



27 February 2020

Financial Results – Half Year Ended 31 December 2019

Locality Planning Energy Holdings Limited (ASX: LPE) (the Company or LPE) is pleased to present to shareholders the following documents relating to LPE's half year ended 31 December 2019:

- Appendix 4D
- Half Year Report

This announcement was authorised for release by LPE's Chairman, Justin Pettett.

Contact: Daniel Seeneey
Investor Relations
Investors@localityenergy.com.au

ENDS

About Locality Planning Energy Holdings Limited

Locality Planning Energy (LPE), a retail electricity company serving residential and commercial customers, was founded in 2010. It quickly developed a reputation as an energy supply specialist in residential strata communities (embedded networks) throughout South-East Queensland. In January 2016, it listed on the ASX by way of a reverse listing. In 2018 the Company received financial backing from global investment group BlackRock. LPE offers a range of utility supply services to residential, commercial, new build and strata customers. Products and services include direct electricity supply, embedded networks, solar solutions and billing services for other utilities.

Locality Planning Energy Holdings Limited

ABN 90 147 867 301

Appendix 4D Half year report under ASX Listing Rule 4.2A.3 Period ended 31 December 2019

Current reporting period 1 July 2019 to 31 December 2019
Previous corresponding period 1 July 2018 to 31 December 2018

Results for announcement to the market

	6 months to 31 December 2018 Restated \$	6 months to 31 December 2019 \$	% change
Revenue from ordinary activities	13,045,700	19,665,499	50.74%
Profit/(loss) from ordinary activities after tax attributable to members	(773,796)	(3,337,259)	(331.28%)
Net profit/(loss) from ordinary activities after tax attributable to members	(773,796)	(3,337,259)	(331.28%)
Final & interim dividend	Nil	Nil	-
Net tangible asset per security	0.0665	0.0154	

Brief explanation of revenue and results

Previous period results have been restated due to the Company's adoption of new accounting standard AASB15, effective 1st July 2018. Statutory loss after tax of \$3.4 million includes a loss of \$1.25 million from the change in fair value of financial instruments used to hedge the Company's cost of wholesale energy. The loss in fair value on the Company's derivative portfolio has been taken up on the balance sheet to be realised in future periods. Excluding this item, the underlying loss was \$2.1 million which is largely due to an increase in employee costs being up \$1.68 million on the prior period due to the Company's investment into its sales team and additional operational personnel for growth. The Company is now in a position whereby it should not need to increase operating costs materially in order to add a significant number of new customers.

Dividend payments

Nil

Dividend reinvestment plans

Nil

Interim Financial Report

Half Year Ended
31 December 2019



Locality Planning Energy Holdings Limited (ASX:LPE)

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Telephone 1800 040 168
www.localityenergy.com.au

ACN 147 867 301
ABN 90 147 867 301

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Directors Report

The Directors

The following persons were directors of the Company during the financial period and up to the date of this report.

Mr Justin Pettett

Non-Executive Director & Chairman

Appointment Date

28 January 2020

Interest in Shares and Options 7,349,102
fully paid ordinary shares

Mr Pettett has over 20 years of ASX company experience having founded and helped build businesses and taken companies from start-up to the take-over/acquisition/public-listing stages, working closely with key stakeholders, investors and industry partners. He has a proven track record in identifying and maximising business opportunities, particularly in the energy sector with strengths including capital raising, negotiation, investment analysis and leading teams to deliver successful results. Justin is a co-founder of LPE and as such has operational and strategic insight into the electricity retailing industry.

Mr Glanville has seventeen year's experience in senior management, logistics and Executive Director roles, the last 12 specifically focused in the renewable energy on-site generation and solar PV industry. Mr Glanville is a co-founder and architect of the electricity retail model that successfully enabled LPE to obtain their Australian Energy Regulator Authorisation and is also the Chief Executive Officer of LPE and the listed responsible person for the management components of the Australian Energy Regulators authorisation to retail electricity.

