



Apr 12, 2024

## News Release

Company	Electric Power Development Co., Ltd.
President & CEO	Hitoshi Kanno
Securities code	TSE Prime: 9513
Inquiries	Takashi Murakami, Chief Manager Public Relations Dept., Public Relations Office Tel: (81) 3-3546-9378

# **J-POWER Concludes Agreement to Acquire All Shares of Genex Power Limited and Make It a Subsidiary**

Electric Power Development Co., Ltd. (headquartered in Chuo-ku, Tokyo; president: Hitoshi Kanno; “J-POWER”) announced that today our group has decided to begin procedures to acquire 100% of the issued shares (“the share acquisition”) of Genex Power Limited (headquartered in Sydney, Australia; CEO: Craig Francis; “Genex”) and convert Genex into a subsidiary. Genex develops, constructs, and operates renewable energy and energy storage facilities in Australia.

For the share acquisition, J-POWER plans to purchase the shares held by all shareholders of Genex with cash through a wholly owned subsidiary designated by J-POWER (investment ratio: 100%) using a scheme of arrangement (SOA) procedure under Australia’s Corporations Act, one of the methods for acquiring 100% of the shares of a company listed in Australia. Today, J-POWER entered into a transaction implementation deed with Genex, which sets out the terms of the agreement for the share acquisition.

The implementation of the SOA requires the approval of Genex’s shareholders at a general meeting for the acceptance of the share acquisition and the approval of an Australian court, among other requirements.

## 1. Reasons for the Share Acquisition

In line with J-POWER’s corporate philosophy, which states, “We will meet people’s needs for energy without fail, and play our part in the sustainable development of Japan and the rest of the world,” J-POWER has strived for over 70 years to efficiently supply stable sources of electricity and has expanded business operations globally. Today, balancing a stable energy supply with a response to climate change is the most critical issue for the sustainability of human civilization. Given this situation, J-POWER formulated J-POWER BLUE MISSION 2050 in February 2021 and is accelerating initiatives to achieve a carbon-neutral and hydrogen-based world by 2050.

In Australia, the federal government submitted a target to the United Nations in June 2022

to reduce greenhouse gas emissions by 43% from 2005 levels by 2030 and to achieve net zero emissions for the entire country by 2050. Australia is expected to introduce approximately 40 GW of renewable energy and approximately 30 GW of energy storage facilities by 2035. Genex is developing a “clean energy hub” consisting of solar, pumped hydro, and wind power generation at the Kidston site in Queensland. J-POWER has built a deep relationship of trust with Genex since 2020 through the joint development of renewable energy projects. By accelerating the development of renewable energy and energy storage facilities together with Genex through the share acquisition, J-POWER is confident of significantly contributing to achieving the Australian government’s greenhouse gas emission reduction targets and goals of J-POWER’s BLUE MISSION 2050.

## 2. Scheme and Schedule for the Share Acquisition

The share acquisition will be implemented through an SOA under Australia’s Corporations Act. By satisfying several conditions, such as the approval of the share acquisition proposal at Genex’s shareholders’ meeting (approval by 75% or more, based on a voting rights, and by a majority of the voting shareholders present), approval by an Australian court, and approval by Australia’s Foreign Investment Review Board, J-POWER will be able to acquire 100% of the shares. This includes the shares held by shareholders who are opposed or did not participate in the resolution. The details of the SOA, specifically the consideration per share, preconditions, procedures, representations and warranties, as well as the schedule, are stipulated in the transaction implementation deed.

The currently anticipated schedule is shown below. If everything goes as planned, the share acquisition will be implemented as early as July 2024.

Procedure	Schedule
Transaction implementation deed signing date	April 12, 2024
Scheme booklet preparation	April-May 2024 (tentative)
First court date	June 2024 (tentative)
Scheme meeting	July 2024 (tentative)
Second court date	July 2024 (tentative)
Effective date	July 2024 (tentative)
Record date	July 2024 (tentative)
Implementation date	July 2024 (tentative)

Note: The above schedule could be changed following consultations among the parties following discussions with Australia’s Foreign Investment Review Board and scheduling with the Australian court. Concurrently with the SOA, the Group will make a friendly tender offer to acquire Genex’s outstanding shares, which tender offer will be conditional on Genex shareholder’ approval or approval by the Australian court of the SOA not being obtained. If the SOA is not successful and the share acquisition proceeds by way of the tender offer, the implementation of the share acquisition may be delayed beyond the above schedule.

