

HALF YEAR RESULTS

Sydney – 28 February 2019 – MPower Group Limited (ASX: MPR)

MPower Group Limited (the **Company**) released its half year results today (refer to the Appendix 4D released by Company today).

During the half year to 31 December 2018, the group was known as Tag Pacific Limited and operated as an investment company, its primary investment being in MPower. On 31 January 2019, the group commenced trading on the Australian Securities Exchange as MPower Group Limited (ASX: MPR).

MPower has embarked on a new strategic direction as a technology-led company specialising in the delivery of reliable on-grid and off-grid power solutions and innovative products for blue chip corporate and government customers.

MPower is taking a revitalised approach to the markets in which it operates. Moving forward the focus will be on identified activities and markets that allow for attractive margins and exhibit strong growth prospects, including:

- Renewable energy, battery storage and hybrid microgrid opportunities.
- High specification conventional power systems.
- Structured debt/equity solutions for Build Own Operate opportunities.

The Company's pipeline of identified opportunities has grown strongly on the back of focused business development initiatives that are well underway.

The Group recorded a net loss of \$3.6 million for the half year ended 31 December 2018 (31 December 2017: \$1 million loss) after providing for income tax and eliminating non-controlling interests. Revenue for the period was \$22.3 million, an increase of 3% on the prior comparative period (2017: \$21.7 million).

The result includes the following items that total approximately \$1.7 million:

- Non-recurring, one-off costs incurred in relation to the proposed acquisition of Energy Made Clean that was terminated in November 2018.
- Costs associated with the Company's capital raising activities.
- Impact of changes to the accounting standard relating to contract revenue.
- All development costs associated with the development of the Company's battery energy storage capability that have been expensed.
- Head office and corporate costs of approximately \$0.9 million which are expected to reduce as MPower becomes more integrated.

Net cash outflows from operating activities were \$2.3 million during the half year and the net decrease in cash during the half year was \$0.7 million. Since then, the Company has received proceeds of \$0.8 million from its non-renounceable rights issue.

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Chief Executive Officer Nathan Wise commented: "During the half, we have substantially progressed our major transition to become a leading renewable energy project delivery company and asset investor, underpinned by market-leading technology, a strong and recognised brand, a portfolio of successful projects and an experienced team. Our underlying activities are growing and we expect this will be evident in the improvement of our financial and operational performance from this half."

Ends

Contact

For further information, please contact:

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About MPower

MPower Group Limited (ASX: MPR) is a technology-led company with a long history specialising in the delivery of reliable on-grid and off-grid power solutions and innovative products for blue chip corporate and government customers.

Headquartered in Sydney and with a presence throughout Australia, New Zealand and the Pacific Islands, MPower's team of 100 professionals has successfully delivered turn-key solar, battery storage and micro grid projects across the region.