



MARKET RELEASE

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FY21 Q1 PERFORMANCE REPORT

Genesis Energy today released to the NZX/ASX its FY21 Q1 Performance Report for the three months ended 30 September 2020. The FY21 Q1 Performance Report is available from the Genesis Energy page at www.nzx.com or <https://www.genesisenergy.co.nz/investors>.

“Our Retail segment continues to perform well particularly in LPG. New Zealand’s declining lake levels during the quarter required the back-up of our thermal fleet” said Chris Jewell, Chief Financial Officer.

RETAIL

The Retail segment performed strongly in the first quarter with total electricity sales volumes up 3.4% on pcp, bottled LPG sales volumes up 5.3% on pcp and netbacks up materially across all fuels. This was despite SME sales volumes declining 6.6% due to the Auckland lockdown. Customers with more than one fuel increased 3.5% on pcp and 1.7% on the prior quarter reflecting the ongoing Genesis dual-fuel strategy. However, total net churn increased 1.3ppt on the pcp, as retailers aggressively re-entered the acquisition market following the recent lockdowns. Brand net promoter score returned to normal levels after a short term increase during the first lockdown period. Cost to serve declined a further 2.2% on the previous quarter and 4.3% on pcp – noting this was partly due to cost deferrals due to the lockdown period.

WHOLESALE

Declining lake levels across New Zealand catchments through the quarter and continued gas production constraints required Genesis’ flexible thermal back-up generation to support New Zealand’s electricity requirements. New Zealand hydro storage fell to 58% of average before a recovery in September which resulted in Genesis back-up thermal generation being up 20% on pcp. The unit cost of thermal fuels declined 3% as had been anticipated. Genesis hydro generation was flat on pcp but lower inflows meant storage ended the quarter below average at Waikaremoana. Plant availability in the quarter was strong with EAF of 98%.

KUPE

Production at Kupe began to decline during Q1 FY 21, due to a decline in field pressure that is in-line with previous guidance and expectations of field performance. It is expected that a single well will need to be taken offline in November and re-instated in Q4 FY21 to manage production in line with seasonal demand. This will result in a reduction in production of between 6.5 and 9.0 TJ/day.

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 Energy 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