

Investor Update - June 2020 Trading

- 841 new customers added for the period
- Total customers at 30-June-20 +44% compared to 30-June-19
- Customer acquisition growth of ~30% expected in FY21

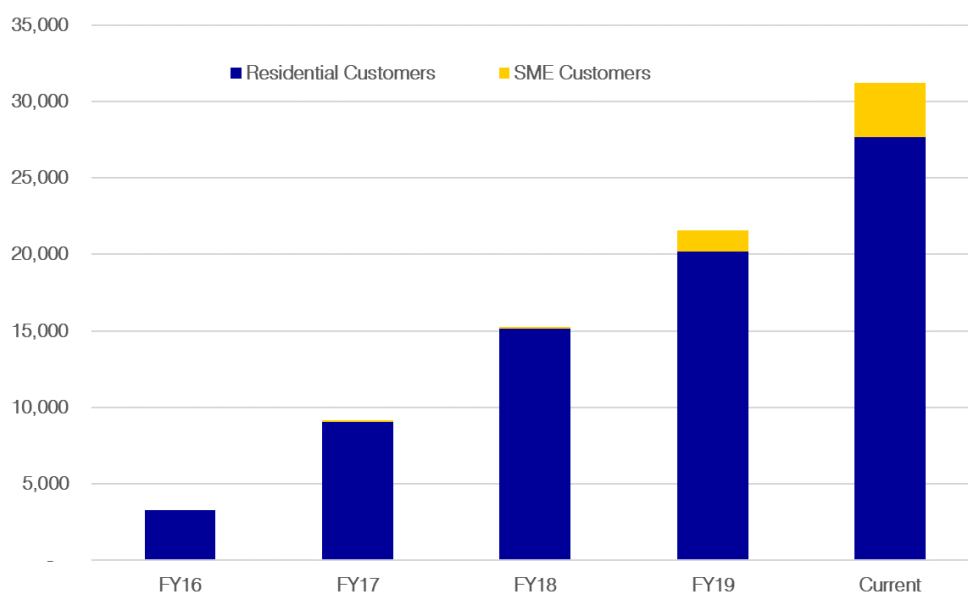
Locality Planning Energy Holdings Limited (ASX: LPE) (the Company or LPE) provides an update on trading during the month of June 2020. The Company has sought to provide the market with more regular than normal updates on business conditions over recent months, to ensure that shareholders are kept up to date and informed against the backdrop of ongoing COVID related economic uncertainty.

June 2020 Trading

Following on from the solid results achieved in April & May, the Company has continued to demonstrate consistent sales traction and steady customer acquisition growth through the month of June. A further 841 new customers were secured during the month, taking total customers as at 30 June 2020 to 31,216, growth of +44% over FY20.

	Units	30-June-20 (Customers Added)	FY20 YTD	31-May-20	change	30-Jun-19	change
Residential Customers	NIM's	831	27,661	26,830	3.1%	20,165	37.2%
SME Customers	NIM's	10	3,555	3,545	0.3%	1,390	155.8%
Total Customers	NIM's	841	31,216	30,375	2.8%	21,555	44.8%

The substantial uplift in customer numbers delivered during FY20 represents a robust outcome in a challenging year, where the ability of our team to adapt and excel in uncertain economic conditions was highly evident. To deliver uninterrupted organic growth through the recent COVID induced uncertainty is both a testament to our highly capable and effective team, as well as a reflection of LPE's flexible performance-oriented culture, and the recurring, durable nature of LPE's core business.



The Company's FY20 results represent a major step towards the near-term strategic objective of achieving critical mass and scale in the marketplace. LPE has grown to its present size by pursuing a strategy of steady organic growth and is now the largest residential embedded network operator in the South-East Queensland area. However the Board anticipates that in light of recent success with adjacent growth strategies (direct-market & shared solar) and current operating momentum, the business is on track to begin to benefit from the tailwinds of significant operating leverage in FY21 and provide a clear line of sight to near-term sustainable profitability.

As such LPE's strategic growth opportunity is anticipated to undergo a step-change in FY21. The Company has now been able to demonstrate a more than 5-year track record of consistent organic growth and market share gains through varied business conditions, a reflection of our clear competitive advantage and compelling value proposition. However moving forward the Board believes that the Company will benefit from a continuation of consistent organic growth, as well as an expanded opportunity set driven by the Company's scale and increased financial flexibility in a fragmented market for smaller energy retailers.

Outlook

With restrictions easing and borders reopening in Queensland this week, business conditions are anticipated to broadly normalise in the first quarter of FY21 (in the absence of any community transmission outbreaks). As such the Board believes that the year ahead is likely to provide for improved sales flexibility given the inherent limitations of sales execution over recent months against a backdrop of COVID induced movement restrictions. LPE anticipates a further 10,000 customers to be added to the business over the year, representing healthy growth of ~30%.

Shared Solar

LPE's emerging and innovative shared solar energy product is anticipated to deliver significant traction in FY21. The solution facilitates the installation of rooftop solar infrastructure for strata communities, and the concurrent delivery of material savings on electricity bills with no upfront capital outlay with the backing of an established and trusted ASX listed strata specialist. It is therefore a compelling option for strata communities to deliver renewable energy to their residents by overcoming the usual hurdles and perceived risks faced by body corporates when considering an investment in renewable energy infrastructure.

Similar to LPE's core embedded network infrastructure installations, LPE will supply and maintain the solar system at no capital cost to body corporates or residents, and enter a long-term contract with the community to manage the supply of low cost solar and traditional grid electricity to residents. LPE then combines the solar and general grid electricity consumed into a single, easy to understand bill.

LPE's existing reputation and network of relationships in residential strata communities in South-East Queensland is pivotal to the deliverability of this strategy. The Company has an existing reputation as a reliable long-term partner in the deployment of strata electricity infrastructure as well as a customer focused and service oriented electricity supplier.

LPE's CEO Damien Glanville said "The Board would like to thank our dedicated staff for their commitment & dedication over the past five months, as well as our loyal and valued customers for their support. LPE is proud to provide an independent alternative in electricity supply, and we are dedicated to unlocking solutions which provide sustained benefits to our customers backed by our friendly local service team. This customer focused culture is evident in everything we do. The continued growth of the Company in the past year is a pleasing result, and we look forward to delivering the strategy in place for the year ahead."

Authorised by the Board.

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About Locality Planning Energy Holdings Limited (LPE)

LPE is the local Aussie electricity provider that cares about the needs of Australians and currently supplies electricity to tens of thousands of customers. Our mission is to keep things simple and be honest about the costs of electricity – to save the most amount of money for the most amount of people. This means no confusing contracts, just simple savings and honest electricity. The LPE portfolio includes solutions across electricity, solar, embedded networks, centralised hot water and billing services for other utilities. In January 2016, LPE was listed on the ASX and quickly developed a reputation as an energy supply specialist in strata communities throughout South-East Queensland. Two years later in 2018 the Company received financial backing from investment giant BlackRock.