

Locality Planning Energy Holdings Limited **Appendix 4D – Half year report** **For the half year ended 31 December 2024**

Name of entity: Locality Planning Energy Holdings Limited
ABN or equivalent company reference: 90 147 867 301
Current reporting period: 1 July 2024 to 31 December 2024
Previous reporting period: 1 July 2023 to 31 December 2023

Results for announcement to the market

Revenue for ordinary activities	Up	13.49%	to	21,936,216
Profit from ordinary activities after tax attributable to members*	Up	380.57%	to	1,639,791
Net profit for the period attributable to members	Up	380.57%	to	1,639,791

* Please refer to the accompanying financial report for further details.

	31 December 2024	31 December 2023
	\$	\$
Net Tangible assets per share	0.0651	0.0467
Final & interim dividend paid	nil	nil

This information should be read in conjunction with the 31 December 2024 Half Year Financial Report of LPE Holdings Limited and any public announcements made during the period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and Listing Rules.

This report is based on the LPE Holdings Limited 31 December 2024 half-year financial statements which have been reviewed by Bentleys. The Independent Auditor's Review Report provided by Bentleys is included in the 31 December 2024 half year financial statements.



December 2024 Half Year Report

Locality Planning Energy
Holdings Limited

Better Energy Solutions

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OUR VALUES

Integrity

We do what we say we will do



Teamwork

We are one team

Service

We are customer focused

Performance

We strive for better performance

Growth

We are always learning

Our Purpose

Is to work with customers to deliver better local solutions

Our Vision

Is to be the provider of choice to deliver better local solutions

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WHO WE ARE

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LPE specialises in Embedded Network Management, servicing customers and communities in the residential and commercial sectors with integrated Electricity, Hot Water, Solar and Battery systems throughout Queensland and Northern New South Wales.

LPE uses its experience to focus on providing options so our customers can choose the best solutions and we become their provider of choice.

At LPE, we manage every step from development, delivery and operations including capital investment and maintenance, making it an attractive option for Communities, Owners, Body Corporates as well as Developers.

LPE today is well placed to deliver Shareholder value through long term supply agreements that provide recurring revenue with plans to expand its product and service offerings as well as its operational footprint into the future.



“

LPE provides our customers with better local energy solutions, which in turn helps our communities to become better places.”

BUSINESS REVIEW

Financial Highlights

Revenue
\$21.9m
up 13.49%

Net Profit After Tax (NPAT) is up 380% to
\$1.6m

Reduced debt ratio from 17.5% to
6.4%

Financial and commercial performance continues to improve by focusing on core business, resolving legacy issues and pursuing growth.

Strategic

LPE adopted a new five-year growth strategy with a focus on improving outcomes for all stakeholders, with the following three horizons:

1. **Core Enhancement** – Focus on the foundations by improving customer satisfaction and retention, growth through acquiring new sites to scale up the business and reduce the cost per serve to increase margins.
2. **Grow revenues** by extending beyond energy to look at additional services, working with Customers to solve new and emerging problems such as improving our value proposition for Social and Affordable Housing.
3. **Become an industry leader** through buying energy better, providing better value-added products and looking at the role of batteries, micro-grids and virtual power plants.

In FY2025, the Board expects growth from our core embedded network business to be achieved by:

- Evolving our Customer Value Proposition as we work with partners, communities and customers to find new ways and solutions to take us into the future;
- Resolve a mixed bag of legacy issues that are hurting our ability to achieve operational and service excellence in pursuit of restoring high customer satisfaction and retention; and
- Continue to work on LPE’s business and operations to improve our commercial performance and margins.

The next period will continue to have old and new challenges to solve, however it gives us opportunities to work with our customers to become an industry leader and provider of choice over the long run.

We acknowledge the importance of our People to the future of LPE, and will continue to invest in our team, culture and requisite capabilities as an enabler to deliver on our strategy and performance.

Operational Highlights

Customers
25,642

Communities (sites)
369

Service Points
31,359

Operations

At LPE we are focused on:

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

Progress to date includes:

- The adoption of our new vision and values with our people.
- Adoption of smart enabled meters as the minimum standard, and comms meters being activated where there are benefits to the community and/or LPE.

