



## MARKET RELEASE

Date: 20 July 2021

NZX: GNE / ASX: GNE

### FY21 Q4 PERFORMANCE REPORT

Genesis Energy today released to the NZX/ASX its FY21 Q4 Performance Report for the three months ended 30 June 2021. The FY21 Q4 Performance Report is available from the Genesis Energy page at [www.nzx.com](http://www.nzx.com) or <https://www.genesisenergy.co.nz/investors>.

*"New Zealand's low hydro inflows, compounded by gas production declines, has required an exceptional amount of energy generation from Huntly Power Station in order to ensure energy security for all. Hydro conditions have since improved and so recent high emissions are expected to temper over the next few months. We remain on track to reduce overall emissions by 1.2 million tonnes in line with our commitment to a Science Based Target for 2025."*  
said Marc England, Chief Executive.

### GUIDANCE UPDATE

Genesis has updated FY21 EBITDAF guidance to between \$405 million and \$410 million. Note that this is inclusive of the impact of the \$27 million of additional carbon costs relating to the exercise of the Fixed Priced Option to meet 2020 Emissions Trading Scheme obligations, as reported on 31 May 2021.

### RETAIL

Genesis customers continued to engage digitally with over 125,000 taking advantage of Power Shout Hours in the quarter and enjoying free power at a time of their choosing. Since launching, Genesis has given away more than 10 million hours of free power. Additionally, Genesis large business energy services continued to grow with more than one in five commercial and industrial customers now utilising our Energy Insights or Decarbonisation Roadmap services.

Customer consumption volumes normalised relative to the prior comparable period (FY20 Q4), which was significantly impacted by the COVID-19 lockdown. Warmer weather in June meant that customer demand was lower and Genesis' generation portfolio was able to provide additional energy to the market. Genesis' LPG business continued to perform strongly, with highest ever sales for a fourth quarter, continued growth in netback and launch of our first fully electric delivery truck.

### WHOLESALE

New Zealand experienced some of the most challenging energy market conditions in over a decade with simultaneous shortages in natural gas and hydro-electric generation. The Huntly Power Station provided significant short term back-up generation to the market, including 519 GWh to our Swaption partners (40% of total). Genesis agreed to a gas supply agreement with Methanex for between 3.4PJ and 4.4PJ this winter. This additional gas will be used to ensure the continued operation of the efficient combined cycle gas turbine at Huntly enabling lower carbon emissions for the country, with gas fuel emitting less than half the emissions of coal. In addition to providing gas for electricity generation, Genesis has provided several industrial customers additional gas in the highly constrained market.

Genesis continues to make progress on delivering a lower carbon future, with several large power purchase agreements attached to new renewable projects under negotiation. Genesis utilised the



Government's \$35 Fixed Priced Option to meet some of our CY 2020 ETS obligations. Forecast emissions are now hedged through to FY27 at prices significantly below the prevailing spot carbon price which reached \$48 per tonne in June.

#### KUPE

The Kupe inlet compression project is progressing well and remains on schedule and within budget. Construction is nearing completion and commissioning activities are underway. First gas remains on schedule for late FY22 Q1.

Oil prices continued to firm in the quarter. Genesis' is 52% hedged for the next 12 months and expects to take advantage of these higher prices.

#### 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)