



## MARKET RELEASE

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## Earnings resilience and strategic momentum under Gen35; NZ\$400m equity raise to accelerate growth

Genesis Energy Limited's ("Genesis") continued delivery of its Gen35 growth strategy, strengthened by Genesis' market leading fuel and generation flexibility and spring hydro conditions, has driven a record first-half normalised EBITDAF of NZ\$307 million for the six months ended 31 December 2025.

This result demonstrates the strength and resilience of Genesis' diversified portfolio of assets and the Company's ability to deliver strong earnings under variable market conditions.

Genesis continued to actively manage its gas position into Q3 FY26. Current expectations are that winter 2026 conditions will revert toward more normal seasonal patterns, with thermal baseload and firming capacity available to support system security.

Genesis has today announced a NZ\$400 million equity raise to accelerate the development of its growth opportunities across renewable generation and dispatchable firming capacity, and underpin delivery of the Gen35 strategy.

### Financial Summary

	6 months, Dec 2025 (\$NZ)	6 months, Dec 2024 (\$NZ)	Change
Normalised EBITDAF <sup>1</sup>	\$307m	\$222m	+38%
Reported EBITDAF <sup>2</sup>	\$303m	\$217m	+40%
Gross Margin	\$521m	\$409m	+27%
Net Profit After Tax	\$95m	\$70m	+36%
Operating Expenses: Digital Investment	\$28m	\$14m	100%
Operating Expenses: Operations	(\$190m)	(\$178m)	+7%
Operating Free Cash Flow	(\$183m)	(\$46m)	+298%
Interim Dividend	7.30 cps	7.13 cps	+2%

## Strategy Execution Highlights

- Continued execution of Gen35 strategy to benefit customers and shareholders through Genesis' large, established customer book, growing renewable generation and market leading flexibility.
- Edgcumbe solar farm (136 MWp) FID delivered and construction will commence in Q4 FY26.
- Leeston solar farm (67 MWp) is on track for FID in Q4 FY26.
- Rangiriri solar farm (271 MWp) was acquired. Once operational, the Rangiriri solar farm is expected to generate around 437 GWh of electricity annually – enough to power 54,600 homes.
- Huntly BESS Stage 1 (100 MW/200 MWh) remains on track and within budget; Stage 2 feasibility progressing.
- 10-year Huntly Firming Options for Rankine capacity were authorised by the Commerce Commission and came into effect on 1 January 2026.
- Continued progress on Genesis' Castle Hill wind development and, in addition, entered into an exclusive wind partnership with Yinson Renewables providing access to a ~1 GW wind pipeline.
- PPA secured 70% of Mt Cass wind farm (95 MW) in Canterbury. This is planned to deliver 210 GWh p.a. to Genesis from Q1 FY29.
- Successfully delivered the first cohort migration of around 50,000 customers to the Gentrack g2.0 (R2G2) platform: Release 2 on track.
- Margin quality uplift, improved netback.
- Market leading flexibility leveraged during wet and high wind periods, driving record EBITDAF.
- Maintained BBB+ investment grade credit rating (S&P stable outlook).

## Key Drivers of H1 FY26 Performance

### 1. Record earnings enabled by market-leading portfolio flexibility

Genesis delivered record first-half earnings through disciplined portfolio positioning in favourable hydro conditions. FY26 started with record low inflows and snowpack, before spring saw South Island inflows, particularly at Tekapo above P75, enabling higher hydro generation and materially reduced thermal generation. Coal generation fell to 164 GWh from 710 GWh in the prior corresponding period, as thermal assets shifted from baseload to flexible firming.

This integrated portfolio response reduced Genesis' carbon emissions and lowered the cost of generation. The result reinforces the structural flexibility advantage of Genesis' portfolio — enabling earnings to be defended in dry periods and enhanced in favourable conditions.

## 2. Margin quality delivered through continued retail strategy execution

Margin quality remains central to Gen35 execution. Electricity netback increased 17% year-on-year to NZ\$172/MWh, reflecting disciplined pricing, improved customer mix and operational simplification.