Mr Damien Glanville

Managing Director & Chief Executive Officer

Appointment Date

11 December 2015

Interest in Shares and Options 8,400,955
fully paid ordinary shares

Ms Melissa Farrell

Executive Director & Chief Financial Officer

Qualifications

BBus, CPA, MAppFin, MAICD

CFO Appointment Date

31 May 2017

Executive Director Appointment Date

21 January 2020

Ms Farrell has twenty year's experience working in accounting and finance, five of which have been in senior executive roles. She has worked in various sectors including banking and mining, both in Australia and overseas for publicly listed companies. She is highly skilled in the areas of financial control, reporting and risk management.

Mr Andrew Pierce

Non-Executive Chairman and Director

Appointed 11 December 2015 - Resigned 21 January 2020

Mr Neale O'Connell

Non-Executive Director

Appointed 19 March 2019 - Resigned 21 January 2020

Mr Ben Chester

Executive Director and Chief Operating Officer

Appointed 11 December 2015 - Resigned 12 February 2020

Other Officers

The following persons were officers of the Company during the financial period and up to the date of this report.

Mr Bill Lyne

Company Secretary

Qualifications

BCom, CA, FCIS, FGIA, FAICD, FFIN

Appointment Date

31 May 2017

Directorships Held in Other Listed Entities

Director of Jumbo Interactive Limited,
appointed 30 October 2009

Mr Lyne is the principal of the Australian Company Secretary Service, providing company secretarial, compliance and governance services to public companies. He is currently secretary of three other listed companies and has a wealth of experience in corporate governance principles and practice.

Principal Activities

The consolidated entity's principal activity in the course of the financial periods is the sale of electricity and utility services to residential and commercial customers throughout the Australian National Electricity Market.

CEO Update

The Company continues to grow sales and customer numbers rapidly, reflecting our point of differentiation in a marketplace, as well as the hard work and execution by our team. We have invested heavily in the business during the first half of the financial year to expand the capability of the team, in line with the Company's growth strategy. Going forward we expect to start to realise the operating leverage from this investment, and as such FY2020 will be a significant year for the future of the Company. The core business is performing well, and concurrently demand for the new innovative solar-in-strata product has been growing. Solar-in-strata sales and installations in the December quarter took longer than anticipated, the Company is focused on delivering a strong second half in line with the recent revised guidance. Given the size of the target market, we are excited by the potential of our solar product to drive LPE's growth over the medium-term.

Operating Results

The net result of operations of the consolidated entity for the period ended 31 December 2019 was a loss of \$3.3 million (2018 – loss of \$0.8 million) which included:

- Revenue \$19.7 million (2018: \$13.0 million)
- Cost of goods sold \$15.8 million (2018: \$10.3 million)
- Interest expense \$0.4 million (2018: \$0.1 million)
- Employee costs of \$3.4 million (2018: \$1.7 million)
- Unrealised loss on derivatives \$1.3 million (2018: \$0 million)
- Other expenses of \$2.1 million (2018: \$1.7 million)

The Company's operating expenses have increased ahead of revenues due to the investment in future growth, primarily through additional sales and operational personnel. Customer numbers and revenues are expected to increase in line with this investment throughout the 2020 calendar year with marginal incremental operating expense required to take on a significant number of new customers. As an example, if the Company were to simply maintain its current customer base, on an annualized basis it would be able to lower personnel and operating costs sufficiently to achieve a positive adjusted EBITDA.

Review of Activities and Business Strategies

LPE's customer numbers grew 24% in the first half of the fiscal year versus the previous 6 months, and 53% versus the period a year ago. Residential customer growth continued strong, with the Company adding over 3,800 customers in the last 6 months, a meaningful increase from the 3,009 customers added in the previous 6 month period.

