



FOCUS YOUR ENERGY

**LGI LIMITED**

ABN 49 138 085 551

# People engineering a clean energy, zero carbon future

November 2023



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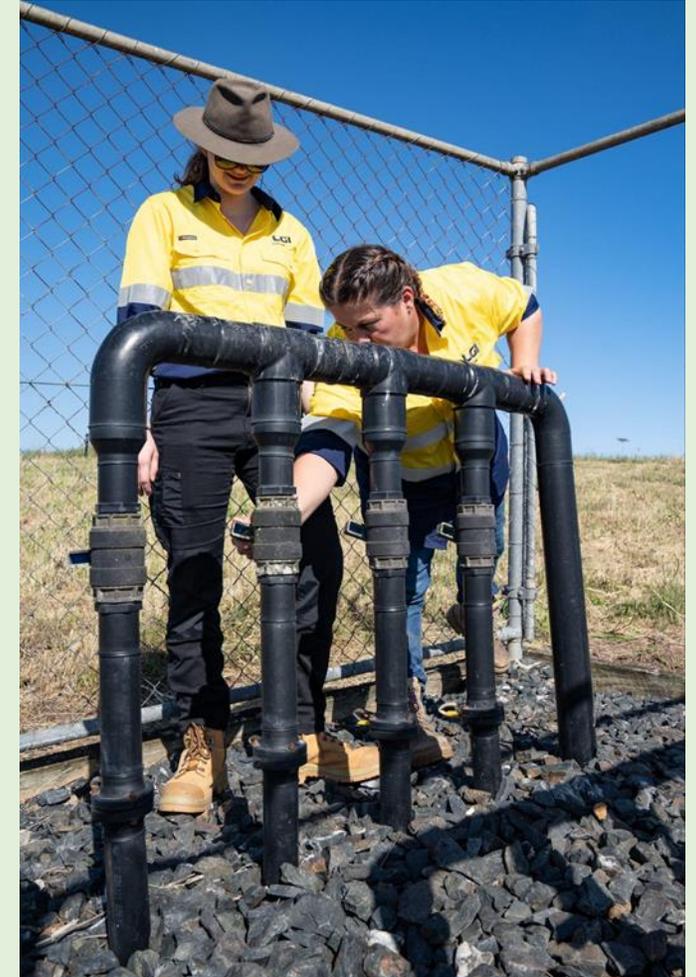
# Renewable Energy and Carbon Abatement

## Business model

Contract with a landfill owner to capture and destroy their landfill gas.

The destruction of the methane in the gas is carbon abatement, for which we earn carbon credits.

At a number of sites, the gas is used to power an electricity generation unit. This is considered renewable energy. We sell the electricity and renewable electricity certificates



