



16 September 2021

Z Energy Covid-19 volume impact and FY22 guidance reaffirmation

Z Energy (NZX / ASX: ZEL) ("Z") is reaffirming its RC EBITDAF guidance for FY22 to be in the range of \$270 million to \$310 million and for FY22 dividends to be in the range of 19 cents to 23 cents per share.

Z is currently experiencing reduced demand for all fuels as New Zealand continues to manage through the Covid-19 pandemic. Based on the current trading conditions and our expectations on how New Zealand will move through alert levels, the table below shows an estimate of the reduction in volume for each alert level against a baseline of the last 4 weeks prior to the national AL4 lockdown¹ announced on 17th of August 2021.

| Estimated Covid Impact | AL1 | AL2 | AL3 | AL4 |
|-------------------------------|------------|------------|------------|------------|
| Retail | 0% | 10% | 40% | 70% |
| Distributors | 0% | 10% | 20% | 45% |
| Truckstops | 0% | 0% | 5% | 40% |
| Jet | 0% | 10% | 50% | 50% |
| Store sales | 0% | 0% | 5% | 30% |

Mike Bennetts, CEO for Z Energy said, "Z experienced a strong first quarter for FY22, offset by more recent earnings volatility and uncertainty due to Covid-19 lockdowns. The volume decline during the most recent nationwide lockdown has been less than experienced last year and Z has not incurred the same level of costs for disruption to the supply chain. Despite sales and supply chain interruptions, Z remains within FY22 earnings and dividend guidance.

The actual and expected Covid-19 downside has been more than mitigated by proactive steps taken in the first quarter to manage risk for cost of goods sold. This was done by hedging Z's FY22 ETS position that has benefitted from recent increases in price," Mike added.

¹ In FY21 Z shared YoY volume impacts from Covid-19. This year Z is presenting Covid impacts against a baseline of the 4 weeks preceding 18th August.

Z Energy's 1HFY22 results will be announced on Thursday 4 November 2022.

Ends.

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