### 3. Overview of the Subsidiary to Be Changed (as of June 30, 2023)

(1) Name	Genex Power Limited		
(2) Address	L12, 35 Clarence St., Sydney 2000, Australia		
(3) Representative	Craig Francis, CEO		
(4) Business description	Development, construction, and operation of renewable energy and energy storage facilities		
(5) Capital	A\$241 million		
(6) Established	June 2014		
(7) Major shareholders and shareholding percentages	Skip EIF Enterprises Pty Ltd 19.99% JPGA Partners Pty. Ltd. 7.72%		
(8) Relationship between J-POWER and Genex	Capital relations	J-POWER holds 7.72% of Genex's issued shares through JPGA Partners Pty. Ltd.	
	Human relations	J-POWER has dispatched one director to Genex	
	Business relations	<ul style="list-style-type: none"> <li>• Joint development agreements have been concluded for two sites, K3W Wind and the Bulli Creek Project, which are being developed by Genex</li> <li>• A technical agreement has been concluded for the construction of Genex's K2-Hydro Pumped Storage Hydro Power Station</li> <li>• Long-term loan of A\$35 million to Genex</li> </ul>	
(9) Genex's consolidated financial position and consolidated operating results for the last three years (International Financial Reporting Standards)			
Fiscal year ended June 30	2021	2022	2023
Net assets	A\$134 million	A\$200 million	A\$198 million
Total assets	A\$360 million	A\$617 million	A\$849 million
Net assets per share	A\$0.22	A\$0.17	A\$0.14
Revenue	A\$22 million	A\$27 million	A\$25 million
Operating profit	(A\$13 million)	A\$4 million	A\$2 million
Net profit attributable to owners of parent	(A\$19 million)	(A\$4 million)	(A\$1 million)
Net profit per share	-A\$0.03	-A\$0.00	-A\$0.00
Dividend per share	A\$ —	A\$ —	A\$ —

Note: Genex is not a related party of J-POWER.

Note: The major shareholders and shareholding percentages in (7) above are based on the information available as of March 31, 2024.

Note: JPGA Partners Pty. Ltd., mentioned in (7) above, is a consolidated subsidiary indirectly wholly owned by J-POWER.

Note: The figures in (9) above are based on the annual report published by Genex.

#### 4. Number of Shares to Be Acquired, Acquisition Price, and Status of Shares Owned Before and after Acquisition

(1) Number of shares owned before the change	106,990,005 shares (number of voting rights: same as above) (percentage of voting rights ownership: 7.72%)
(2) Number of shares to be acquired	1,278,187,135 shares (number of voting rights: same as above)
(3) Acquisition price	Genex common stock: 34,672 million yen (A\$351 million) (consideration per share: A\$0.275)
(4) Number of shares owned after the change	1,385,177,140 shares (number of voting rights: same as above) (percentage of voting rights ownership: 100%)
(5) Counterparty to the acquisition	Shares will be acquired from all shareholders of Genex except JPGA Partners Pty. Ltd. through an SOA under Australia's Corporations Act.

Note: Calculated at A\$1 = 98.64 yen.

Note: Existing stock options issued by Genex are to be cancelled without being exercised, as the consideration per share offered by J-POWER in the SOA is lower than the exercise price of the stock options.

Note: Shares and voting rights held before the change are held through JPGA Partners Pty. Ltd.

Note: Shares and voting rights held after the change are held through a wholly owned subsidiary designated by J-POWER (investment ratio: 100%).

#### 5. Schedule

(1) Decision date for contract conclusion	April 12, 2024
(2) Contract signing date	April 12, 2024
(3) Share transfer execution date	July, 2024 (tentative)

Note: Based on the resolution of the Board of Directors meeting held on January 31, 2024,

J-POWER's Representative Director decided to conclude the transaction implementation deed on April 12, 2024.

#### 6. Future Outlook

The results of the share acquisition will be disclosed as soon as they become clear. The impact of converting Genex into a wholly owned subsidiary through the share acquisition on J-POWER's business performance and financial position will also be disclosed as soon as this becomes clear.

Reference: Current Consolidated Earnings Forecast (Announced on October 31, 2023) and Previous Consolidated Results

	Net sales	Operating profit	Ordinary profit	Net profit attributable to owners of parent
Consolidated earnings forecast for FYE March 2024	Million yen 1,307,000	Million yen 87,000	Million yen 97,000	Million yen 67,000
Consolidated results for FYE March 2023	1,841,922	183,867	170,792	113,689