The strategy continues to prioritise value over volume. While total customer numbers adjusted following the move to a single brand, margin quality strengthened, as planned. Growth in strategic segments- including EV plans and demand flexibility programmes- supported higher lifetime customer value and improved earnings durability.

Gas netbacks also improved through active portfolio management and disciplined contract positioning. Across all fuels, total netback increased by NZ\$113 million, demonstrating Genesis' ability to convert scale into sustained margin.

## 3. Market leading flexibility leveraged

Genesis' large, established customer book and proactive fuel optimisation was both a key contributor to performance and provided gas support to industrial gas customers. Genesis directed gas volumes to support industrial customers where commercially prudent, leveraging portfolio flexibility and driving margin uplift.

Gas market volatility persisted during the period, reinforcing the importance of multi-fuel optionality across coal, gas and diesel.

The establishment of a strategic fuel reserve at Huntly Power Station, including 600 kt of coal reserve funded equally by the four gentailers (including Genesis), further strengthened system resilience and energy security capability.

## 4. Digital transformation delivering structural capability

Genesis continued to invest in long-term operational capability through its digital transformation programme. Billing and CRM upgrades are now live for around 50,000 customers, with Release 2 progressing toward broader migration. The new financial management system has also gone live, and enhancements to the electricity trading and risk management system are underway.

Digital investment remains within the previously disclosed NZ\$145 million envelope and is expected to support structural cost-to-serve improvements and enhanced portfolio optimisation from FY28 onwards. Operating expenses increased during the half due to this planned investment ramp-up and targeted operational initiatives aligned to sustainable earnings growth.

## 5. Total shareholder return

Genesis delivered total shareholder return of over 13% across calendar year 2025, reflecting both dividend yield and share price appreciation.

## Development Pipeline and Growth Momentum

Genesis' current development pipeline includes projects with aggregate forecast generation capacity of 2,500 MW. Genesis continues to deliver on its strategy targeting approximately 500 MW of grid scale

solar, 200 MW of two-hour BESS and Rankine life extension to improve margins across its generation fleet.

Construction on the 136 MWp Edgcumbe solar farm will commence around Q4 FY26. Genesis acquired the 271 MWp Rangiriri solar farm during the year, which is expected to generate around 437 GWh of electricity annually – enough to power 54,600 homes. Huntly BESS Stage 1 remains on track and under budget, with Stage 2 feasibility advancing.

A PPA was entered into with Yinson Renewables in respect of 70% of the output in respect of their Mt Cass wind farm in Canterbury. This PPA is expected to deliver around 210 GWh p.a. to Genesis once the wind farm is operational.

The 10-year Huntly Firming Options (“HFO’s”) for Rankines were approved by the Commerce Commission and came into effect on 1 January 2026.

Progress has continued on the Castle Hill wind development. In addition, Genesis has entered into an exclusive partnership with Yinson Renewables, providing access to a potential ~1 GW wind pipeline (over and above Mt Cass).

Genesis’ portfolio-led approach ensures projects are sequenced based on risk-adjusted returns, system need and capital discipline. Renewable growth is designed to enhance outcomes across the fleet, displacing baseload thermal generation and increasing dispatch flexibility.

## Earnings Resilience Through Flexibility

Genesis considers that its market leading flexibility provides it with the unique ability to be able to defend earnings during dry and low wind periods, as was demonstrated during FY25. This is alongside being able to maximise earnings during wet, high wind periods as was demonstrated during the first half of FY26.

Genesis considers that its large, established customer book, growing renewable generation and flexibility underpins the pathway to continued delivery of its strategy now and into the future.

## Capital Management and Balance Sheet Strength

Operating free cash flow of NZ\$183 million funded growth capital, stay-in-business investment and dividends during H126. Stay-in-business capex remains focused on prolonging the life of the Rankines and maintaining asset reliability, while growth capex continues to be directed toward renewables and storage in line with Gen35 priorities.

