

28 October 2024

# Quarterly Report for the period ending 30 September 2024

## Highlights

- LPE expects to continue to be cash flow positive in FY2025.
- LPE received \$29.3m in Cost-of-Living Rebate from the State and Federal Governments in the September Quarter
- LPE funded all capital growth works in the quarter through working capital, and this is expected to continue throughout FY2025.
- LPE closed out the remainder of the Hedge facility 4 months early.
- The Board provides the following guidance for Financial Year 2025 Net Profit of \$3m to \$3.5m.

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Embedded electricity provider, Locality Planning Energy Holdings Limited (**ASX: LPE**) (the **Company** or **LPE**), is pleased to provide an overview of activities for the period ending 30 September 2024 (**Quarter**).

During the Quarter, our people continue to focus on:

- improving our customer experience and the basics of service delivery
- strengthening our knowledge to improve margins and revenue per network; and
- improving sales through an investment in the team, our products and better solutions.

With this, the Board advises its guidance for FY 2025 to be a net profit of between \$3m to \$3.5m.

## Strategy Review

The Board shared our Strategic Outlook – Towards 2030 in August, creating a more efficient LPE that we believe is better positioned to capitalise on the growing trends in our market.

Our Strategy includes Our Purpose, Our Vision, Our Values, our evolving Customer Value Proposition and the roadmap for our future.

The LPE Towards 2030 strategy has been developed with the following three horizons – Core enhancement, Revenue Growth and to become an Industry leader.

## Bundaberg BioHub

On the 30 September 2024, the Company varied its agreement with the Bundaberg BioHub Pty Ltd, extending the repayment date to 31<sup>st</sup> March 2025. We confirm the BioHub met its interest payment obligations for the quarter. Interest on the Outstanding Debit is at 15% per annum.

## Financial Commentary

LPE received \$29.3m in Cost-of-Living Rebates (**COLR**) from State and Federal Governments as upfront funds on behalf of customers. For clarity, the receipt of these funds have been recorded in the “other receipts” line. Of this COLR received, \$11.2m has been allocated to Customers, leaving \$18.8m still to be absorbed (including the \$0.7m from FY24 COLR).

LPE has reimbursed \$6m of the COLR to Body Corporates. The usual treatment of the cash receipts associated with billing agents is the cash is received on behalf of the body corporate (recorded as receipts from customers), and then reimbursed to the body corporate (backed out from receipts from customers). Given the funds have been received via the COLR, it has resulted in a negative receipt from customers within this report.

Furthermore, LPE has reimbursed Body Corporates the full value of the COLR when the Body Corporate is the Embedded Network Manager, and therefore liable for the debt. The value of this portion of the COLR that has not yet been applied against debt is \$3.3m.

Normalised cash receipts for the quarter were \$9.75m and is less than operating payments of \$10.09m for the quarter. Operating Payments last quarter were \$9.5m. The higher operating payments are largely driven by:

- Timing of cost of good payments.
- \$0.4m to fund Site Conversion Costs from Working Capital during the quarter.
- Staff Costs – During the quarter our Superannuation Liability transitioned from quarterly payments in the following month, to monthly payments for the relevant month. Therefore, two quarters of superannuation was paid in the September quarter.
- Admin Costs – one off payment of the Australian Energy Regulator fine \$0.14m.

Biohub continued to pay the monthly interest owing.

The Hedge Receivable, and the associated Roadnight Hedge Facility (\$0.7m) was finalised on 12 September 2024, continuing to strengthen LPE's balance sheet in preparation for growth.

### **Share Buyback**

LPE commenced its share buyback as previously announced in September 2024. Future amounts and timing will be dependent on market conditions, including LPE's share price, and at this time the Buyback continues to be funded by cashflow and cash reserves.

Authorised by the Board.

For further information:

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Executive Chairman

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**ENDS**



## About LPE

LPE is a growing energy provider to strata communities focused on the core Embedded Network business. LPE delivers renewable solutions for strata living, creating shareholder value through long term supply agreements that provide strong recurring revenue.

Currently LPE predominantly services the Queensland energy market, providing 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.

Our Customer Value Proposition continues to evolve as we work with partners, communities and customers to find new solutions to take us into the future.

If you have any questions on this announcement or any past LPE announcements, visit our Investor Hub. Like, comment or ask a question on our announcements. You can find this through the following link or scanning the QR code: [investorhub.localityenergy.com.au](https://investorhub.localityenergy.com.au) or email us on [investors@localityenergy.com.au](mailto:investors@localityenergy.com.au)



## Appendix 4C

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

**Name of entity**

Locality Planning Energy Holdings Ltd

**ABN**

90 147 867 301

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

30 September 2024

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (.....months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	(663)	(663)
1.2 Payments for		
(a) research and development	0	0
(b) product manufacturing and operating costs	(7,797)	(7,797)
(c) advertising and marketing	(17)	(17)
(d) leased assets	(89)	(89)
(e) staff costs	(1,202)	(1,202)
(f) administration and corporate costs	(983)	(983)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	502	502
1.5 Interest and other costs of finance paid	(133)	(133)
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives	0	0
1.8 Other (Government Cost of Living Rebate)	29,282	29,282
<b>1.9 Net cash from / (used in) operating activities</b>	<b>18,900</b>	<b>18,900</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	0	0
(b) businesses	0	0
(c) property, plant and equipment	(18)	(18)
(d) investments	0	0
(e) intellectual property	0	0
(f) other non-current assets	0	0

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	0	0
	(b) businesses	0	0
	(c) property, plant and equipment	0	0
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(18)</b>	<b>(18)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	(30)	(30)
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	0	0
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	0
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	(720)	(720)
3.7	Transaction costs related to loans and borrowings	(8)	(8)
3.8	Dividends paid	0	0
3.9	Other (provide details if material)	0	0
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(758)</b>	<b>(758)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,478	3,478
4.2	Net cash from / (used in) operating activities (item 1.9 above)	18,900	18,900
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(18)	(18)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(758)	(758)
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	<b>Cash and cash equivalents at end of period</b>	<b>21,602</b>	<b>21,602</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,602	3,478
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (Term Deposits)	18,000	
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>21,602</b>	<b>3,478</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	257
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>		

<b>7.</b>	<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	10,000	3,332
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>	10,000	3,332
7.5	<b>Unused financing facilities available at quarter end</b>		6,668
7.6	<p>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> <p>The Company has access to a \$10m loan facility to grow its embedded network business with Roadnight Capital Pty Ltd, maturing December 2025 (Growth Facility). \$3.332m of the Growth Facility has been utilised. Interest is calculated at 8% per annum plus an annualised adjustment based on the 30-day BBSW and is paid monthly.</p>		

<b>8.</b>	<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)	18,900
8.2	Cash and cash equivalents at quarter end (item 4.6)	21,602
8.3	Unused finance facilities available at quarter end (item 7.5)	6,668
8.4	Total available funding (item 8.2 + item 8.3)	28,270
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	N/A
	<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: 28 October 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.