

Inspired Energy PLC

Acquisitions of SME Businesses and Issue of Shares

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Inspired Energy plc
("Inspired Energy" or the "Group")

Acquisitions of SME Businesses and Issue of Shares

Inspired Energy plc (AIM: INSE), a leading UK energy procurement consultant to UK corporates, is pleased to announce that it has today completed the acquisitions of Simply Business Energy Limited ("**SBE**") and KWH Consulting Limited ("**KWH**") (together the "**Acquisitions**"). The two businesses complement the Group's EnergiSave division and will form part of an enlarged division providing SMEs with competitive energy contracts from a variety of suppliers and it is expected that the Acquisitions will be earnings neutral in the first full year post acquisition and earnings enhancing thereafter.

SBE is a relatively new company which has developed a fully automated, operational online quoting platform for SME customers who are looking to switch their energy supplier. It also has agreements in place with the majority of energy suppliers within the SME sector. The platform is expected to enhance the Group's offering while also streamlining certain existing back office functions throughout the SME division.

KWH focuses on servicing mid-market SME clients, which complements EnergiSave's existing service which has a focus on SMEs with 1 to 25 employees. In addition, KWH operates an umbrella broker scheme for British Gas and other energy suppliers, which will further accelerate the development of EnergiSave.

The consideration for KWH comprises £300,000 in cash, of which £50,000 is deferred until January 2015. The consideration for SBE comprises 2,000,000 shares in the Group (the "**Consideration Shares**"). Up to a further £300,000 of shares in Inspired can be earned by the vendors based on the financial performance of Simply for the years ended 31 March 2015 and 31 March

2016. In addition, the vendors will receive 5,000,000 share options with vesting criteria based on the financial performance of SBE for the years ended 31 March 2016 and 31 March 2017. The options vest at multiples of profit which the Board believe will be significantly earnings enhancing.

The Consideration Shares will rank *pari passu* in all respects with the existing ordinary shares. Application has been made to London Stock Exchange plc for the Consideration Shares to be admitted to trading on AIM. Admission of the Consideration Shares to trading on AIM is expected to take place on 21 March 2014. On admission of the Consideration Shares the enlarged issued share capital will be 411,729,735 ordinary shares of 0.125p each.

Commenting on the acquisition, **Janet Thornton**, Managing Director of Inspired, said: "Following the initial rapid growth we experienced with the launch of EnergiSave in mid 2013, this new business stream has delivered strongly for the business and we are delighted to have further strengthened our service offering for our growing SME customer base. These acquisitions complement the strong platform we have established this year and we looking forward to integrating their teams into the Inspired Group."

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Notes to editors

Inspired Energy plc is an energy procurement and management business which was founded in 2000 by Managing Director, Janet Thornton. Through optimising energy procurement on behalf of its clients Inspired enables its clients to achieve greater certainty of their energy costs and in many cases delivers significant savings. The Inspired Group currently manages and negotiates gas and electricity supply agreements on behalf of c3,200 (c.825 corporate; c.2,375 SME) customers across the UK in a broad range of sectors.

This information is provided by RNS
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