AWN HOLDINGS LIMITED
ACN 103 472 751

25 February 2021

Company Announcements Office
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Subject: VivoPower International PLC ("VivoPower") releases 31 December 2020 Half-Year Report & Presentation

The Directors of AWN Holdings Limited (ASX: AWN) note the release by its 46.8% subsidiary, VivoPower, of its half-year report and results presentation for the half-year ended 31 December 2020.

Attached is a copy of the half-year report, together with a copy of the associated results presentation, which VivoPower has now released.

On behalf of the Board of AWN,

Cameron Fellows
Company Secretary

VivoPower International PLC - Financial Results for the Six Months Ended December 31, 2020

VivoPower International PLC (the "Company") and its subsidiaries (the "Group") generated revenue of $22.7 million, gross profit of $4.6 million, operating lossof $0.4 million, and net loss of $0.4 million in the first half of its current fiscal year ending June 30, 2021. This compares to the same period in the prior year when the Group generated revenue of $31.4 million, gross profit of $5.6 million, an operating profit of $4.6 million, and a net profit of $1.1 million.

Management analyses the business in four reportable segments: Critical Power Services, Electric Vehicles, Solar Development, and Corporate Office. Critical Power Services is represented by J.A. Martin Electrical Pty Ltd ("J.A. Martin") and Kenshaw Electrical Pty Limited ("Kenshaw") operating in Australia with a focus on the design, supply, installation and maintenance of power and control systems. Electric Vehicles ("EV") are represented by Tembo e-LV B.V. and subsidiaries ("Tembo"), operating in the Netherlands, with a focus on retrofitting commercial electric vehicles and battery technology. This is a new segment, following acquisition of Tembo in November 2020, accordingly comparative information for this segment for the six months ended 31 December 2019 are $nil. Solar Development focuses on the development and sale of commercial and utility scale photovoltaic ("PV") solar power projects in the U.S.A and Australia. Corporate Office is the Company's corporate functions, including costs to maintain the Nasdaq Stock Market ("Nasdaq") public company listing, comply with applicable U.S. Securities and Exchange Commission reporting requirements, and associated investor relations and is located in the United Kingdom.

The following are the results of continuing operations by reportable segment:

(Unaudited)

Six months ended December 31, 2020 (US dollars in thousands)	**Critical Power Services**	**Electric Vehicles**	**Solar Development**	**Corporate Office**	**Total**
Revenue from contracts with customers	22,196	411	49	-	22,656
Cost of sales	(17,581)	(448)	-		(18,029)
Gross profit	**4,615**	**(37)**	**49**	**-**	**4,627**
General and administrative expenses	(1,208)	(130)	(633)	(1,859)	(3,830)
Gain/(loss) on solar development	24	-	(307)	-	(283)
Depreciation and amortization	(869)	(17)	(2)	(1)	(889)
Operating profit/(loss)	**2,562**	**(184)**	**(893)**	**(1,860)**	**(375)**
Restructuring & other non-recurring costs	-	(364)	-	(1,536)	(1,900)
Finance income	3,517	9	-	-	3,526
Finance expense	(1,187)	-	(13)	(67)	(1,267)
Profit/(loss) before income tax	**4,892**	**(539)**	**(906)**	**(3,463)**	**(16)**
Income tax expense	(456)	90	-	-	(366)
Profit/(loss) for the period	**4,436**	**(449)**	**(906)**	**(3,463)**	**(382)**

Of the $0.4 million net loss for the six months ended December 31, 2020, $0.2 million was attributable to the Company and $0.2 million was attributable to the non-controlling interest in Tembo.

(Unaudited)

Six months ended December 31, 2019 (US dollars in thousands)	**Critical Power Services**	**Electric Vehicles**	**Solar Development**	**Corporate Office**	**Total**
Revenue from contracts with customers	31,314	-	64	-	31,378
Cost of sales	(25,759)	-	(20)	-	(25,779)
Gross profit	**5,555**	**-**	**44**	**-**	**5,599**
General and administrative expenses	(1,366)	-	(242)	(1,157)	(2,765)
Gain/(loss) on solar development	16	-	2,665	(10)	2,671
Depreciation and amortization	(845)	-	(13)	(2)	(860)
Operating profit/(loss)	**3,360**	**-**	**2,454**	**(1,169)**	**4,645**
Restructuring & other non-recurring costs	(43)	-	(219)	(578)	(840)
Finance expense	(783)	-	(4)	(845)	(1,632)
Profit/(loss) before income tax	**2,534**	**-**	**2,231**	**(2,592)**	**2,173**
Income tax expense	(1,009)	-	(23)	-	(1,032)
Profit/(loss) for the period	**1,525**	**-**	**2,208**	**(2,592)**	**1,141**

Revenue

Total revenue in the first half of the current fiscal year ending June 30, 2021 was $22.7 million, down from $31.4 million in the first half of the prior fiscal year.

Revenue from the Critical Power Services businesses, Kenshaw and J.A. Martin, was $22.2 million for the period, a decrease of 29% over the $31.3 million earned in the comparative period, due primarily to the impact of COVID-19 on business activity.

Revenue from the newly acquired Electric Vehicles business for November and December 2020 was $0.4 million.

Revenue by geographic area is as follows:

(Unaudited)	Six months ended December 31		
(US dollars in thousands)	**2020**	**Year-on-year Change**	**2019**
Australia	**22,245**	(9,133)	31,378
Netherlands	**411**	411	-
Total revenue	**22,656**	(8,722)	31,378

Cost of sales

Cost of sales in the first half of the current fiscal year ending June 30, 2021 was $18.0 million, compared to $25.8 million in the first half of the prior fiscal year. Cost of sales in the first half of the current year was comprised of $17.6 million of material and labor related to Critical Power Services sales and $0.4 million related to Electric Vehicles. In the first half of the prior fiscal year, cost of sales was comprised of $25.8 million material and labor costs related to Critical Power Services.

Gross profit

Gross profit is equal to revenue less cost of sales and totaled $4.6 million for the six months ended December 31, 2020, compared to $5.6 million in the first half of the prior fiscal year. Critical Power Services gross margins have improved to 20.8% in the first half of the current fiscal year, compared to 17.7% for the six months ended December 31, 2019, due to an increased focus on project execution and labor efficiency.

General and administrative expenses

General and administrative expenses consist primarily of operational expenses, including director fees, employee salaries and benefits, professional fees, insurance, travel, IT, office and other expenses. General and administrative expenses for the first half of the current fiscal year ending June 30, 2021 were $3.8 million, compared to $2.8 million in the prior fiscal year, an increase of 39%, year-on-year. This is the result of the increase in headcount in corporate functions to support the hyperscaling of the business, along with the predominantly non-cash impact of share incentive awards granted to key employees.

Gain/loss on sale of assets

The loss on sale of assets in the first half of the current fiscal year ending June 30, 2021 was $0.3 million, compared to a $2.7 million gain for the first half of the prior fiscal year. The current period loss comprises a $0.1 million gain on the disposal of Daisy Hill Solar Farm in VivoPower Pty Limited in Australia, and $0.4m loss on discontinued solar development projects in the 50% joint venture with an early-stage solar development company, Innovative Solar Systems, LLC (the "ISS Joint Venture") in the USA.

The prior period gain included a $2.3 million gain on the sale of VivoRex. The Company sold its 100% interest in VivoRex in July 2019 for $1.00 and recorded a gain for accounting purposes of $2.3 million as a result of the disposal of onerous contract obligations of $2.0 million and other liabilities of $0.3 million, net of cash and other current assets.

Depreciation and amortization

Depreciation and amortization charges were $0.5 million and $0.4 million, respectively, in the first half of the current fiscal year ending June 30, 2021, compared to $0.4 million and $0.4 million in the first half of the prior fiscal year. Amortization costs relate to the amortization of intangible assets generated on the acquisition of VivoPower Australia and Aevitas in 2016.