- Our Energy procurement strategy seeks to leverage LPE’s buying power and procurement activities to the benefits of all stakeholders.
- Following a review of the billing practices, there is an opportunity to simplify and improve both the customer experience and our internal process to deliver better outcomes, such as our debt management process.
- A refresh of our commercial model and subsequent suite of legal contracts is underway with improvements to be implemented in the 2nd half of the financial year to improve the customer experience and profit outcomes.

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FINANCIAL PERFORMANCE SUMMARY

Lower than expected retention rates due to legacy service delivery issues have been offset by big improvements in sales performance. This disappointing net result has been offset by prudent commercial management to ensure LPE remains within guidance.

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Our revenues for 1HFY25 were \$21.9m, an increase of 13.49% on 1HFY24, this is inclusive of the income from other investments returns and debt recovery activities. For 1HFY25, LPE posted a net profit of \$1.6m. We have dramatically increased profitability through a combination of driving operational excellence, lower operating costs, and successful returns on investments. The legacy issues have adversely affected our retention, stalling our growth. Profitably retaining our current customers through service excellence is the priority.

OTHER DISCLOSURES

FOR HALF YEAR ENDING 31 DECEMBER 2024

Board's priorities for FY25 continues to be:

- Developing a capital management strategy to enable growth beyond FY2025;
- Share Buyback – Amounts and timing will be dependent on market conditions, including LPE's share price. At this stage the proposed Buyback will be funded by cashflow and cash reserves;
- Bundaberg BioHub – LPE can report continued repayment of the BioHub loan; and
- On 16 July 2024, LPE lodged a Statement of Claim with the Supreme Court of NSW against the Body Corporate for Harbour Towers Strata Plan 77177 for disputed costs. LPE continues to pursue this ongoing matter actively.

The Directors submit their report on the consolidated entity consisting of Locality Planning Energy Holdings Limited (**LPE**) and the entities it controlled (**Group**) at the end of, or during the half year ended, 31 December 2024 (**Half Year or 1HFY25**).

Directors

As at the date of this report, the Directors of LPE are:

Mr David Jarjoura – Chair

Mr Simon Tilley – Non-Executive Director

Mr Stan Kolenc – Non-Executive Director

Ms Elissa Hansen – Company Secretary

The Directors listed above each held office as a Director of LPE throughout the period, and until the date of this report.

Principal Activities

The Group's principal activity is managing private embedded networks (EN), which includes acquiring energy from a retailer and on supplying to the EN customers.

Financial Result

The Group reported a net profit after tax of \$1,639,791 for the half year ended 31 December 2024

Dividends

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend since 31 December 2024 and to the date of this report.

Review of Activities and Business Strategies

An operating and financial review of the Company during the financial year is contained on page 02 of this report and forms part of the Directors' Report. It includes a review of operations during the first half, as well as the financial results and business strategies of the Company.

Changes in State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year.

Other Disclosures (continued)

Proceedings on Behalf of the Company

No person has applied under Section 237 of the *Corporations Act 2001* for leave of the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any other such proceedings during the year.

Auditor's Independence Declaration

A copy of the external auditor's declaration under Section 370C of the *Corporates Act 2001* in relation to the audit review for the half year is attached to the Company's Financial Statements.

Indemnification and Insurance of Officers or Auditor

Each of the Directors and the Secretary of the Company have entered into a Deed with the Company whereby the Company has provided certain contractual rights of access to books and records of the Company to those Directors and the Secretary. The Company has insured all of the Directors and Officers of LPE.

The contract of insurance prohibits the disclosure of the nature of the liabilities covered and amount of the premium paid. The *Corporations Act 2001* does not require disclosure of the information in these circumstances. The Company has not indemnified or insured its auditor.

Events Subsequent to Balance Date

There are no subsequent events to report.

Corporate Governance

A copy of LPEs Corporate Governance Statement can be found on the Company's website at <https://investorhub.localityenergy.com.au/governance>.

Business Risks

The Company has identified the following risks as having the potential to materially affect LPE's ability to meet its business objectives:

Regulatory policy

LPE is susceptible to regulatory policy change and government interventions. Changes in energy market design and climate change policies for example, have the potential to impact the financial outcomes of the Company. LPE contributes to policy process by actively participating in public policy debate, proactively engaging with policy makers and participating in public forums, industry associations and research.

Market

LPE operates in a competitive market which can challenge our margins. Our strategy to mitigate this risk is to effectively build customer trust by delivering a customer service experience based on openness and transparency, and by offering innovative energy solutions that come with more sustainable supply terms.

