

SALE OF PRODUCT DISTRIBUTION BUSINESSES

- **MPower's Australian and New Zealand product distribution businesses to be sold to Legend Corporation**
- **MPower to focus on growing its renewable energy, battery storage and microgrid project business**
- **\$4.6 million deal on a cash-free, debt-free basis**
- **Transaction targeted to complete this month**

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Australia

Sydney – 17 February 2020 – MPower Group Limited (ASX: MPR)

MPower, Australia's leading specialist renewable energy, battery storage and microgrid business, is pleased to advise that it has entered into an agreement to sell 100% of its Australian and New Zealand product distribution businesses to Legend Corporation Limited.

The sale of the Bardic emergency lighting business and MPower's solar and battery products business is valued at \$4.6 million on a cash-free, debt-free basis, with completion targeted at the end of February 2020. MPower does not expect there to be any material gains or losses arising from the sale transaction.

The transaction will enable MPower Group to focus its future activities around high-reliability renewable and conventional power projects where MPower has an enviable track record. Through its relationships with asset owners, MPower is uniquely placed to leverage its capability in specialist renewable energy, battery storage and microgrid projects with high specifications and demanding applications.

The transaction is subject to a number of conditions precedent that are usual for a transaction of this nature. The transaction value will be adjusted for movements in working capital until completion and MPower intends to use the transaction proceeds to reduce debt and to further its core strategic activities. MPower has previously signalled its future direction as a technology-led company specialising in the delivery of reliable on-grid and off-grid power solutions for blue chip customers.

EAC Partners acted as exclusive financial adviser to MPower.

Comment

MPower's Chief Executive Officer Nathan Wise commented: "The sale of MPower's product distribution businesses will allow MPower Group to focus its resources on projects in the renewable energy and battery storage arena. This includes hybrid off-grid and microgrid systems, grid connected renewable systems like the two new 5MW solar farms we announced in January and also high-reliability power systems. It will also free us to move further towards the origination of debt/equity solutions for Build Own Operate opportunities in our sector."

Ends

Contact

For further information, please contact:

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This announcement has been authorised by Nathan Wise, Chief Executive Officer.

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.