Restructuring and other non-recurring costs

Restructuring and other non-recurring costs by nature are one-time incurrences, and therefore, do not represent normal trading activities of the business. These costs are disclosed separately in order to draw them to the attention of the reader of the financial information and enable comparability in future periods.

During a prior fiscal period, the Board undertook a strategic restructuring of the business to align operations, personnel, and business development activities to focus on a fewer number of areas of activity. Associated with this restructuring was the departure of a number of employees and contractors from the business. The workforce reduction cost represents the total salary, benefits, severance, and contract costs paid in the year or accruing to these individuals in the future for which no services will be rendered to the Company. Professional fees represent legal fees incurred to resolve certain disputes related to some of these separations.

In addition to amounts provided for at June 30, 2020 in relation to litigation by the Company's former Chief Executive Officer, Phillip Comberg, $1.5 million of additional legal costs were incurred in the first half of the current fiscal year ending June 30, 2021. Other non-recurring costs in the period comprised $0.4 million expenses incurred in relation to the acquisition of Tembo.

Finance income and expense

Finance income were $3.5 million in the first half of the current fiscal year ending June 30, 2021, comprising $2.5 million foreign currency gain on the refinanced parent company loan with AWN Holdings Limited ("AWN"), formerly Arowana International Limited ("Arowana"), held in the Australian dollar denominated subsidiary, Aevitas O Holdings Pty, Ltd and a $1.0 million credit for the loss of rights to accrued dividends and interest on the convertible preference shares and convertible loan notes for instrument holders agreeing to reconstitute the convertible preference shares and convertible loan notes into Aevitas preference shares.

Finance expenses were $1.3 million in the first half of the current fiscal year ending June 30, 2021, comprising interest on the parent company loan with AWN. Net finance expense for the first half of the prior fiscal year was $1.6 million.

Income tax expense

The Company is subject to income tax for the period ended December 31, 2020 at rates of 19%, 21%, 25% and 30% in the United Kingdom, the U.SA., Netherlands, and Australia, respectively, and it uses estimates in determining its provision for income taxes.

Financial Position

Intangible assets have increased $6.2 million from $29.8 million at June 30, 2020, to $36.0 million at December 31, 2020, resulting from $3.2 million in goodwill associated with the purchase of Tembo, $3.5 million increase on existing Australian dollar denominated intangible assets due to exchange rate movements, offset by $0.4 million amortization of intangible assets. The goodwill on acquisition of Tembo is subject to further allocation between goodwill and intangible assets, once a purchase price allocation review has been completed.

Equity accounted investments classified as non-current of $8.1 million represents part of the Company's portfolio investment in the ISS Joint Venture to develop a diversified portfolio of utility-scale solar projects in the USA. The investment represents the committed development expenditure on the ISS Joint Venture which has been capitalized and accounted for under the equity accounting method. The assets classified as non-current are anticipated to be realized in greater than 12 months' timeframe. Two projects within the portfolio were discontinued in the period ended December 31, 2020, resulting in a write-off of capitalized costs of $0.4 million related to those projects, of which $0.1 million impacts non-current equity accounted investments and $0.3 million impacts assets classified as held for sale.

Trade and other receivables of $12.0 million at December 31, 2020, have decreased $0.6 million from $12.6 million at June 30, 2020, due to timing of project completions in Critical Power Services. Inventory of $0.8 million at December 31, 2020 comprises work in progress in Tembo.

Restricted cash is being held as security for bank guarantees provided to customers in support of performance obligations under power services contracts.

Assets held for sale within current assets at December 31, 2020 of $3.8 million represents the part of the portfolio of solar projects in the ISS Joint Venture that are actively being marketed for sale and expected to be monetized within the next 12 months.

Trade and other payables of $11.0 million as at December 31, 2020, have decreased $4.4 million from $15.4 million at June 30, 2020. The reduction comprises a $2.0 million reduction in trade payables following resolution of the former Chief Executive Officer litigation, release of deferred revenue in Kenshaw ($4.0 million) on completion of projects in the period and $0.7 million other reductions, offset by $1.3 million accrued interest on the AWN related party loan and $1.1 million payables acquired upon purchase of Tembo.

Provisions decreased by $0.6 million from $2.9 million at June 30, 2020, to $2.3 million at December 31, 2020, primarily due to settlement of claims from the former Chief Executive Officer, Phillip Comberg. The $1.1 million litigation provision recorded at June 30, 2020 was fully utilized, with claim awards being settled in line with amounts provided for. However, costs were awarded more favorably towards the claimant than anticipated, which along with further legal fees incurred, resulted in an additional restructuring and non-recurring expense of $1.5 million in the first half of the current fiscal year ending June 30, 2021.

As of December 31, 2020, the Company had $25.7 million of loans and borrowings outstanding, compared to $26.0 million at June 30, 2020, comprised of the following:

(US dollars in thousands)	December 31 2020	June 30 2020
Current liabilities:		
Other borrowings	**-**	46
Debtor invoice finance facility	**-**	508
Chattel mortgage	**85**	51
Financing agreement	**135**	-
Bank loan	**150**	66
Lease liabilities	**742**	641
Shareholder loan	**4,297**	-
	5,409	1,312
Non-current liabilities:		
Financing agreement	**189**	-
Bank loan	**240**	278
Chattel mortgage	**301**	249
Lease liabilities	**529**	715
Shareholder loan	**18,992**	23,400
TOTAL	**20,251**	24,642

On December 31, 2020, the Company refinanced its debt with AWN, the Company's most significant shareholder. Under the terms of the refinancing, the maturity of the loan has been extended from March 31, 2022, to June 30, 2026. Of the loan's outstanding principal of $23.3 million, an initial payment of principal of $2.2 million and accrued interest ($1.3 million at December 31, 2020) will be paid within fourteen days of document execution, followed by 60 equal monthly principal installments commencing July 1, 2021. The interest rate on the loan will be reduced from 10% to 8% per annum, and the associated line fee will be reduced from 2% to 0.8% per annum.

During the first half of the current fiscal year ending June 30, 2021, Kenshaw retired its debtor finance facility out of surplus cash reserves. The facility was secured by a fixed charge over the debtors' book and floating charge over all other assets of J.A. Martin and Kenshaw. In November 2020, J.A. Martin refinanced its debtor finance facility, achieving improved terms. As at December 31, 2020, no monies were drawn against this facility, compared to $0.5 million that was drawn against the facility as at June 30, 2020.

Lease liabilities have decreased from $1.4 million at June 30, 2020 to $1.3 million at December 31, 2020, due to agreed upon increased lease payments.

The Company acquired two project financing agreements as part of the acquisition of Tembo, with a balance of $0.3 million as at December 31, 2020. The financing agreements are repayable quarterly over 12 and 34 months, respectively.

On October 19, 2020, the Company completed a share capital raise on Nasdaq. A total of 3,382,350 ordinary shares were issued at a price of $8.50 per share, generating gross proceeds of $28.8 million. Issue costs of $2.4 million were incurred on the transaction, resulting in net proceeds of $26.4 million.

The Company has recognized $1.6 million non-controlling interests at fair value in the period, related to 49% of Tembo acquisition.

Cash Flow

Cash and cash equivalents have increased from $2.8 million at June 30, 2020, to $17.4 million at December 31, 2020 primarily due to the $26.4 million net share capital raise in October 2020.

Net cash used in operating activities of $6.7 million comprises operating cash outflows of $1.1 million, in addition to $5.7 million reduction in trade and other payables, due to reduction in legal creditors and timing impact of project completions in Kenshaw, as well as a reduction in the litigation provision.