# Renewable Energy and Carbon Abatement

## What we do

Established in 2009

Design, install and operate biogas recovery systems

Design, install and operate biogas flares

Design, install and operate biogas to electricity plants



# LGI geographic footprint

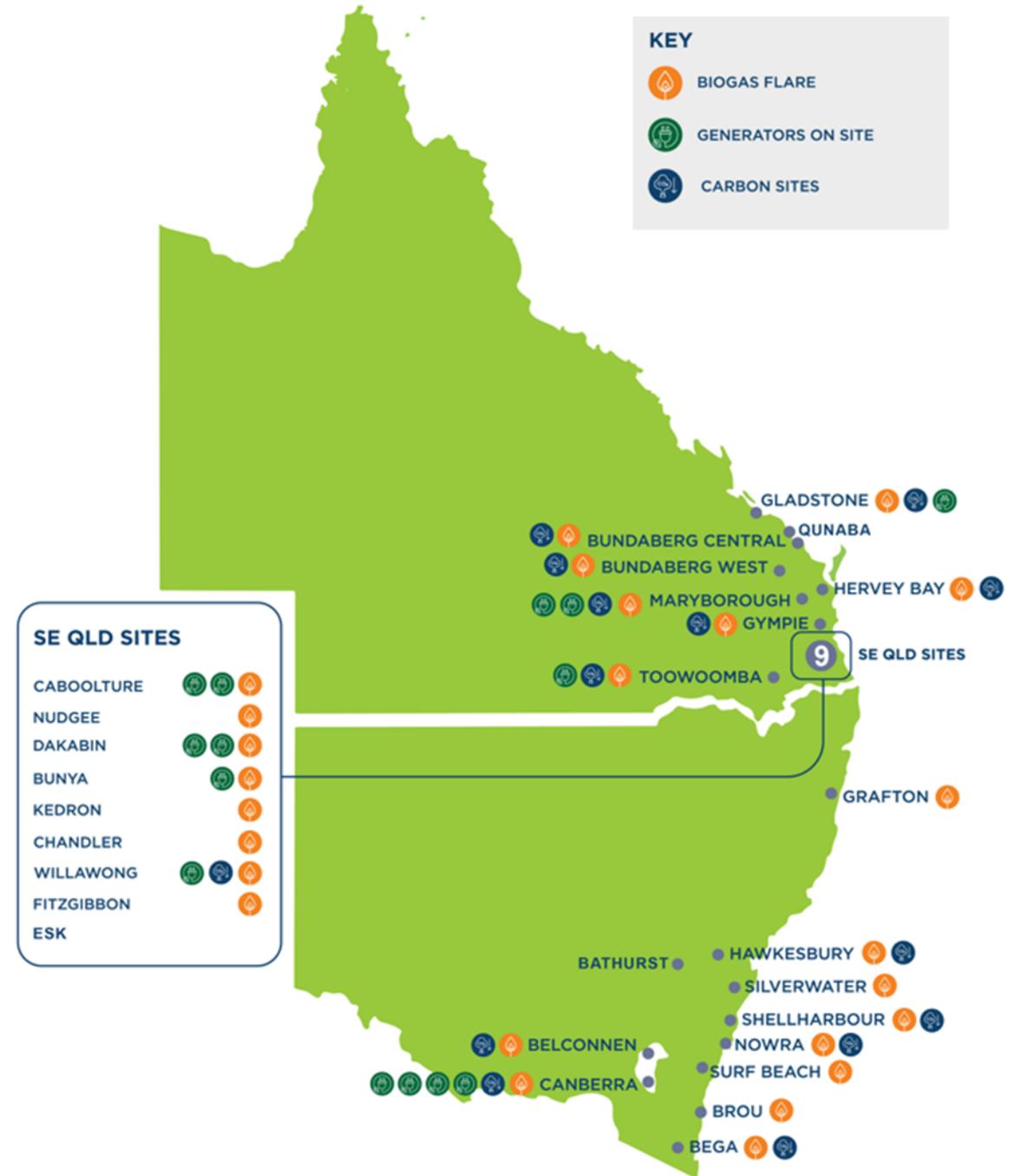
Since June 2023, LGI has entered into contracts to develop 3 new projects at Esk, Qunaba and Bathurst landfills.

LGI will be working to register Esk and Qunaba as carbon abatement sites and Bathurst is an Infrastructure Construction and site management project.

**8** Power Stations

**15** Carbon Credit sites

**28** Landfills supported by LGI



# LGI FY23 Highlights

## Financial

Net Revenue<sup>1,5</sup>

**\$30.4 m**

Up 26.6%<sup>2</sup>

Pro Forma EBITDA<sup>1</sup>

**\$14.4 m**

Up 13.9%<sup>2</sup>

EBIT<sup>1</sup>

**\$9.8 m**

Up 14.5%<sup>2</sup>

EBITDA Margin<sup>1</sup>

**45%**

Down -495 bcp<sup>2</sup>

NPAT<sup>4</sup>

**\$6.4 m**

Up 34.9%<sup>2</sup>

Operating cashflow<sup>3</sup>

**\$8.0 m**

Down 10.%<sup>2</sup>

<sup>1</sup> Pro forma representing the underlying position excluding the IPO costs and any significant items

<sup>2</sup> Compared to results from corresponding period last year

<sup>3</sup> Pro forma results

<sup>4</sup> Statutory results

<sup>5</sup> Net revenue removes the value of the ACCUs provided to landfill owners as in kind satisfaction of royalty payments.



