



## **MARKET RELEASE**

**Date: 5 May 2021**

NZX: GNE / ASX: GNE

### **South Island Roadshow Presentation**

Genesis Energy Limited (GNE) Chief Executive, Marc England and Chief Financial Officer, Chris Jewell will, this week, be conducting a roadshow with several investors throughout the South Island of New Zealand.

The roadshow presentation materials are attached and will be available from the Genesis Energy page at [www.nzx.com](http://www.nzx.com) or <https://www.genesisenergy.co.nz/investors/reports-and-presentations>.

ENDS

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### **About Genesis Energy**

Genesis Energy (NZX: GNE, ASX: GNE) is a diversified New Zealand energy company. Genesis sells electricity, reticulated natural gas and LPG through its retail brands of Genesis and Energy Online and is New Zealand's largest energy retailer with approximately 500,000 customers. The Company generates electricity from a diverse portfolio of thermal and renewable generation assets located in different parts of the country. Genesis also has a 46% interest in the Kupe Joint Venture, which owns the Kupe Oil and Gas Field offshore of Taranaki, New Zealand. Genesis had revenue of \$NZ2.6 billion during the 12 months ended 30 June 2020. More information can be found at [www.genesisenergy.co.nz](http://www.genesisenergy.co.nz)

# Genesis Energy South Island Roadshow

May 2021

Marc England – Chief Executive  
Chris Jewell – Chief Financial Officer



# Presenters



## **Marc England**

### **Chief Executive - MBA, MENG**

Marc joined Genesis in May 2016. He is responsible for the leadership, strategic direction and management of all its business interests.

Prior to joining Genesis, Marc was Executive General Manager New Energy at AGL Energy in Australia and also previously held the role of Group Head of Strategy there. Marc has 12 years' experience in the sector across three markets having also worked at British Gas, a subsidiary of Centrica Plc, in the UK from 2007.

Earlier in his career Marc held a number of Corporate Finance roles at Ford Motor Company and prior to that was a Petroleum Engineer for Halliburton Energy Services in the Middle East and United States. Marc has a Master of Engineering in Mechanical Engineering and European Studies and an MBA.



## **Chris Jewell**

### **Chief Financial Officer - BE (Hons), MEM, CIMA**

Chris joined the Genesis Executive in 2013 as General Manager Portfolio Management and was appointed Chief Financial Officer in 2016. From 1 July 2019 his role was expanded to include executive general management of Strategy.

Chris is responsible for leading the Company's strategy formulation and overseeing all finance functions, treasury, tax, risk, corporate finance, mergers and acquisitions, investor relations and procurement.

Chris brings significant senior leadership experience in the energy sector across the disciplines of markets, infrastructure investment and asset operations. Chris sat on the Electricity Authority governance boards and has previously worked in the telecommunications and infrastructure sectors in the United Kingdom.