Cash outflows from investing activities of $1.4 million relates primarily to $1.1 million net cash outflow on acquisition of Tembo. On November 5, 2020, the Company paid $4.8 million (€4.0 million) for a 51% share of Tembo. Of the total consideration, $3.7 million was retained as cash balances acquired, leaving $1.1 million paid out to the existing shareholders of Tembo. A further $0.4 million acquisition related costs were also incurred and expensed in restructuring and other non-recurring costs in the period. As noted in the subsequent events note, the Company acquired the remaining 49% of Tembo for $2.2 million plus 15,793 shares in the Company, on February 1, 2021.

Cash inflow from financing activities of $22.4 million is primarily due to $26.4 million in net proceeds from share capital issuance in October 2020, offset by $2.9 million payment of overdue accrued quarterly dividends and interest to convertible preference shares and convertible loan notes in Aevitas Group Limited.

Business Overview

VivoPower is a sustainable energy solutions company currently focused on electric vehicle, battery technology, solar and critical power services. Its core purpose is to help large corporate customers decarbonize more rapidly. VivoPower is a certified B Corporation and has operations in Australia, Canada, the U.S.A., the Netherlands, and the United Kingdom.

While operating results for the past six months are down from the same period last year due primarily to the impact of COVID-19, the Company has made strong progress toward realizing its shift to broadening its sustainable energy offerings through a successful net capital raise of $26.4 million, which in addition to bolstering working capital, enabled the $4.8 million purchase of 51% of Tembo e-LV B.V., a specialist battery-electric and off-road vehicle company, and the refinancing of its $23.3 million shareholder loan.

Critical Power Services

VivoPower's wholly owned Australian subsidiaries, J.A. Martin and Kenshaw, provide critical energy infrastructure generation and distribution solutions including the design, supply, installation and maintenance of power and control systems to commercial and industrial customers. They are considered trusted power advisers to their clients. Both J.A. Martin and Kenshaw are headquartered in the Hunter Valley region at Newcastle, the most densely populated industrial belt in Australia. While structural and cyclical factors have created strong tailwinds for our Critical Power Services businesses, this has been offset in the past six months by the effects of the COVID-19 pandemic on business activity.

Revenue from these businesses was $22.2 million for the six months ended December 31, 2020, a decrease of 29% from the same period in the prior year, primarily attributed to operational disruptions and delays in the commencement of projects due to the COVID-19 pandemic.

Notwithstanding the impact upon revenue caused by COVID-19, the businesses have been able to increase their focus on pricing and efficiency which has resulted in gross margins increasing from 17.7% in the comparative period to 20.8% in the six months ended December 31, 2020. These disciplined internal controls mean that gross profit declined less than revenue, down 17%, to $4.6 million, compared to $5.6 million in the corresponding prior period. In addition, an emphasis on cost control means that overhead costs were further reduced, building on reductions in the corresponding prior period, to be down 12% in the six months ended December 31, 2020. Operating profit was down 24% to $2.6 million, compared to $3.4 million in the corresponding prior period.

Over the long-term, the businesses are expected to continue to benefit from existing and new customers in sectors with strong tailwinds such as solar, data centers, hospitals, and aged care facilities. To support this anticipated growth, the businesses successfully completed the refinancing of their funding facilities. J.A. Martin refinanced its funding lines with a 38% reduction in costs and more flexible terms, while Kenshaw was able to retire its existing working capital facilities out of surplus cash reserves, without compromising the ability to fund future growth.

Kenshaw continues to expand its focus on growing sectors such as data centers and health infrastructure, engaging with new customers in both sectors and winning new ongoing service and maintenance contracts which build a sustainable and ongoing contracted revenue base. For example, the business was awarded a $1.3 million contract and completed the work to supply and install four 2,250 kVA emergency backup generators to a leading Australian data center customer, based in Canberra.

Similarly, the transformation of J.A. Martin's revenue base has continued with its focus on the rapidly growing solar farm sector. The business was awarded a contract to complete all electrical works for the 39 MWdc Molong Solar Farm in Australia, bringing J.A. Martin's total of completed and contracted solar farms to over 150 MWdc, a milestone reached within three years of commencing solar operations. This is the second solar farm to be completed with lead contractor, Grupo Gransolar. The ongoing relationship is expected to give rise to further small and medium scale solar projects in the future.

In addition to existing solutions provided by the Critical Power Services segment, the businesses are preparing to be responsible for delivering electrical services and infrastructure to support VivoPower's EV and SES offerings, including on-site renewable generation, batteries and microgrids; EV charging stations; and emergency backup power solutions.

Solar Development - Australia

VivoPower has historically developed and financed small to medium sized solar projects throughout Australia, both individually and with experienced partners. In July 2018, VivoPower entered into an investment agreement with ITP, a global leader in renewable energy engineering, strategy, construction, and energy sector analytics, to develop a portfolio of utility-scale solar projects in New South Wales, Australia. Under the terms of the investment agreement, VivoPower funds up to 1.4 cents per watt (AC) of development costs per project in exchange for a 60% equity stake in each project, with an opportunity to achieve a sale and transfer at multiple stages, as early as shovel-ready. The projects may be developed on a merchant basis, while also offering excellent opportunities for corporate or municipal offsite power purchase agreements to be sought on an opportunistic basis during the development period.

The Company commenced development of the first project under the ITP investment agreement, Yoogali Solar Farm, in July 2018. Yoogali is a 15 MW project that was originally expected to receive connection approval in late 2019. The approval timing has been delayed from original estimates due to an increasingly rigorous Australian regulatory approval process for projects over 5 MW in size. This increased scrutiny is being driven by the number of new solar projects coming on-line in certain areas of Australia resulting in network stability issues and causing delays to new project approval. The Company is currently investigating options for completing, selling, or abandoning the Yoogali project based on local electricity network constraints.

The Company commenced development of the second project under the ITP investment Agreement, the 4.99 MW Daisy Hill Solar Farm, in July 2019. Solar farms under 5 MW are not subject to the same approval process as larger projects and, at present, are not experiencing the same delays as larger projects. Accordingly, Daisy Hill has proceeded more efficiently through its development process and is expected to complete development and receive connection approval in early 2021. As noted in the subsequent events note, the Company sold its majority stake in the Daisy Hill Solar Farm on February 10, 2021.

VivoPower believes its continued focus and investment in the Australian solar market is strategic, not only for the returns which it can provide but also for the pipeline of potential Engineering, Procurement and Construction ("EPC") work it can provide to J.A. Martin. However, the current regulatory environment for approval of larger grid-connected projects, combined with the Company's strategic pivot to focus on EV and related SES, has resulted in a realignment to focus on customer-connected (behind-the-meter) commercial and industrial projects where there is greater certainty regarding the development, timing, and delivery process. The Company believes there is substantial opportunity to provide solar, battery energy storage and microgrid solutions to mining and industrial customers in combination with Tembo electric vehicles to enhance overall benefit to its customers. Through its network within the solar industry and by leveraging the portfolio of large commercial and industrial clients available through J.A. Martin and Kenshaw, the Company expects that the focus of its business will shift primarily to this segment of the market.

Solar Development – U.S.A.

The Company's key objective in the U.S.A. continues to be the monetization of its portfolio of U.S. solar projects, with a view to using the proceeds to support execution of the Company's strategic pivot and growth of new products and services related to EV and SES offerings.

VivoPower's portfolio of U.S. solar projects is held by Innovative Solar Ventures I, LLC ("ISS Joint Venture"), a joint venture with an affiliate of ISS Joint Venture. The ISS Joint Venture originally provided a 50% ownership in a diversified portfolio totaling 38 solar projects in nine states across the U.S.A., with a combined potential electrical generating capacity of 1.8 GWdc.