Leverage remains within target settings consistent with Genesis’ BBB+ investment grade credit rating, with increased headroom preserved for growth through the equity raise described below.

## NZ\$400m equity raise to accelerate growth

### Equity raise overview

Genesis is undertaking an equity raise of NZ\$400 million to accelerate its pipeline of growth opportunities. The equity raise comprises an underwritten placement of NZ\$100 million at a price of NZ\$2.15 per share (“**Placement**”) and an underwritten 1 for 7.9 pro rata renounceable rights offer to raise NZ\$300 million at a price of NZ\$2.05 per share (“**Rights Offer**”) (together, the “**Offer**”).

The proceeds from the Offer will initially be used to reduce net debt and will allow Genesis to:

- accelerate its pipeline of growth opportunities across renewable generation and dispatchable firming capacity;
- support the delivery of Horizon 2 within Genesis' broader Gen35 strategy, designed to position the business for growth, and increase optionality for Horizon 3; and
- accelerate its growth strategy while also remaining committed to its investment grade credit rating and current dividend policy as part of its broader capital management framework.

Malcolm Johns, Genesis' Chief Executive, says, "Genesis has developed a strong pipeline of attractive growth investments, with this new equity raise offer enabling the acceleration of circa NZ\$2 billion pipeline of growth opportunities to FY32 across renewables and dispatchable firming capacity."

"Acceleration of opportunities that meet Genesis' capital allocation framework are expected to both enhance value for Genesis' customers as well as shareholders by bringing forward earnings growth and strengthen Genesis' ability to support New Zealand's energy security. Genesis considers that increased flexible capacity will be required to maintain grid stability and reliability as renewables continue to grow within New Zealand's energy mix, particularly during dry periods. Genesis' pipeline includes projects that could directly increase dispatchable capacity such as BESS opportunities. Accelerating investment into renewables should also enable more rapid displacement of Huntly's baseload role and free up its capacity to enable Genesis to bring more flexible capacity to the market.

## Details of the equity raise

### Placement

The Placement will be conducted through a bookbuild in which eligible institutional investors and New Zealand resident clients of retail brokers will be invited to participate.

The Placement will comprise the issue of approximately 46.5 million new shares, representing approximately 4.2% of current issued capital, to raise gross proceeds of NZ\$100 million.

The Placement price of NZ\$2.15 per new share represents an 8.0% discount to the ex-dividend adjusted<sup>3</sup> closing share price on the NZX of NZ\$2.34 on 20 February 2026 and an 8.7% discount to the 5-day ex-dividend adjusted<sup>3</sup> volume weighted average price on the NZX ("VWAP") of \$2.35 prior to today's announcement.

New shares issued on completion of the Placement will be eligible to participate in the Rights Offer.

### Rights Offer

Under the NZ\$300 million Rights Offer, eligible shareholders may apply for 1 new share for every 7.9 existing shares held as at 7:00pm (NZDT) / 5:00pm (AEDT) on the record date of 2 March 2026, at an issue price of NZ\$2.05 per new share.

The Rights Offer will comprise the issue of approximately 146.3 million new ordinary shares, representing approximately 13.2% of current issued capital, to raise gross proceeds of NZ\$300 million.

The Rights Offer price of NZ\$2.05 represents a 10.8% discount to the ex-dividend-adjusted<sup>3</sup> theoretical ex-rights price ("TERP")<sup>4</sup> of NZ\$2.30 post the Offer.

Any rights that are not taken up by eligible shareholders and rights of ineligible shareholders will be offered for sale in the shortfall bookbuild that will be available to institutional investors and brokers. Eligible retail shareholders who take up their rights in full may apply for additional new shares (i.e. shares in excess of their pro rata rights) that will be offered for sale under the shortfall bookbuild. Any surplus subscription monies above the Rights Offer price realised in the shortfall bookbuild will be returned pro rata to non-participating and ineligible retail shareholders.