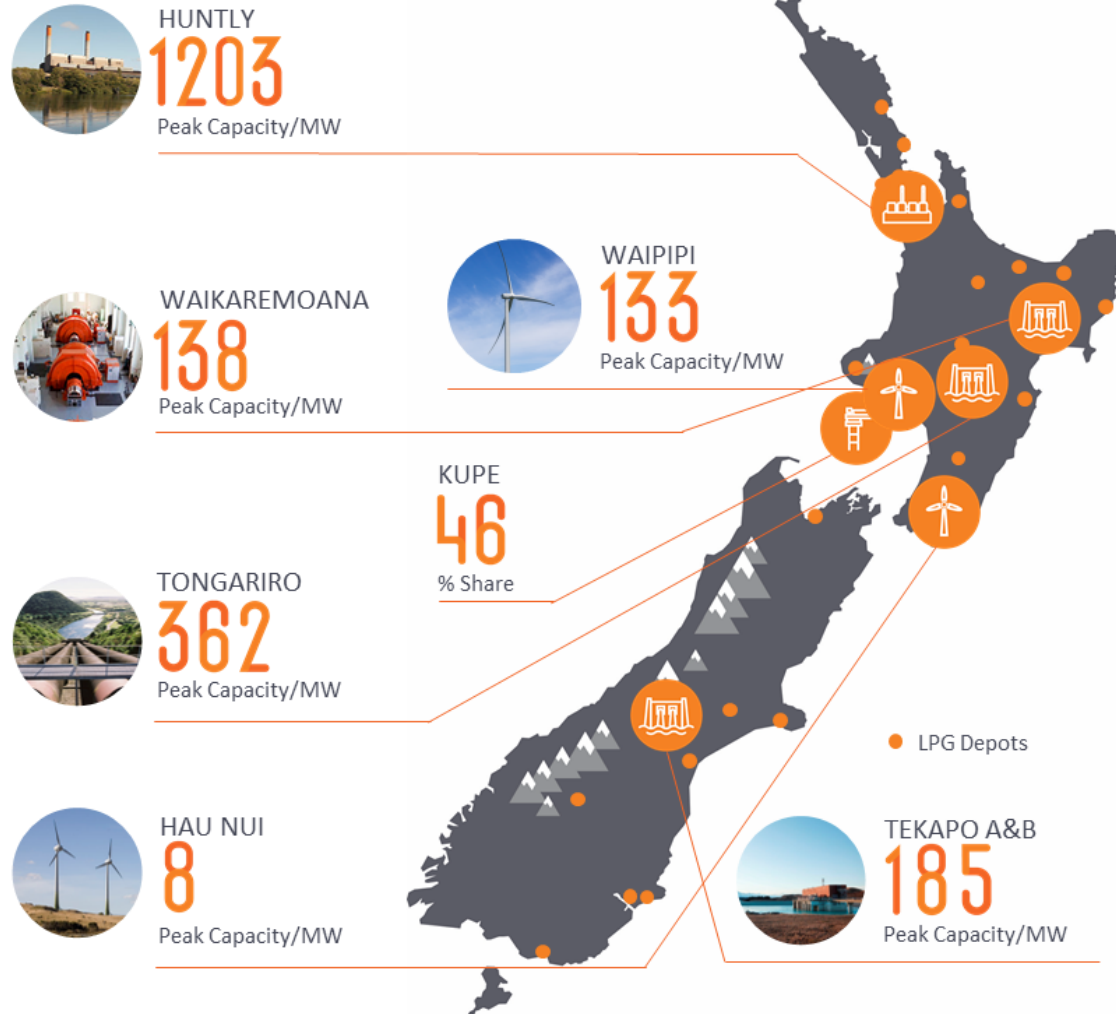
# Genesis Overview and Strategy

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genesis With you. For you.

# Genesis is New Zealand's largest energy retailer, generating electricity from a diverse portfolio of thermal and renewable assets throughout the country



## KEY INFORMATION

**Revenue (FY20):** NZ\$2.6 billion

**EBITDAF (FY20):** NZ\$356 million

**Gross Dividend Yield\*:** 6.7%

**Share Price\*:** NZ\$3.41

**Market Capitalisation\*:** NZ\$3.6 billion

**30 Day Average Volume Traded:** 460,000 shares

**Credit Rating:** BBB+ (Standard & Poors)

\* Calculation as at 29 April 2021.



