

31st July 2024

ASX Announcement

Quarterly Activities Report – Quarter Ending 30 June 2024

Genex Power Limited (ASX: GNX)(Genex or the Company) is pleased to provide the following overview of the Company's activities and performance for the quarter ending 30 June 2024 (Q4 FY2024 or the Quarter).

HIGHLIGHTS

- 51,987MWh generated from the 50MW Kidston Solar Project (KS1), 50MW Jemalong Solar Project (JSP) and 50MW/100MWh Bouldercombe Battery Project (BBP);
- Revenue from KS1, JSP and BBP was \$7.2M¹ reflecting the strong performance of the BBP and continued recovery in wholesale power prices;
- Successfully completed the refinancing of its senior and subordinated debt facilities for KS1 and JSP with a new 5-year \$162M senior facility; and
- Draw down of \$10M funding extension from Electric Power Development Co., Ltd. (J-POWER), bringing the total facility outstanding to \$45M. At 30 June 2024 Genex had cash at bank of \$83.8M.

TRANSACTION AND DELISTING

- Subsequent to period-end, the corporate transaction with JPGA Partners Pty Ltd (J-POWER Nominee), a wholly-owned subsidiary of J-POWER to acquire 100% of the ordinary shares it does not own by way of a scheme of arrangement, became effective following the approval of Genex shareholders and the Supreme Court of New South Wales; and
- Shares in Genex are currently suspended and the Company is expected to delist from the ASX on 1 August 2024.

OPERATIONAL UPDATE

250MW KIDSTON PUMPED STORAGE HYDRO PROJECT (K2-HYDRO)

- Key site activities and works undertaken during the Quarter included:

¹ Revenue figures are on an unaudited basis. Note difference between revenues and reported cash flows relates to timing differences in recognition of revenue and receipt of cash flows.

- Commenced the final outstanding excavation works being the remaining portion of the tailrace tunnels from CA02 to the portal in the Eldridge Pit;
- Completion of the shotcrete works within the lower slope area within the intake canal;
- Continued the concrete works in the lower portions of the powerhouse in preparation for turbine installation;
- Continued the above ground works including preparation for HV substation and transformer civil and structural works;
- Commenced the installation of steel liners for the head race and draft tubes; and
- Transmission works continued with a focus on tower assembly and erection followed by stringing operations for the conductors.

50MW KIDSTON SOLAR PROJECT (KS1) AND 50MW JEMALONG SOLAR PROJECT (JSP)

- KS1 revenue totalled \$1.5M from net generation of 23,148MWh of renewable energy for the Quarter, representing an average price of \$66/MWh²;
- JSP revenue for the Quarter comprised of \$1.5M from electricity sales and \$0.8M from LGC sales from net generation of 19,330MWh, representing an average bundled price of \$119/MWh³.

50MW/100MWH BOULDERCOMBE BATTERY PROJECT (BBP)

- During the Quarter, the BBP dispatched 9,509MWh (before accounting for energy consumption for charging), which provided for net revenue of \$3.4M equating to an average of \$355 net revenue per MWh exported.

CORPORATE UPDATE

- Post period-end Genex announced the proposed scheme of arrangement under which J-POWER Nominee proposed to acquire all of the ordinary shares in Genex that it does not own (the **Scheme**), was approved by shareholders and the Supreme Court of New South Wales (refer ASX Announcements dated 16 July 2024 and 19 July 2024). Accordingly, the Scheme is effective, and expected to be implemented on Wednesday 31 July 2024, following which Genex is expected to de-list from ASX on 1 August 2024.

² Revenue figures are on an unaudited basis and the average price per MWh

³ Revenue figures are on an unaudited basis

- There were no reportable environmental incidents recorded during the Quarter and no reportable injuries during the Quarter;
- Genex successfully completed the refinancing of its senior and subordinated debt facilities for KS1 and JSP with a new 5-year \$162 million senior facility;
- Genex drew down on the \$10M funding extension from J-POWER, bringing the total drawn facility to \$45M;
- During the Quarter, the Company's expenditure included staff and operating costs, construction activities associated with the K2-Hydro project and development activities associated with the Kidston Wind and Bulli Creek projects;
- As noted in section 6 of Appendix 4C, the amount stated therein was paid to the Directors of the entity during the Quarter and their related parties (as defined in Australian Accounting Standards), comprising fees for Non-Executive Directors. No other payments were made to any related parties or their associates of the entity; and
- Genex finished the Quarter with cash at bank of \$83.8M as of 30 June 2024.