Rights will not be quoted on the NZX Main Board or on the ASX.

### **Crown Commitment and Underwriting**

The Crown has committed to subscribe for approximately NZ\$198m of new shares (“**Crown Participation**”), so that it has a 51.00% shareholding following completion of the Offer<sup>5</sup>. The Crown’s support of the Offer reflects its assessment of the benefits of accelerating Genesis’ growth opportunities that directly advance the Government’s goals for secure and affordable energy, consistent with the Crown’s letter to Genesis on 30 September 2025.

The Offer, other than the Crown Participation, is underwritten by Jarden Partners Limited.

## **Dividend**

The Board has declared an interim dividend of 7.30 cents per share to be paid on 25 March 2026 (with a record date of 26 February 2026). Genesis has received a waiver from NZX to enable it to shorten the five business days’ notice period prescribed by the NZX Listing Rules between the announcement of this dividend and its Record Date.

The Genesis Board continues to believe that the current fixed dividend policy remains appropriate and is likely to continue to be appropriate through to the end of Horizon 2 of Gen35 (i.e. FY28). The Genesis Board’s current expectation is that Genesis may return to a more market-aligned policy beyond that period, although that will be a decision for the Board at that time.

The new shares issued under the Placement and Rights Offer will not be entitled to the FY26 interim dividend.

## **Dividend Reinvestment Plan**

Shareholders will have the opportunity to participate in Genesis’ dividend reinvestment plan (“**DRP**”).

The Board has exercised its discretion in exceptional or unusual circumstances to adjust the DRP sale price so that the DRP strike price will be set equal to the lower of (i) the DRP strike price calculated under the usual DRP methodology as contemplated under the terms of the DRP, with no discount applied; and (ii) the New Zealand dollar issue price payable under the Rights Offer forming part of the Offer.

The DRP strike price will be announced on 4 March 2026, and allotment of new shares is expected to occur on 25 March 2026.

## **Outlook**

Genesis’ FY26 normalised EBITDAF guidance remains unchanged at NZ\$490 million – NZ\$520 million.

Genesis' FY28 normalised EBITDAF target has increased from mid to upper NZ\$500 million to upper NZ\$500 million, reflecting Genesis confidence in growth towards the higher end of the previously indicated range.

Genesis has today published its FY32 normalised EBITDAF outlook of NZ\$650 million – NZ\$750 million.

These outlook expectations are based on a number of important assumptions, including relating to hydrological conditions, gas availability, plant reliability, stable market conditions and the absence of material adverse events.

## Commentary from Malcolm Johns, Chief Executive

*“Our record EBITDAF for the period reflects the structural strength of our portfolio with its large, established customer book, growing renewable generation and market leading flexibility.*

*Genesis is able to defend earnings during dry, low wind periods and optimise them during wet, high wind periods, while also supporting wider sector security demands.*

*We remain focused on continuing to build a commercial culture around delivery for our customers and shareholders through a focus on continuous improvement in margin quality, cost discipline and strong capital management.*

*We remain New Zealand's largest distributed energy retailer. Our renewable pipeline continues to progress and we are further unlocking value from our market leading flexibility.*

*The growth equity raise we have announced today will help us accelerate our development pipeline, benefiting our customers, shareholders and New Zealand's energy security.”*

## Additional information

Additional information regarding the Offer is contained in the investor presentation accompanying this announcement and available at [www.shareoffer.co.nz/genesis](http://www.shareoffer.co.nz/genesis). The investor presentation contains important information including key risks and foreign selling restrictions with respect to the Offer.

Additional information regarding the Rights Offer is contained in the Offer Document accompanying this announcement and available at [www.shareoffer.co.nz/genesis](http://www.shareoffer.co.nz/genesis).