# 480,000

customers



**22% electricity market share**



**38% gas market share**



**19% LPG market share**

# 1.3

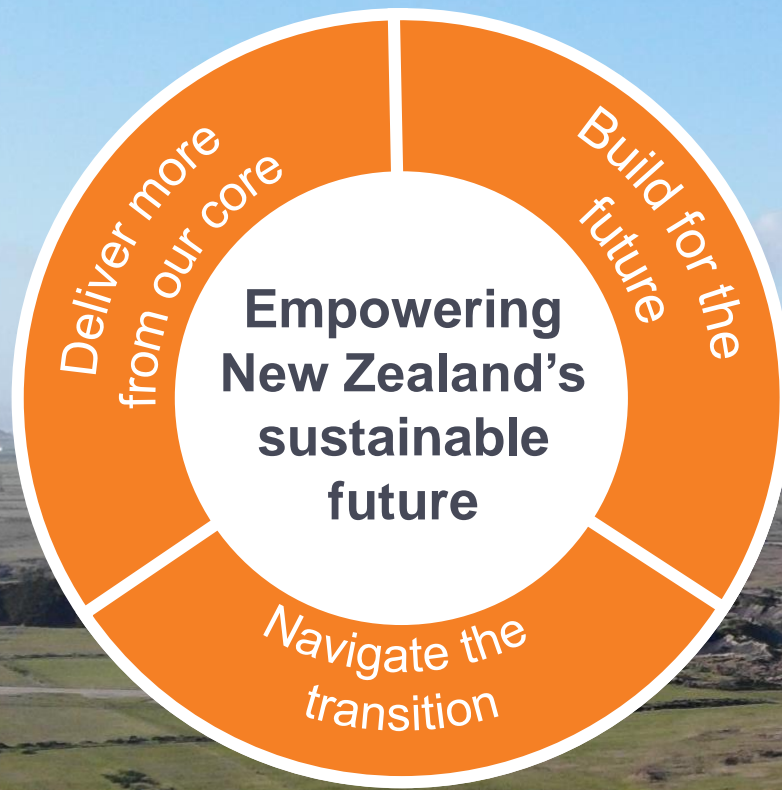
products per  
customer



# We've refreshed our purpose, strategies and vision as we head into the 2020s







**Deliver more  
from our core**

Continue to leverage the stability from our diverse revenue streams, and grow in markets where we identify compelling opportunities.

**Navigate the  
transition**

Manage an economic transition to a lower carbon portfolio, delivering carbon reductions for Genesis and our customers and supporting a stable electricity market.

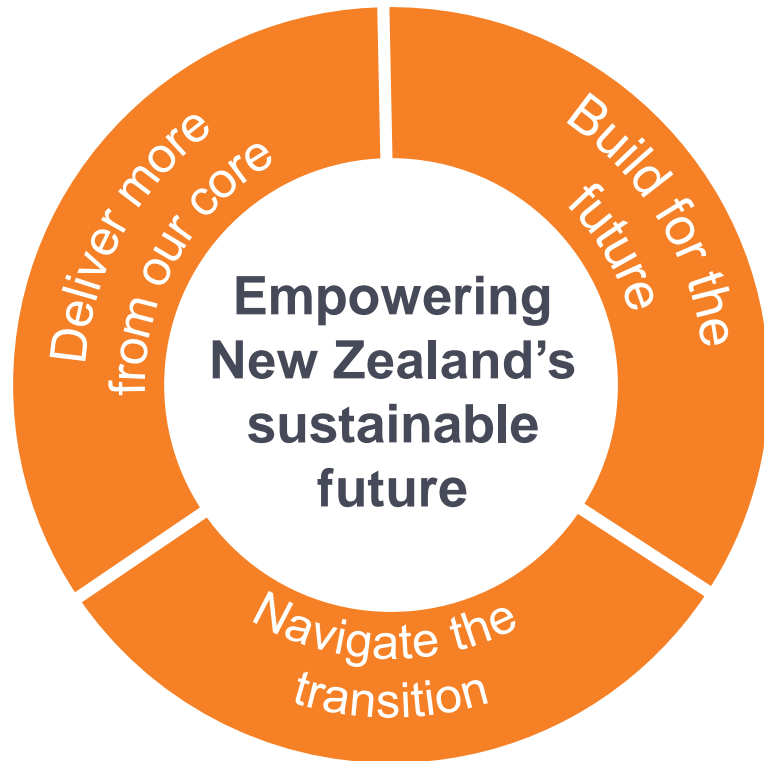
**Build for the  
future**

Building the capabilities, systems and infrastructure for future value growth.





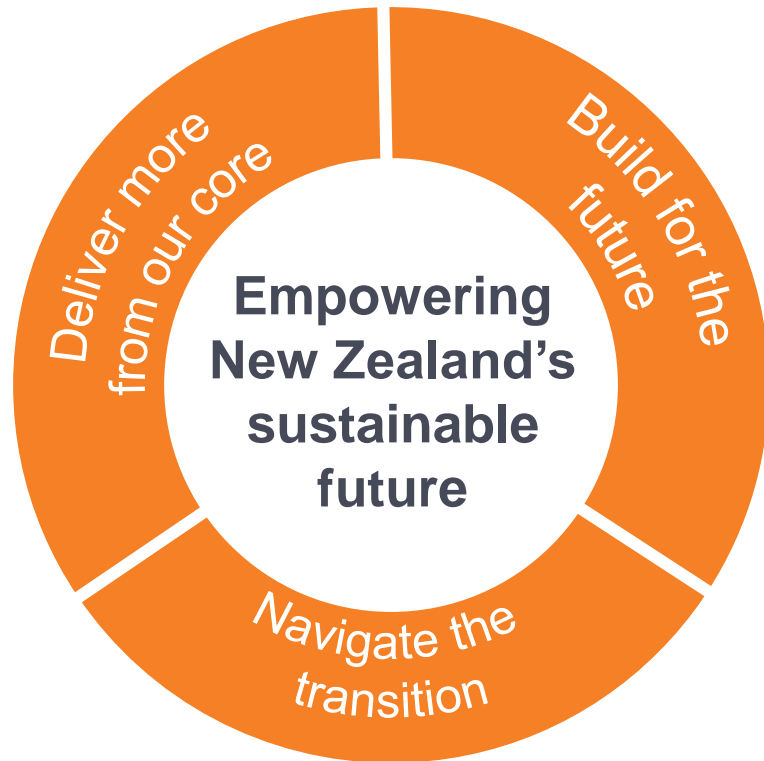
# Our Future-gen strategy focuses on the opportunity to **deliver value uplift** by actively managing the energy transition