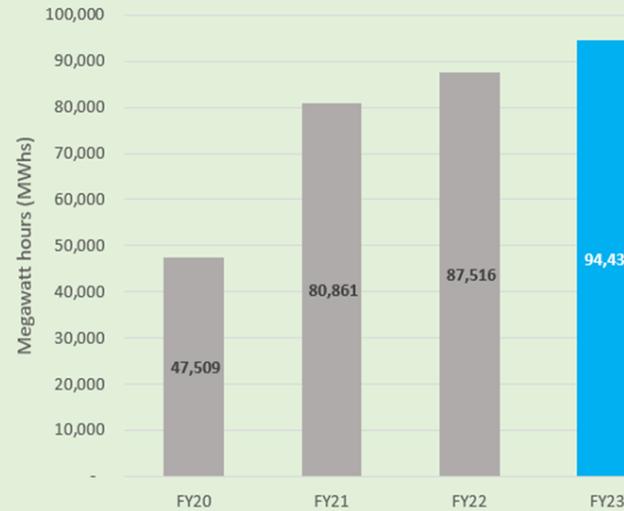
Dakabin power station

# Operational FY23 Performance

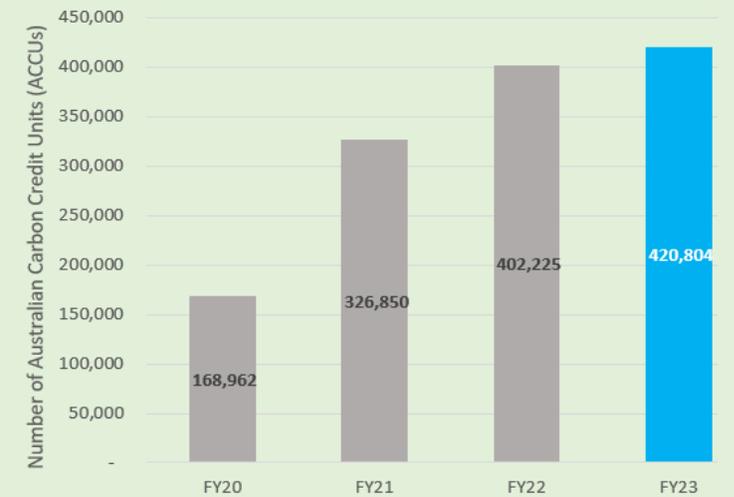
Annual Biogas Flows



Annual Renewable Electricity Generation



Annual ACCU creation



# Dynamic Asset Control System (DACs)

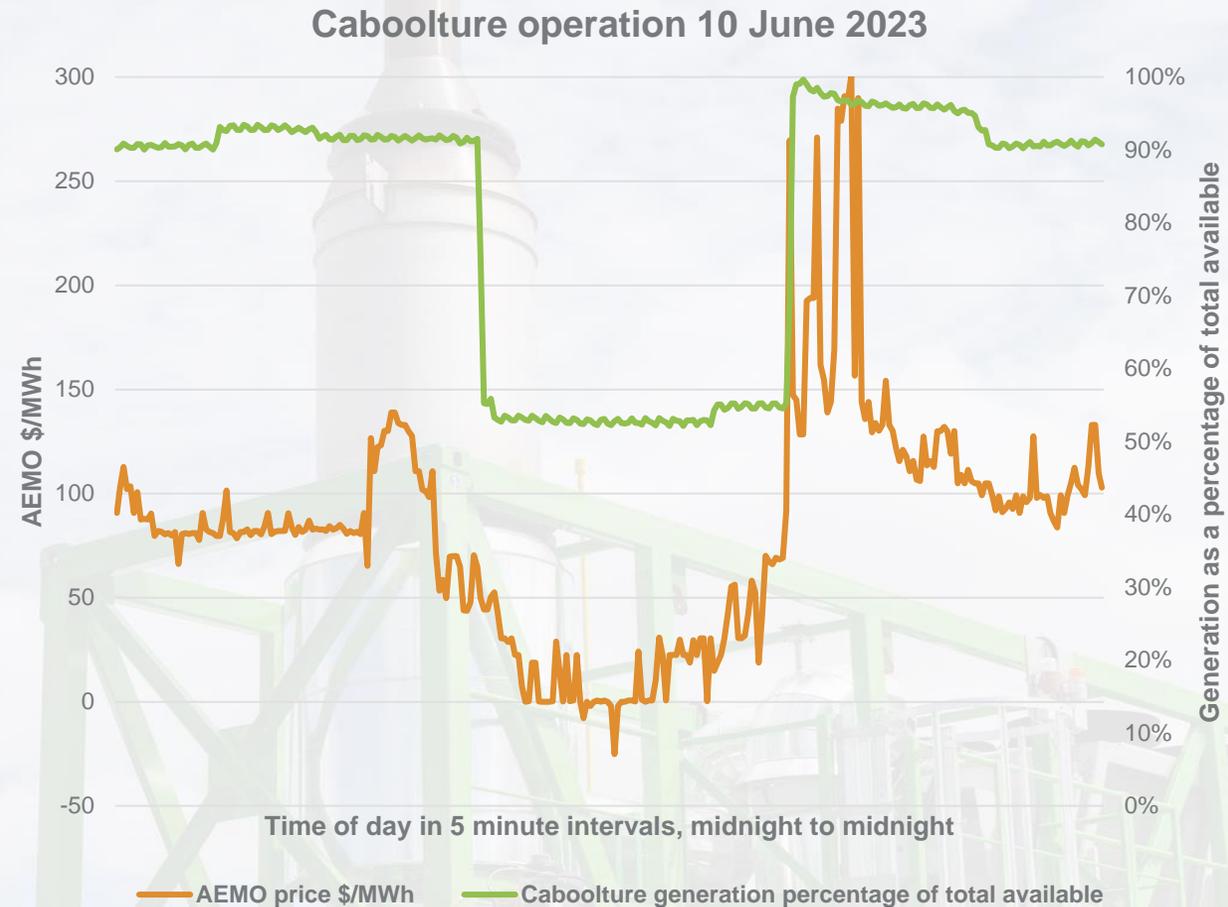
DACs was delivered in FY23, operating for the later part of the year, controlling generation at three power stations.