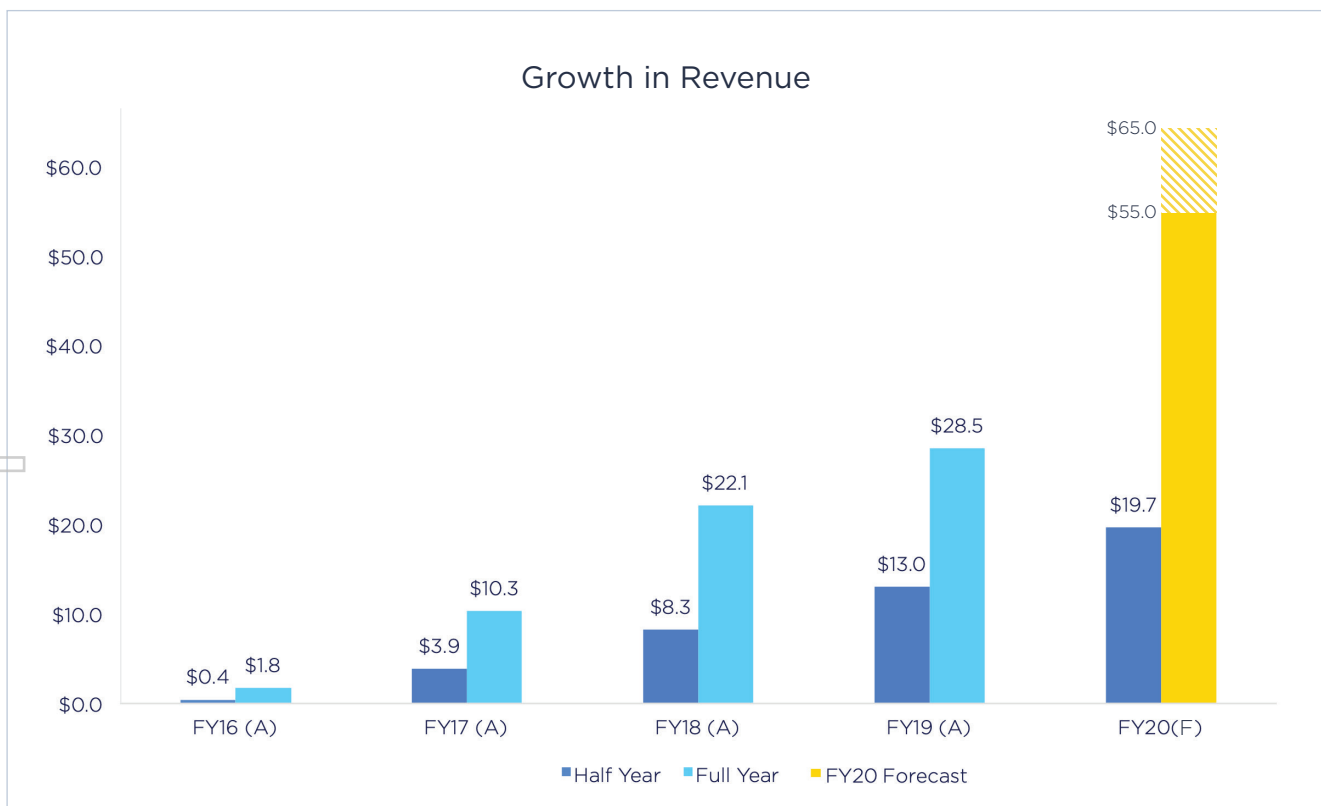
LPE's attractive SME product led to a near doubling in customer numbers in the first half of the year. The Company expects this trend to continue as LPE's competitive SME offering and solar-in-strata product begin to gain traction in the market.

Customer Growth

	Dec 2018	June 2019	Dec 2019	Increase*	% increase*
Residential	17,156	20,165	24,000	6,844	40%
SME	340	1,390	2,700	2,360	694%
	17,496	21,555	26,700	9,204	53%

*increase growth measured between Dec 2019 half year and Dec 18 half year

LPE continues to grow significantly, with revenues up 51% from the previous 12 months. The Company has set a revenue target range of \$55 - \$65 million for FY20, which would represent the highest increase in revenue in the history of the Company. The low end of this range would be a near doubling of revenue achieved in FY19. The Company's strategy to diversify its product offerings has driven this growth, with 30% of revenue now derived from direct market residential and SME customers. Growth in this space is expected to continue at a similar rate into the second half, and will be complemented by our new solar-in-strata product.



