

8 December 2022

Leveraging \$10m credit facility to grow embedded network business

Highlights

- LPE has secured a \$10m credit facility from funding partner, Roadnight Capital, which will be utilised to grow the core embedded network customer base
- If successful, the Board anticipates FY23's current \$40m revenue guidance (FY22: \$27m) to be exceeded with increased revenues and, potentially expanding EBITDA margins in FY24 as a result of the deployment of the facility in FY23
- Key drivers, which the facility can be utilised to aid expanding the forward customer base, include:
 - 1) Capital works to upgrade strata communities embedded networks, centralised hot water systems and renewable generation to lock in long-term supply contracts; and
 - 2) Acquiring existing embedded businesses and billing agents
- Securing this capability delivers the Board incremental leverage to accelerate developing the profitable strata business and vertically integrated renewable assets

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LPE Chairman, Justin Pettett, commented: *"Securing this credit facility will deliver LPE an enhanced ability to grow the core embedded customer network beyond 28,000 organically and through acquisition. More strategically, the Board believes this is an opportune time to consolidate LPE's position as one of the largest and most well-known strata service providers in Queensland, through acquisition of existing retailers servicing embedded network customers or similar businesses such as billing agents."*

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Embedded electricity provider and green energy generator, Locality Planning Energy Holdings Limited (ASX: LPE) (the **Company** or **LPE**), is delighted to provide an update on its activities.

Leveraging \$10m Credit Facility to Drive Growth

LPE has secured a \$10m credit facility from funding partner, Roadnight Capital, to expand its embedded network customer base. The Board will utilise the credit facility, which has a 3 year term, to install and upgrade strata communities' capital works (whether it be switchboard or metering replacement or upgrades), centralised hot water systems and/or renewable generation – at no upfront cost to the community – in return for long-term stable supply contracts.



Incrementally, LPE will pursue acquisition opportunities to further grow the embedded network customer base through existing retailers and billing agents looking to exit the industry or join forces with a well-established ASX-listed Queensland strata service provider.

Strata Business: Improving Outlook with EBITDA Margin Expansion

LPE is on track to generate FY23's current \$40m revenue guidance (\$27m: FY22) from the core strata community business through organically expanding the customer base. However, through leveraging the credit facility optimally, especially expanding the customer base through acquisitions, the Board believes revenues in FY24 could materially increase due to the growth in customer base through the deployment of the facility during the remainder of FY23.

Authorised by the Board.

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About LPE

LPE is a fast-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.

For more information visit: investors.joinlpe.com.au