Other Disclosures (continued)

Changes in demand for energy

A change in energy demand could possibly reduce LPE's revenues and adversely affect the Company's future financial performance. LPE cannot control the habits or consumption patterns of our customers, however LPE can work to mitigate the impact of this risk by utilising data analytics to better predict customer demand.

LPE's new strategic focus will look to reward our customers for smart energy consumption using technology such as batteries and controls.

Supply Chain

LPE is reliant on key suppliers and partners to provide services. With increased costs and uncertainty with supply chain and labour, the core costs of doing business are at risk of continuing to rise, challenging profitability into the future.

In terms of growth, LPE has expected growth, aligned to the growing residential sector. Changes in risk appetite of builders and subcontractors required to deliver the projected needs of new residential and apartment housing stock could lead to a risk in growth opportunities for LPE.

Technological developments/disruption

Technology is allowing consumers to understand and manage their electricity usage through smart appliances, having the potential to disrupt the Company's existing relationship with consumers. Advances in technology have the potential to create new business models and introduce new competitors. LPE actively monitors and participates in technological developments and is exploring investments in new innovative products to enhance customer experience and reduce cost to serve.

Cyber security

A cyber security incident could lead to disruption of critical business operations. It could also lead to a breach of privacy, and loss of and/or corruption of commercially sensitive data which could adversely affect customers. LPE regularly assesses its cyber security profile. All employees undertake cyber awareness training, including how to identify scam emails and how to keep data safe.

Climate change

The ongoing decarbonisation of energy markets and the decreasing demand for fossil fuels provides both risks and opportunities for LPE. The Company is focused and committed to growth and innovation of its solar products as well as providing choice to its customers in the procurement of renewable energy

Company Health and Safety Policy

It is the responsibility of all employees to act in accordance with occupational health and safety legislation, regulations and policies applicable to their respective work environment and to use security and safety equipment provided. Specifically, all employees are responsible for safety in their work area by:

- following the safety and security directives of management;
- advising management of areas where there is a potential problem in safety and reporting suspicious occurrences; and
- minimising risks in the workplace.

Other Disclosures (continued)

Environmental

Whilst it was not an environmental issue for the Company, under the Renewable Energy Target, the Company is obliged to purchase and surrender an amount of large-scale generation certificates, and small-scale technology certificates, based on the volume of electricity the Company acquires each year.

Outlook

The Board expects that these financial results confirm to the market that LPE is set and focussed on growth. Half yearly profit of \$1,639,791 confirms our confidence in LPE's ability to increase our embedded network footprint as well as diversify with innovative new solutions that will further complement LPE's Value proposition and service offering. We will continue to implement a simpler, more efficient LPE that is better positioned to capitalise on growing trends in our market as well as pursuing the projected growth in Southeast Queensland.

Approval of Directors' Report

This Director's Report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board this 27th day of February 2025.



The Board of LPE
David Jarjoura
Chair

INDEPENDENT AUDITOR'S **DECLARATION**



**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

**TO THE DIRECTORS OF
LOCALITY PLANNING ENERGY HOLDINGS LIMITED**

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

Stewart Douglas
Director
Brisbane
27 February 2025



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CONSOLIDATED STATEMENT OF **PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	Dec-24 \$	Dec-23 \$
Electricity revenue	4A	20,655,451	18,594,779
Electricity cost of goods sold	4B	(15,537,957)	(13,850,539)
Gain from trading		5,117,494	4,744,240
Other income	4C	1,280,765	734,411
Total operating income		6,398,259	5,478,651
Impairment losses	4D	(113,165)	(90,321)
Financing expenses	4E	(313,250)	(735,862)
Other expenses	4F	(4,332,053)	(4,311,250)
Profit/(loss) before income taxes		1,639,791	341,218
Income tax benefit/(expense)		–	–
Net profit/(loss) for the period		1,639,791	341,218
Other comprehensive income		–	–
Other comprehensive income net of tax		–	–
Total comprehensive profit/(loss) for the year		1,639,791	341,218
Basic earnings/(loss) per share (dollars per share)		0.0091	0.0019
Diluted earnings/(loss) per share (dollars per share)		0.0088	0.0013