FY20 Outlook

As announced on 13 February, LPE expects FY20 revenues to be in a range of \$55 – 65 million. This range represents a 90 - 120% increase over FY19 revenues of \$28.5 million, and if achieved will be the largest single year increase in revenues in the Company's history. The Company expects solar-in-strata sales of between \$10 – 20 million, and electricity sales of approximately \$45 million.

Board and Management Changes

LPE has commenced a Board renewal process to lead it through the next phase of growth. As previously announced, over the past three weeks and subsequent to the end of the half, the Company announced three departures from the Company's Board. LPE's leadership would like to assure investors and other stakeholders that it expects no major disruption to the operations of the Company as a result of these changes. LPE has assembled a strong team that has demonstrated its ability to capably manage the day to day operations of the Company.

Damien Glanville will continue as the Company's Managing Director and CEO, closely supported by co-founder and Chairman, Justin Pettett. The Board will opportunistically consider expanding to include a small number of additional Non-Executive appointments where particular individuals can actively contribute to the growth of the Company.

Changes in the State of Affairs

There have been no changes in Company's state of affairs.

Subsequent Events

The Company drew down a further \$7 million from the BlackRock Facility in February, taking the total amount drawn down from the facility to \$17.2 million. Apart from the BlackRock facility drawdown, there are no matters or circumstances that have arisen since the end of the year which significantly affected or could significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

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 2019 and to the date of this report.

Corporate Directory

Executive Directors

Mr Damien Glanville
Ms Melissa Farrell

Non-Executive Director

Mr Justin Pettett

Company Secretary

Mr Bill Lynne

Principal & Registered Office

Suite 306, Tower 1, Kon-Tiki Business Centre
55 Plaza Parade, Maroochydore, Qld 4558
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Auditors

Bentleys
Level 9, 123 Albert Street
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Phone: +61 7 3231 1692

Lawyers

Gadens
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Brisbane, Qld 4000
Phone: +61 7 3231 1692

Share Registrar

Link Market Services Limited
10 Eagle Street
Brisbane City, Qld 4000
Phone: + 61 1300 554 474

Stock Exchange Listing

Australian Securities Exchange
Code: LPE

Investor Relations

Daniel Seeney
Investors@localityenergy.com.au

**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 2019 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.

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

Ashley Carle

Ashley Carle
Partner
Brisbane

27 February 2020

Half Year Report

Locality Planning Energy Holdings Limited - ABN 90 147 867 301

Consolidated statement of profit or loss and other comprehensive income for the half year ended 31 December 2019

	Dec-19 \$	Dec-18 Restated* \$
Revenue		
Electricity Sales	19,328,888	12,737,840
Implied Finance Charge	336,611	307,859
Total Electricity Revenue	19,665,499	13,045,699
Less cost of goods sold		
Energy usage charges	(6,964,750)	(4,612,528)
Network charges	(5,869,960)	(3,413,023)
Other COGS	(2,974,301)	(2,320,546)
Total cost of goods sold	(15,809,011)	(10,346,097)
Gain from trading	3,856,488	2,699,602
Other Income		
Interest received	13,299	1,274
Other receipts	-	393
Gain/(loss) on disposal of assets	7,048	-
Other expenses		
Bad and doubtful debts	(68,363)	(93,630)
Interest expense	(386,133)	(137,706)
Borrowing costs	(144,331)	(53,679)
Unrealised gain/losses on derivatives	(1,251,293)	-
Depreciation and amortisation	(328,162)	(102,797)
Employee costs	(3,367,005)	(1,682,187)
Other expenses	(1,376,455)	(1,121,160)
Professional costs	(292,352)	(283,906)
Loss from continued operation	(3,337,259)	(773,796)
Loss before income taxes	(3,337,259)	(773,796)
Income tax benefit/(expense)	-	-
Net loss for the period	(3,337,259)	(773,796)
Other comprehensive income	-	-
Other comprehensive income net of tax	-	-
Total comprehensive loss for the year	(3,337,259)	(773,796)
Basic/diluted earnings/(loss) per share (dollars per share)	(0.0665)	(0.0154)

* see note 7 for details about restatements for change in accounting policy.