## Key dates

Placement	
Trading halt and Placement bookbuild	Monday, 23 February 2026
Announcement of results of Placement and trading halt lifted	Tuesday, 24 February 2026
Settlement on the ASX	Thursday, 26 February 2026
Settlement on the NZX	Friday, 27 February 2026
Allotment and trading of new shares on ASX and NZX	Friday, 27 February 2026

<b>Rights Offer</b>	
Record date	7.00pm NZDT, Monday, 2 March 2026
Rights Offer opens	Wednesday, 4 March 2026
Rights Offer closes	Tuesday, 17 March 2026
Shortfall Bookbuild for Rights Offer	Friday, 20 March 2026
Settlement on the ASX	Tuesday, 24 March 2026
Settlement on the NZX	Wednesday, 25 March 2026
New Rights Offer shares allotted and commence trading on NZX and ASX	Wednesday, 25 March 2026
Payment of any premium achieved in the Bookbuild	Tuesday, 31 March 2026

1. Reported EBITDAF: Earnings before net finance expense, income tax, depreciation, depletion, amortisation, impairment, unrealised fair value changes, and other gains. Refer to note A1 in the Condensed Consolidated Interim Financial Statements on page 14 for reconciliation from EBITDAF to net profit before tax.

2. Normalised EBITDAF adjusted for non-routine restructuring costs (\$0.5 million), acquisition costs (\$0.8 million) and provision for Crown royalties settlement for Kupe Venture Limited- PML 38146 (\$2.0 million).

3. Ex-dividend adjustment based on Genesis' FY26 interim dividend of 7.3 cents per share declared today.

4. TERP is the Theoretical Ex-Rights Price at which Genesis ordinary shares would trade immediately after the ex-rights date for the Rights Offer. TERP is calculated with reference to Genesis' NZX closing share price of NZ\$2.34 on 20 February 2026 (ex-dividend adjusted<sup>3</sup>) and includes all new shares issued under the equity raise. TERP is a theoretical calculation only and the actual price at which Genesis ordinary shares will trade immediately after the ex-rights date for the Rights Offer will depend on many factors and may not be equal to TERP.

5. Crown has committed to subscribe for such number of new shares to result in a 51.00% shareholding following completion of the Offer (noting the Crown's current shareholding in Genesis is 51.23%)

## 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 and is one of New Zealand's largest energy retailers 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 NZ\$3.7 billion during the 12 months ended 30 June 2025. More information can be found at [www.genesisenergy.co.nz](http://www.genesisenergy.co.nz)

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This announcement contains certain forward-looking statements such as indications of, and guidance on, future earnings and financial position and performance. Forward-looking statements can generally be identified by use of words such as "approximate", "project", "foresee", "plan", "target", "seek", "expect", "aim", "intend", "anticipate", "believe", "estimate", "may", "should", "will", "objective", "assume", "guidance", "outlook" or similar expressions. This also includes statements regarding the timetable, conduct and outcome of the Offer and the use of proceeds thereof, statements about the plans, targets, objectives and strategies of Genesis, statements about the future performance of, and outlook for, Genesis' business. It also includes Genesis' comments on its outlook for future periods, including the 12-month periods ending 30 June 2026, 30 June 2028, and 30 June 2032. Any indications of, or guidance or outlook on, future earnings or financial position or performance and future distributions are also forward-looking statements. All such forward-looking statements involve known and unknown risks, significant uncertainties, judgements, assumptions, contingencies, and other factors, many of which are outside the control of Genesis, which may cause the actual results or performance of Genesis to be materially different from any future results or performance expressed or implied by such forward-looking statements.

Such forward-looking statements speak only as of the date of this announcement. Except as required by law or regulation (including the NZX Listing Rules and the ASX Listing Rules), Genesis undertakes no obligation to provide any additional information or update these forward-looking statements for events or circumstances that occur subsequent to the date of this announcement or to update or keep current any of the information contained herein.

Any estimates, projections or outlook statements as to events that may occur in the future are based upon the best judgement of Genesis from the information available as of the date of this announcement. A number of factors could cause actual results or performance to vary materially from the estimates, projections or outlook statements. Investors should consider the forward-looking statements in this announcement in light of those risks and disclosures.

**ENDS**

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