



Genex Power Limited (ACN 152 098 854)

Transaction Booklet

In relation to the proposal by J-POWER Nominee, a wholly-owned Subsidiary of J-POWER, to acquire all of the Genex Shares that J-POWER does not (directly or indirectly) own by way of the Scheme and the simultaneous Takeover Offer.

The independent committee of the Genex Board, the Genex IBC, unanimously recommends that you:

- **vote in favour of the Scheme; and**
- **accept the Takeover Offer,**

subject to the qualifications set out in this Transaction Booklet.

This is an important document and requires your prompt attention. You should read this document carefully and in its entirety before deciding whether or not to vote in favour of the Scheme Resolution and accept the Takeover Offer. If you are in doubt as to what you should do, you should consult your licenced financial adviser or other suitable professional adviser.

If, after reading this Transaction Booklet, you have any questions about the Transaction or how to vote on the Scheme Resolution or accept the Takeover Offer, please call the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time) or visit Genex's dedicated Transaction website at www.genexscheme.com.

This Transaction Booklet is prepared for persons shown on the Genex Share Register as holding Genex Shares. If you have recently sold all of your Genex Shares, please disregard this Transaction Booklet.

Financial Adviser
to Genex

**Goldman
Sachs**

Legal Adviser
to Genex

G | GILBERT
+ TOBIN

Financial Adviser
to J-POWER


MACQUARIE

Legal Adviser
to J-POWER

MinterEllison.

Important Notices

Defined terms

Capitalised terms used in this Transaction Booklet are defined in Section 14 (**Glossary**). The documents reproduced in the Attachments to this Transaction Booklet may have their own defined terms, which are sometimes different from those in the Glossary.

Nature of this Transaction Booklet

This Transaction Booklet is:

- the explanatory statement in respect of the Scheme, as required by section 412(1) of the Corporations Act (**Scheme Booklet**);
- the bidder's statement (issued by J-POWER Nominee) in respect of the Takeover Offer, as specified under Part 6.5 Division 2 of the Corporations Act (**Bidder's Statement**); and
- the target's statement (issued by Genex) in respect of the Takeover Offer, as required under Part 6.5 Division 3 of the Corporations Act (**Target's Statement**).

This Transaction Booklet explains the:

- terms of the proposed acquisition of all Scheme Shares by J-POWER Nominee (as the nominated Subsidiary of J-POWER) by way of a scheme of arrangement between Genex and the Scheme Shareholders under Part 5.1 of the Corporations Act; and
- terms of the simultaneous Takeover Offer made by J-POWER Nominee (as the nominated Subsidiary of J-POWER) to acquire all of the Genex Shares (other than the J-POWER Genex Shares), and Genex's response to the Takeover Offer.

You should read this Transaction Booklet carefully and in its entirety before making a decision as to how to vote on the Scheme Resolution and whether to accept the Takeover Offer. If you are in doubt as to what you should do, you should consult your licenced financial adviser or other professional adviser.

Responsibility for information

Genex has prepared, and is responsible for, the Genex Information. To the maximum extent permitted by law, neither J-POWER nor J-POWER Nominee, nor any of their respective Representatives, assumes any responsibility for the accuracy or completeness of the Genex Information.

J-POWER and J-POWER Nominee have prepared, and are responsible for, the J-POWER Information. To the maximum extent permitted by law, neither Genex, nor any of its Representatives, assumes any responsibility for the accuracy or completeness of the J-POWER Information.

Deloitte has provided, and is responsible for the information contained in, Section 10 (**Tax implications**) and the "*What are the taxation implications of the Transaction for Genex Shareholders?*" subsection of Section 4 (**Frequently asked questions**) of this Transaction Booklet (together, the **Tax Sections**). To the maximum extent permitted by law, none of Genex, J-POWER or J-POWER Nominee, nor any of their respective Representatives, assume any responsibility for the accuracy or completeness of the information contained in the Tax Sections. Deloitte does not assume any responsibility for the accuracy or completeness of the information contained in this Transaction Booklet, other than that contained in the Tax Sections.

The Independent Expert, Grant Thornton, has prepared, and is responsible for the information contained in, the Independent Expert's Report set out in Attachment A. To the maximum extent permitted by law, none of Genex, J-POWER or J-POWER Nominee, nor any of their respective Representatives, assume any responsibility for the accuracy or completeness of the information contained in the Independent Expert's Report, except in relation to information given by Genex, J-POWER or J-POWER Nominee, or the applicable Representative (as the case may be) to the Independent Expert. The Independent Expert does not assume any responsibility for the accuracy or completeness of the information contained in this Transaction Booklet, other than that contained in the Independent Expert's Report.

Boardroom has had no involvement in the preparation of any part of this Transaction Booklet, other than being named as the Genex Share Registry and the J-POWER Share Registry. Boardroom has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this Transaction Booklet.

Not investment advice

The information and recommendations (including the recommendations of the Genex IBC in respect of the Scheme and/or the Takeover Offer) in this Transaction Booklet do not constitute financial product advice. This Transaction Booklet has been prepared without reference to the investment objectives, financial situation or particular needs of any Genex Shareholder or any other person. This Transaction Booklet should not be relied on as the sole basis for any investment decision. Independent legal, financial, taxation and other suitable professional advice should be sought before making any investment decision in relation to your Genex Shares.

You should consider, with or without the assistance of your professional advisers, whether the information in this Transaction Booklet is appropriate for you, having regard to your particular investment needs, objectives and financial circumstances, and consult your legal, financial, tax or other professional adviser before making any investment decision. The Genex IBC Members encourage you to seek independent financial and tax advice before making any investment decision and any decision as to whether or not to vote in favour of the Scheme or accept the Takeover Offer. This Transaction Booklet should be read in its entirety before making a decision on whether or not to vote in favour of the Scheme Resolution to be considered at the Scheme Meeting and/or accept the Takeover Offer. In particular, it is important that you consider the potential risks if the Transaction does not proceed, as set out in Section 9 (**Risks**), and the views of the Independent Expert set out in the Independent Expert's Report contained in Attachment A. If you are in doubt as to the course of action you should take in relation to the Transaction, you should consult your legal, financial, tax or other professional adviser.

ASIC and ASX involvement

A copy of this Transaction Booklet (including the Independent Expert's Report) has been lodged with ASIC and registered for the purposes of section 412(6) of the Corporations Act by ASIC. ASIC has been given the opportunity to review and comment on this Transaction Booklet in accordance with section 411(2) of the Corporations Act. ASIC has been requested to provide a statement in accordance with section 411(17)(b) of the Corporations Act that ASIC has no objection to the Scheme.

If ASIC provides that statement, then it will be produced to the Court at the Second Court Hearing.

A copy of this Transaction Booklet has been lodged with ASIC for purposes of section 633(1), Item 2 of the Corporations Act. A copy of this Transaction Booklet (including the Independent Expert's Report) has been lodged with ASIC for purposes of section 633(1), Item 13 of the Corporations Act.

Neither ASIC nor any of its officers takes any responsibility for the contents of this Transaction Booklet.

A copy of this Transaction Booklet will be lodged with the ASX. Neither the ASX nor any of its officers takes any responsibility for the contents of this Transaction Booklet.

Important notice associated with the Court order under subsection 411(1) of the Corporations Act

The fact that, under subsection 411(1) of the Corporations Act, the Court has ordered that the Scheme Meeting be convened and has approved the explanatory statement required to accompany the Notice of the Scheme Meeting (being this Transaction Booklet) does not mean that the Court:

- (a) has formed any view as to the merits of the proposed Scheme or as to how Genex Shareholders should vote (on this matter, Genex Shareholders must reach their own decision); or
- (b) has prepared, or is responsible for the contents of, this Transaction Booklet.

The order of the Court that the Scheme Meeting be convened under section 411(1) of the Corporations Act is not, and should not be treated as, an endorsement by the Court of, or any other expression by the Court on, the Scheme (or the Takeover Offer).

Notice of Scheme Meeting

The Notice of Scheme Meeting is set out in Attachment B.

Notice regarding Second Court Hearing and Genex Shareholders' right to appear

At the Second Court Hearing, the Court will consider whether to approve the Scheme.

The Second Court Hearing is expected to be held at 9:15am (Sydney time) on Friday, 19 July 2024 at the Supreme Court of New South Wales at Law Courts Building, 184 Phillip Street, Sydney NSW 2000. Any change to the date or time of the Second Court Hearing will be announced by Genex on the ASX market announcements platform.

Each Genex Shareholder (and, with the Court's permission, any other interested person) has the right to appear and be heard at the Second Court Hearing and may oppose the approval of the Scheme at the Second Court Hearing. If you wish to oppose the approval of the Scheme at the Second Court Hearing in this manner, you must file with the Court and serve on Genex a notice of appearance in the prescribed form, together with any affidavit that you propose to rely on.

Disclosure regarding forward-looking statements

This Transaction Booklet contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements.

The forward-looking statements in this Transaction Booklet are not based on historical facts, but rather reflect the current views of Genex or, in relation to the J-POWER Information, J-POWER and J-POWER Nominee, held only as at the date

of this Transaction Booklet concerning future information and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intending", "foreseeing", "likely", "should", "planned", "may", "estimated", "potential", or other similar words and phrases. Similarly, statements that describe Genex's, J-POWER's, J-POWER Nominee's or the J-POWER Group's objectives, plans, goals or expectations are or should be considered to be forward-looking statements.

The statements in this Transaction Booklet about the impact that the Transaction may have on the results of Genex's operations, and the advantages and disadvantages anticipated to result from the Scheme or the Takeover Offer, are also forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause either Genex's (or J-POWER's or J-POWER Nominee's) actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements. Statements as to objectives, plans, goals or expectations can change as circumstances change. Deviations as to future results, performance and achievements and changes to objectives are both normal and to be expected. Genex Shareholders should note that the historical financial performance of Genex is no assurance of future financial performance of Genex (whether the Transaction is implemented or proceeds). Genex Shareholders should carefully review all of the information included in this Transaction Booklet. The forward-looking statements included in this Transaction Booklet are made only as of the date of this Transaction Booklet. No Genex Group Member or J-POWER Group Member, nor any of their respective Representatives, give any representation, warranty, assurance or guarantee (either express or implied) to Genex Shareholders that any forward-looking statements will actually occur or be achieved (or otherwise as to the accuracy or likelihood of fulfilment of any forward-looking statement). Genex Shareholders are cautioned not to place undue reliance on such forward-looking statements.