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	Dec-24 \$	Jun-24 \$
Current assets			
Cash and cash equivalents		14,817,479	3,478,354
Trade and other receivables		5,829,550	6,248,336
Site conversion receivables		1,245,236	1,162,224
Financial assets	5A	6,372,288	6,230,131
Other current assets		848,711	629,542
Total current assets		29,113,264	17,748,587
Non-current assets			
Site conversion receivables		3,366,151	3,185,358
Financial assets	5B	232,312	232,312
Plant and equipment		193,101	206,775
Leasehold improvements		90,354	139,105
Intangibles		651,666	731,299
Right of use assets		184,593	280,567
Total non-current assets		4,718,177	4,775,416
TOTAL ASSETS		33,831,441	22,524,003
Current liabilities			
Trade and other payables		18,416,130	6,879,402
GST payable		110,696	20,314
Employee entitlements – leave provisions		200,563	152,629
Lease liabilities		323,380	332,545
Provisions		45,812	43,674
Borrowings		2,179,066	712,001
Total current liabilities		21,275,647	8,140,565
Non-current liabilities			
Employee entitlements – leave provisions		94,519	97,239
Lease liabilities		9,788	160,565
Borrowings		–	3,227,046
Total non-current liabilities		104,307	3,484,850
TOTAL LIABILITIES		21,379,954	11,625,415
NET ASSETS		12,451,487	10,898,588
Equity			
Issued capital	2	54,795,812	54,815,666
Share option reserve		69,293	136,331
Accumulated losses		(42,413,618)	(44,053,409)
TOTAL EQUITY		12,451,487	10,898,588

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

CONSOLIDATED STATEMENT OF **CASH FLOWS**

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	Dec-24 \$	Dec-23 \$
Cash flows from operating activities			
Receipts from customers		2,256,749	11,810,222
Receipts from government utility relief scheme		29,643,694	13,227,537
Payments to suppliers and employees		(19,113,434)	(18,092,243)
Interest received		903,398	352,762
Interest paid		(223,038)	(401,463)
Net cash provided by/(used in) operating activities		13,467,369	6,896,815
Cash flows from investing activities			
Receipt/ (Payment) for financial assets		–	90,000
Payment for plant and equipment		(17,741)	(5,647)
Proceeds from plant and equipment		–	–
Payment for leasehold improvements		–	–
Payment for intangibles		–	–
Net cash provided by/(used in) investing activities		(17,741)	84,353
Cash flows from financing activities			
Financing costs paid		(10,352)	(8,707)
Proceeds from loans		–	53,484
Repayment of loans		(1,802,045)	(3,308,830)
Repayment of leases		(157,805)	(138,247)
Proceeds from issue of shares (net of share issue costs)		(139,998)	–
Share issue costs		(303)	–
Net cash provided by/(used in) financing activities		(2,110,503)	(3,402,300)
Net increase/(decrease) in cash and cash equivalents		11,339,125	3,578,868
Cash and cash equivalents opening balance		3,478,354	1,545,946
Cash and cash equivalents closing balance		14,817,479	5,124,814

The Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

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CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Issued capital \$	Options reserve \$	Accumulated losses \$	Totals \$
Balance at 1 July 2023	54,705,664	640,140	(46,568,166)	8,777,638
Issue of Share Capital	110,002	–	–	110,002
Capital Raising Costs	–	–	–	–
Expired Share Options	–	(508,333)	508,333	–
Issue of Share Options	–	(11,288)	–	(11,288)
Profit/(Loss) after income tax	–	–	341,218	341,218
Balance at 31 December 2023	54,815,666	120,519	(45,718,615)	9,217,570
Balance at 1 July 2024	54,815,666	136,331	(44,053,409)	10,898,588
Issue of Share Capital	(19,551)	–	–	(19,551)
Capital Raising Costs	(303)	–	–	(303)
Expired Share Options	–	(120,447)	–	(120,447)
Issue of Share Options	–	53,409	–	53,409
Profit/(Loss) after income tax	–	–	1,639,791	1,639,791
Balance at 31 December 2024	54,795,812	69,293	(42,413,618)	12,451,487

The Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(A) Basis of Preparation

The interim financial report of Locality Planning Energy Holdings Limited (LPE or the Company) and its controlled entities (the Group) for the half-year ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors on the date the directors report was signed.

The interim financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

It is recommended that this interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by LPE during the period in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The interim financial report does not include full disclosures of the type normally included in an annual financial report.