This announcement was approved by the Board of Genex Power Limited.

FOR MORE INFORMATION ABOUT THIS ANNOUNCEMENT:

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About Genex Power Limited

Genex Power Limited has a portfolio of more than \$1 billion of renewable energy generation and storage projects across Australia. The Company's flagship Kidston Clean Energy Hub, located in north Queensland, will integrate large-scale solar generation with pumped storage hydro. The Kidston Clean Energy Hub is comprised of the operating 50MW stage 1 Solar Project (**KS1**) and the 250MW Kidston Pumped Storage Hydro Project (**K2-Hydro**) with potential for a further wind project. The 50MW Jemalong Solar Project (**JSP**) is located in NSW and provides geographical diversification to Genex's portfolio. JSP was energised in December 2020 and is now fully operational. Genex's first battery energy storage system, the 50MW/100MWh Bouldercombe Battery Project (**BBP**) located in Central Queensland achieved energisation in June 2023 and is now fully operational. With a committed portfolio of 400MW and up to approximately 2.3GW of renewable energy and storage projects in the Company's development pipeline, Genex is well placed in its strategy to become a leading renewable energy and storage company in Australia.

Genex continues to acknowledge the support of key Federal and State Government stakeholders such as the Australian Renewable Energy Agency (**ARENA**), the Northern Australia Infrastructure Facility (**NAIF**) and the Queensland State Government.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

NAME OF ENTITY:

Genex Power Limited

ABN

18 152 098 854

QUARTER ENDED ("CURRENT QUARTER")

June 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

| 1 | CASH FLOWS FROM OPERATING ACTIVITIES | CURRENT QUARTER \$A'000 | YEAR TO DATE ⁽¹⁾ \$A'000 |
|-----|---|----------------------------|--|
| 1.1 | Receipts from customers | 10,142 | 29,562 |
| 1.2 | Payments for | | |
| | (a) research and development | - | - |
| | (b) product manufacturing and operating costs | (2,349) | (8,668) |
| | (c) advertising and marketing | (1) | (142) |
| | (d) leased assets | (343) | (1,398) |
| | (e) staff costs | (1,274) | (5,599) |
| | (f) administration and corporate costs ⁽²⁾ | 1,043 | (3,219) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 829 | 3,244 |
| 1.5 | Interest and other costs of finance paid | (4,532) | (12,614) |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives | 41 | 76 |
| 1.8 | Other (provide details if material) | - | 862 |
| 1.9 | Net cash from / (used in) operating activities | 3,556 | 2,104 |

CONSOLIDATED STATEMENT OF CASH FLOWS

(1) The Year to Date figures have been updated to reflect the adjustments of Q1 FY2023 Appendix 4C. These adjustments stem from the accounting treatment applied to entities related to K3W and BCP, as assessed in the FY2023 audited financial statements in light of the respective joint development agreements with Electric Power Development Co., Ltd (J-POWER).

(2) The positive cash flow movement from administration and corporate costs is largely driven from receipts of GST. This primarily relates to spend on property, plant and equipment and year-to-date was reclassified during the quarter, from administration and corporate cost to property, plant and equipment.

| 2 CASH FLOWS FROM INVESTING ACTIVITIES | | CURRENT QUARTER \$A'000 | YEAR TO DATE \$A'000 |
|---|---|------------------------------------|---------------------------------|
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | - | - |
| | (b) businesses | - | - |
| | (c) property, plant and equipment | (39,050) | (151,384) |
| | (d) investments | (393) | (3,409) |
| | (e) intellectual property | - | - |
| | (f) other non-current assets | - | - |
| 2.2 | Proceeds from disposal of: | - | - |
| | (a) entities | - | - |
| | (b) businesses | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) intellectual property | - | - |
| | (f) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | (15) | 1,577 |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | (39,458) | (153,216) |

Quarterly cash flow report for entities subject to Listing Rule 4.7B

| 3 | CASH FLOWS FROM FINANCING ACTIVITIES | CURRENT QUARTER \$A'000 | YEAR TO DATE \$A'000 |
|-------------|---|------------------------------------|---------------------------------|
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | - |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | - |
| 3.5 | Proceeds from borrowings | 66,982 | 199,863 |
| 3.6 | Repayment of borrowings | (3,206) | (13,338) |
| 3.7 | Transaction costs related to loans and borrowings | (457) | (1,157) |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | 63,319 | 185,368 |

| 4 | NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE PERIOD | CURRENT QUARTER \$A'000 | YEAR TO DATE \$A'000 |
|------------|--|------------------------------------|---------------------------------|
| 4.1 | Cash and cash equivalents at beginning of period | 56,429 | 49,590 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | 3,556 | 2,104 |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (39,458) | (153,216) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 63,319 | 185,368 |
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 83,846 | 83,846 |