Over time the economic attractiveness of projects is continually evaluated to ensure that resources are focused on projects within the portfolio with the greatest opportunity for return. Accordingly, from inception through December 31, 2020, 22 projects totaling approximately 963 MWdc have been discontinued due to interconnection costs, unfinanceable power purchase regimes, landowners being unwilling to extend leases, and other issues.

In June 2020, the Company announced that it had assumed management control of the ISS Joint Venture and taken over the Manager and Developer responsibilities of the ISS Joint Venture from ISS. This action was taken as the Company is of the considered view that ISS had materially breached the terms of the joint venture agreements and failed to cure that breach within a reasonable amount of time.

VivoPower believes that the failure by ISS to properly manage and develop the ISS Joint Venture projects was responsible for a significant number of projects being discontinued to date. The Company is assessing various financial and strategic options to help ensure that the value of the ISS Joint Venture project portfolio is maximized ahead of any monetization. In addition, work continues to progress with regards to project development, optimization and positioning for corporate PPAs or other power electricity offtake agreements.

The remainder of the projects in the ISS Joint Venture portfolio are in various stages of development and all are being actively marketed for sale with an expectation of full realization within the next twelve to twenty-four months. None of these projects have been written up in value and continue to be carried at cost.

Electric Vehicles

Tembo e-LV is a specialist battery-electric and off-road vehicle company that designs and builds ruggedized light electric vehicle solutions for customers across the globe in the mining, infrastructure, utilities, and government services sectors. Whilst the company has experienced reduced business activity due to the impacts of the COVID-19 pandemic in recent months, Tembo has secured substantial long-term revenue opportunities in Australia and continued the delivery and production of electric light vehicle solutions for customers in Europe, North America, and Africa.

Revenue from Tembo was $0.4 million for the six months ended December 31, 2020, primarily from the delivery of existing orders to key long-term customers, and lower than prior year benchmarks due to the operational disruption and delays in the production and delivery of vehicle orders due to the COVID-19 pandemic. The business recorded a loss before tax for the same period of $0.5 million, driven by a number of non-recurring items the business does not expect to experience in future periods; cost of sales for the period was impacted by the inclusion of costs from fixed indirect labor and engineering support, and Tembo incurred $0.4 million of non-recurring costs as a result of the transaction and associated restructure following VivoPower’s initial investment.

Despite the impacts of COVID-19, Tembo has continued to generate long-term business opportunities from new and existing customers on a global basis. The company secured a seven year distribution agreement with its key commercial partner in Australia, GB Auto (GB Auto Group Pty Limited and GB Electric Vehicles Pty Ltd) who as a result will be the exclusive Australia-wide distributor of Tembo core products. As part of the agreement, GB Auto have committed to the purchase of a minimum of 2,000 Tembo e-LV kits (Landcruiser and Hilux models) in the first four years, of which a minimum of 500 kits will be purchased in the first year. Revenue from the agreement is expected to generate a minimum of US$250 million over the initial four years, making it what is believed to be the most valuable deal for electric vehicles in the Australasian region to date.

In parallel, Tembo has continued the delivery and production of kits for customers in Norway, Sweden, Ireland, Canada, South Africa, and Russia. Whilst the company has faced operational delays as a result of the COVID-19 pandemic, both on the supply side and in the delivery of finished product, development and R&D processes in the Netherlands have continued with minor impact, allowing Tembo to remain focused on its 72 kWh battery platform for both the Toyota Hilux and Landcruiser models.

Subsequent Events

Subsequent to December 31, 2020, on February 1, 2021, the Company completed the acquisition of the remaining 49% of Tembo, for a consideration of $2.2 million and 15,793 shares in the Company. The acquisition brings the Company’s ownership in Tembo to 100%, having previously acquired 51% of the business in November 2020.

On February 10, 2021, the Company announced that it had sold its majority stake in the Daisy Hill Solar Farm. The Company’s interest in Daisy Hill was acquired by an affiliate of ITP, with total consideration $0.2 million receivable by VivoPower in the sale representing a 2.1x multiple of the Company’s invested capital in the project.

FINANCIAL TABLES FOLLOW

VivoPower International PLC

Consolidated Statement of Comprehensive Income

For the Six Months Ended December 31, 2020

(Unaudited)

	Six months ended December 31	
(US dollars in thousands except per share amounts)	**2020**	**2019**
Revenue from contracts with customers	**22,656**	31,378
Cost of sales	**(18,029)**	(25,779)
Gross profit	**4,627**	5,599
General and administrative expenses	**(3,830)**	(2,765)
Gain/(loss) on sale of assets	**(283)**	2,671
Depreciation of property, plant and equipment	**(475)**	(427)
Amortization of intangible assets	**(414)**	(433)
Operating (loss)/profit	**(375)**	4,645
Restructuring & other non-recurring costs	**(1,900)**	(840)
Finance income	**3,517**	-
Finance expense	**(1,258)**	(1,632)
(Loss)/profit before income tax	**(16)**	2,173
Income tax expense	**(366)**	(1,032)
(Loss)/profit for the period	**(382)**	1,141
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences recognized directly in equity	**1,005**	443
Total comprehensive income for the period	**623**	1,584
Earnings per share	**USD**	USD
Basic	**(0.03)**	0.08
Diluted	**(0.03)**	0.07

Of the $0.4 million net loss for the six months ended December 31, 2020, $0.2 million was attributable to the Company and $0.2 million was attributable to the non-controlling interest in Tembo.

VivoPower International PLC

Consolidated Statement of Financial Position

As at December 31, 2020

(US dollars in thousands)	December 31 2020 Unaudited	June 30 2020 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	**2,703**	2,486
Intangible assets	**36,034**	29,849
Deferred tax assets	**1,711**	1,347
Investments accounted for using the equity method	**8,063**	8,225
Total non-current assets	**48,511**	41,907
Current assets		
Cash and cash equivalents	**17,398**	2,824
Restricted cash	**1,096**	1,013
Trade and other receivables	**12,004**	12,556
Inventory	**800**	-
Assets held for sale	**3,756**	4,080
Total current assets	**35,054**	20,473
TOTAL ASSETS	**83,565**	62,380
EQUITY AND LIABILITIES		
Current liabilities		
Trade and other payables	**11,047**	15,395
Income tax liability	**410**	75
Provisions	**2,265**	2,897
Loans and borrowings	**5,409**	1,312
Total current liabilities	**19,131**	19,679
Non-current liabilities		
Loans and borrowings	**20,251**	24,642
Provisions	**154**	169
Total non-current liabilities	**20,405**	24,811
Total liabilities	**39,536**	44,490
Equity		
Share capital	**210**	163
Share premium	**68,925**	40,215
Cumulative translation reserve	**204**	(3,307)
Other reserves	**16,579**	21,408
Accumulated deficit	**(43,705)**	(40,773)
Non-controlling interest	**1,816**	184
Total equity	**44,029**	17,890
TOTAL EQUITY AND LIABILITIES	**83,565**	62,380

VivoPower International PLC

Consolidated Statement of Cash Flow

For the Six Months Ended December 31, 2020

(Unaudited)