Subject to any continuing obligations under law or the ASX Listing Rules, none of Genex, J-POWER or J-POWER Nominee give any undertaking to update or revise any forward-looking statements after the date of this Transaction Booklet to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any such statement is based.

Privacy and personal information

Genex, J-POWER and J-POWER Nominee, and their respective Representatives (including the Genex Share Registry and the J-POWER Share Registry), may collect personal information to implement, or in the process of implementing, either Transaction. The personal information may include the names, contact details and details of security holdings of Genex Shareholders, and contact details of individuals appointed by Genex Shareholders as proxies, corporate representatives or attorneys at the Scheme Meeting. The collection of some of this information is required or authorised by the Corporations Act.

The primary purpose of collecting this personal information is to assist Genex and J-POWER Nominee to issue this Transaction Booklet, as well as to conduct the Scheme Meeting and the Takeover Offer and to implement the Transaction (in each case, as applicable). The personal information of the type described above may be disclosed to the Genex Share Registry and the J-POWER Share Registry, print and mail service providers, third parties otherwise involved in the

Important Notices continued

conduct of the Scheme Meeting or the Takeover Offer, Genex Group Members, J-POWER Group Members, Government Agencies, authorised securities brokers, professional advisers, and any other service provider or adviser engaged by a Genex Group Member, the Genex Share Registry or a J-POWER Group Member in connection with the Transaction, and also where disclosure is otherwise required or permitted by law. Some of these recipients may be located in overseas countries.

In addition, Boardroom advises that personal information it holds about you (including your name, address, date of birth and details of the financial assets) is collected by Boardroom group organisations to administer your investment in Genex. Personal information is held on the public register in accordance with Chapter 2C of the Corporations Act. Some or all of your personal information may be disclosed to contracted third parties, or related Boardroom group companies in Australia and overseas. Your information may also be disclosed to Australian Government Agencies, law enforcement agencies and regulators, or as required under other Australian law or court or tribunal order.

If the information outlined above is not collected, Genex or J-POWER Nominee may be hindered in, or prevented from, conducting the Scheme Meeting and the Takeover Offer, or implementing either Transaction, in each case effectively or at all.

Genex Shareholders who are individuals and the other individuals in respect of whom personal information is collected as outlined above have certain rights to access the personal information collected in relation to them. Such individuals who wish to exercise these rights should contact the Genex Share Registry Privacy Officer by email at compliance@boardroomlimited.com.au or by mail to the address below in the first instance:

Privacy Officer
Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001.

In respect of the Scheme Meeting, Genex Shareholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Scheme Meeting should inform that individual of the matters outlined above and confirm they consent to Genex or the Genex Share Registry discussing matters related to the Transaction with such appointed representatives.

Notice to persons outside Australia

The release, publication or distribution of this Transaction Booklet in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions. Persons outside of Australia who come into possession of this Transaction Booklet should seek advice on, and observe, any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Transaction Booklet, the Scheme and the Takeover Offer are subject to Australian disclosure requirements, which may be different from the requirements applicable in other jurisdictions. This Transaction Booklet has been prepared in accordance with the laws of Australia and the information contained in this Transaction Booklet may not be the same as that which would have been disclosed if this Transaction Booklet had been prepared in accordance with the laws and regulations of a jurisdiction outside of Australia. Further, the financial information included in this document is based on financial statements that have been prepared in accordance

with Australian equivalents to International Financial Reporting Standards, which may differ from generally accepted accounting principles in other jurisdictions.

Not an offer

This Transaction Booklet, the Scheme and the Takeover Offer do not in any way constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to make such an offer.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Transaction Booklet are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Transaction Booklet.

Charts and diagrams

Any charts, diagrams, graphs and tables appearing in this Transaction Booklet are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, diagrams, graphs and tables is based on information available as at the Last Practicable Trading Date.

Times and dates

Unless otherwise stated, all times referred to in this Transaction Booklet are times in Sydney, Australia. All dates in relation to the implementation of the Scheme following the date of the Scheme Meeting are indicative only and are subject to the Court approval process and the satisfaction or, where applicable, the waiver of the Scheme Conditions (summarised in Section 5.3). All dates in relation to the Takeover Offer are subject to the requirements of the Corporations Act in connection with the Takeover Offer and the satisfaction or, where applicable, the waiver of the Takeover Conditions (summarised in Section 6.8).

Currency

The financial amounts in this Transaction Booklet are expressed in Australian currency unless otherwise stated.

Supplementary information

Genex has established the Genex Shareholder Information Line and a dedicated Transaction website, which you should call or visit if you have any questions or require further information about this Transaction Booklet or the Transaction. The telephone number is 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time) and the Transaction website is at www.genexscheme.com. Genex Shareholders should consult their legal, financial or other professional adviser before making any decision regarding the Transaction.

In certain circumstances, Genex may provide additional disclosure to Genex Shareholders in relation to the Transaction after the date of this Transaction Booklet. To the extent applicable, Genex Shareholders should have regard to any such supplemental information in determining how to vote in relation to the Scheme and whether to accept the Takeover Offer. Refer to Section 11.18 for information about the steps that Genex will take if any such additional disclosure is required.

Date

This Transaction Booklet is dated 6 June 2024.

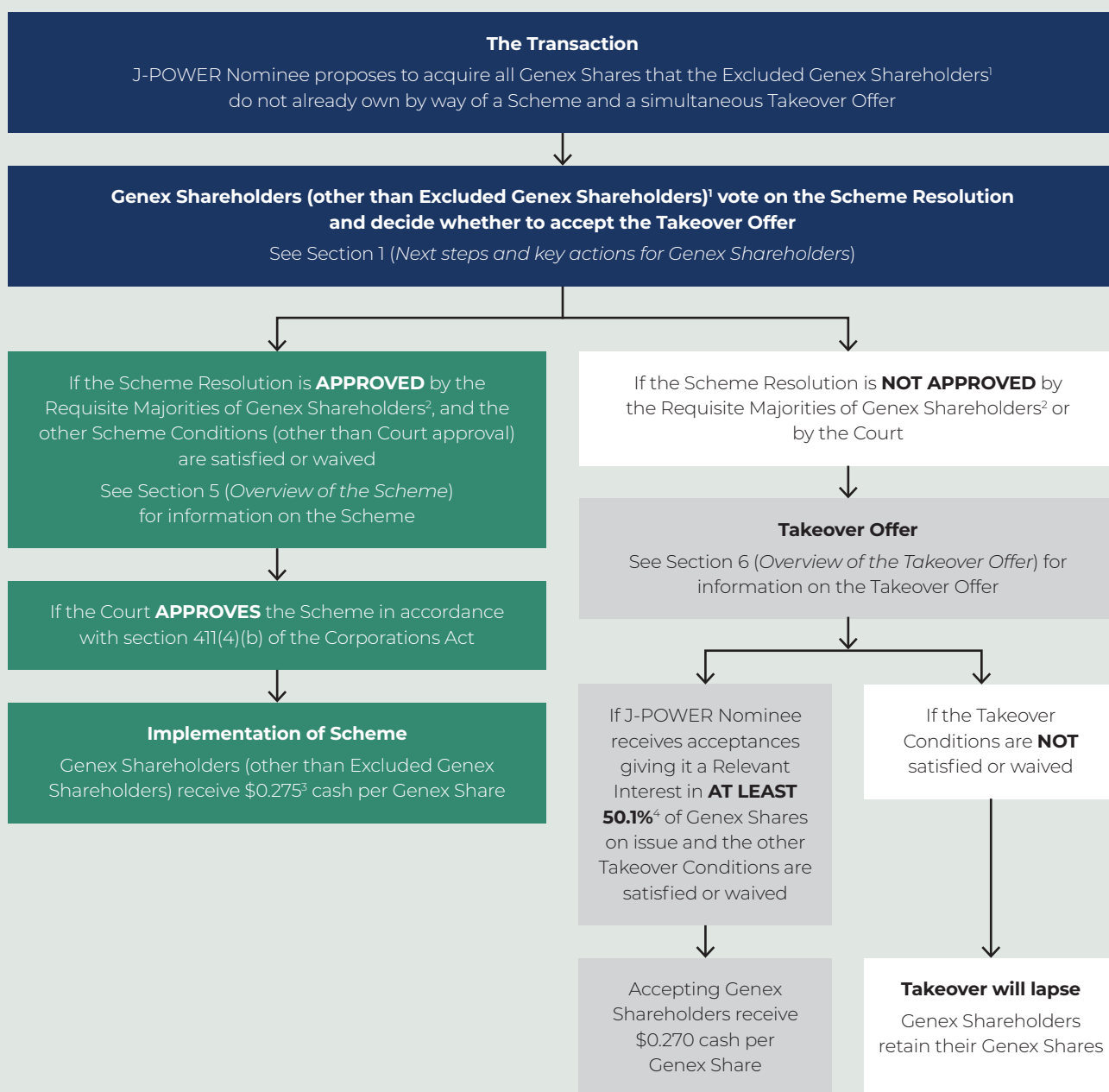
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Overview of the Transaction

This diagram shows the key features of the Transaction (being the proposed Scheme and simultaneous Takeover Offer).

You should carefully read this Transaction Booklet in its entirety before making any decision in relation to the Scheme or the Takeover Offer.



1 Excluded Genex Shareholders are Genex Shareholders who are a J-POWER Group Member or hold Genex Shares on behalf of, or for the benefit of, a J-POWER Group Member. See Section 5.4(c)(i).

