

QUARTERLY REPORT

For the quarter ending on 31 December 2020

MPower Group Limited

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Australia

- **Expanding pipeline of Build Own Operate renewable energy sites**
- **Exclusive rights secured over three renewable energy development sites**
- **Solid performance from service and maintenance division with recurring revenue base steadily building**

Sydney – 29 January 2021 – MPower Group Limited (ASX: MPR)

MPower, Australia's leading specialist renewable energy, battery storage and microgrid business, is pleased to provide the following report on its activities for the quarter ending on 31 December 2020 (**Quarter**).

MPower's activities during the Quarter focussed on substantially advancing the Company's Build Own Operate strategy and delivering the renewable energy projects at the core of the Company's capability.

The Company has obtained exclusive rights over three renewable energy development sites that are currently under development in Victoria and South Australia, with a 5MWac solar farm being planned for each location. 5MWac opportunities are being pursued due to their many advantages with the most notable being the relative ease of connection to the grid.



Image: A 5MWac solar farm currently being designed and constructed by MPower

Beyond the first three sites, MPower is targeting an initial portfolio of up to 20 renewable energy assets with an aggregate capacity of around 100MW_{ac}. The portfolio of renewable energy assets across several states would have an estimated value of more than \$150 million once fully constructed and operational.

By securing rights over renewable energy sites during or at the end of their development phase and acquiring the renewable development assets once the development phase has been completed, MPower is planning to rapidly roll-out a portfolio of assets by focusing on its core capability of delivering high reliability renewable energy projects that are at 'ready to build' status.

During the Quarter, MPower progressed the design and construction of two 5MW_{ac} solar farm projects commenced early 2020. The South Australian projects, with a combined value to MPower of over \$9 million, showcase MPower's expertise in solar farms of that size.

MPower's service division, which provides regular maintenance services to critical power system assets, has performed well during the Quarter and has successfully completed new contracts in the hospital and data centre sectors – both sectors that place a high value on reliability for mission critical assets.

Also during the Quarter, the Company successfully finalised all outstanding matters relating to the sale of its product distribution businesses, with a payment by MPower of \$1.25 million to finalise the post-completion working capital adjustments and all other outstanding matters. The legal proceedings commenced by the purchaser in August 2020 have been discontinued.

MPower's cash balance at the end of the Quarter was \$2.9 million, with the main cash outflow being the one-off \$1.25 million payment to finalise the sale transaction matters. Operating cash outflows of approximately \$0.7 million during the Quarter were anticipated and reflect typical cash movements from project activities.

The December 2020 quarter was the last period during which MPower received JobKeeper payments following the recent growth in the Company's revenue.

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.