	Six months ended December 31	
(US dollars in thousands)	**2020**	**2019**
Profit / (loss) before income tax	**(16)**	2,173
Income tax expense	**(38)**	(154)
Finance expense	**(2,259)**	1,632
Depreciation of property, plant and equipment	**475**	427
Amortization of intangibles assets	**414**	433
Gain/(loss) on solar development	**324**	(2,707)
Other reserves movements	**40**	538
Decrease in trade and other receivables	**671**	1,714
Decrease in trade and other payables	**(5,608)**	(7,290)
Increase in inventories	**(102)**	-
(Decrease)/ increase in provisions	**(647)**	104
Net cash used in operating activities	**(6,746)**	(3,130)
Cash flows from investing activities		
Purchase of property, plant and equipment	**(495)**	(129)
Purchase of subsidiaries	**(1,053)**	-
Investment in capital projects	**-**	(270)
Proceeds on sale of capital projects	**182**	1,202
Net cash (used in) / from investing activities	**(1,366)**	803
Cash flows from financing activities		
Issuance of share capital	**26,358**	-
Repayment of loans from related parties	**(112)**	(140)
Lease repayments	**(171)**	(55)
Debtor finance borrowings	**(408)**	(75)
Equity instruments interest, dividends	**(2,894)**	-
Transfers to restricted cash	**(83)**	(129)
Finance expense	**(247)**	(1,632)
Net cash from /(used in) financing activities	**22,443**	(2,031)
Net increase / (decrease) in cash and cash equivalents	**14,331**	(4,358)
Effects of exchange rate changes on cash held	**243**	(20)
Cash and cash equivalents at the beginning of the period	**2,824**	7,129
Cash and cash equivalents at the end of the period	**17,398**	2,751

VivoPower International PLC

Consolidated Statement of Changes in Equity

For the Six Months Ended December 31, 2020

(Unaudited)

(US dollars in thousands)	**Share Capital**	**Share Premium**	**Other Reserves**	**Cumulative Translation Reserve**	**(Accumulated Deficit)/ Retained Earnings**	**Non-controlling interest**	**Total Equity**
At July 1, 2019	163	40,215	20,076	(2,279)	(35,659)	-	22,516
Total comprehensive profit for the period	-	-	-	443	1,141	-	1,584
Disposal of treasury shares	-	-	14	-	(14)	-	-
Non-controlling interest	-	-	-	-	-	77	77
At December 31, 2019	163	40,215	20,090	(1,836)	(34,532)	77	24,177
Total comprehensive loss for the period	-		-	-	(6,244)	-	(6,244)
FX on translation of foreign operations	-	-	-	(1,468)	-	-	(1,468)
Equity instruments	-	-	971	-	-	-	971
Employee share scheme	-	-	344	-	-	-	344
Other reserves	-	-	3	(3)	3	-	3
Non-controlling interest	-	-	-	-	-	107	107
At June 30, 2020	163	40,215	21,408	(3,307)	(40,773)	184	17,890
Total comprehensive loss for the period	-	-	-	-	(382)	-	(382)
FX on translation of foreign operations	-	-	-	3,511	(2,506)	-	1,005
Equity instruments	-	-	(2,894)	-	-	-	(2,894)
Employee share scheme	7	-	439	-	-	-	446
Issue of shares	40	28,710	(2,394)	-	-	-	26,356
Other reserves	-	-	20	-	(44)		(24)
Non-controlling interest	-	-	-	-	-	1,632	1,632
At December 31, 2020	**210**	**68,925**	**16,579**	**204**	**(43,705)**	**1,816**	**44,029**

HALF-YEAR RESULTS PRESENTATION

FOR THE 6 MONTHS ENDED DECEMBER 31, 2020

February 24, 2021

Certified B Corporation

Disclaimer

This presentation contains "forward-looking statements“ relating to VivoPower International PLC (“VivoPower”) within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, estimates relating to our future energy development and investment activities. You can identify these statements by forward-looking words such as “may,” “expect,” “anticipate,” “contemplate,” “believe,” “estimate,” “forecast,” “intends,” and “continue” or similar words. You should read statements that contain these words carefully because they discuss future expectations; contain projections of future results of operations or financial condition; or state other “forward-looking” information. These forward-looking statements are based on our current assumptions, expectations and beliefs and involve substantial risks and uncertainties that may cause results, performance or achievement to materially differ from those expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: (a) our ability to obtain financing for our projects, our customers or our general operations; (b) our ability to build, sell or transfer projects; (c) regulatory changes and the availability of economic incentives promoting use of solar energy; (d) global economic, financial or commodity price conditions; (e) our ability to develop technologically advanced products and processes; (f) our ability to successfully enter the electric vehicle (“EV”) and sustainable energy solutions (“SES”) markets; and (g) other risks discussed in filings we make with the Securities and Exchange Commission (“SEC”) from time to time. Copies of these filings are available online from the SEC or on the SEC Filings section of our website at www.vivopower.com. By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics, and depend on the economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated or not at all. Although we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this presentation. All forward-looking statements in this presentation are based on information currently available to us, and we assume no obligation to update these forward-looking statements in light of new information or future events.

Certain financial information contained in this presentation, including Adjusted EBITDA, are not calculated in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”) and may not be comparable to similar measures presented by other entities. These measures should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. For a reconciliation of Adjusted EBITDA to net income, see slide 14. For a reconciliation of Group Adjusted (Underlying) EPS (“Earnings per Share”) to Basic EPS, see slide 15.

H1 FY2021

STRATEGIC & OPERATIONAL REVIEW

KEVIN CHIN
CHIEF EXECUTIVE OFFICER

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Executive Summary | COVID-19 lockdowns affected results, but growth outlook very strong

Revenue declined year-on-year primarily due to strict COVID lockdowns	• Revenue decreased 28% year-on-year to $22.7m due primarily to strict COVID-19 lockdowns in Australia causing delays to scheduled works for the Aevitas business units
Gross profit declined but GP margin improved	• Gross profit decreased 17% year-on-year to $4.6m due to COVID lockdown driven drop in revenues • GP Margin has improved to 20% versus 18% year-on-year, due to a strong focus on project execution and labour efficiency
EBITDA & operating profit drop due to revenue fall and Tembo growth opex	• Adjusted EBITDA decreased by $4.3m year-on-year to $1.2m. Operating profit also decreased by $5.0m year-on-year to a loss of $0.4m • Primary drivers were COVID lockdown related revenue drop and an increase in headcount to support hyperscaling of the Tembo business
Balance sheet fortified with capital raising and shareholder loan refinance	• Consummated US$28.75m equity raising in October 2020 (with overallotment option exercised) • Cash balance increased from $2.8m at June 30, 2020 to $17.4m as of December 31, 2020 • Refinanced parent company shareholder loan, with longer maturity and lower interest rate to reflect improved credit profile
Tembo acquisition has transformed the growth trajectory of VivoPower	• Completed 51% acquisition in November 2020 and, subsequent to the six month period, in February 2021, moved to 100% ownership • Major partnership deal signed with GB Auto in Australia worth up to an estimated US$250m (including the EVs) in revenue over 4 years
First SES order secured with Tottenham Hotspur FC partnership	• VivoPower's purpose is to help our customers decarbonize by providing a turnkey enterprise sustainable energy solution ("SES") • First SES order has been secured with Tottenham Hotspur FC (UK), with VivoPower also becoming their Global Battery Partner • Further orders are expected in H2 FY2021 from mining sector customers in particular

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Notes:
- For reconciliation of EBITDA to IFRS net loss see slide 14
- All amounts shown are unaudited.