2 The Scheme Resolution must be approved by the Requisite Majorities, being (a) more than 50% of Genex Shareholders (other than Excluded Genex Shareholders) present and voting at the Scheme Meeting and (b) 75% of votes cast. See Section 5.4(c).

3 Subject to holding Genex Shares at the Scheme Record Date.

4 J-POWER Nominee may waive the 50.1% Minimum Acceptance Takeover Condition subject to J-POWER Nominee having a Relevant Interest in 40% of Genex Shares on issue (and subject to the other conditions regarding Takeover Acceptance Facilities in Section 6.9(d)(ii)(A)) or, otherwise, with consent of Genex.

Comparison of the key elements of the Scheme and Takeover Offer

Item	Scheme	Takeover Offer
Consideration per Genex Share	\$0.275	\$0.270
Key conditions	<ul style="list-style-type: none"> • Scheme is approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting • FIRB approval • No Genex Prescribed Occurrence • No Genex Material Adverse Change • Identified Contracts Scheme Condition • Court approval 	<ul style="list-style-type: none"> • Scheme is not approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting or by the Court • 50.1% minimum acceptance¹ • FIRB approval • No Genex Prescribed Occurrence • No Genex Material Adverse Change • Identified Contracts Takeover Condition
Timing	Scheme Meeting on Tuesday, 16 July 2024	Takeover Offer opens on Friday, 7 June 2024 and closes on Wednesday, 14 August 2024 (unless extended or withdrawn in accordance with the Transaction Implementation Deed and the Corporations Act)
When relevant	If the Scheme is approved by the Requisite Majorities at the Scheme Meeting and by the Court	If the Scheme is not approved by the Requisite Majorities at the Scheme Meeting or the Court
Genex IBC unanimous recommendation to Genex Shareholders²	VOTE IN FAVOUR of the Scheme at the Scheme Meeting	ACCEPT the Takeover Offer

Genex Shareholders may vote in favour of the Scheme Resolution and accept the Takeover Offer at the same time, as the terms of the Transaction determine whether the Scheme will be implemented or whether the Takeover Offer will proceed.

You should be aware that accepting the Takeover Offer now will restrict your ability to sell or transfer your Genex Shares to another person (including selling your Genex Shares on the ASX or accepting any takeover bid from a competing bidder that may be made after the date of this Transaction Booklet)³ unless you are entitled to withdraw your acceptance.⁴ However, even where you accept the Takeover Offer, please make sure you also vote on the Scheme Resolution. Every vote in favour of the Scheme will increase the likelihood of all Genex Shareholders (other than Excluded Genex Shareholders) receiving the additional \$0.005 of value per Genex Share available under the Scheme compared to under the Takeover Offer.

¹ J-POWER Nominee has the discretion to waive the 50.1% Minimum Acceptance Takeover Condition subject to J-POWER Nominee having a Relevant Interest in at least 40% of the Genex Shares on issue and provided that the waiver of the 50.1% Minimum Acceptance Takeover Condition (together with the waiver of any other applicable Takeover Conditions at the same time as such waiver) causes acceptances under any Takeover Acceptance Facility (including the Institutional Acceptance Facility) to be unable to be withdrawn or, otherwise, with the prior written consent of Genex. For the purpose of determining whether J-POWER Nominee has a Relevant Interest in at least 40% of the Genex Shares on issue such that it may waive the 50.1% Minimum Acceptance Takeover Condition, J-POWER Nominee's Relevant Interest is to be determined as if section 609A of the Corporations Act (which, in summary, provides that J-POWER Nominee will not have acquired a Relevant Interest in any Genex Shares 'accepted into' a Takeover Acceptance Facility) was omitted from the Corporations Act and disregarded in relation to a Takeover Acceptance Facility (including the Institutional Acceptance Facility). See Section 6.9(d)(ii) for more information.

² In the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that, in the case of the Scheme, the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) and, in the case of the Takeover Offer, that the Takeover Offer is fair and reasonable.

³ As at the date of this Transaction Booklet, no Competing Proposal has been received by the Genex IBC (or has otherwise emerged) and the Genex IBC Members are not aware of any Competing Proposal that is likely to emerge.

⁴ The circumstances in which you may revoke your acceptance of the Takeover Offer are set out in Sections 6.6(a) and 6.6(b) of this Transaction Booklet.

Letter from the Chairman of the Genex IBC

Dear Genex Shareholder,

On 12 April 2024, Genex announced that it had entered into the Transaction Implementation Deed, under which J-POWER has agreed to acquire (through J-POWER Nominee) all of the Genex Shares that J-POWER¹ does not already own. This announcement followed Genex's receipt of the Initial Indicative Proposal and the subsequent Indicative Proposal from J-POWER, both of which were announced to the ASX by Genex on 4 March 2024. See Section 3.1 for more information on the Initial Indicative Proposal, the subsequent Indicative Proposal, and the Genex IBC's engagement with J-POWER that resulted in the execution of the Transaction Implementation Deed.

The structure of the Transaction involves a simultaneous Scheme and Takeover Offer, under which Genex Shareholders² will be entitled to receive:

- cash consideration of \$0.275 for each Genex Share held on the Scheme Record Date (**Scheme Consideration**) if the Scheme is approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting and by the Court, and becomes Effective; or
- cash consideration of \$0.270 for each Genex Share accepted into the Takeover Offer (**Takeover Consideration**) if the Scheme is not approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) or the Court and the Takeover Offer is declared or otherwise becomes unconditional.

The two alternative and concurrent transactions proposed by J-POWER (being the simultaneous Scheme and Takeover Offer) each involve different approval or acceptance (as applicable) requirements and thresholds, conditions and commercial terms, as described below (and in detail in this Transaction Booklet). While there are two alternative transaction structures for the purposes of implementing J-POWER's acquisition of Genex, only one of these alternatives (either the Scheme or the Takeover Offer) can proceed to completion. This is explained further below.

The Scheme

If the Scheme is approved and implemented, Genex Shareholders (other than Excluded Genex Shareholders) will be entitled to receive the Scheme Consideration of \$0.275 in cash for each Genex Share that they hold as at the Scheme Record Date.

The Scheme Consideration represents a:

- 49% premium to the closing Genex Share price on the ASX of \$0.185 on Friday, 1 March 2024, being the last trading day before Genex's announcement of its receipt of the Indicative Proposal from J-POWER to the ASX on Monday, 4 March 2024 (the **Last Undisturbed Trading Date**);
- 56% premium to the one-month VWAP of Genex Shares of \$0.176 per Genex Share up to (and including) the Last Undisturbed Trading Date;
- 58% premium to the three-month VWAP of Genex Shares of \$0.174 per Genex Share up to (and including) the Last Undisturbed Trading Date; and
- 65% premium to the six-month VWAP of Genex Shares of \$0.166 per Genex Share up to (and including) the Last Undisturbed Trading Date.

The Scheme Consideration implies an enterprise value for Genex of \$1,035 million,³ an equity value of \$381 million,⁴ and represents an uplift in equity value of approximately 15% to the Initial Indicative Proposal received from J-POWER⁵.

In order for the Scheme to proceed, it must be approved at a meeting of Genex Shareholders (other than Excluded Genex Shareholders), being the Scheme Meeting, and then by the Court. Implementation of the Scheme is also subject to J-POWER obtaining FIRB approval in respect of the Scheme and the satisfaction or, if applicable, waiver of certain other Scheme Conditions (including the No Material Adverse Change Scheme Condition and Identified Contracts Scheme Condition) described in Section 5.3. A summary of the status of each Scheme Condition the satisfaction of which depends upon the performance of an action by a Third Party (other than the Genex Shareholder Approval Scheme Condition and the Court Approval Scheme Condition) as at the date of this Transaction Booklet is set out in Section 11.12.

¹ Together with the Excluded Genex Shareholders. An Excluded Genex Shareholder is a Genex Shareholder who is a J-POWER Group Member or who holds Genex Shares on behalf of, or for the benefit of, a J-POWER Group Member. See Section 5.4(c) for more information.

² Other than, in respect of the Scheme, Excluded Genex Shareholders and, in respect of the Takeover Offer, J-POWER Nominee.

³ Implied enterprise value based on Scheme Consideration of \$0.275 per Genex Share, 1,385,177,140 Genex Shares on issue (being the number of Genex Shares on issue as at the date of this Transaction Booklet), and Genex's net debt of \$654 million as at 31 December 2023.

⁴ Implied equity value based on Scheme Consideration of \$0.275 per Genex Share, multiplied by 1,385,177,140 Genex Shares on issue (being the number of Genex Shares on issue as at the date of this Transaction Booklet).

⁵ Implied equity value under the Initial Indicative Proposal of \$332.4 million based on consideration on implementation of a scheme of arrangement equivalent to the Scheme of \$0.240 per Genex Share, multiplied by 1,385,177,140 Genex Shares on issue (being the number of Genex Shares on issue as at the date of the Initial Indicative Proposal).

For the Scheme to be approved at the Scheme Meeting, the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) must approve the Scheme Resolution. This requires more than 50% of the eligible Genex Shareholders⁶ (by number) present and voting at the Scheme Meeting (either in person (either by being physically present at the Scheme Meeting venue or attending via the Online Scheme Meeting Platform) or by proxy, attorney or, in the case of corporate Genex Shareholders, its duly appointed corporate representative), and at least 75% of the total number of votes cast at the Scheme Meeting, to be in favour of the Scheme Resolution.

The Takeover Offer

The Takeover Offer, being the alternative transaction to the Scheme under the Transaction, is subject to, amongst other things, the Scheme *not* being approved by Genex Shareholders at the Scheme Meeting or *not* being approved by the Court. The Takeover Offer will not proceed if the Scheme is approved by Genex Shareholders and by the Court.