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

Locality Planning Energy Holdings Limited - ABN 90 147 867 301
Consolidated statement of financial position as at 31 December 2019

	Dec-19 \$	Jun-19 \$
Current assets		
Cash and cash equivalents	1,793,469	2,876,072
Trade and other receivables	5,569,118	3,065,010
Site conversion receivables	1,552,563	1,554,644
Financial assets - derivatives	-	42,945
Other current assets	501,513	337,181
Total current assets	9,416,663	7,875,852
Non-current assets		
Site conversion receivables	3,868,947	3,965,663
Other financial assets	1,850,000	430,000
Right of use asset	218,775	-
Plant and equipment	678,421	448,655
Leasehold improvements	294,290	372,371
Intangibles	78,682	162,154
Total non-current assets	6,989,115	5,378,843
TOTAL ASSETS	16,405,778	13,254,695
Current liabilities		
Trade and other payables	5,592,438	3,292,863
Financial liabilities - derivatives	1,208,348	-
GST payable	18,310	19,359
Employee entitlements - leave provisions	302,485	248,307
Lease liabilities	164,224	-
Borrowings	97,472	35,784
Total current liabilities	7,383,277	3,596,313
Non-current liabilities		
Employee entitlements - leave provisions	56,655	44,177
Lease liabilities	35,399	-
Provisions	40,027	-
Borrowings	7,796,199	5,182,725
Total non-current liabilities	7,928,280	5,226,902
TOTAL LIABILITIES	15,311,557	8,823,215
NET ASSETS	1,094,221	4,431,480
Equity		
Issued capital	39,064,880	39,064,880
Accumulated losses	(37,970,659)	(34,633,400)
TOTAL EQUITY	1,094,221	4,431,480

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

Locality Planning Energy Holdings Limited - ABN 90 147 867 301
**Consolidated statement of cash flows for the half year ended
31 December 2019**

	Dec-19 \$	Dec-18 Restated \$
Cash flows from operating activities		
Receipts from customers	17,240,814	11,971,363
Payments to suppliers and employees	(18,667,539)	(12,421,843)
Interest received	7,047	15
Interest paid	(373,353)	(137,706)
Net cash provided by/(used in) operating activities	(1,793,031)	(588,171)
Cash flows from investing activities		
Payment for Financial Assets	(1,420,000)	-
Payment for plant and equipment	(105,408)	(100,941)
Payment for leasehold improvements	(10,917)	-
Payment for intangibles	(214,645)	(200,563)
Insurance Proceeds	17,763	-
Net cash provided by/(used in) investing activities	(1,733,207)	(301,504)
Cash flows from financing activities		
Financing costs paid	(321,836)	(977,667)
Proceeds from loans	2,865,816	5,817,738
Repayment of loans	(100,345)	(1,964,326)
Net cash provided by/(used in) financing activities	2,443,635	2,875,745
Net increase/(decrease) in cash and cash equivalents	(1,082,603)	1,986,070
Cash and cash equivalents opening balance	2,876,072	1,364,363
Cash and cash equivalents closing balance	1,793,469	3,350,433

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

**Consolidated statement of changes in equity for the half year ended
31 December 2019**

	Issued capital \$	Options reserve \$	Accumulated losses \$	Totals \$
Restated Balance at 1 July 2018	39,064,880	-	(32,451,710)	6,613,170
Profit/(Loss) after income tax	-	-	(773,796)	(773,796)
Balance at 31 December 2018	39,064,880	-	(33,225,506)	5,839,374
Balance at 1 July 2019	39,064,880	-	(34,633,400)	4,431,480
Profit/(Loss) after income tax	-	-	(3,337,259)	(3,337,259)
Balance at 31 December 2019	39,064,880	-	(37,970,659)	1,094,221

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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Locality Planning Energy Holdings Limited - ABN 90 147 867 301
**Notes to the financial statements for the half year ended
31 December 2019**

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 2019 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, 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 2019 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

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2019.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

* AASB 16 Leases

In the current year, the Group has applied the new Australian Accounting Standard AASB 16 Leases which is effective for annual reporting periods that begin on or after 1 January 2019. The Group has recognised a lease liability and right of uses asset for all leases recognised as operating leases under AASB 117: Leases where the Group is a lessee.