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FY2021 Key Objectives | Progress ahead of schedule

Win new EV + SES customer orders

- Consummate new EV + SES customer orders from existing Aevitas customer base
- Build up sales, customer service and technical teams
- Explore joint venture and acquisition opportunities

Scale up Aevitas business unit

- Deliver on scheduled works to high standard despite COVID-19
- Further improve sales architecture to enable step change growth
- Leverage critical power capabilities & customer base for EV + SES strategy

Transform US solar projects portfolio

- Secure (at minimum) full economic ownership of US joint venture portfolio
- Drive pro-active customer engagement, PPA origination & battery tech
- Secure new strategic development partner(s) for longer-dated sites

Grow Australian solar + battery pipeline

- Complete development of existing Australian solar projects
- Expand capabilities to deliver battery storage solutions
- Build up pipeline through new and existing customers

Optimize capital management

- Monetize solar projects at 'shovel-ready' state
- Reinvest capital into scale up of new EV + SES strategy
- Optimize group balance sheet composition and cost of capital

Maintain lean & sustainable focus

- Drive further overhead efficiencies through workflow automation
- Introduce digital transformation solutions to optimise data analytics
- Further increase B Corp impact score

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Aevitas | Revenues, GP and EBITDA decline due to strict Australian COVID-19 lockdowns

Aevitas businesses in Australia deliver specialized, site-specific electrical and power generation infrastructure to optimize energy usage

Overview of Aevitas | J.A. Martin and Kenshaw

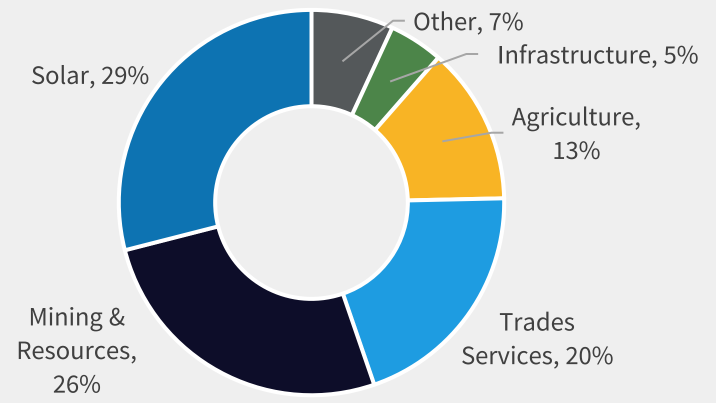
- Headquartered at Newcastle in the Hunter Valley region, Australia's most densely populated industrial belt
- Trusted power solutions provider to over 700 active government, commercial and industrial customers in some of Australia's largest and fastest growing industries including data centers, solar PV, mining and resources, and health and aged care
- Responsible for delivering electrical services and infrastructure to support VivoPower's EV and SES offerings, including on-site renewable generation, batteries and microgrids, EV charging stations, and emergency backup power solutions

H1 FY2021 Review

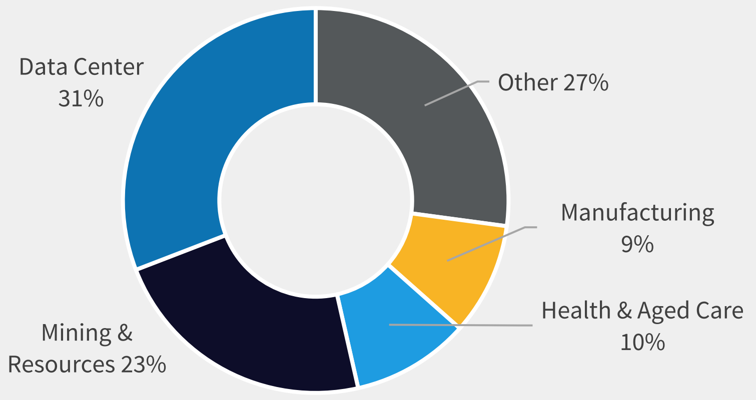
- The Aevitas businesses delivered $22.2m in revenue for the period, down 29% year-on-year (y-o-y), due primarily to impact of strict COVID-19 lockdowns
- Gross profit was $4.6m compared to $5.6m y-o-y, with gross margins improving to 21%, up 3bps due to a strong focus on project execution and labor efficiency
- Underlying EBITDA was $3.3m, down 18%, reflecting lower gross profit partially offset by further overheads savings
- Awarded marquee contract to complete all electrical works for the 39 MW-DC **Molong Solar Farm** (powering 11,000 homes and avoiding over 53,000 tons of CO_2 per year)
- Completed refinancing of funding facilities resulting in a 38% reduction in J.A. Martin's financing costs and the retirement of Kenshaw's working capital facilities

H1 FY2021 Revenue Contribution by Industry

J.A. Martin



Kenshaw



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Notes:
(1) All amounts shown are unaudited.
(2) Adjusted (Underlying) EBITDA = Earnings before interest, taxes, depreciation and amortization, non-cash based share compensation, impairment of assets, impairment of goodwill, and restructuring and other non-recurring costs. See reconciliation of non-IFRS measures on slides 14 and 15.

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Vivo Solar | Australian portfolio fully monetized; US portfolio negotiations continue

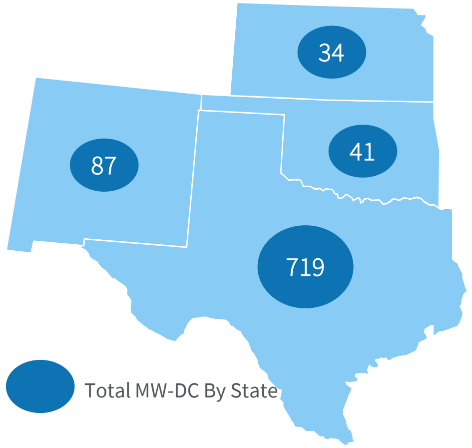
Vivo Solar comprises the Australian and US solar farm development portfolios

Vivo Solar USA

- Since taking over management control of its 50/50 U.S. solar development JV in June 2020, VivoPower has executed on a hyperturnaround plan
- Management's focus is on maximizing value across the portfolio, prioritizing development of projects that are most economically attractive and advanced in their development processes
- While some less valuable projects have been mothballed in the normal course of development, the remaining U.S. projects are all well advanced and located in regions with fast growing renewable generation footprints
- VivoPower is continuing to negotiate with our former JV partner in relation to the residual value of the portfolio

U.S. Solar Portfolio Summary

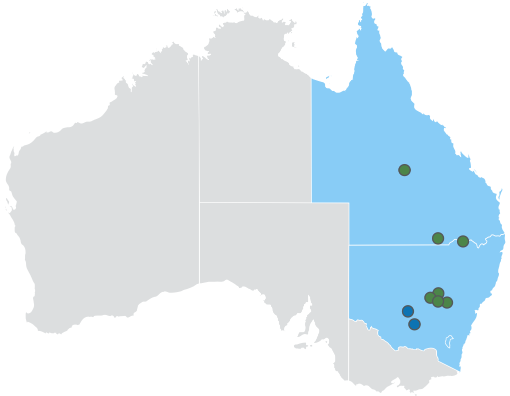
	Total JV (MW-DC)	VVPR % Holding	Net VVPR (MW-DC)	VVPR Holding Change
Original JV	1,844	50%	**922**	
Current JV	882	50%	**441**	
New Total [1]	882	100%	**882**	(30)



Vivo Solar Australia

- Vivo Solar Australia develops solar systems in Australia, collaborating with the Aevitas business units (J.A. Martin in particular) to generate win-win opportunities
- Vivo Solar has developed two utility-scale solar projects in Australia which have been or are in the process of being sold:
  - Daisy Hill Solar Farm – 5 MW
  - Yoogali Solar Farm – 15 MW
- Additionally, J.A. Martin has **completed over 150 MW** of solar projects in just 3 years since commencing solar operations, with another **300+ MW in their pipeline**

Australia Solar Portfolio Summary



Key:
- Vivo Solar Development Solar Projects
- J.A. Martin Completed Solar Projects
- J.A. Martin In-Construction Solar Projects

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Notes:
(1) Reflects VivoPower recovering 100% economic interest in the portfolio.

