

## HALF YEAR RESULTS

For the six months ended 31 December 2023

MPower Group Limited

ABN 73 009 485 625

Phone +61 2 8788 4600

Level 4, 15 Bourke Road  
Mascot NSW 2020  
Australia

- **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**
- **\$10 million funding facility with AMPYR Energy, a global renewable energy development and investment firm, advanced to unconditional status**
- **Strategic investment from Oceania Capital Partners Limited, comprising the refinancing of existing debt facilities and the acquisition by OCP of a 14.5% stake in the business**
- **Master Supply Agreement with Trina Solar, one of the world's leading global suppliers of photovoltaic (PV) solar panels**
- **Continued development of project pipeline and advancement of project funding initiatives to support the rollout of MPower's multi-project clean energy portfolio**

### Sydney – 22 February 2024 – MPower Group Limited (ASX: MPR)

Leading specialist renewable energy and battery storage development company MPower Group Limited (ASX: MPR) has made substantial progress in the development, construction and funding of its clean energy asset portfolio and is pleased to provide the following report for the Half Year ended 31 December 2023 (**Half Year**).

#### Narromine clean energy project – construction phase underway

Operations during the Half Year were highlighted by key developments at MPower's fully-owned Narromine clean energy project, where the Company successfully procured all project development rights – including the Connection Agreement for connection to the grid, land rights and key planning approvals – that were required before construction can commence.

With regulatory approvals in place, MPower has commenced the construction phase at Narromine – the next near-term priority as part of the Company's stated strategy to establish a significant Build Own Operate portfolio of renewable energy projects across Australia.

Construction remains fully funded from existing project facilities, and during the period under review 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 period, with the project on track to commence site works in Q1 CY2024 both on-time and on-budget.

The Narromine project will comprise 6.7 MWdc of Bifacial PV Modules with the capacity to produce more than 14,000MWh of energy in its first year of operations. The project is due to be completed in 2024 and will earn revenue from the sale of renewable energy and certificates.

### **Strategic investment from Oceania Capital Partners**

Alongside its operational momentum, MPower materially strengthened its balance sheet during the Half Year with a new loan facility and equity position from diversified Australian investment group Oceania Capital Partners Limited (**OCP**).

The transaction allowed the Company to fully extinguish its \$4.5 million debt facility with St George Bank and replace it with a new \$1.8 million loan from OCP, which has also taken a 14.5% equity stake in MPower through the issue of 50 million ordinary shares in consideration for providing the loan facility.

Combined with the Company's strategic \$10 million project funding facility with AMPYR – which will fund the development of the Narromine project through to completion – the funding agreement with OCP provides MPower with improved balance sheet strength to execute on the rollout of its clean energy asset portfolio.

The refinancing significantly reduced ongoing debt service obligations and was completed in August 2023.

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

During the Half Year, MPower announced that it had entered into a Master Supply Agreement (**MSA**) with Trina Solar, a major global supplier of photovoltaic (PV) solar panels.

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 2023, as part of the procurement process for MPower's Narromine Renewable Energy Project.

## Financial overview

The 11% increase in revenue to \$2.475 million in the Half Year reflects a full six months of revenue from the sale of energy and renewable energy certificates generated by the Lakeland asset.

To understand the true extent of the increase in activity during the Half Year, it is important to take into account revenues from the construction of the Narromine asset, which would have accounted for a further \$3.2 million in reported revenue if the asset was not owned by MPower. The elimination of this revenue on consolidation is a result of MPower being both the owner of the project and responsible for construction of the asset.

Net profit after tax of \$0.881 million includes the net gain of \$1.827 million from the OCP transaction.

MPower's service and maintenance division continued to perform steadily during the Half Year and is expected to benefit over time from maintaining and servicing the growing portfolio of solar and battery storage projects under MPower's management as the portfolio expands.

MPower's cash balance was \$2.867 million at Half Year.

## Project pipeline and outlook

Following the strategic debt and equity transaction in August 2023 with OCP and the one-off revaluation gain of \$6.1 million against the Lakeland Solar & Storage Asset recognised as profit in the Company's audited 2023 financial statements, 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.

MPower is well-positioned for further growth in revenue and EBITDA through the development of its Build Own Operate strategy with an expanding pipeline of development assets being pursued by the Company in conjunction with its development partners. In addition to the Company's 100% owned assets at Lakeland, QLD and Narromine, NSW, the Company has a strong pipeline of both shovel ready and development projects across the eastern states of Australia. This includes projects at Faraday and Mangalore in VIC and two hybrid solar battery projects at Kadina in SA.

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.

## Ends

### Contact

For further information, please contact:

Nathan Wise  
Chief Executive Officer  
(02) 8788 4600

Ben Jarvis  
Six Degrees Investor Relations  
0413 150 448

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**

	<a href="https://www.linkedin.com/company/mpower-australia">https://www.linkedin.com/company/mpower-australia</a>
	<a href="https://twitter.com/MPowerGroupLtd">https://twitter.com/MPowerGroupLtd</a>