The Group has applied the Standard using the modified retrospective approach, whereby the impact of the new standard is recognised only from application date, being 1 July 2019 with no restatement of comparative figures. The group has also applied the practical expedient allowing the right-of-use asset to be recorded at an amount equal to the lease liability upon initial application.

Lease liabilities are shown at the present value of the remaining lease payments. The rate inherent in the lease has been used to discount the lease payments. Right-of-use assets are recorded at cost, less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease term on the useful life of the underlying asset, whichever is the shortest.

Locality Planning Energy Holdings Limited - ABN 90 147 867 301
**Notes to the financial statements for the half year ended
 31 December 2019**

1. Statement of significant accounting policies (continued)

(e) Going Concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. The Group incurred a net loss after income tax for the half year ended 31 December 2019 of \$3,337,259 (2018: \$773,796) and a net cash outflow from operations of \$1,793,031 (2018: \$588,171). These factors, prima facie, indicate that there is material uncertainty on whether the Group will continue as a going concern.

Notwithstanding this, the Group has prepared budgets based on its current growth plans, which will indicate that the Group will become profitable in the near future. The Group also has access to a committed financing facility of \$20 million, of which only \$8.8 million has been used at 31 December 2019, which will assist with any working capital requirements in the short term. While presently uncommitted, there is also an additional \$10 million top-up facility available to support the Company's growth. For these reasons, the directors have determined the Group has access to sufficient net working capital to maintain continuity of normal business activity and pay its debts as and when they fall due, and therefore that it is appropriate to prepare the financial report on a going concern basis.

2. Issued capital

(a) Issued and paid up capital

	Dec-19 Number	Jun-19 Number
Ordinary shares fully paid no par value	50,210,736	50,210,736

(b) Movement in ordinary shares on issue

There has been no movement in the number of ordinary shares on issue.

(c) Movement in ordinary shares on issue

At the end of the period, there were no options over unissued ordinary shares outstanding.

3. Other financial assets

These relate to term deposits that are security for bank guarantees that the Group has with AEMO and hedging counterparties and are therefore deemed to be non-current financial assets.

4. Contingent assets and liabilities

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

5. Segment information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (Chief operating decision makers) in assessing performance and determining the allocation of resources. Operating segments are determined on the basis of financial information reported to the board of directors which is at the consolidated entity level. The financial results of the segments are equivalent to the financial statements of the continued operations of the Group as a whole.

6. Events subsequent to period end

The Group had a drawdown from the Blackrock funding facility of \$1.4M on the 7th January 2020, and \$7M on the 3rd February 2020.

Locality Planning Energy Holdings Limited - ABN 90 147 867 301
**Notes to the financial statements for the half year ended
31 December 2019**

7. Adjustments for changes in accounting policies

As disclosed in the 30 June 2019 financial report, the Group changed its accounting policy in recognising revenue for the supply of embedded network infrastructure. This change occurred after the 31 December 2018 half-year financial report was published. The 2018 half-year statement of profit or loss and other comprehensive income has been restated in this financial report as if the accounting policy had always applied.