The Takeover Offer is conditional on J-POWER Nominee having a Relevant Interest in at least 50.1% of Genex Shares. Accordingly, the Takeover Offer has a different acceptance threshold than the voting approval threshold required for the Scheme (at the Scheme Meeting) described above. J-POWER Nominee cannot waive the 50.1% Minimum Acceptance Takeover Condition without Genex's prior written consent, other than in the circumstances described in Section 6.9(d)(ii). The Takeover Offer is also conditional on J-POWER Nominee obtaining FIRB approval in respect of the Takeover Offer and the satisfaction or, if applicable, waiver of certain other Takeover Conditions (including the No Material Adverse Change Takeover Condition and Identified Contracts Takeover Condition) set out in Section 6.8. A summary of the status of each Takeover Condition (other than the Scheme Fails Takeover Condition and the 50.1% Minimum Acceptance Takeover Condition) as at the date of this Transaction Booklet is set out in Section 11.12.

Under the Takeover Offer, accepting Genex Shareholders are entitled to receive \$0.270 in cash per Genex Share if the Takeover Conditions are fulfilled or, if applicable, waived.

The Takeover Consideration represents a:

- 46% premium to the closing Genex Share price on the ASX of \$0.185 on the Last Undisturbed Trading Date (being Friday, 1 March 2024);
- 53% premium to the one-month VWAP of Genex Shares of \$0.176 per Genex Share up to (and including) the Last Undisturbed Trading Date;
- 56% premium to the three-month VWAP of Genex Shares of \$0.174 per Genex Share up to (and including) the Last Undisturbed Trading Date; and
- 62% premium to the six-month VWAP of Genex Shares of \$0.166 per Genex Share up to (and including) the Last Undisturbed Trading Date.

The Takeover Consideration implies an enterprise value for Genex of \$1,028 million,⁷ an equity value of \$374 million,⁸ and represents an uplift in equity value of approximately 15% to the Initial Indicative Proposal received from J-POWER⁹.

Genex IBC's unanimous recommendation

The Genex IBC is an independent committee of the Genex Board that was established to (among other related matters) consider and evaluate the Initial Indicative Proposal, the Indicative Proposal and the proposed Transaction. The Genex IBC comprises all Genex Directors, other than J-POWER's representative and nominee to the Genex Board, Mr Kenichi Seshimo. On the basis that Mr Seshimo is J-POWER's representative and nominee to the Genex Board (and, therefore, the Genex IBC does not consider Mr Seshimo to be an independent Genex Director for the purposes of the Transaction), Mr Seshimo:

- has recused himself from (and has not participated in any) Genex Board meetings or other discussions relating to the Transaction (or the Genex Board's consideration of it or the Initial Indicative Proposal or the subsequent Indicative Proposal); and
- abstains from giving a recommendation to Genex Shareholders in respect of the Transaction.

The Genex IBC has carefully considered the Transaction and unanimously believes that it is in the best interests of Genex Shareholders (as a whole).

⁶ Other than Excluded Genex Shareholders.

⁷ Implied enterprise value based on Takeover Consideration of \$0.270 per Genex Share, 1,385,177,140 Genex Shares on issue (being the number of Genex Shares on issue as at the date of this Transaction Booklet), and Genex's net debt of \$654 million as at 31 December 2023.

⁸ Implied equity value based on Takeover Consideration of \$0.270 per Genex Share, multiplied by 1,385,177,140 Genex Shares on issue (being the number of Genex Shares on issue as at the date of this Transaction Booklet).

⁹ Implied equity value under the Initial Indicative Proposal of \$332.4 million based on consideration on implementation of a scheme of arrangement equivalent to the Scheme of \$0.240 per Genex Share, multiplied by 1,385,177,140 Genex Shares on issue (being the number of Genex Shares on issue as at the date of the Initial Indicative Proposal).

Letter from the Chairman of the Genex IBC continued

The Genex IBC unanimously recommends that:

- 1 Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders); and**
- 2 Genex Shareholders accept the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable.¹⁰**

Subject to those same qualifications, each Genex IBC Member intends to:

- 1 vote, or cause to be voted, all of that Genex IBC Member's Genex IBC Member Shares¹¹ in favour of the Scheme at the Scheme Meeting; and
- 2 accept, or procure the acceptance of, the Takeover Offer in respect of all of that Genex IBC Member's Genex IBC Member Shares.¹²

The key reasons for the Genex IBC's recommendations are set out below:

- (a) The Genex IBC unanimously considers the Transaction to be in the best interests of Genex Shareholders (as a whole). In reaching this conclusion, the Genex IBC considered the value and certainty of the Transaction (which involves all cash consideration) relative to the long-term fundamental value of Genex, the risks in relation to the delivery of its projects currently under construction and in its development pipeline, and alternative options to deliver value to Genex Shareholders (as a whole), including continuing to deliver on growth opportunities as a standalone, ASX-listed company. In undertaking

its assessment of the Transaction, the Genex IBC has considered, amongst other factors:

- (i) the scarcity value of Genex's renewable energy generation and energy storage assets;
- (ii) the anticipated completion of the 250MW/2,000MWh Kidston Pumped Storage Hydro Project (with energisation expected to occur in Q1 CY2025);
- (iii) the cashflow profile of Genex's 150MW of existing generation and storage assets in operation, including:
 - (A) the 50MW/100MWh Bouldercombe Battery Project, which commenced full commercial operations in November 2023; and
 - (B) Genex's two operating solar farms at Kidston and Jemalong, with Jemalong's output currently being uncontracted and therefore exposed to the underlying pricing dynamics of wholesale electricity markets and the markets for LGCs;
- (iv) the value embedded in Genex's 2.3GW development pipeline of renewable energy and storage projects, including the up to 258MW Kidston Stage-3 Wind Project and the up to 2GW multi-stage Bulli Creek Battery and Solar Project, with the first stage targeting a large-scale solar farm of up to 775MW, followed by a battery energy storage system (**BESS**) stage of approximately 400MW/1,600Wh;
- (v) the risks inherent in the development, financing, construction and operation of large-scale renewable energy generation and energy storage projects; and
- (vi) the need for further capital for Genex to fully fund its development pipeline, which may not be available on terms favourable to Genex, or may be highly dilutive to Genex Shareholders in the case of additional equity funding.

¹⁰ In considering this recommendation of the Genex IBC, Genex Shareholders should have regard to the interests of the Genex IBC Members in Genex Shares and interests in the Transaction, which are set out in Section 11 (**Additional information**) of this Transaction Booklet.

¹¹ Being, in respect of a Genex IBC Member, any Genex Shares (a) held by or on behalf of, or Controlled by, that Genex IBC Member, or (b) in which that Genex IBC Member otherwise has a Relevant Interest and, in respect of which the Genex IBC Member has the power to exercise, or control the exercise of, the voting rights attached to those Genex Shares.

¹² As at the date of this Transaction Booklet, Dr Ralph Craven has 1,048,188 Genex IBC Member Shares (representing approximately 0.08% of the Genex Shares on issue), Ms Teresa Dyson has 585,856 Genex IBC Member Shares (representing approximately 0.04% of the Genex Shares on issue), Mr Simon Kidston has 8,663,827 Genex IBC Member Shares (representing approximately 0.63% of the Genex Shares on issue) and Mr Ben Guo has 2,420,681 Genex IBC Member Shares (representing approximately 0.17% of the Genex Shares on issue).

Following consideration of these matters, the Genex IBC unanimously concluded that the Transaction is the most attractive option for Genex Shareholders (as a whole), as the Scheme Consideration (or Takeover Consideration) recognises the value of Genex and provides certainty of value for Genex Shareholders (other than Excluded Genex Shareholders) by way of cash consideration and allows them to cease to be exposed to the risks associated with an ongoing investment in Genex and the execution of Genex's long-term strategy.

- (b) The Independent Expert has concluded that, in respect of the Scheme, it is fair and reasonable and hence in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) and, in respect of the Takeover Offer, it is fair and reasonable to Genex Shareholders (other than Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-POWER Nominee), in each case in the absence of a superior alternative proposal emerging.
- (c) The Scheme Consideration of \$0.275 per Genex Share, and the Takeover Consideration of \$0.270 per Genex Share, each represents a significant premium to recent undisturbed trading prices of Genex Shares (as described above).
- (d) The all-cash Scheme Consideration or Takeover Consideration provides Genex Shareholders¹³ with certain and immediate value for their Genex Shares and allows them to cease to be exposed to the risks associated with an ongoing investment in Genex and the execution of Genex's long-term strategy, including:
- (i) the possibility of construction-related delays, cost overruns or disputes in relation to Genex's construction and development projects;
 - (ii) the need to raise further capital to fully fund Genex's development pipeline, which may not be available on terms favourable to Genex, or may be highly dilutive to Genex Shareholders in the case of additional equity funding;
- (iii) regulatory risks, including changes in the design and rules of the existing energy market, which may impact Genex's business performance or the feasibility of its development projects; and
 - (iv) fluctuations in commodity prices (in particular, fluctuations in pricing in wholesale electricity markets and the prices for LGCs), which could adversely affect Genex's revenue and future financial performance.
- Further details of the risks outlined above, as well as other general and specific risks of an investment in Genex, are set out in Sections 9.2 and 9.3 of this Transaction Booklet.
- (e) Every vote in favour of the Scheme will increase the likelihood of all Genex Shareholders (other than Excluded Genex Shareholders) receiving the additional \$0.005 of value per Genex Share available under the Scheme compared to under the Takeover Offer. Similarly, every Genex Shareholder's acceptance of the Takeover Offer increases the likelihood that the 50.1% Minimum Acceptance Takeover Condition will be fulfilled and that, in the absence of a successful Scheme, the Takeover Offer will proceed.¹⁴
- (f) No Superior Proposal has emerged as at the date of this Transaction Booklet.
- (g) The Transaction allows Genex Shareholders¹⁵ to sell their entire holding of Genex Shares.
- (h) If the Scheme does not become Effective and the Takeover Offer does not proceed¹⁶, and no comparable proposal to the Transaction or Superior Proposal emerges, the Genex Share price may fall to a price that is below the Scheme Consideration or Takeover Consideration (including, potentially, to a price that is equal to or below the Genex Share price on the Last Undisturbed Trading Date), at least in the near-term.
- (i) No brokerage or stamp duty will be payable by you on the transfer of your Genex Shares to J-POWER Nominee under the Transaction.

