

## QUARTERLY REPORT

For the period ending on 31 December 2023

- **Master Supply Agreement with Trina Solar, one of the world's leading global suppliers of photovoltaic (PV) solar panels**
- **Agreement terms stipulate that Trina Solar will supply an initial 39.5MWp of solar modules and 31.2MWp of TrinaTracker Vanguard 1P trackers, phased for delivery to suit MPower's project rollout**
- **Key advancements in the development of the Narromine Renewable Energy Project; design phase substantially completed along with procurement of key equipment to commence site works in early CY2024**
- **Continued development of project pipeline and advancement of project funding initiatives to support the rollout of MPower's multi-project clean energy portfolio**

MPower Group Limited

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### Sydney – 31 January 2024 – MPower Group Limited (ASX: MPR)

Leading specialist renewable energy, battery storage and microgrid business MPower Group Limited (ASX: MPR) is pleased to provide the following report on its activities for the quarter ending 31 December 2023 (**Quarter**).

Operational activities in the December Quarter were highlighted by successful negotiations for a Master Supply Agreement with Trina Solar, which provides the Company with a long-term supply source for best-in-class solar modules and solar trackers to align with the rollout of its multi-project development strategy.

MPower also made key advancements on detailed design and equipment procurement at its Narromine Renewable Energy Project, after successfully acquiring all development rights for the project in the previous quarter. Along with strong execution of its stated project development pathway, the Company continued to advance project funding initiatives to support the rollout of MPower's multi-project clean energy portfolio.

#### **Master Supply Agreement with Trina Solar**

During the Quarter, MPower announced that it had entered into a Master Supply Agreement (MSA) with Trina Solar, a major global supplier of photovoltaic (PV) solar panels (*refer ASX Announcement 30 October 2023*).

The strategic agreement allows MPower to build pricing certainty into its supply chain, with the benefits of economies of scale and flexible implementation on a project-by-project basis to best assist its planned rollout of utility-scale solar farms across Australia's eastern states.

Under the terms of the agreement, Trina Solar has agreed to supply an initial 39.5MWp of solar modules and 31.2MWp of TrinaTracker Vanguard 1P trackers, phased for delivery to suit MPower's project development timeline.

The agreement leverages Trina Solar's market position as the only in-market supplier that manufactures both modules and trackers, which allows for streamlined distribution and rapid installation.

The first deployment of Trina Solar components commenced during the Quarter, as part of construction development works at MPower's Narromine Renewable Energy Project, which is fully funded with all project rights secured (*refer ASX Announcement 1 September 2023*).

### ***Narromine Renewable Energy Project – Construction Update***

During the Quarter, MPower achieved a number of important project milestones with respect to the development of its fully-owned Narromine solar asset, after acquiring 100% of the project rights – including the Connection Agreement for connection to the grid, land rights and key planning approvals – in the previous quarter.

Construction remains fully funded from existing project facilities, and during the Quarter MPower undertook detailed design works using its in-house capabilities, which are now substantially completed. Key materials and equipment for the project were also procured during the Quarter, with the project on track to commence site works in Q1 CY2024 both on-time and on-budget.

With the construction phase advancing, MPower expects that the Narromine project will be fully operational and generating revenue through export sales for solar energy during the course of the 2024 calendar year.

### ***Investment outlook***

Following a strategic debt and equity transaction during the previous quarter from diversified Australian investment group Oceania Capital Partners Limited, MPower has continued to advance its project funding plans for the company's broader project portfolio.

The Company is uniquely positioned within the market given its extensive experience across the full life-cycle of distribution-level hybrid solar and battery projects, including development, design, construction, operation and maintenance.

The Company's development strategy, which targets a portfolio of over 30 utility-scale solar and battery projects across Australia's eastern states, represents an attractive investment proposition and an immediate opportunity for investors to deploy capital for near-term value-add clean energy projects.

### ***Financial overview***

Cash receipts during the Quarter were \$1,211K which mainly relate to consistent ongoing revenues generated through the Company's service and maintenance activities together with receipts from the Company's 100% owned project at Lakeland, Queensland. The main cash outflows were operating costs of \$900K and staff costs of \$1,016K, including resources involved in the delivery of the Narromine project. Net cash used in operating activities was \$1,151K which includes costs associated with project construction activities that are capitalised as assets on the consolidated balance sheet.

***Chief Executive Officer Nathan Wise commented:*** "Developments in the December quarter further reflected the group's ongoing momentum. The strong execution of our Build Own Operate strategy, along with an established track record in the development of profit-generating solar & battery projects, has been supported by the strategic partnership formed with Trina Solar."

*“Near-term, we are pleased by the progress at Narromine, where pre-construction work is now complete and commissioning is on track for later this calendar year. We look forward to providing more updates on construction at Narromine as well as the development of our broader project development timeline in the coming months.”*

**Payments to related parties**

Payments of \$264K to related parties and their associates relate to remuneration payments made to the directors of the company.

**Ends**

**Contact**

For further information, please contact:

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This announcement has been authorised by the board of MPower Group Limited.

**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 for blue chip corporate and government customers. Headquartered in Sydney, MPower's team of professionals has successfully delivered turn-key solar, battery storage and micro grid projects across the region.

**Connect with us**  <https://www.linkedin.com/company/mpower-australia>

 <https://twitter.com/MPowerGroupLtd>

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

MPower Group Limited

**ABN**

73 009 485 625

**Quarter ended ("current quarter")**

31 December 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,211	2,525
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(900)	(1,926)
(c) advertising and marketing		
(d) leased assets	(89)	(310)
(e) staff costs	(1,016)	(1,843)
(f) administration and corporate costs	(55)	(87)
1.3 Dividends received (see note 3)		
1.4 Interest received	8	14
1.5 Interest and other costs of finance paid	(310)	(402)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,151)</b>	<b>(2,029)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(1,538)	(3,061)
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2.2 Proceeds from disposal of:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(1,538)</b>	<b>(3,061)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities		(6)
3.5 Proceeds from borrowings	4,159	8,196
3.6 Repayment of borrowings	(332)	(414)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
<b>3.10 Net cash from / (used in) financing activities</b>	<b>3,827</b>	<b>7,776</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	1,786	238
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,151)	(2,029)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1,538)	(3,061)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,827	7,776
4.5	Effect of movement in exchange rates on cash held	(58)	(58)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,866</b>	<b>2,866</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,866	1,786
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,866</b>	<b>1,786</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	264
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. <b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	19,943	17,739
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 <b>Total financing facilities</b>	19,943	17,739
7.5 <b>Unused financing facilities available at quarter end</b>		2,204
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	<p>\$1.125m secured term debt from Tag Private Pty Limited with a maturity date of 27 March 2024 and a variable interest rate on the term debt is currently 12%.</p> <p>\$1.7m secured term debt from Oceania Capital Partners Limited with a maturity date of 8 August 2025 and a fixed interest rate on the term debt of 12.25%.</p> <p>\$10.0m secured term debt from AMPYR Energy Group with a maturity date of 28 February 2025 and a fixed interest rate on the term debt of 12.25%.</p> <p>\$7.1m secured term debt from Nord/LB with a maturity date of 30 April 2031 and a fixed interest rate on the term debt of 5.4%.</p>	

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,151)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,866
8.3 Unused finance facilities available at quarter end (item 7.5)	2,204
8.4 Total available funding (item 8.2 + item 8.3)	5,070
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	4.40
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2024

Authorised by: The Board  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.