

To	Company Announcements Office	Facsimile	1300 135 638
Company	ASX Limited	Date	18 December 2023
From	Helen Hardy	Pages	3
Subject	<b>Origin increases stake in Octopus Energy</b>		

Please find attached a release on the above subject.

Authorised for lodgement by:



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Company Secretary  
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## ASX/Media Release

18 December 2023

### Origin increases stake in Octopus Energy

Origin Energy Limited (Origin) advises it will invest £280 million (~\$530 million<sup>1</sup>) in Octopus Energy (Octopus) to increase its interest by 3 per cent to 23 per cent, as the UK technology and energy company continues its rapid growth, including continued expansion of the global licensing of its proprietary Kraken platform.

Origin is participating in the funding round alongside other existing major investors in Octopus, Canada Pension Plan Investment Board (CPP Investments) and Generation Investment Management (GIM). CPP will invest £300 million to increase its interest in Octopus from 6 per cent to 11 per cent, and GIM will invest £45 million, maintaining its interest of around 10 per cent. Tokyo Gas, which currently has a 10 per cent stake in Octopus, will have the option to subscribe for additional shares to maintain its percentage interest.

This latest capital raising is being executed at a pre-money valuation of £5.6 billion. This represents a ~60 per cent increase in the value of Octopus since December 2021, ahead of the last capital raising in June 2022.

Since Origin's last investment, Octopus has more than doubled its retail customer base, acquiring the UK's Bulb Energy (2.5 million customer accounts) and Shell Energy's retail business in the UK and Germany (2 million energy and broadband customers). Octopus has also delivered significant organic growth, adding 400,000 customers in the past six months.

Octopus is now the UK's largest electricity retailer and second largest energy retailer, with more than 11 million customer accounts. Underpinning Octopus' success is its superior customer experience, low-cost operating model and market-leading Kraken platform.

Kraken has continued to demonstrate its growing appeal as the preferred technology platform for energy and other utilities globally. With two new material licensing agreements with Tokyo Gas and UK water utility Severn Trent, some 52 million accounts are contracted to be on Kraken globally, positioning Octopus more than half-way to its target of 100 million customers on Kraken by 2027.

Origin CEO Frank Calabria said, "The success of Octopus since our initial investment in May 2020 has exceeded all expectations and cemented our belief in its unique capabilities and strong platform for future growth.

"Octopus is now the second-largest energy retailer in the UK, Kraken is contracted to serve more than half of all UK households and is licensed in ten countries, and it has a strong global sales pipeline due to its ability to rapidly transform business operations and customer experience, which is critical in a rapidly transforming energy system. In addition, Octopus has over 1GW of assets connected to its virtual power plant through the Kraken Flex platform, growing at 25 per cent month-on-month since launching in January 2022.

"Acquisition of an increased interest in Octopus reflects Origin's confidence in its business, strategy, proprietary technology platform and team, and is consistent with our ambition to lead the energy transition through cleaner energy and customer solutions. We continue to believe Octopus provides an important avenue for future growth," Mr Calabria said.

Completion of the transaction is subject to investors obtaining required regulatory approvals, with Origin's additional investment requiring approval from the UK's Financial Conduct Authority (FCA).

Origin first acquired a 20 percent stake in Octopus in May 2020 and agreed to license the Kraken platform to transform its retail operations with the aim of delivering superior customer service at a lower cost. All of Origin's mass market electricity and natural gas customers are now served via Kraken.

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<sup>1</sup> At an assumed exchange rate of 0.53 AUD/GBP.



**For further information:**

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