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Tembo | Acquisition of 51%, followed by increase to 100% ownership

Tembo is our electric vehicle unit focused on customized and ruggedized applications, including for the mining sector globally

Overview of Tembo

- Netherlands-based specialist battery-electric and off-road vehicle company
- Global sales and distribution channels across four continents
- Services a diverse range of sectors – from mining, infrastructure and utilities to government services, game safaris and humanitarian aid – by providing customized light electric vehicles, often for rugged applications
- After purchasing 51% of Tembo in November 2020, VivoPower completed the acquisition of the remaining 49% in February 2021
- Landmark distribution agreement with GB Auto Group in Australia signed January 2021

H1 FY2021 Review

- Consolidated revenues (for 2 months) of $0.4 million, primarily from the delivery of existing orders to key long-term customers
- Revenues were lower year-on-year due to operational disruption and delays in the production and delivery of vehicle orders due to COVID-19 lockdowns
- Net loss for the period of $0.5 million, driven by a number of non-recurring items
- Work commenced on the next generation 72kwH battery platform
- VivoPower onboarding and integration program commenced
- Recruitment campaign also commenced

GB Auto Group partnership in Australia (subsequent event in January 2021)

- In January 2021, VivoPower and Tembo signed a definitive agreement with GB Auto that saw the latter become Australia's exclusive distributor of Tembo electric light vehicles and conversion kits
- GB Auto has committed to purchase at least 2,000 Tembo electric conversion kits in the first four years of the seven-year agreement, with a minimum of 500 kits in the first year
- This is believed to be the most valuable deal for electric vehicles in the Australasian region to date, with the total value of the partnership estimated up to US$250M when including the value of the EVs
- VivoPower and GB Auto will collaborate on development of the next-generation 72 kWh battery kit for the Tembo electric Toyota LandCruiser and Hilux models
- The agreement also positions VivoPower as GB Auto's partner of choice for the financing, construction, and maintenance of Tembo products and related SES, including charging infra-structure, battery storage, and microgrids

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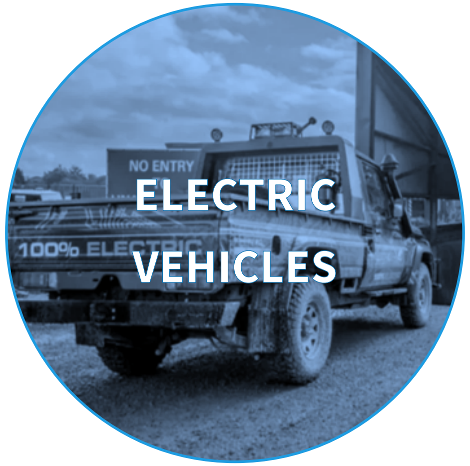
Sustainable Energy Solutions (SES) | Tembo enables VivoPower to provide full SES suite

VivoPower's core purpose is to help our customers achieve net zero carbon status by providing turnkey decarbonization solutions

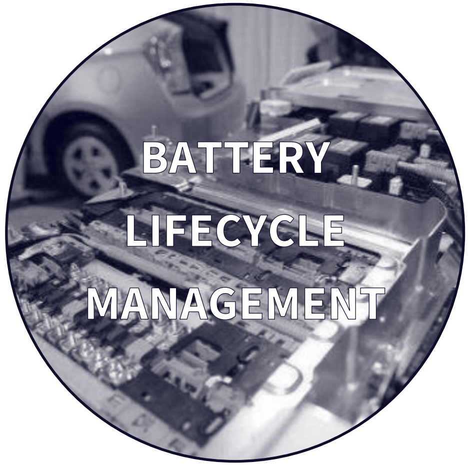


Tembo Capabilities

- Design and development of ruggedized electric light vehicles (ELVs), electric drive and power systems
- Rent or lease ELVs to customers (opex) or sell ELVs if customer prefers (capex)
- Fleet repairs and maintenance services

Kenshaw & J.A. Martin Capabilities

- Electric refit of customer premises
- Design, build and maintenance of renewable generation and microgrids
- Installation and maintenance of EV charging stations
- Emergency backup and uninterruptible power supply



VivoPower Capabilities

- Lease batteries as part of BaaS offering
- Battery repair and maintenance services
- Battery second-life applications
- Financing solutions

SES Elements | Enterprise turnkey decarbonization solution

SES is an enterprise solution, comprising a full suite of hardware, software and services that help our customers achieve "net zero" status

HARDWARE

- Customized & ruggedized electric vehicles
- IVMS (In Vehicle Monitoring Systems) kits
- Fleet charge stations
- Microgrids and batteries
- Spares inventory management

SOFTWARE

- Telematics
- Online machine health
- Fuel optimization & energy management
- Battery data and optimization
- Scheduling and route optimization

SERVICES

- Microgrid design, build and maintenance
- Charge station installation and maintenance
- Electric vehicle repair and maintenance
- Battery repair and maintenance
- Education and training

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SES Deal | Battery partnership with Tottenham Hotspur FC

Partnership announced today (as a subsequent event) is a platform for first full suite SES deal for VivoPower

Tottenham Hotspur ("Tottenham, the "Club") have engaged VivoPower to help achieve net zero carbon status

- VivoPower has secured a first-of-its-kind, global battery technology partnership deal with Tottenham Hotspur FC
- The VivoPower partnership is part of Tottenham Hotspur's drive to become a net zero carbon business as it aims to minimize its environmental impacts across all operations
- VivoPower will evaluate decarbonization of both of Tottenham's world-class 62,850 seat stadium in north London and its state of the art training center, targeting actionable proposals and outcomes by June 2021
- Tottenham Hotspur was recently named the English Premier League's greenest club following a study carried out by BBC Sport and the UN-backed Sport Positive Summit. It is also a signatory of the UN Sports for Climate Action Framework

VivoPower will be working to deliver a full suite Sustainable Energy Solution ("SES") to Tottenham

- VivoPower will evaluate, supply, install and maintain a large, solid state battery of more than 3MW at Tottenham Hotspur Stadium, the largest of any stadium or arena in Europe, to balance and guarantee the venue's power supply
- A full-suite sustainable energy solution (SES), including rooftop solar panels, battery storage, custom microgrid controls and electrical infrastructure to enable electric vehicle usage, is expected to be evaluated and installed at Tottenham's state-of-the-art training ground
- As the Club's Official Battery Technology Partner, VivoPower will benefit from visibility on digital signage at Tottenham Hotspur home matches and regular content on the Club's popular social media channels to amplify VivoPower's purpose and presence to a global audience

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Other Corporate Developments | Significant progress on multiple fronts

Advisory Council with world class experience and skills established	• Eric Achtmann, Kim Lawrence, Edward Hyams, Chris Mallios and Martin Bell appointed to Advisory Council in H1 FY2021 • Professor Hugh Durrant-Whyte appointed as sixth and final member in February 2021 • Members bring relevant experience across multiples industries and organizations such as Airbus, BMW, McKinsey, Clean Energy Finance Corporation, Australian Renewable Energy Agency, Nissan, Rocket Internet, Rio Tinto, United Kingdom Ministry of Defence
Expanded Board of Directors and Executive Leadership Team	• Gemma Godfrey, a London based entrepreneur with global board experience in financial services, technology, media, public policy and sustainability, as well as a degree in quantum physics, appointed to VivoPower Board of Directors in December 2020 • Matthew Nestor (Sales Director for North America), Gary Challinor (Director of Sustainable Energy Solutions for Australia and New Zealand) as well as General Counsel (to be formally announced shortly) have been appointed
Real Leaders Top 50 Impact Award win	• VivoPower has been a certified B Corp since 2018 • In January 2021, received its first Real Leaders Impact Award, placing 47th globally among 150 leading companies making a positive social or environmental impact • Other recipients of Real Leaders Impact Awards include Tesla, Patagonia and Arowana
Expanded geographic presence in key markets	• Following the acquisition of Tembo, VivoPower now has an EU presence in The Netherlands in addition to its headquarters located in London, United Kingdom • Additionally, new offices have been opened in Virginia (United States of America) and Toronto (Canada), home to some of the world's largest mining, infrastructure and utilities companies • In Australia, VivoPower continues to have offices in Sydney and Newcastle in New South Wales, and Brisbane in Queensland

