

24 April 2024

Further Update on Unsolicited Takeover Offer & Buyback Intention

Locality Planning Energy Holdings Limited (**ASX: LPE**) (the **Company** or **LPE**) advises that, as announced last week, the Company has received an unsolicited off-market takeover offer from River Capital (ACN 073 531 469) as trustee for River Capital Embedded Network Trust (**River Capital**) to acquire all of the Company's ordinary shares that River Capital or its related entities do not already own at a price of 8 cents per share (the **Offer**).

As noted in the Company's quarterly update released Friday, the Board's preliminary view was that River Capital's Offer undervalued the Company. Having now considered the preliminary view further, the Board is now of the view that it will recommend shareholders reject the Offer based on it undervaluing the Company.

Approximately 2 weeks after the Offer opens, the Board will issue a formal response to the offer by way of a target's statement. That response will include the Board's formal recommendation to shareholders and the reasons for that recommendation. It will also include other information useful to shareholders in deciding whether or not to accept or reject the offer. Shareholders are strongly advised to **TAKE NO ACTION** until the Board has issued that formal recommendation.

In the meantime, each of the Directors have confirmed, in their personal capacity as shareholders of the Company, that they consider the Offer of 8c per share undervalues the Company and that they have no intention to accept the Offer in respect of the shares which they own or control.¹ The Directors' holdings in aggregate represent approximately 19.65% of the Company's shares.²

The rejection of the Offer by those shareholders will mean that the Offer will not become effective unless River Capital waives its 90% minimum acceptance condition and that River Capital will not become entitled to squeeze-out any non-accepting shareholders following the Offer.

In light of that, the Board reiterates its preliminary advice that shareholders should currently **TAKE NO ACTION** in respect of the Offer.

Intention to undertake buyback

As part of the Board's strategic plans for the future, the Company has lodged today documents with ASIC and the ASX to facilitate the Company undertaking an on-market share buyback over the course of the next 12 months (within the Company's 10% /12 month capacity) to return surplus cash and provide additional liquidity for shareholders.

The Board notes that completing the acquisition of any shares under the buyback while River Capital's Offer is on foot is likely to trigger the 'no prescribed occurrences' condition to the Offer and may therefore result in the Offer lapsing. For that reason, the Board will have regard to the progress of the

¹ Absent any unforeseen personal circumstances.

² As at the date of this announcement, the Directors have the following relevant interests in the Company's ordinary shares: (i) Stan Kolenc – 13,910,901 shares (7.72%); (ii) Simon Tilley – 21,300,000 shares (11.82%); and (iii) David Jarjoura – 200,000 shares (0.11%).



Offer and the likelihood of it succeeding (and other relevant factors under the Takeovers Panel policy on frustrating action) before actually completing any acquisitions under the buyback.

The timing and actual number of shares purchased under the buyback will also be subject to other considerations including the Company's surplus capital position, market conditions and other opportunities to deploy capital by the business.

Authorised by the Board.

For further information:

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ENDS

About LPE

LPE is a growing electricity provider to strata communities challenging the way customers receive their electricity; leaders in innovation, supporting communities to think of tomorrow. With first to market technology, LPE has delivered renewable solutions 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 strata communities. Supporting those living in strata communities to reduce their carbon footprint and energy bills with no upfront cost.

If you have any questions on this announcement or any past LPE announcements, check out our InvestorHub. Like, comment, ask a question and view video summaries on important announcements. You can find this through the following link or scanning the QR code:

investorhub.localityenergy.com.au