- 1 New renewables displacing baseload thermal
- 2 Enable a flexible fuel portfolio
- 3 Create value with backup thermal



# Our refreshed retail strategy emphasises six key priorities, delivering more for our core whilst building for the future



- 1 Create residential experiences that build customer loyalty
- 2 Grow our market share of small business customers
- 3 LPG #1 or #2 in every region
- 4 Unleash Energy Online in the tier 2 market
- 5 Design products for emerging energy management needs
- 6 Invest in technology and data to create consistent and distinctive end to end Customer Experiences



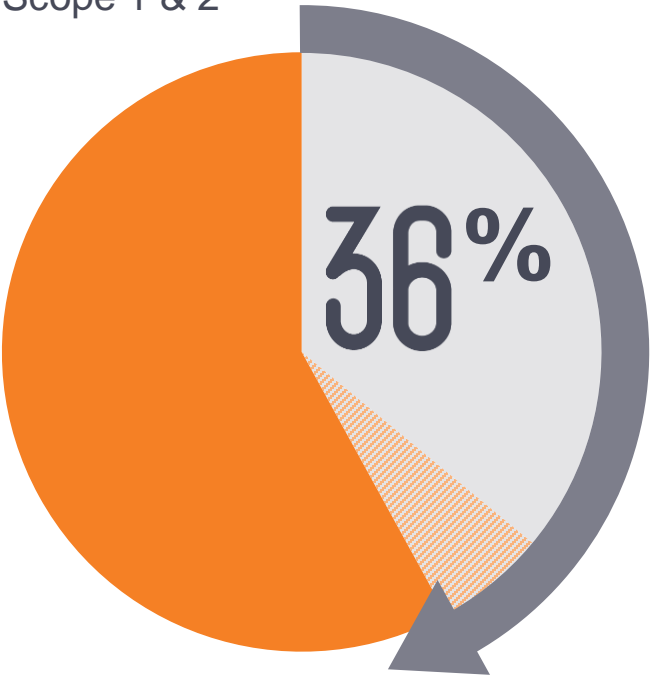
# We're continuing emissions reductions by setting Science Based Targets consistent with limiting warming to 1.5°C

Target Year <sup>1</sup>:  
2025

Reduce emissions<sup>2</sup>  
by at least  
1.2 million tonnes

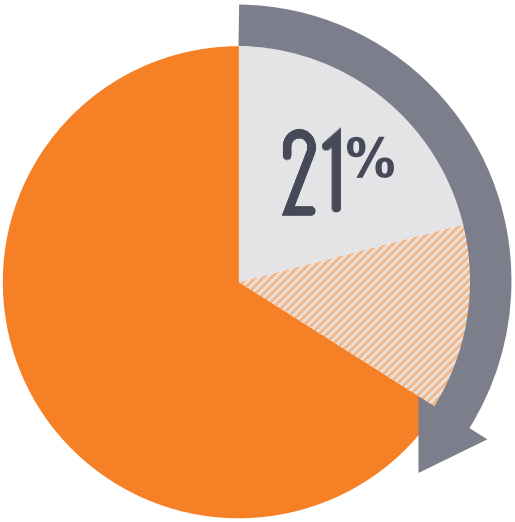
1. Target is based on our FY20 as the base year.  
2. Combined scope 1, 2 & 3

