



MARKET RELEASE

Date: 20 OCTOBER 2021

NZX: GNE / ASX: GNE

FY22 Q1 Performance Report

Genesis continues to work to support our customers through the lockdown period. We extended our customer care programme, Manaaki Kenehi, and offered over 280,000 customers five hours of free power to use when they choose. As we have done before, late payment fees were suspended for customers under lockdown levels two and above.

Tracey Hickman, Chief Customer Officer

Retail

- Total customer demand was down 6.0%, due to the COVID lockdown and warmer winter conditions. The residential market was least affected, with demand down 1.5%.
- Net customer churn declined in the quarter to 14%. This was driven by a reduction in home moving and may increase when lockdown restrictions are lifted.
- LPG continues to perform strongly with customer connections up 8.6% on the prior comparable period (pcp). Sales volumes were flat on pcp, due to reduced business consumption.

Wholesale

- Gas swaps with industrial producers and improved hydrology enabled Genesis to generate at lower cost, with average portfolio fuel costs down 37% to \$64/MWh, compared to Q4 FY21.
- Genesis commenced stage two of the \$15 million upgrade of the Tekapo B power station. The replacement of unit runners is expected to provide a 2.5% increase in efficiency for the 800 GWh station.
- Executed two MoU's with solar developers for Genesis' Future-gen goal of developing 500MW of grid-scale solar by 2025.

Kupe

- The joint venture recently completed the Kupe inlet compression project. The project enabled the Kupe production station to return to full capacity production of 77TJ/day. Despite minor delays due to COVID disruptions, the project was delivered on budget and safely. The additional gas will enable better utilisation of Huntly Unit 5 and support industrial consumers.
- Crude oil prices continued to rally, with realised prices now over \$103 NZD per barrel. Genesis will continue to benefit from the higher price, with 38% of the next 12 months production unhedged.

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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 \$NZ3.2 billion during the 12 months ended 30 June 2021. More information can be found at www.genesisenergy.co.nz