

4 September 2020

## Investor Update – July and August Trading

### Highlights:

- **1,504 new customers added for the period**
- **Total customers at 31 August 2020 +39% compared to 31 August 2019**
- **Additional sales team members trained and deployed**
- **Company customer acquisition growth on track for FY21 along with positive EBITDA**

Locality Planning Energy Holdings Limited (ASX: LPE) (the Company or LPE) is pleased to provide an update on trading up until 31 August 2020.

The Company has achieved a solid start to FY21 with 1,504 customers added representing an increase of +4.8% since 30-Jun-20, and +39.1% compared to the prior comparable period. This continued growth further solidifies LPE as being recognised as one of the largest residential embedded network operators in South East Queensland. Customer feedback around LPE's value proposition in traditional electricity supply has been extremely positive, and the Company is expected to continue to make strong inroads into this segment of the market in parallel with the innovative shared solar product.

|                        | 31-Aug-20<br>Customers Added | TOTAL         | 30-Jun-20<br>Compared to last month | chg         | 31-Aug-19<br>Compared to last year | chg          |
|------------------------|------------------------------|---------------|-------------------------------------|-------------|------------------------------------|--------------|
| Residential Customers  | 1,178                        | 28,839        | 27,661                              | 4.3%        | 21,886                             | 31.8%        |
| SME Customers          | 326                          | 3,881         | 3,555                               | 9.2%        | 1,644                              | 136.1%       |
| <b>Total Customers</b> | <b>1,504</b>                 | <b>32,720</b> | <b>31,216</b>                       | <b>4.8%</b> | <b>23,530</b>                      | <b>39.1%</b> |

During the month of August six additional sales team members were trained and deployed into the field as COVID-19 restrictions have eased further in Queensland and economic confidence has remained relatively stable. The additional sales capacity will support the anticipated growth of a further 10,000 customers in FY21, representing an increase in overall customers numbers of ~30%.

While sales momentum has shown a solid start to the year, it is particularly pleasing given this execution has taken place against a backdrop of significant cost base optimization. The company-wide efficiency program which was implemented during the second half of FY20 successfully gave rise to a material reduction in operating costs, improved productivity, and the implementation of a high-performance corporate culture whereby all employees have buy-in and proactively look for ways to find and achieve continued efficiency gains. The Board has been very pleased with the outcomes delivered as a result of this program, and the cost reductions in conjunction with continued sales momentum have provided for the delivery of positive EBITDA year-to-date. As it remains early in the new financial year, and uncertainty with regards to the current relative stability in business conditions persists, the Company continues to adopt a cautious and focused stance with regards to setting expectations which are centered on customer acquisition growth of ~30% in FY21. However, the Board is encouraged by the operational and financial milestones being achieved, and confidence has improved with regards to the anticipated delivery of sustainable profitability over the near-term.



Authorised by the Board.

Contact: Daniel Seeney  
Company Secretary  
[investors@localityenergy.com.au](mailto:investors@localityenergy.com.au)

**ENDS**

### **About 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 product range 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.