¹³ Other than, in respect of the Scheme, Excluded Genex Shareholders and, in respect of the Takeover Offer, J-POWER Nominee.

¹⁴ J-POWER Nominee reserves the right to waive the 50.1% Minimum Acceptance Takeover Condition subject to J-POWER Nominee having a Relevant Interest in at least 40% of the Genex Shares on issue and provided that the waiver of the 50.1% Minimum Acceptance Takeover Condition (together with the waiver of any other applicable Takeover Conditions at the same time as such waiver) causes acceptances under any Takeover Acceptance Facility (including the Institutional Acceptance Facility) to be unable to be withdrawn or, otherwise, with the prior written consent of Genex. For the purpose of determining whether J-POWER Nominee has a Relevant Interest in at least 40% of the Genex Shares on issue such that it may waive the 50.1% Minimum Acceptance Takeover Condition, J-POWER Nominee's Relevant Interest is to be determined as if section 609A of the Corporations Act (which, in summary, provides that J-POWER Nominee will not have acquired a Relevant Interest in any Genex Shares 'accepted into' a Takeover Acceptance Facility) was omitted from the Corporations Act and disregarded in relation to a Takeover Acceptance Facility (including the Institutional Acceptance Facility). See Section 6.9(d)(ii) for more information.

¹⁵ Other than, in respect of the Scheme, Excluded Genex Shareholders and, in respect of the Takeover Offer, J-POWER Nominee.

Letter from the Chairman of the Genex IBC continued

However, factors which may lead a Genex Shareholder to vote against the Scheme Resolution, or not accept the Takeover Offer, include:

- (a) they may disagree with the Genex IBC's unanimous recommendation and the Independent Expert's conclusion and believe that either the Scheme or the Takeover Offer (or the Transaction as a whole) is not in their best interests or is not fair and/or not reasonable;
- (b) they may prefer to retain their Genex Shares and have the opportunity to participate in the future financial performance of Genex as a standalone, ASX-listed company;
- (c) they may wish to maintain an investment in an ASX-listed company with the specific characteristics of Genex in terms of industry, operations, profile, size and capital structure;
- (d) the tax consequences of the Transaction may not suit their current financial position; and/or
- (e) they may believe that there is potential for a Superior Proposal to be made in the foreseeable future (however, as at the date of this Transaction Booklet, no Superior Proposal has emerged).

Further details on the recommendation given by the Genex IBC, and the reasons for that recommendation (together with possible reasons to not vote in favour of the Scheme or accept the Takeover Offer, and other matters that may be relevant to a Genex Shareholder's vote on the Scheme or acceptance of the Takeover Offer) are contained in Section 3 (**Key considerations for Genex Shareholders in relation to the Transaction**) of this Transaction Booklet.

The interests of the Genex IBC Members in Genex Shares and the Transaction are disclosed in Section 11 (**Additional information**). Genex Shareholders should have regard to these interests when considering the Genex IBC Members' unanimous recommendation in respect of the Transaction, which appears throughout this Transaction Booklet.¹⁷ The Genex IBC Members (other than, in each case, the relevant Genex IBC Member) consider that, despite each Genex IBC Member's interest(s) disclosed in Section 11 (**Additional information**), it is important and appropriate for each Genex IBC Member to make a recommendation to Genex Shareholders in respect of the Transaction, given: (i) the importance of the Transaction and his or her respective role as a Genex Director and Genex IBC Member; (ii) his or her knowledge of Genex and the industry in which it operates; and (iii) that, in their view, Genex Shareholders would likely want to know the recommendation of each Genex IBC Member in respect of the Transaction.

¹⁶ That is, the Takeover Offer is not declared (or does not otherwise become) unconditional and J-POWER Nominee does not acquire any Genex Shares under the Takeover Offer.

¹⁷ As at the date of this Transaction Booklet, Dr Ralph Craven has 1,048,188 Genex IBC Member Shares (representing approximately 0.08% of the Genex Shares on issue), Ms Teresa Dyson has 585,856 Genex IBC Member Shares (representing approximately 0.04% of the Genex Shares on issue), Mr Simon Kidston has 8,663,827 Genex IBC Member Shares (representing approximately 0.63% of the Genex Shares on issue) and Mr Ben Guo has 2,420,681 Genex IBC Member Shares (representing approximately 0.17% of the Genex Shares on issue). In addition:

- (a) each Genex IBC Member is entitled to receive the Genex Option Cancellation Consideration as consideration for the cancellation of their Genex Options in connection with the Scheme or the Takeover Offer (see Section 11.4(a) for more information, including regarding the circumstances in which the Genex Option Cancellation Consideration is payable);
- (b) Dr Ralph Craven is entitled to receive the Genex Chairman Special Exertion Payment of an amount equal to \$200,000 (plus superannuation) (see Section 11.7(c) for more information, including regarding the circumstances in which the Genex Chairman Special Exertion Payment is payable); and
- (c) Special Exertion Fees are payable by Genex to each Non-executive Genex Director who is a Genex IBC Member in recognition of those Non-executive Genex Directors' increased workload and time commitment (in excess of that required for Genex's ordinary business requirements) in connection with the Transaction (see Section 11.7(b) for more information).

Independent Expert's conclusion

The Genex IBC appointed Grant Thornton as the Independent Expert to assess the merits of the Transaction.

The Independent Expert has concluded that:

- **the Scheme is fair and reasonable and hence in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) in the absence of a superior alternative proposal emerging; and**
- **the Takeover Offer is fair and reasonable to Genex Shareholders (other than Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-POWER Nominee) in the absence of a superior alternative proposal emerging.**

The Independent Expert has concluded that the fair market value of Genex on a 100% ownership and control basis is in the range of \$0.223 and \$0.290 per Genex Share. Each of the Scheme Consideration and the Takeover Consideration is within this valuation range.

A complete copy of the Independent Expert's Report is included as Attachment A to this Transaction Booklet, and you are encouraged to read that report in full.

Next steps (including how to vote at the Scheme Meeting and how to accept the Takeover Offer)

Your vote on the Scheme Resolution is important and will determine the future ownership of Genex, as well as the availability of the additional \$0.005 value per Genex Share of consideration under the Scheme compared to the Takeover Offer. The Genex IBC strongly encourages each Genex Shareholder (other than Excluded Genex Shareholders) to vote at the Scheme Meeting because every vote in favour of the Scheme will increase the likelihood of all Genex Shareholders (other than Excluded Genex Shareholders) receiving the additional \$0.005 of value per Genex Share available under the Scheme compared to the Takeover Offer. For those Genex Shareholders to have the ability to receive the additional \$0.005 of value per Genex Share available under the Scheme (compared to the Takeover Offer), the Requisite Majorities of Genex Shareholders must vote in favour of the Scheme Resolution.

You should read this Transaction Booklet carefully and in its entirety before making any decision in relation to the Scheme or the Takeover Offer and, if required, seek independent advice if you are in any doubt as to what action to take in relation to the Transaction.

While you may vote in favour of the Scheme Resolution and accept the Takeover Offer at the same time, as the terms of the Transaction determine whether the Scheme will be implemented or the Takeover Offer will proceed, you should be aware that accepting the Takeover Offer now will restrict your ability to sell or transfer your Genex Shares to another person (including selling your Genex Shares on the ASX or accepting any takeover bid from a competing bidder that may be made after the date of this Transaction Booklet)¹⁸ unless you are entitled to withdraw your acceptance¹⁹. However, even where you accept the Takeover Offer, please make sure you also vote on the Scheme Resolution.

Vote on the Scheme

The Genex IBC unanimously recommends that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).

The Scheme can only be implemented if it is approved by the Court and also approved by Genex Shareholders (other than Excluded Genex Shareholders) by the Requisite Majorities at the Scheme Meeting, which is scheduled to be held at 10:00am (Sydney time) on Tuesday, 16 July 2024. The Scheme Meeting will be held as a hybrid meeting, meaning that Genex Shareholders can attend, participate in and vote at the Scheme Meeting (to the extent entitled) in person at the office of Gilbert + Tobin, Level 35, Tower Two, International Towers, 200 Barangaroo Avenue, Barangaroo NSW 2000 or, alternatively, through the Online Scheme Meeting Platform. You can also vote on the Scheme by appointing a proxy, attorney or, if you are a body corporate, a duly appointed corporate representative to attend and vote on your behalf. If you do not wish to, or are unable to, attend the Scheme Meeting (whether in person or through the Online Scheme Meeting Platform), I encourage

¹⁸ As at the date of this Transaction Booklet, no Competing Proposal has been received by the Genex IBC (or has otherwise emerged) and the Genex IBC Members are not aware of any Competing Proposal that is likely to emerge.

¹⁹ The circumstances in which you may revoke your acceptance of the Takeover Offer are set out in Sections 6.6(a) and 6.6(b) of this Transaction Booklet.

Letter from the Chairman of the Genex IBC continued

you to vote by appointing a proxy by completing the Scheme Meeting Proxy Form and lodging it in one of the ways described in the subsection of Section 2.1 of this Transaction Booklet below entitled “*Voting by proxy*” by 10:00am (Sydney time) on Sunday, 14 July 2024. Even if you plan to attend the Scheme Meeting, you are still encouraged to submit a directed proxy in advance of the Scheme Meeting so that your vote on the Scheme Resolution can still be counted if you encounter any issues in attending the Scheme Meeting. If you attend the Scheme Meeting (whether in person or through the Online Scheme Meeting Platform) and vote in your capacity as a Genex Shareholder, any votes cast by your proxy or attorney (if any) will not be counted.

Detailed instructions on how to attend, participate in and vote at the Scheme Meeting are set out in Section 2.1 of this Transaction Booklet and the Notice of Scheme Meeting at Attachment B of this Transaction Booklet.

Decide whether to accept the Takeover Offer

The Genex IBC unanimously recommends that Genex Shareholders accept the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable.

The Takeover Offer is currently scheduled to close on Wednesday, 14 August 2024 (unless it is extended or withdrawn).