(B) Reporting Basis and Conventions

The interim report has been prepared on an accruals basis and is based on historical costs.

(C) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for those as described in Note 1(d) below.

(D) New, Revised or Amending Accounting Standards and Interpretations Adopted

A number of new standards, amendments and interpretations are effective for annual reporting periods commencing after 1 July 2024 and earlier application is permitted; however the Company has not early adopted the new or amended standards in preparing these financial statements. The new standards relate to very specific circumstances that have been deemed 'not applicable' to the Company.

(E) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Classification and subsequent measurement

Financial Assets

Financial assets are subsequently measured at:

- Amortised cost;
- Fair value through other comprehensive income; or
- Fair value through profit or loss.

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Notes to the Financial Statements (continued)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(E) Financial Instruments (continued)

Measurement is on the basis of two primary criteria:

- The contractual cash flow characteristics of the financial asset; and
- The business model for managing financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- The financial asset is managed solely to collect contractual cashflows; and
- The contractual terms within the financial asset give rise to cashflows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- The contractual terms within the financial asset give rise to cashflows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- The business model for managing the financial assets comprises both contractual cashflows and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Financial Liabilities

Financial liabilities are subsequently measured at:

- Amortised cost; or
- Fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- A contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies;
- Held for trading; or
- Initially designated at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- It is incurred for the purpose of repurchasing or repaying in the near term;
- Part of a portfolio where there is an actual pattern of short-term profit taking; or
- A derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

The Group recognises the financial derivative instruments at fair value through profit or loss.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Notes to the Financial Statements (continued)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(E) Financial Instruments (continued)

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expire, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- The right to receive cash flows from the asset has been expired or been transferred;
- All risk and rewards of ownership of the asset have been substantially transferred; and
- The Group no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(F) Going Concern

The financial statements have been prepared on the basis that the Group is a going concern, as the Directors have assessed the Group in light of its improved financial performance.

The Group reported a net profit after income tax of \$1,639,791 for the half-year ended 31 December 2024 (31 December 2023 \$341,218).

The Group has strengthened its liquidity position, with positive operating cash inflows of \$13,467,369 for the half year (2023 half year inflow \$6,896,815) and improved its balance sheet with net assets increasing to \$12,451,487 (2023 half year \$9,217,570).

Given the Group's profitability and improved financial health, the Directors are confident that the company will continue to achieve operational and financial performance into the foreseeable future. Accordingly, the financial statements have been prepared on the assumption that the Company is a going concern.

Notes to the Financial Statements (continued)

2. ISSUED CAPITAL

(A) Issued and paid up capital

	Dec-24 Number	Jun-24 Number
Ordinary shares fully paid no par value	181,205,907	180,204,412

(B) Movement in ordinary shares on issue

	Number	\$
Balance at 1 July 2024	180,204,412	54,815,666
Issued 1 December 2024	1,986,842	120,447
Share Buy-backs*	(985,347)	(139,998)
Capital raising expenses	–	(303)
Balance at 31 December 2024	181,205,907	54,795,812

* Note: The Ordinary Shares balance on ASX register will include shares purchased in the Share Buy-back scheme until cancelled at the conclusion of the Buy-back period July 2025 (or buy back of the maximum securities under the scheme).

(C) Options on issue

At the end of the period, the following options over unissued ordinary shares were outstanding:

		Expiry	Number	\$
Unlisted Options:				
Issued 06-Apr-2022 EX \$0.20	LPEAM	30/3/2026	1,000,000	30,000
Issued 01-Dec-2023	LPEAO	1/12/2025	1,711,461	39,293
Balance at 31 December 2024			2,711,461	69,293
Listed Options:				
Nil				
Balance at 31 December 2024			–	–

3. SEGMENT REPORTING

The Group has identified its operating segment as managing private embedded networks (EN), which includes acquiring energy from a retailer and on supplying to the EN customers. Management currently identifies being an Embedded Network Manager as the Group's sole operating segment.

There have been no changes in the operating segments during the year. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from the segment are equivalent to the financial statements of the Group as a whole.

