 which has therefore been restated.

**Reserves reclassification**

During the year ended 31 December 2023, management identified that on exercise of share-based awards in FY2022 and FY2021, a transfer of share-based payment charge had been incorrectly made to credit the share premium account. This transfer should have been made to credit retained earnings, and a correction has been made as at 31st December 2022.

| | As previously reported at 30 June 2023<br>£'000 | Restatement – commercial revenue accounting<br>£'000 | Restatement – presentation of contracts assets and liabilities<br>£'000 | Restatement – gross up adjustment<br>£'000 | Restatement – deferred tax<br>£'000 | Restatement – reserves reclassification<br>£'000 | As restated at 30 June 2023<br>£'000 |
|---|---|---|---|---|---|---|---|
| **Commercial revenue accounting** | | | | | | | |
| *Current assets* | | | | | | | |
| Inventories | 8,012 | (1,326) | - | - | - | | 6,686 |
| Contract assets - accrued income | - | 974 | 6,740 | - | - | | 7,714 |
| Trade and other receivables | 28,572 | - | (6,740) | (5,462) | - | | 16,370 |
| *Total impact on current assets* | | *(352)* | - | *(5,462)* | - | | *(5,814)* |
| *Current liabilities* | | | | | | | |
| Contract liabilities - deferred income | - | 280 | (13,239) | - | - | | (12,959) |
| Trade and other payables | (37,504) | - | 13,239 | 5,462 | - | | (18,803) |
| *Total impact on current liabilities* | | *280* | - | *5,462* | - | | *5,534* |
| *Total impact on net assets* | | *(72)* | - | - | - | | *(72)* |
| **Reserves reclassification** | | | | | | | |
| Share premium | 140,203 | | - | - | - | (316) | 139,887 |
| Impact of restatements on retained earnings at 30 June 2023 | 5,514 | (72) | - | - | - | 316 | 5,758 |
| **Presentation of deferred tax** | | | | | | | |
| Non-current assets - deferred tax | 5,471 | - | - | - | (5,471) | | - |
| Non-current liabilities-deferred tax | (5,471) | - | - | - | 5,471 | | - |

**10. Post balance sheet events**

There are no post balance sheet events requiring disclosure.

Capital commitments approved by the Board and existing at 30 June 2024 amounted to £310k in respect of a software implementation project (30 June 2023: £nil, 31st December 2023 £nil).

**11. Ultimate parent undertaking and controlling party**

The immediate parent company of the Company and its subsidiaries is EDF Energy Customers Limited, a company registered in the United Kingdom.

The immediate parent company of EDF Energy Customers Limited is EDF Energy Limited, a company registered in the United Kingdom.

In all periods presented, Electricite de France SA, a company incorporated in France, is regarded by the Directors as the Company's ultimate parent company and controlling party. This is the largest group for which consolidated financial statements are prepared. Copies of that company's consolidated financial statements may be obtained from the registered office at Electricite de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.

## INDEPENDENT REVIEW REPORT TO POD POINT GROUP HOLDINGS PLC

### Conclusion

We have been engaged by Pod Point Group Holdings plc ("the Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 which comprises Condensed Consolidated Income Statement, Condensed Consolidated Statement of Financial Position, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flows and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* as adopted for use in the UK and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

### Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* ("ISRE (UK) 2410") issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst the company has previously produced a half-yearly report containing a condensed set of financial statements, those financial statements have not previously been subject to a review by an independent auditor. As a consequence, the review procedures set out above have not been performed in respect of the comparative period for the six months ended 30 June 2023.

**Conclusions relating to going concern**

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

**Directors' responsibilities**

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

The annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards.

The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed set of financial statements, the directors are responsible for assessing the Group's ability 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.

**Our responsibility**

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

**The purpose of our review work and to whom we owe our responsibilities**

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

**Mark Wrigglesworth**
**for and on behalf of KPMG LLP**
*Chartered Accountants*
15 Canada Square
London
E14 5GL
29 July 2024