The Takeover Offer made to you may be accepted by completing the personalised Takeover Acceptance Form that accompanies this Transaction Booklet and returning it to one of the postal, delivery or email addresses shown on the form before the Takeover Offer closes.

If you hold your Genex Shares in a CHESS Holding, you may alternatively accept the Takeover Offer by instructing your Controlling Participant (usually your stockbroker) to initiate acceptance on your behalf. However, if you are a Participant, acceptance of the Takeover Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Takeover Offer closes.

Detailed instructions on how to accept the Takeover Offer are set out in Sections 2.2 and 6.4 of this Transaction Booklet and the personalised Takeover Acceptance Form enclosed with this Transaction Booklet.

Further information

This Transaction Booklet sets out important information relating to the Scheme and the Takeover Offer, including the reasons for the Genex IBC Members' unanimous recommendation, and the Independent Expert's Report. It also sets out some of the reasons why you may wish to vote against the Scheme Resolution or not accept the Takeover Offer.

Please read this Transaction Booklet carefully and in its entirety as it contains important information that you should consider before you vote on the Scheme Resolution and decide whether or not to accept the Takeover Offer. I also encourage you to seek independent legal, financial, taxation and other suitable professional advice before making an investment decision in relation to your Genex Shares.

If you have any questions regarding the Transaction or this Transaction Booklet, you should contact the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time) or visit Genex's dedicated Transaction website at www.genexscheme.com.

On behalf of the Genex IBC, I would like to take this opportunity to thank you for your ongoing support and I look forward to your participation.

Yours sincerely,



Dr Ralph Craven
Independent, Non-executive Chairman
Genex Power Limited

Letter from J-POWER

Dear Genex Shareholder,

A compelling offer for Genex Shareholders

I am pleased to present to you in this Transaction Booklet the terms of our compelling offer to acquire all of your Genex Shares and for you to realise substantial value for your Genex Shares of:

- \$0.275 in cash per Genex Share, if the Scheme is successful; or
- \$0.270 in cash per Genex Share, if the Scheme is unsuccessful and the Takeover Conditions are fulfilled or, if applicable, waived.

The Transaction enables you to realise immediate value from Genex's portfolio of projects and assets while avoiding exposure to future development and construction risks that are inherent in the delivery of large-scale renewable energy projects, and the potential for significant dilution of your Genex shareholding as a result of any further equity capital that Genex may need to raise to fund those projects. There remains considerable capital and time required to bring Genex's portfolio of development and construction projects through to operation which are not without risks.

We are excited about the prospect of partnering with Genex and assisting Genex to realise its full potential as a significant Australian renewable energy generator. You can be assured of our commitment to not only Genex, but also its employees, the local communities in and stakeholders with which Genex operates and cooperates, and the broader principles of environmental sustainability and social responsibility.

In this context, we believe the Transaction provides Genex Shareholders¹ with the opportunity to realise certain and immediate value for their Genex Shares. To assist in your consideration of the proposed Transaction, we have set out some further information about J-POWER and our organisation below and at Section 8 of this Transaction Booklet.

Steps in the Transaction

We strongly encourage you to read this Transaction Booklet and to accept the compelling opportunity presented by the Transaction by voting in favour of the Scheme and accepting the Takeover Offer.

You should vote in favour of the Scheme in order to give yourself the best chance of receiving the greater all-cash Scheme Consideration of \$0.275 for each of your Genex Shares (which would avoid brokerage costs) if the Scheme is approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting and by the Court. This represents a 49% premium to the undisturbed Genex Share price of \$0.185 on 1 March 2024, the last closing price prior to Genex announcing receipt of the Indicative Proposal on 4 March 2024.

If the Scheme is unsuccessful and the Takeover Conditions are fulfilled or, if applicable, waived, Genex Shareholders who accept the Takeover Offer will receive all-cash Takeover Consideration of \$0.270 for each of their Genex Shares. This represents a 46% premium to the last closing price of Genex Shares prior to Genex announcing receipt of the Indicative Proposal on 4 March 2024.

You should vote in favour of the Scheme and accept the Takeover Offer. You can accept the Takeover Offer at the same time as you vote in favour of the Scheme, and you will still receive the higher Scheme Consideration if the Scheme becomes Effective.

About J-POWER

J-POWER is a Japanese electric power generation and transmission business listed on the Tokyo Stock Exchange. J-POWER has one of the largest installed capacities in Japan centred on hydroelectric and wind power generation and has total diversified power generation capacity of approximately 26GW. This includes 7.7GW of assets operating in international markets across seven countries.

J-POWER intends to continue to deliver both sustainable and competitive energy solutions globally and views Genex as a platform through which it can expand its Australian renewable generation and storage presence. J-POWER has significant expertise in hydroelectric and wind power generation assets and would look to utilise its expertise to drive growth in Genex and expand its Australian energy market presence.

J-POWER is also (through J-POWER Nominee) Genex's second largest shareholder (holding approximately 7.72%) and a long-term strategic partner of Genex as further detailed below and at Section 8.2 of this Transaction Booklet.

¹ Other than, in respect of the Scheme, Excluded Genex Shareholders and, in respect of the Takeover Offer, J-POWER Nominee.

Letter from J-POWER continued

Our commitment to Genex

We have a close and extensive commercial relationship with the Genex team. Since signing the J-POWER Subscription Agreement, J-POWER has been supportive of Genex as a shareholder, financier, services provider and co-developer of key projects. J-POWER has invested significant capital and resources across major Genex projects, including:

- as joint development partner (for up to 50%) of the Kidston Wind Project (up to 258MW), including the contribution of development capital through to financial close in 2024;
- as joint development partner (for up to 50%) of the Bulli Creek Solar and Battery Project (up to 2GW);
- providing technical and financial support for Genex's flagship Kidston Pumped Storage Hydro Project (250MW), including a \$25 million loan under the J-POWER Corporate Loan Facility to support construction of the project; and
- providing an additional \$20 million loan to Genex under the J-POWER Corporate Loan Facility for general working capital purposes.

A summary of the existing commercial, development and debt financing arrangements between the Genex Group and the J-POWER Group is set out in Section 11.10.

If the Transaction is implemented, J-POWER will bring to Genex not only an expertise in hydroelectric and wind power generation assets to assist assets both under construction and already operational, but also a willingness to fund and bring to operation the projects in Genex's development pipeline.

J-POWER believes in Genex's mission to play a leading role in Australia's transition to a clean energy future and is excited by the prospect of contributing to this mission moving forward.

Vote in favour of the Scheme and accept the Takeover Offer

We strongly encourage you to vote in favour of the Scheme to ensure that the additional \$0.005 of value per Genex Share available under the Scheme, as compared to the Takeover Offer, can be realised by all Genex Shareholders (other than Excluded Genex Shareholders). We also strongly encourage you to accept the Takeover Offer as soon as possible so that, even if the Scheme is not successful, you will (if the Takeover Offer Conditions are fulfilled or, if applicable, waived and the Takeover Offer is declared, or otherwise becomes, unconditional) be able to realise certain value for your Genex Shares.

If you do nothing and the Scheme is unsuccessful and the Takeover Conditions are not satisfied or, if applicable, waived, you will retain your Genex Shares. You cannot be certain about the future value of your Genex Shares if the proposed Transaction is unsuccessful and no Superior Proposal emerges, or that Genex will be able to deliver on its full pipeline of projects. Accordingly, we encourage you to take the steps outlined in this letter and the Transaction Booklet to vote in favour of the Scheme and accept the Takeover Offer.

Independent Expert's opinion

The Independent Expert has concluded that the Scheme is fair and reasonable and hence in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) and that the Takeover Offer is fair and reasonable to Genex Shareholders (other than Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-POWER Nominee), in each case in the absence of a superior alternative proposal emerging.

Unanimously recommended by the Genex IBC

The Genex IBC unanimously recommends that:

- Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders); and
- Genex Shareholders accept the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable.

Yours sincerely



Mr Hitoshi Kanno
Representative Director President
Electric Power Development Co., Ltd.

Key dates relating to the Transaction

Event	Key date
Court approval for dispatch of this Transaction Booklet	Thursday, 6 June 2024
Date of this Transaction Booklet	Thursday, 6 June 2024
Takeover Offer Period commences	Friday, 7 June 2024
<p>Deadline for receipt of Scheme Meeting Proxy Forms</p> <p>Last time and date by which Scheme Meeting Proxy Forms (including Scheme Meeting Proxy Forms lodged online), powers of attorney or certificates of appointment of body corporate representative for the Scheme Meeting must be received by the Genex Share Registry.</p> <p>Given the last date for lodgement of Scheme Meeting Proxy Forms falls on a Sunday, please ensure that any Scheme Meeting Proxy Form which you intend to lodge by post or by hand is received by close of business on Friday, 12 July 2024. Genex will accept valid Scheme Meeting Proxy Forms received by fax or lodged online before 10:00am (Sydney time) on Sunday, 14 July 2024.</p>	10:00am (Sydney time) on Sunday, 14 July 2024
<p>Scheme Meeting record date</p> <p>Time and date for determining eligibility to vote at the Scheme Meeting.</p>	10:00am (Sydney time) on Sunday, 14 July 2024
<p>Scheme Meeting</p> <p>The Scheme Meeting will be held as a hybrid meeting. Eligible Genex Shareholders or duly appointed proxies, attorneys or corporate representatives of eligible Genex Shareholders can attend, participate and vote at the Scheme Meeting in person at the office of Gilbert + Tobin, Level 35, Tower Two, International Towers, 200 Barangaroo Avenue, Barangaroo NSW 2000 or through the Online Scheme Meeting Platform.</p> <p>Full details of how to vote at the Scheme Meeting (including through the Online Scheme Meeting Platform) are set out in Section 2.1.</p>	10:00am (Sydney time) on Tuesday, 16 July 2024
<p>If the Scheme is approved by the Requisite Majorities of eligible Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting</p>	
<p>Second Court Date</p> <p>Date on which Court approval of the Scheme will be sought.</p>	9:15am (Sydney time) on Friday, 19 July 2024
<p>Effective Date</p> <p>Date on which the Court order approving the Scheme is lodged with ASIC and the Scheme becomes Effective and binding on Genex Shareholders.</p> <p>Genex Shares will be suspended from trading at the close of trading on the ASX on the Effective Date. If the Scheme proceeds, this will be the last day that Genex Shares will trade on the ASX.</p>	Monday, 22 July 2024