Reduce direct emissions  
Scope 1 & 2



Reduction for 1.5°C

Reduce indirect emissions  
Scope 3

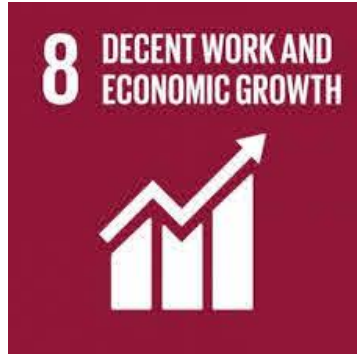


Genesis ambition

Remaining emissions



# Genesis now aligns with five of 17 of the United Nations **Sustainable Development Goals**



- Local employment pathways
- POU Limited
- School-gen
- Financial performance
- Investment
- Shareholder returns



- Future-gen Strategy
- Zilch
- Energy IQ
- EcoTracker



- Gender Pay Gap
- Genesis School-gen Trust
- Living Wage Employer
- Inclusion Council



- Iwi Partnerships
- Tilt Renewables
- Department of Conservation
- Emirates Team New Zealand
- School-gen



- Science-Based Target
- Future-gen Strategy
- TCFD Reporting





# Genesis Investment Proposition

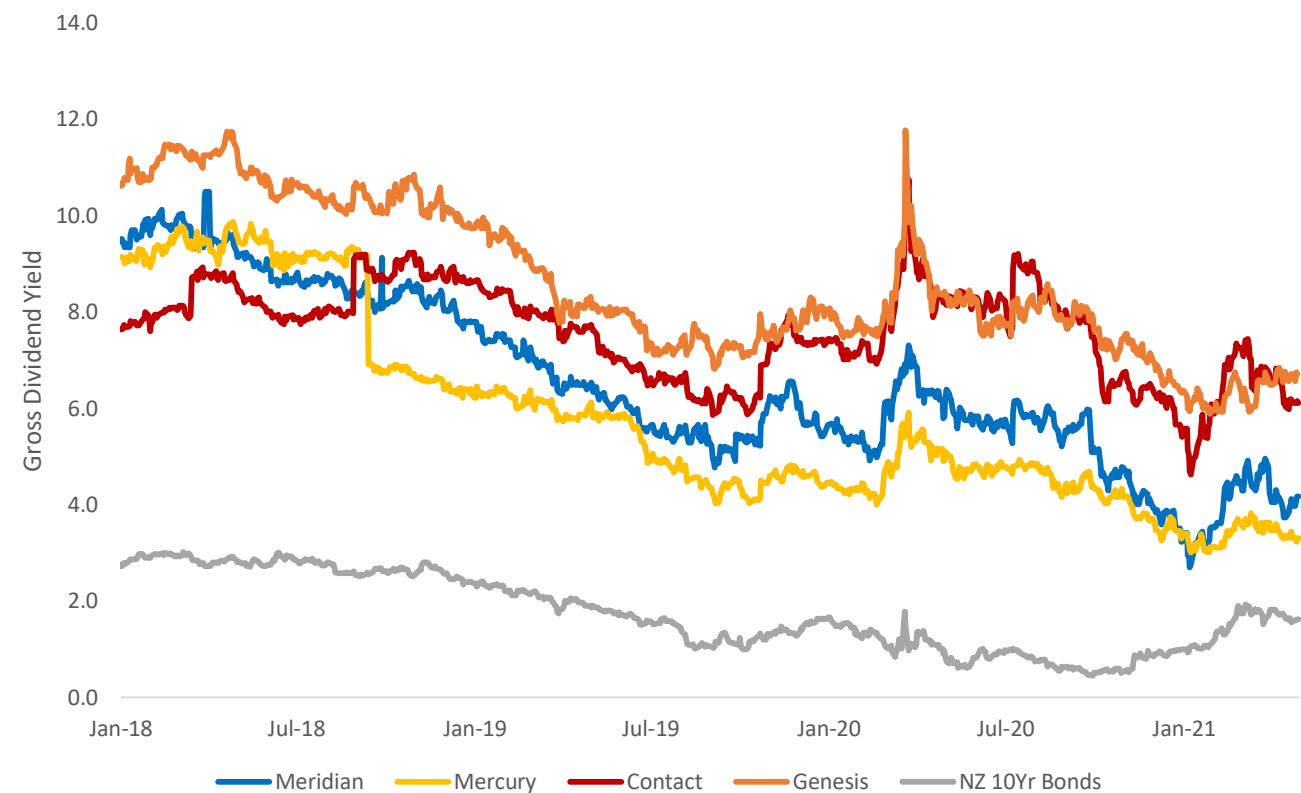
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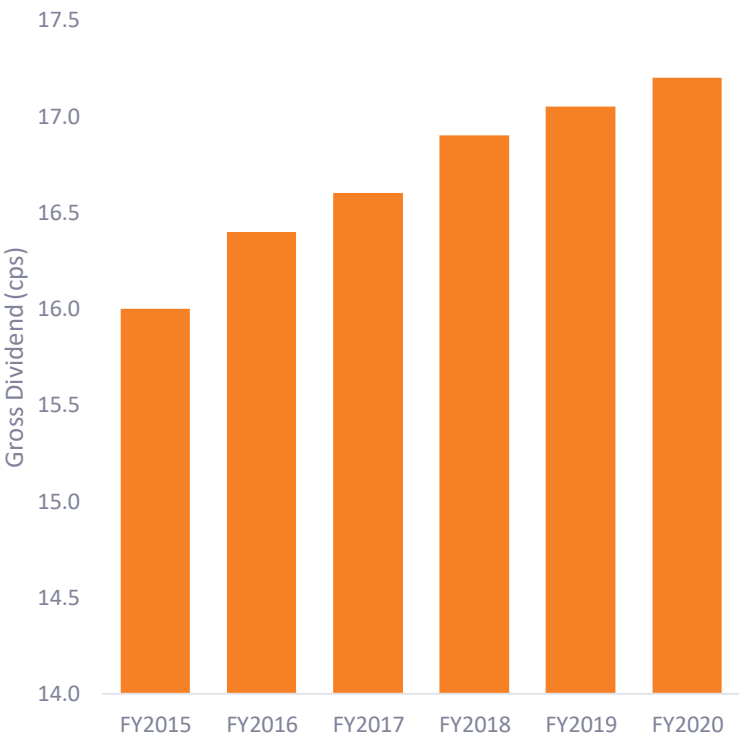
genesis With you. For you.

