

22 March 2022

Plenti Group Funding Secured for LPE Solar Bank

Highlights

- LPE enters partnership with leading fintech lender Plenti Group Limited to fund LPE Solar Bank – an attractive package that should lift unit sales volumes materially
- Roll out of LPE solar and lithium-ion battery offering includes a monthly customer credit for being part of a virtual power plant
- Win-Win deal as it should increase LPE's gross margins per unit significantly, whilst simultaneously delivering savings and sustainability to customers

LPE Chairman, Justin Pettett, commented: *"We have created another win-win outcome for LPE and our customers. This partnership closely mirrors what LPE employed for strata customers through the creation of embedded networks resulting in tangible cost reductions. The LPE Solar Bank, in partnership with Plenti, enables LPE customers to pay off their system while reducing their grid electricity dependence. More significantly, LPE can potentially double its margin on supplying grid electricity, together with receiving a supply and install fee, while reducing customers electricity costs. This has the potential to create significant value for shareholders."*

Locality Planning Energy Holdings Limited (**ASX: LPE**) (the **Company** or **LPE**) is pleased to announce it has signed an agreement with Plenti Group Limited (**Plenti**) to provide interest-free and green energy loans to LPE customers to drive the uptake of LPE's solar and battery virtual power plant offering; the LPE Solar Bank.

LPE Solar Bank





LPE Solar Bank

The LPE Solar Bank will initially be offered to LPE's 4,500 solar customers that do not currently have batteries installed. This targeted offering will then be expanded to LPE customers that don't currently have a solar PV system and then out to the broader Southeast Queensland market of which there are 1.9 million suitable service points for this product.

LPE expects customers will benefit from using their solar system in a smarter manner. This can be achieved via increasing their personal sustainability profile through adopting the fastest growing renewable energy source, solar electricity, and batteries. In turn, customers will also earn a monthly credit that is applied to their bill where their battery is used as part of a virtual power plant with other LPE Solar Bank customers to generate revenues through selling energy back into the grid at times of high spot wholesale electricity prices.

For more information go to joinlpe.com.au/solarbank.

The LPE Solar Bank will be made available through Plenti's interest-free loan offering. Plenti's finance cost may be offset through a customer's reduced power bill by smarter and better use of their solar system. Further, LPE will provide customers a monthly credit for being smarter with electricity consumption through better utilising their solar and battery systems during peak electricity times as part of LPE Solar Bank program

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Plenti CEO Daniel Foggo remarked: *"Plenti is proud to be helping LPE customers install solar and batteries in their homes and businesses throughout Queensland. This partnership between LPE and Plenti can make the investment in the LPE Solar Bank more accessible and affordable for LPE customers."*

Damien Glanville, LPEs CEO stated. *"There is now an expectation that we all play our part in moving towards a cleaner electricity future through the introduction of smarter, sustainable energy solutions. Together with LPE's Solar Bank and Plenti, we will continue to provide our customers the opportunity to a cleaner electricity future."*

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Target market broadened

Whilst LPE's key focus remains on growing its base of embedded strata customers, the group's direct market focus has pivoted from just offering traditional residential or business electricity services to targeting product related customer acquisitions. The LPE Solar Bank aids this strategic pivot through providing solar and battery solutions bundled with energy retailing services.

Typical margins on retail services range from \$180 per annum for residential and \$450 per annum for business customers. However, by providing grid electricity plus solar bank virtual power plant services, this margin can increase substantially, whilst providing a monthly credit on the customer's bill. In addition, LPE will receive a fee on the supply and installation of the solar and battery system.

Benefits of solar with battery

LPE believes there are compelling reasons to install a battery system, in tandem with solar panels, which include:

- The ability to have power in your home at night via stored solar energy from daily sunshine.
- Provides a clear pathway to lowering power bills by using less energy from the grid.



- Reduces households' carbon footprints, which in turn fosters the way to a more renewable future.

By shifting to a competitively priced bundled solution, the combined product offering should appeal and gain greater traction while increasing the target market.

Authorised by the Board.

For further information:

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About LPE

LPE is a fast-growing electricity provider challenging the way customers receive their electricity; going beyond being just a traditional supplier, leaders in innovation, supporting strata communities to think of tomorrow. With first to market technology, LPE has delivered shared solar for apartment living and carbon neutral centralised hot water systems, creating shareholder value through long term supply agreements that provide strong recurring revenue.

LPE predominantly service the Queensland energy market, selling electricity, hot water, solar and battery systems to homes, business, and strata communities. Providing strata communities, the solution to reduce their carbon footprint and energy bills with no upfront cost. Empowering people to save money and create sustainable communities of the future.

For more information visit: investors.joinlpe.com.au