Quarterly cash flow report for entities subject to Listing Rule 4.7B

| 5 | RECONCILIATION OF CASH AND CASH EQUIVALENTS at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | CURRENT QUARTER | PREVIOUS QUARTER |
|-----|---|-----------------|------------------|
| | | \$A'000 | \$A'000 |
| 5.1 | Bank balances ⁽³⁾ | 83,846 | 30,476 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | 25,953 |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 83,846 | 56,429 |

(3) Include cash committed for K2-Hydro construction program, BBP construction program and KS1 and JSP debt service accounts.

| 6 | PAYMENTS TO RELATED PARTIES OF THE ENTITY AND THEIR ASSOCIATES | CURRENT QUARTER |
|-----|--|-----------------|
| | | \$A'000 |
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 ⁽⁴⁾ | 200 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

(4) Include payments of directors' fees.

| 7 | FINANCING FACILITIES Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity. | TOTAL FACILITY AMOUNT AT QUARTER END | AMOUNT DRAWN AT QUARTER END |
|-----|---|---|--------------------------------|
| | | \$A'000 | \$A'000 |
| 7.1 | Loan facilities | 261,292 | 256,666 |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (NAIF Loan – K2-Hydro) | 610,000 | 581,288 |
| 7.4 | Total financing facilities | 871,292 | 837,954 |
| 7.5 | Unused financing facilities available at quarter end | | 33,338 |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |

| 7 | FINANCING FACILITIES | TOTAL FACILITY AMOUNT AT QUARTER END | AMOUNT DRAWN AT QUARTER END |
|---|---|---|--------------------------------|
| | Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity. | \$A'000 | \$A'000 |

Refer to detailed description of each facility below*:

| Lender | Purpose | Security | Amount | Maturity |
|------------------------------|-------------------------------|----------|------------------|-----------|
| Loan Facilities | | | | |
| Westpac, DZ Bank | KS1 & JSP Senior debt | Secured | \$154.97m | 25-Jun-29 |
| Infradebt | KS1 & JSP subordinated debt | Secured | \$16.00m | 17-Dec-24 |
| Infradebt | BBP senior debt | Secured | \$35.00m | 30-Sep-35 |
| Infradebt | BBP letter of credit facility | Secured | \$10.32m | 30-Sep-35 |
| J-POWER | Corporate Facility | Secured | \$45.00m | 31-Dec-26 |
| Total Loan Facilities | | | \$261.29m | |
| Other | | | | |
| State of Queensland | K2-Hydro senior debt | Secured | \$610.00m | 19-May-36 |
| Total Other | | | \$610.00m | |
| Total | | | \$871.29m | |

*The weighted average interest rate for these facilities is 3.05%.

| 8 | ESTIMATED CASH AVAILABLE FOR FUTURE OPERATING ACTIVITIES | \$A'000 |
|-----|--|---------|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | 3,556 |
| 8.2 | Cash and cash equivalents at quarter end (item 4.6) | 83,846 |
| 8.3 | Unused finance facilities available at quarter end (item 7.5) | 33,338 |
| 8.4 | Total available funding (item 8.2 + item 8.3) ⁽⁵⁾ | 83,846 |
| 8.5 | Estimated quarters of funding available (item 8.4 divided by item 8.1) | N/A |

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

(5) This figure omits the total amount of all unused finance facilities committed for construction of projects under item 8.3.

| | |
|---------|--|
| 8.6 | If item 8.5 is less than 2 quarters, please provide answers to the following questions: |
| 8.6.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? |
| Answer: | N/A |
| 8.6.2 | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? |
| Answer: | N/A |

| 8 | ESTIMATED CASH AVAILABLE FOR FUTURE OPERATING ACTIVITIES | \$A'000 |
|---|---|---------|
| | 8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? | |
| | Answer: | N/A |
| | <i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i> | |

COMPLIANCE STATEMENT

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2024

Authorised by: the Chief Executive Officer of Genex Power Limited

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.