Statement of Profit or Loss and Other Comprehensive Income

	31 Dec 2018 Previously Reported \$	Adjustments for Revenue \$	31 Dec 2018 Restated \$
Revenue			
Electricity Sales	12,619,814	118,026	12,737,840
Implied Finance Charge	-	307,859	307,859
Total Electricity Revenue	12,619,814	425,885	13,045,699
Less cost of goods sold			
Energy usage charges	(4,612,528)	-	(4,612,528)
Network charges	(3,413,023)	-	(3,413,023)
Other COGS	(1,410,162)	(910,384)	(2,320,546)
Total cost of goods sold	(9,435,713)	(910,384)	(10,346,097)
Gain from trading	3,184,101	(484,499)	2,699,602
Other Income			
Interest received	1,274	-	1,274
Other receipts	393	-	393
Other expenses			
Bad and doubtful debts	(93,630)	-	(93,630)
Interest expense	(137,706)	-	(137,706)
Borrowing costs	(53,679)	-	(53,679)
Depreciation and amortisation	(553,715)	450,918	(102,797)
Employee costs	(1,682,187)	-	(1,682,187)
Gain/(loss) on disposal of assets	-	-	-
Other expenses	(1,121,160)	-	(1,121,160)
Professional costs	(283,906)	-	(283,906)
Share-based payments	-	-	-
Loss from continued operation	(740,215)	(33,581)	(773,796)
Loss before income taxes	(740,215)	(33,581)	(773,796)
Income tax benefit/(expense)	-	-	-
Net loss for the period	(740,215)	(33,581)	(773,796)
Other comprehensive income	-	-	-
Other comprehensive income net of tax	-	-	-
Total comprehensive loss for the year	(740,215)	(33,581)	(773,796)

7. Adjustments for changes in accounting policies (continued)

Statement of Financial Position

	31 Dec 2018 Previously Reported \$	Adjustments for Revenue \$	31 Dec 2018 Restated \$
Current assets			
Cash and cash equivalents	3,350,433	-	3,350,433
Trade and other receivables	3,002,338	-	3,002,338
GST receivable	20,526	-	20,526
Receivables - Site Conversions	-	1,490,614	1,490,614
Other current assets	223,578	-	223,578
Total current assets	6,596,875	1,490,614	8,087,489
Non-current assets			
Receivables - Site Conversions	-	4,097,820	4,097,820
Plant and equipment	562,376	-	562,376
Leasehold improvements	377,818	-	377,818
Intangibles	5,212,447	(5,034,325)	178,122
Total non-current assets	6,152,641	(936,505)	5,216,136
TOTAL ASSETS	12,749,516	554,109	13,303,625
Current liabilities			
Trade and other payables	2,976,891	-	2,976,891
GST payable	-	-	-
Employee entitlements - leave provisions	193,613	-	193,613
Borrowings	54,008	-	54,008
Total current liabilities	3,224,512	-	3,224,512
Non-current liabilities			
Employee entitlements - leave provisions	31,084	-	31,084
Borrowings	4,208,655	-	4,208,655
Total non-current liabilities	4,239,739	-	4,239,739
TOTAL LIABILITIES	7,464,251	-	7,464,251
Net assets	5,285,265	554,109	5,839,374
Equity			
Issued capital	39,064,880	-	39,064,880
Reserves	-	-	-
Accumulated losses	(33,779,615)	554,109	(33,225,506)
TOTAL EQUITY	5,285,265	554,109	5,839,374

Directors declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 12 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 2019 and of its performance and cash flows for the half year ended on that date.

2. 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.



Justin Pettett

Director

Dated: 27 February 2020

Independent Review Report

To the members of Locality Planning Energy Holdings Limited

Report on the half-year financial report

We have reviewed the accompanying interim financial report of Locality Planning Energy Holdings Limited (“the Company”) and controlled entities (“the Group”), which comprises the consolidated statement of financial position as at 31 December 2019 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors’ declaration.

Emphasis of Matter - Material Uncertainty Related to Going Concern

Without modifying our conclusion, we draw attention to Note 1(e) in the financial report, which indicates that the Group incurred a net loss of \$3,337,259 and a net cash outflow from operating activities of \$1,793,031 during the half-year ended 31 December 2019. These conditions, along with other matters as set forth in Note 1(e), indicate the existence of a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors’ Responsibility for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the interim 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 interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the 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 2019 and its performance for the half-year period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Locality Planning Energy Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the review of the half-year financial report.

A review of an interim 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.

Independent Review Report

To the members of Locality Planning Energy Holdings Limited


Independence


In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Locality Planning Energy Holdings Limited is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year period ended on that date; and
- b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.


Pty Ltd
Chartered Accountants


Director
Brisbane
27 February 2020