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H1 FY2021

FINANCIAL REVIEW

KEVIN CHIN
CHIEF EXECUTIVE OFFICER

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Profit and Loss Summary for the Half-Year Ended December 31, 2020

Profit & Loss (US$m)	H1 FY2021[1]	H1 FY2020[1]	Comments
Revenue			
Critical Power Services	22.2	31.3	Decrease due primarily to strict COVID-19 lockdowns in Australia causing delays to scheduled works
Solar Development	0.1	0.1	Income from solar farms in Australia
Electric Vehicles			
Electric Vehicles	0.4	-	Part period contribution from Tembo e-LV B.V. since November 2020
Group revenue	**22.7**	**31.4**	
Gross profit			
Critical Power Services	4.6	5.6	Decrease due to revenue decline; GP margin improved to 20% from 18% due to a strong focus on project execution and labor efficiency
Solar Development	-	-	
Electric Vehicle	-	-	
Group gross profit	**4.6**	**5.6**	
Adjusted (Underlying) EBITDA [2]	**1.2**	**5.5**	Decline reflects a reduction in GP and an increase in headcount to support hyperscaling of the business
Restructuring & other non-recurring costs	(1.9)	(0.8)	Unfavourable variance due primarily to additional once off litigation expenses involving the former CEO
Net finance income, expense & tax	1.9	(2.6)	$4.4m improvement due to $3.8m benefit of foreign exchange gains and one-off interest income reduction on hybrid financial instruments, and $0.6m decrease in income tax expense
Group (Loss) / Profit after tax	**(0.4)**	**1.1**	$1.5m decline due to $4.2m decline in operating profit, $1.5m one-off litigation expenses, offset by foreign exchange gains and interest saving
Group Basic EPS (dollars)	**($0.03)**	**$0.08**	Decline due to losses driven by COVID-19 restrictions
Group Adjusted (Underlying) EPS [3]	**$0.10**	**$0.14**	Decline due to losses driven by COVID-19 restrictions

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Notes:
(1) All amounts shown are unaudited.
(2) Adjusted (Underlying) EBITDA = Earnings before interest, taxes, depreciation and amortization, non-cash based share compensation, impairment of assets, impairment of goodwill, and restructuring and other non-recurring costs. See reconciliation of non-IFRS measures on slide 14.
(3) Adjusted (Underlying) EPS = Earnings per share adjusted for restructuring and other non-recurring costs. See reconciliation of non-IFRS measures on slide 15.
Numbers may not compute precisely due to rounding.

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Reconciliation of Adjusted (Underlying) EBITDA to IFRS Financial Measures

	For Half-Year Ended	
Non-IFRS Financial Measures (US$m)	**December 31, 2020[1]**	**December 31, 2019[1]**
Net profit/(loss)	**(0.4)**	**1.1**
Income tax expense	0.4	1.0
Net finance expense/(income)	(2.3)	1.6
Share-based compensation (non-cash portion)	0.7	-
Restructuring & other non-recurring costs	1.9	0.8
Depreciation and amortization	0.9	0.9
Adjusted (Underlying) EBITDA	**1.2**	**5.5**

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Notes:
(1) All amounts shown are unaudited.
Numbers may not compute precisely due to rounding.

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Reconciliation of Adjusted (Underlying) Earnings per Share to IFRS Financial Measures

	For Half-Year Ended	
Non-IFRS Financial Measures (US$m – except where indicated otherwise)	**December 31, 2020[1]**	**December 31, 2019[1]**
Net (loss)/profit for the period	**(0.4)**	**1.1**
Restructuring & other non-recurring costs	1.9	0.8
Adjusted (underlying) net profit for the period	**1.5**	**2.0**
Weighted average number of shares used in computing earnings per share (shares)	*14,941,061*	*13,557,376*
Group Basic EPS (dollars per share)	($0.03)	$0.08
Restructuring & other non-recurring costs per share (dollars per share)	$0.13	$0.06
Group Adjusted (Underlying) EPS (dollars per share)	**$0.10**	**$0.14**

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Notes:
(1) All amounts shown are unaudited.
Numbers may not compute precisely due to rounding.

VIVOPOWER

Balance Sheet Summary as at December 31, 2020

Balance Sheet (US$m)	December 31, 2020[1]	June 30, 2020	Comments
Project investments	8.1	8.2	
Other non-current assets	40.4	33.7	Increase of $6.7m primarily due to $3.2m of goodwill associated with the acquisition of Tembo E-LV B.V. in November 2020 and $3.4m increase on dollar denominated legacy Australian assets due to exchange rate movements.
Unrestricted cash	17.4	2.8	Increase primarily due to the $26.4m net share capital raise in October 2020
Other current assets	13.9	13.7	
Assets held for sale	3.8	4.0	
Total Assets	**83.6**	**62.4**	
Current liabilities	(19.1)	(19.7)	Decrease of $0.6m is predominantly due to a reduction in trade and other payables of $4.4m, offset by an increase in current loans and borrowings following refinancing of the Company's shareholder loan as noted below.
Long term liabilities	(20.4)	(24.8)	Decrease of $4.4m primarily due to reclassification to current liabilities following refinancing of the Company's $23.3 million shareholder loan on December 31, 2020. Maturity extended to June 2026 and effective interest rate reduced to 8.8% from 12%.
Total Liabilities	**(39.5)**	**(44.5)**	
Net Assets[2]	**44.0**	**17.9**	Increase primarily due to the $26.4 million net share capital raise in October 2020
Net Debt[3]	**8.3**	**23.1**	Favourable movement primarily due to increased liquidity resulting from the $26.4 million net share capital raise in October 2020

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Notes:
(1) All amounts shown are unaudited.
(2) Includes $20.8m & $26.2m of Aevitas hybrid instruments in fiscal year 2021 and 2020, respectively.
(3) Equals current and non-current debt obligations less unrestricted cash.
Numbers may not compute precisely due to rounding.

VIVOPOWER

THANK YOU

Q&A

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VIVOPOWER

VivoPower | Sustainable Energy Solutions to Decarbonize and Achieve Net Zero

VivoPower is an international battery technology, electric vehicle, solar and critical power services company whose core purpose is to deliver **sustainable energy solutions** that help our customers to decarbonize towards net zero.

We are proud to be a **certified B Corporation**, part of global community of companies using business as a force for good.

We are a **NASDAQ listed, global organisation** with operations in Australia, Canada, the Netherlands, the United States and the United Kingdom.

VivoPower delivers solutions through our family of companies

VIVOPOWER

Electric Light Vehicles

TEMBO e-LV

Electrification Solutions

j.a. martin ELECTRICAL

Kenshaw Industrial Power Solutions

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VivoPower | A Certified B Corporation and Real Leaders Impact Award Winner

We are proud to be recognized as a business making a positive difference

CERTIFIED B CORPORATION

Part of a global movement of people using business as a force for good

What is a B Corp?

1 **IT'S A CERTIFICATION**
Like fair trade (or organic or LEED), but for the whole company

2 **IT'S UNIQUE**
Meets the highest standards of verified performance, transparency, and accountability

3 **IT'S AN APPROACH**
A better way to do business – better for workers, communities and the environment

4 **IT'S A COMMUNITY**
A community of practice to increase our individual and collective impact

5 **IT'S A MOVEMENT**
Leaders of a global movement of people using business as a force for good™

Certified B Corporation

REAL LEADERS IMPACT AWARD WINNER

Honoring the purpose-driven companies committed to creating a better world

Other Winners Include

TESLA
patagonia
BEN&JERRY'S

VIVOPOWER