# Genesis has delivered an annualised TSR of 16.8% and continual dividend growth since listing in 2014

MARKET LEADING DIVIDEND YIELD



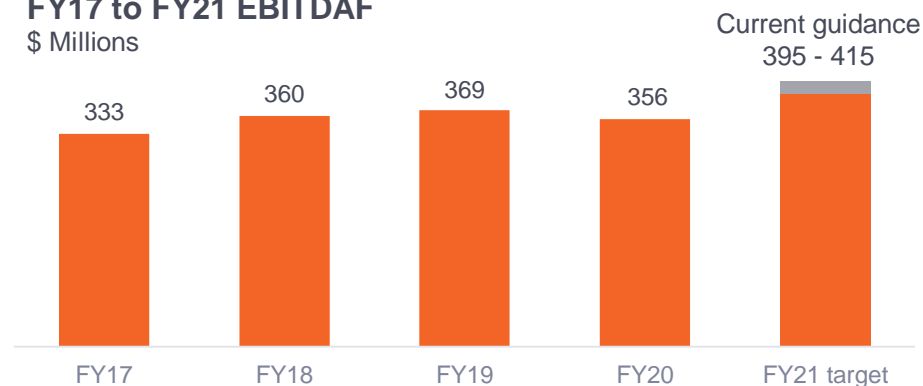
CONSISTENT DIVIDEND GROWTH SINCE LISTING IN 2014



# Our financial track record shows we're **a business that does what it says it will do** – we are on track for the \$400m target set in FY16

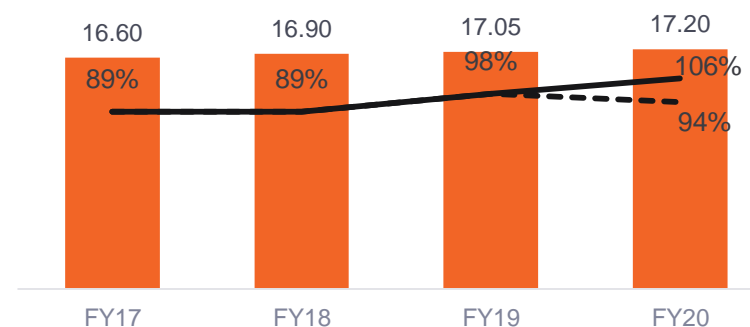
## FY17 to FY21 EBITDAF

\$ Millions



## FY17 TO FY20 DIVIDEND CENTS PER SHARE & PAY-OUT HISTORY

Dividends (CPS) — % of Free Cash Flow<sup>1</sup> - - % of Normalised FCF<sup>2</sup>