Key dates relating to the Transaction continued

Event	Key date
If the Scheme is approved by the Court at the Second Court Hearing and becomes Effective	
Scheme Record Date Time and date for determining entitlements to the Scheme Consideration.	7:00pm (Sydney time) on Wednesday, 24 July 2024
Scheme Implementation Date	
Date on which all Scheme Shareholders will be paid the Scheme Consideration to which they are entitled and the Scheme Shares will be transferred to J-POWER Nominee.	Wednesday, 31 July 2024
If the Scheme is not approved by the Requisite Majorities of eligible Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting or the Court	
Takeover Offer Period closes (unless extended or withdrawn)¹	7:00pm (Sydney time) on Wednesday, 14 August 2024

All dates and times in the above timetable (other than those in respect of the Takeover Offer Period) are indicative only. The actual timetable will depend on a number of factors (including factors that may be outside the control of Genex, J-POWER and J-POWER Nominee), including the Court approval process and the satisfaction or, where applicable, waiver of the conditions precedent to the implementation of the Scheme (see Section 5.3 for more information).

All dates and times, unless otherwise indicated, refer to the date and time in Sydney, Australia.

Any changes to the above timetable will be announced to ASX and notified on Genex's dedicated Transaction website at www.genexscheme.com.

Key contacts

Genex Share Registry

Boardroom Pty Limited

Level 8
210 George Street
Sydney NSW 2000

Telephone: 1300 737 760 (from within Australia)
+61 2 9290 9600 (from outside Australia)

Email: enquiries@boardroomlimited.com.au

Genex Shareholder Information Line*

1300 290 691 (from within Australia) or
+61 2 9066 4081 (from outside Australia)
between 9:00am and 5:00pm (Sydney time),
Monday to Friday (excluding public holidays).

*Calls to these numbers may be recorded.

Genex's dedicated transaction website
www.genexscheme.com

¹ Under the Transaction Implementation Deed and the terms of the Takeover Offer: (a) the Takeover Offer must remain open for acceptance by Genex Shareholders for at least 20 Business Days after the date of the Scheme Meeting (so Genex Shareholders will have the opportunity to consider whether to accept the Takeover Offer after they have voted on the Scheme and the outcome of the vote at the Scheme Meeting is known); and (b) J-POWER Nominee must not extend the Takeover Offer period to a date that is after the latest to occur of three months after the date of the Scheme Meeting, 30 November 2024 (or such later date agreed between Genex and J-POWER) and the date to which the end of the Takeover Offer period is automatically extended under the Corporations Act without the prior written consent of Genex (except where the Takeover Offer period is automatically extended to a later date as a result of the operation of section 624(2) of the Corporations Act).

Next steps and key actions for Genex Shareholders



1 Next steps and key actions for Genex Shareholders

1.1 Summary of Transaction

The Transaction involves two alternative transactions that will run concurrently. The key features of the Transaction are summarised below.

Transaction	Total cash received per Genex Share ¹	Key features	Genex IBC unanimous recommendation and intention
Scheme	\$0.275	<ul style="list-style-type: none"> • Genex Shareholders (other than Excluded Genex Shareholders) receive \$0.275 in cash per Genex Share in accordance with the Scheme. • Amongst other Scheme Conditions (which are summarised in Section 5.3), the Scheme requires approval of the Requisite Majorities at the Scheme Meeting, being a vote in favour of the Scheme by: <ul style="list-style-type: none"> – at least 75% of votes cast on the Scheme Resolution at the Scheme Meeting; and – more than 50% of eligible Genex Shareholders² (by number) who vote (in person or by proxy, attorney or corporate representative) on the Scheme Resolution at the Scheme Meeting (unless the Court orders otherwise). • If the Scheme is approved by the Requisite Majorities at the Scheme Meeting and by the Court, J-POWER Nominee will acquire all Genex Shares (that it and the Excluded Genex Shareholders do not already own). 	<p>The Genex IBC unanimously recommends that Genex Shareholders (other than Excluded Genex Shareholders) vote IN FAVOUR of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).</p> <p>Subject to the same qualifications, each Genex IBC Member intends to vote, or cause to be voted, all of that Genex IBC Member's Genex IBC Member Shares in favour of the Scheme at the Scheme Meeting.</p>
Takeover Offer	\$0.270	<ul style="list-style-type: none"> • Accepting Genex Shareholders receive \$0.270 in cash per Genex Share if the Takeover Offer is declared (or otherwise becomes) unconditional. • The Takeover Conditions are set out in Section 6.8. 	<p>The Genex IBC unanimously recommends that Genex Shareholders ACCEPT the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable.</p>

¹ Assuming such Genex Share is held by a Genex Shareholder (other than an Excluded Genex Shareholder) on the Scheme Record Date.

² Other than Excluded Genex Shareholders.

Transaction	Total cash received per Genex Share ¹	Key features	Genex IBC unanimous recommendation and intention
		<ul style="list-style-type: none"> • The number of Genex Shares acquired by J-POWER Nominee will depend on the number of Genex Shares that are accepted into the Takeover Offer. As at the date of this Transaction Booklet, J-POWER Nominee has a Relevant Interest in 7.72% of the Genex Shares on issue. If acceptances are received by J-POWER Nominee such that J-POWER Nominee has a Relevant Interest in: <ul style="list-style-type: none"> – ≥ 50.1% of the Genex Shares on issue, J-POWER Nominee could (if the Takeover Offer is declared (or otherwise becomes) unconditional) acquire between 50.1% to 100% of Genex Shares on issue. To achieve 100% ownership under the Takeover Offer, J-POWER Nominee would need to receive acceptances for at least 82.28% of Genex Shares on issue such that J-POWER Nominee would have a Relevant Interest in at least 90% of Genex Shares on issue³; or – < 50.1% of the Genex Shares on issue, J-POWER Nominee would acquire no Genex Shares under the Takeover Offer unless J-POWER Nominee validly waives the 50.1% Minimum Acceptance Takeover Condition⁴ and the Takeover Offer is declared (or otherwise becomes) unconditional). • If J-POWER Nominee becomes the holder of at least 75% of the Genex Shares, it will be able to pass a special resolution of Genex. This will enable J-POWER Nominee to, among other things, change Genex's constitution and, in certain circumstances (and subject to the requirements of the ASX being satisfied), cause Genex to be removed from the Official List. 	<p>Subject to the same qualifications, each Genex IBC Member intends to accept, or procure the acceptance of, the Takeover Offer in respect of all of that Genex IBC Member's Genex IBC Member Shares.</p>

³ If J-POWER Nominee and its Associates collectively have a Relevant Interest in at least 90% (by number) of Genex Shares on issue during, or at the end of, the Takeover Offer Period, J-POWER Nominee will be entitled to compulsorily acquire the remaining Genex Shares that it and its Associates do not own under Part 6A.1 of the Corporations Act. See Section 8.7(b)(i) for further detail.

⁴ J-POWER Nominee is entitled to waive the 50.1% Minimum Acceptance Takeover Condition subject to J-POWER Nominee having a Relevant Interest in at least 40% of the Genex Shares on issue and provided that the waiver of the 50.1% Minimum Acceptance Takeover Condition (together with the waiver of any other applicable Takeover Conditions at the same time as such waiver) causes acceptances under any Takeover Acceptance Facility (including the Institutional Acceptance Facility) to be unable to be withdrawn, or, otherwise, with the prior written consent of Genex. For the purpose of determining whether J-POWER Nominee has a Relevant Interest in at least 40% of the Genex Shares on issue such that it may waive the 50.1% Minimum Acceptance Takeover Condition, J-POWER Nominee's Relevant Interest is to be determined as if section 609A of the Corporations Act (which, in summary, provides that J-POWER Nominee will not have acquired a Relevant Interest in any Genex Shares 'accepted into' a Takeover Acceptance Facility) was omitted from the Corporations Act and disregarded in relation to a Takeover Acceptance Facility (including the Institutional Acceptance Facility). See Section 6.9(d)(ii) for more information.