Notes to the Financial Statements (continued)

4. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Consolidated Entity Dec-24 \$	Consolidated Entity Dec-23 \$
(A) Electricity Revenue		
Electricity sales	19,893,433	18,370,396
Site conversion sales	762,018	224,383
Total Electricity Revenue	20,655,451	18,594,779
(B) Electricity Cost of Goods Sold		
Energy usage charges	8,358,420	8,526,953
Network charges	4,488,137	3,478,583
Other COGS	1,974,191	1,638,245
Site conversion COGS	717,209	206,758
Total Electricity Cost of Goods Sold	15,537,957	13,850,539
(C) Other Revenue		
Interest revenue	1,280,765	734,411
Total Other Revenue	1,280,765	734,411
(D) Impairment Losses		
Bad debts written off	176,914	523,457
Addition/(Decrease) to provision for doubtful debt	(63,749)	(433,136)
Total Impairment Losses	113,165	90,321
(E) Financing Expenses		
Bank Fees	5,240	39,747
Borrowing expenses	54,075	112,868
Interest on leases	21,720	36,172
Interest expense	232,215	547,075
Total Financing Expenses	313,250	735,862
(F) Other Expenses		
Depreciation and amortisation	255,771	281,862
Employee costs	2,581,107	2,477,552
(Gain)/loss on disposal of assets	–	449
Information technology	582,537	662,922
Insurance	51,321	55,119
Marketing & advertising	40,087	59,661
Occupancy expenses	66,671	59,110
Other expenses	419,113	466,375
Professional costs	335,446	248,200
Total Other Expenses	4,332,053	4,311,250

Notes to the Financial Statements (continued)

5. FINANCIAL ASSETS

	Consolidated Entity Dec-24 \$	Consolidated Entity Jun-24 \$
(A) Financial Assets		
At fair value through the profit or loss		
Investments	6,372,288	6,230,131
	6,372,288	6,230,131
(B) Other Financial Assets		
At fair value through the profit or loss		
Term Deposits	232,312	232,312
	232,312	232,312

In December 2023, LPE varied its agreement with Bundaberg BioHub Pty Ltd (BBH) and further extended the settlement date for the full repayment of the capital works funds (including all outstanding interest and legal fees) until 28 June 2024 (Revised Arrangement). This agreement has since been extended to 31 March 2025. BBH has paid interest payments in accordance with the Revised Arrangement, with the balance of payments not paid compounding at 22.5% interest as per the agreement.

6. CONTINGENT ASSETS AND LIABILITIES

The Directors are not aware of any change in contingent assets and liabilities since the last annual reporting date.

7. EVENTS SUBSEQUENT TO PERIOD END

There are no other matters or circumstances that have arisen since the end of the half year which significantly affected or could significantly affect the operations of the Consolidated Entity, the result of those operations or the state of affairs of the Consolidated Entity in future financial years.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

The financial statements and notes are in accordance with the *Corporations Act 2001* and:

- (a) complying with Australian Accounting Standard AASB134: *Interim Financial Reporting*; and
- (b) giving a true and fair view of the financial position as at 31 December 2024 and of its performance and cash flows for the half year ended on that date.

In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



David Jarjoura
Chair

Dated: 27 February 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF LOCALITY PLANNING ENERGY HOLDINGS LIMITED



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF LOCALITY PLANNING ENERGY HOLDINGS LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Locality Planning Energy Holdings Limited and its controlled entity (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



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Independent Auditor's Review Report (continued)



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF LOCALITY PLANNING ENERGY HOLDINGS LIMITED (CONTINUED)

Auditor's Responsibility (Continued)

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

Stewart Douglas
Director
Brisbane
27 February 2025



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CORPORATE **DIRECTORY**

Chair

Mr David Jarjoura

Non-Executive Directors

Mr Simon Tilley

Mr Stan Kolenc

Chief Executive Officer

Mr Scott Taylor

Company Secretary

Ms Elissa Hansen

Principal & Registered Office

Level 8, 8 Market Lane
Maroochydore, QLD 4558

Phone: 1300 443 735

Auditors

Bentleys

Level 23, 71 Eagle Street
Brisbane, QLD 4000

Phone +61 7 3222 9777

Lawyers

Gadens

Level 11, 111 Eagle Street
Brisbane, QLD 4000

Phone +61 7 3231 1666

Share Registrar

MUFG Pension & Market Services

10 Eagle Street
Brisbane, QLD 4000

Phone: 1300 554 474

Stock Exchange Listing

Australian Securities Exchange

Code: LPE

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