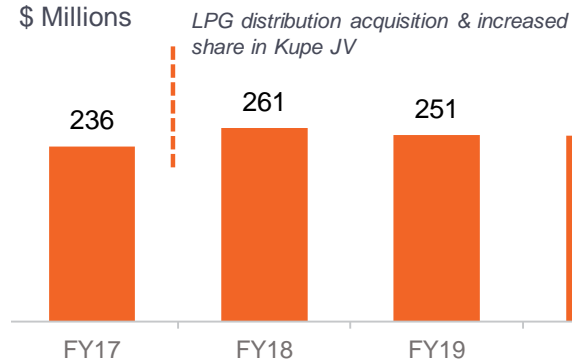


<sup>1</sup> Free cash flow represents EBITDAF less tax paid, net interest and stay in business capital expenditure.

<sup>2</sup> Excluding one-off items include the Tekapo gate, Tekapo turbine overhaul and Tekapo turbine runners upgrades.

## FY17 TO FY20 CONTROLLABLE OPERATING EXPENSES<sup>1</sup>

\$ Millions

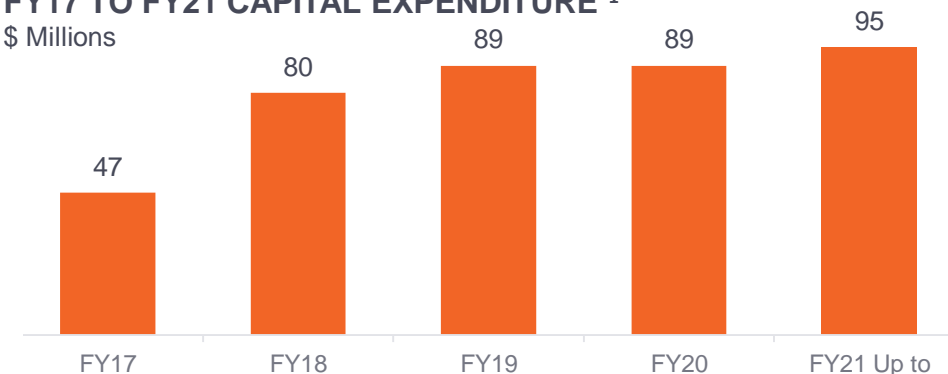


LPG distribution acquisition & increased share in Kupe JV

<sup>1</sup> Controllable operating expenses refer to Employee Benefits plus Other Operating Expenses. In FY20 Genesis updated its segment reporting and this included realigning the Technology & Digital function previously in Corporate to the Retail Segment. All comparable periods have been adjusted to reflect the new segment note structure.

## FY17 TO FY21 CAPITAL EXPENDITURE<sup>1</sup>

\$ Millions



<sup>1</sup> Capital expenditure excludes M&A activities. Amounts differ from amounts stated in the financial statements due to exclusion of capital expenditure relating to Huntly U5's Long Term Maintenance contract (LTMA) (FY20: \$16.5m).

# Genesis is well positioned for **market uncertainties**

**Market  
uncertainties**

**Industrial  
closures**

**Largest  
residential supplier**

**Largely  
North Island located**

**Able to offset  
more expensive  
thermal**

**Gas  
availability**

**We have  
long-term rights to  
gas**

**Portfolio  
flexibility and  
optionality**

**Pace of  
electrification**

**Transition  
expected to benefit  
electricity**

**Carbon  
pricing**

**Future-gen  
will lower  
emissions**

**Genesis'  
position**





## Our commitments

### **Distinctive customer experiences**

Improve customer  
Net Promoter Score

### **Limit climate change**

Science based target  
for 1.5°C by 2025

### **Stable diverse earnings**

A plan for growth

## Why invest in Genesis?

- 1 Attractive growing dividend
- 2 Earnings growth and improved balance sheet
- 3 Reducing carbon exposure
- 4 Strong team with an innovative culture

# Disclaimer

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Although management may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realised. EBITDAF, underlying profit and free cash flow are non-GAAP (generally accepted accounting practice) measures. While all reasonable care has been taken in compiling this presentation, to the maximum extent permitted by law Genesis Energy accepts no responsibility for any errors or omissions and no representation is made as to the accuracy, completeness or reliability of the information. This presentation does not constitute investment advice.







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