



## ASX ANNOUNCEMENT

### FOR IMMEDIATE RELEASE TO THE MARKET

PPK Group Limited – ASX Code: PPK

Tuesday 14 March 2023

### Conditional acquisition of a material interest in PowerPlus Energy

PPK Group Limited (ASX Code: PPK) is pleased to announce that it has entered a series of conditional transactions to acquire a material interest in PowerPlus Energy Pty Ltd, Australia's largest privately owned lithium battery manufacturer. PowerPlus Energy specialises in supplying reliable, long-lasting modular battery storage solutions for on-grid and off-grid homes and businesses.

PowerPlus Energy, based in Melbourne, Victoria has grown steadily since its inception in 2017. Powerplus undertakes onshore manufacturing of lithium ferro phosphate (LFP) stationary storage batteries for a network of just under 300 distributors and installers predominantly located in Victoria, New South Wales, Queensland and Western Australia. They offer a wide range of battery storage solutions and continue to innovate the design and battery features. Further information on PowerPlus Energy can be found at: [www.powerplus-energy.com.au](http://www.powerplus-energy.com.au)

The strategic acquisition complements PPK's key business, commercial and operational strategies and is synergistic with its other investments, including in Li-S Energy ([www.lis.energy](http://www.lis.energy)). It is aligned with the company's objectives of investing in, and commercialising opportunities in the technology sector and participating in the clean energy revolution.

The transactions are subject to customary conditions in favour of PPK, including satisfaction of final due diligence by the Board. It is currently anticipated that the first transaction will complete before the end of the financial year. All amounts will be payable in cash by PPK either through existing cash reserves and/or debt funding.

If the conditions are met, PPK will initially pay \$1.8m to acquire a 33% interest in PowerPlus Energy under a share purchase agreement, with a clear fixed price pathway to increase its interest up to 75% within two years for an additional \$2.8m. An existing loan for just under \$2.9m owed by PowerPlus Energy to a continuing shareholder will be repaid by PPK to that shareholder as a condition of PPK building its interest up to 75% (to the extent that PowerPlus Energy has not already repaid the loan at that time).

If the conditions are met or if the Board otherwise resolves, PPK will also advance \$1m in funds to accelerate PowerPlus Energy's manufacturing capability to support the company's growth plans. As part of the initial transaction, Mr Glenn Molloy and Mr Ben Spincer will join the board of PowerPlus Energy, contributing significant manufacturing, business growth and battery sector expertise.

#### PPK GROUP LIMITED

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Chairman Robin Levison commented:

“PPK has been assessing a variety of opportunities in the energy market as we believe the world continues to shift towards renewable energy, and that energy storage will play a crucial role in ensuring a reliable and efficient energy system. We see the PowerPlus Energy acquisition as a key step in supporting this shift.

As Minister for Industry and Science, Ed Husic, referenced in his media release<sup>1</sup> on 3rd February “We know there is huge demand for energy storage to support the widespread uptake of solar generation by households, business and industry. Global demand for existing and next-generation batteries is forecast to increase nine to ten-fold over the next decade.”

With the increases in electricity pricing, we expect continued growth for battery energy storage solutions. PowerPlus Energy has an established reputation and production capabilities with a new, expanded facility ready for growth and an innovative market offering. Given the adjacent expertise and roadmap at our Li-S Energy investment, we expect collaboration opportunities with Li-S Energy in the future. We believe that PowerPlus Energy will be a fantastic addition to PPK’s portfolio, and together we will help grow the sovereign clean energy revolution with Australian manufacturing.”

PowerPlus Energy founder Bradley Paton commented:

“We are excited by the opportunity for PowerPlus Energy to join the PPK Group of companies, which will help drive growth pathways in our business. This growth will also provide upside opportunities to our Australian suppliers, both to grow their businesses and innovate with us.

The opportunity to enhance our knowledge across the battery ecosystem, especially with Li-S Energy Limited being in such close geographical proximity at Waurm Ponds in Geelong, will also bring new knowledge sharing and growth development opportunities for our staff. The new board members will bring broader industry and market expertise alongside their manufacturing and battery sector expertise. This is a great step forward for Victorian and Australian manufacturing.

The interest in what we manufacture continues to grow. On Friday 10 March, we had the pleasure of hosting The Minister for Climate Change and Energy, Mr Chris Bowen, and Ms Mary Doyle, the Labor candidate for Aston, for a site visit and discussion. We look forward to further collaboration opportunities with the Federal and State government.”

This announcement has been made and authorised by the Board.

For further information contact:

**Robin Levison**  
Chairman of PPK Group Limited  
On 07 3054 4500

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<sup>1</sup> [Supporting Australia's battery manufacturing industry to charge ahead | Ministers for the Department of Industry, Science and Resources](#), 3<sup>rd</sup> February 2023