Key outcomes from June 2023:

Avoided negatives across fleet : 37.6%  
(Caboolture 95%)

Weighted average price vs market average price for the fleet: 2.9% (Caboolture 9.5%)

## DACs in operation on a typical day in June



# Project Pipeline

Steady progress on contracted projects with accretive capex

Project	Status
Carbon abatement projects	BD team promoting the benefits of landfill biogas capture to landfill owners and operators.
DACs	Already deployed to all generating sites. Continue to improve the logic to provide optimum dispatch into the grid.
Bunya Battery (City of Moreton Bay)	Connection agreement completed. We have commenced commissioning.
Mugga Lane upgrade (Canberra) Upgrade from 4MW to 20 MW	Connection agreement received from network authority. New gen sets have been delivered to site.
Dakabin upgrade (City of Moreton Bay) Upgrade MWs	Network authority undertaking assessment of existing connection capacity. Gen set has been received in Brisbane. Balance of plant to be ordered following connection agreement.
Nowra hybrid (Shoalhaven City Council) Upgrade to generation site	Network authority has completed an assessment for connection capacity, allowing our team to now optimise the right combination of equipment for this site. Power station design is complete, pending connection agreement.
Gladstone – Benaraby Solar project	Still in feasibility stage. Network authority undertaking assessment



# Profitability and return

## Profit increases

LGI pro forma EBITDA up **14%**

- Gas flows contributed to higher revenue and higher EBITDA
- YoY MWhs higher, commissioning Toowoomba
- YoY ACCUs higher
- Debt significantly reduced but cost of debt up over previous year

\$'000	FY2023	FY2022	Change (impact on NPAT)	
Statutory Revenue and Other Income (excluding interest income)	32,303	25,472	▲	27%
Net Revenue <sup>2</sup>	30,419	24,037	▲	27%
<b>Pro forma EBITDA <sup>1</sup></b>	<b>14,416</b>	<b>12,627</b>	▲	<b>14%</b>
Depreciation and amortisation	4,659	4,127	▼	-13%
Pro forma EBIT <sup>1</sup>	9,757	8,500	▲	15%
Net interest expense	883	803	▼	-10%
Tax	1,333	2,141	▲	38%
<b>Pro forma net profit after tax (NPAT) <sup>1</sup></b>	<b>7,542</b>	<b>5,556</b>	▲	<b>36%</b>
Capital raise expenses (after tax)	1,102	782		
<b>Statutory net profit after tax (NPAT)</b>	<b>6,440</b>	<b>4,774</b>	▲	<b>35%</b>
Statutory basic earnings per share (cents)	7.7	6.7	▲	15%
Dividend paid in FY2023 (cents)	2.113	-		
Weighted average number of shares (diluted in m)	88.8	71.4		

<sup>1</sup> Pro forma representing the underlying position excluding IPO costs and any significant items

<sup>2</sup> Net revenue removes the value of the ACCUs provided to landfill owners as in-kind satisfaction of royalty payments.

Saving the planet **One Landfill** at a time



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## LGI LIMITED

For a better and cleaner future.

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