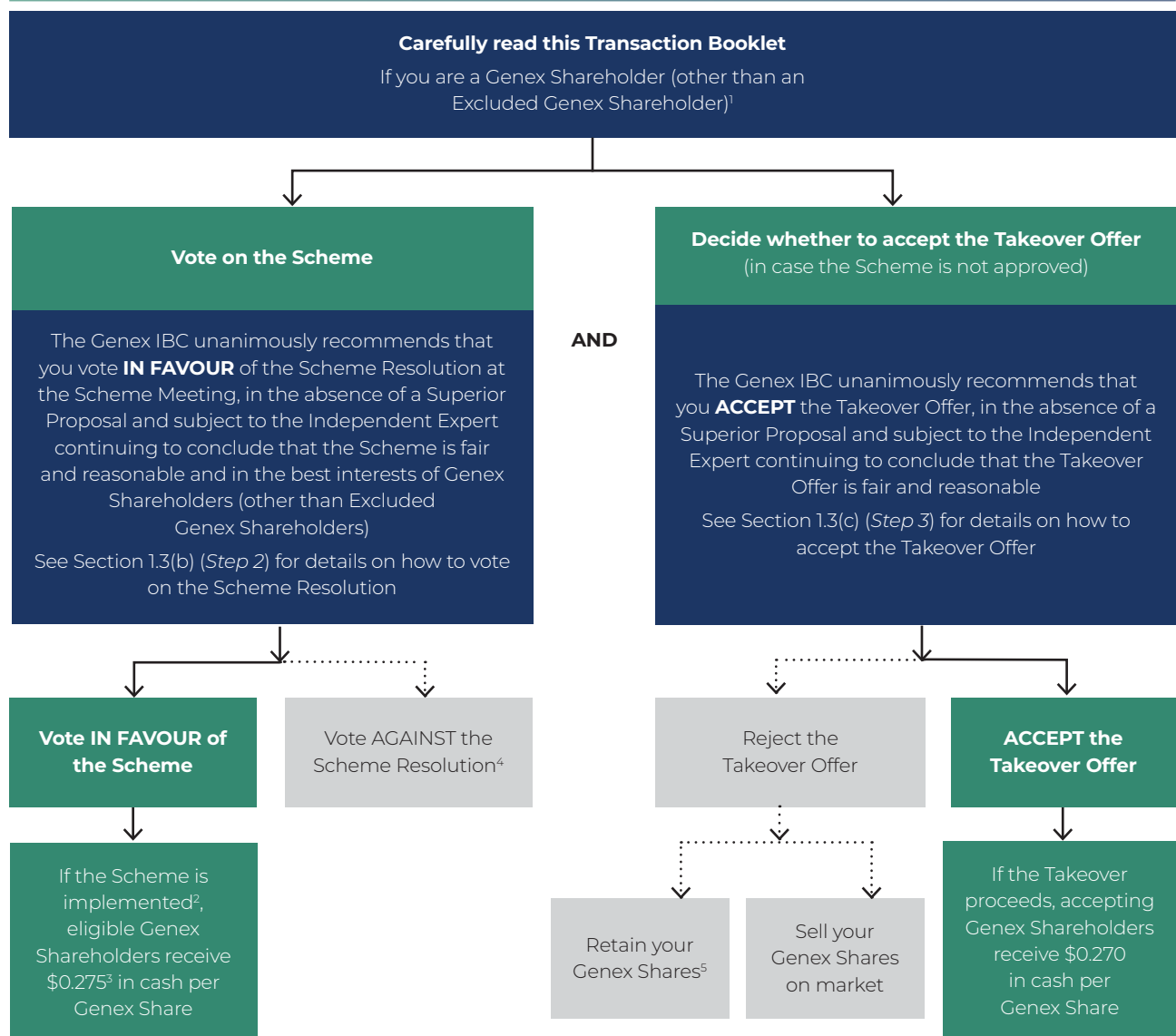
1 Next steps and key actions for Genex Shareholders continued

1.2 Your key decisions

As a Genex Shareholder, you have a number of decisions to make in relation to the Scheme and the simultaneous Takeover Offer.⁵ Those key decisions are outlined in the diagram below.

The Genex IBC Members unanimously recommend that you follow the green boxes and bold path in this diagram when making your decisions in relation to the Transaction (subject to the applicable qualifications).

You should carefully read this Transaction Booklet in its entirety before making any decision in relation to the Scheme or the Takeover Offer.



1 Excluded Genex Shareholders are Genex Shareholders who are J-POWER Group Members or who hold Genex Shares on behalf of, or for the benefit of, a J-POWER Group Member. See Section 5.4(c).

2 If the Scheme is approved by eligible Genex Shareholders at the Scheme Meeting, the Scheme will be implemented subject to all other Scheme Conditions (including approval by the Court) being satisfied or waived.

3 Subject to holding Genex Shares at the Scheme Record Date.

4 If the Scheme is not approved by the Requisite Majorities of eligible Genex Shareholders at the Scheme Meeting or the Court, or if any other Scheme Condition is not satisfied or waived, the Takeover Offer will be available to Genex Shareholders (other than Excluded Genex Shareholders) subject to satisfaction or waiver of the Takeover Conditions.

5 Unless, following the Takeover Offer, J-POWER Nominee acquires your Genex Shares by way of Compulsory Acquisition. See Sections 8.7(b)(i) and 9.5(d) for more information, including the circumstances in which J-POWER Nominee will be entitled to proceed to Compulsory Acquisition.

5 Provided that you are not, in respect of the Scheme, an Excluded Genex Shareholder or, in respect of the Takeover Offer, J-POWER Nominee.

1.3 Next steps

(a) Step 1: Read this Transaction Booklet

You should read this Transaction Booklet carefully and in its entirety before deciding how to vote on the Scheme Resolution and whether to accept the Takeover Offer.

(b) Step 2: Vote on the Scheme Resolution

Your vote is important

In order for the Scheme to be implemented and for Genex Shareholders (other than Excluded Genex Shareholders) to receive an additional \$0.005 per Genex Share (compared to the Takeover Consideration), the Scheme Resolution must be approved by Genex Shareholders (other than Excluded Genex Shareholders) by the Requisite Majorities at the Scheme Meeting.

For this reason, the Genex IBC unanimously recommends that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).

Please refer to the sub-section of this Section 1.3(b) below titled “How to vote?” and the Notice of Scheme Meeting at Attachment B for details on how to vote at the Scheme Meeting.

Who is entitled to vote at the Scheme Meeting?

If you are a Genex Shareholder (other than an Excluded Genex Shareholder) and are registered on the Genex Share Register as a Genex Shareholder at 10:00am (Sydney time) on Sunday, 14 July 2024, then you will be entitled to attend and vote at the Scheme Meeting.

As described in Section 8.8(a), as at the date of this Transaction Booklet, J-POWER Nominee holds (and has a Relevant Interest in) 106,990,005 Genex Shares, representing 7.72% of the Genex Shares on issue at the date of this Transaction Booklet (the **J-POWER Genex Shares**). Under the terms of the Scheme, the J-POWER Genex Shares (and any other Genex Shares held by the Excluded Genex Shareholders) will not be acquired by J-POWER Nominee under the Scheme and, accordingly, J-POWER Nominee (and any other Excluded Genex Shareholder) will not be a Scheme Shareholder (that is, J-POWER Nominee (and any other Excluded Genex Shareholders) will not participate in the Scheme). As a result, the Scheme must be approved by the Requisite Majorities, which excludes the Excluded Genex Shareholders, and the Excluded Genex Shareholders will not be entitled to vote on the Scheme Resolution at the Scheme Meeting.

Voting is not compulsory, but you are strongly encouraged to vote as every vote in favour of the Scheme will increase the likelihood of all Genex Shareholders (other than Excluded Genex Shareholders) receiving the additional \$0.005 of value per Genex Share available under the Scheme compared to under the Takeover Offer.

In the case of Genex Shares held by joint holders, only one of the joint holders is entitled to vote. If more than one Genex Shareholder votes in respect of jointly held Genex Shares, only the vote of the Genex Shareholder whose name appears first in the Genex Share Register will be counted.

Location and details of Scheme Meeting

The Scheme Meeting will be held as a hybrid meeting at 10:00am (Sydney time) on Tuesday, 16 July 2024.

Genex Shareholders (other than Excluded Genex Shareholders) and duly appointed proxies, attorneys and corporate representatives of Genex Shareholders can attend, participate and vote at the Scheme Meeting (to the extent entitled) in person at the office of Gilbert + Tobin, Level 35, Tower Two, International Towers, 200 Barangaroo Avenue, Barangaroo NSW 2000 or through the Online Scheme Meeting Platform (details of which are set out below). Genex Shareholders (and duly appointed proxies, attorneys or corporate representatives of Genex Shareholders) who participate in the Scheme Meeting through the Online Scheme Meeting Platform will be able to listen to the Scheme Meeting and cast a vote and ask questions online through the Online Scheme Meeting Platform.

Notice of Scheme Meeting

A copy of the Notice of Scheme Meeting is set out in Attachment B to this Transaction Booklet.

Section 5.4(c) provides details of the Scheme Resolution and the Requisite Majorities that are required to pass the Scheme Resolution.

1 Next steps and key actions for Genex Shareholders continued

1.3 Next steps continued

How to vote?

If you are a Genex Shareholder entitled to the vote at the Scheme Meeting, you may vote at the Scheme Meeting in any of the ways set out at Section 2.1 of this Transaction Booklet.

Further details on how to vote are contained in the Notice of Scheme Meeting at Attachment B to this Transaction Booklet.

(c) Step 3: Decide whether to accept the Takeover Offer

The Genex IBC unanimously recommends that you accept the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable.

While you may vote in favour of the Scheme and accept the Takeover Offer at the same time, as the terms of the Transaction determine whether the Scheme will be implemented or the Takeover Offer will proceed, you should be aware that accepting the Takeover Offer now will restrict your ability to sell or transfer your Genex Shares to another person (including selling your Genex Shares on the ASX or accepting any takeover bid from a competing bidder that may be made after the date of this Transaction Booklet)⁶ unless you are entitled to withdraw your acceptance⁷.

You have three choices currently available to you in relation to the Takeover Offer:

- **Accept the Takeover Offer:** to accept the Takeover Offer, submit your acceptance in accordance with the instructions set out in Sections 2.2 and 6.4 and on the Takeover Acceptance Form itself (or if you hold your Genex Shares in a CHESS Holding, by instructing your Controlling Participant (usually your stockbroker) to initiate acceptance on your behalf).
- **Sell your Genex Shares on market:** if you have not accepted the Takeover Offer, you can sell your Genex Shares on market. The price you may be able to obtain by selling your Genex Shares on market may be lower or higher than the consideration under the Scheme or Takeover Offer.

The latest price for Genex Shares may be obtained from the ASX website (<https://www.asx.com.au/>).

If you sell your Genex Shares and cease to be the holder of Genex Shares at the record date for voting at the Scheme Meeting (10:00am (Sydney time) on Sunday, 14 July 2024), you will not be able to vote on the Scheme and any proxy appointment will cease to be effective.

- **Reject the Takeover Offer and retain your Genex Shares:** if you do not wish to accept the Takeover Offer or sell your Genex Shares, you should do nothing.

There are a number of risks associated with an investment in, and in retaining your, Genex Shares, as set out in Sections 9.2 and 9.3. If the Takeover Offer is declared or otherwise becomes unconditional and control passes to J-POWER Nominee, there will be additional risks as set out in Section 9.5. In that event, Genex's share price is likely to fall immediately following the end of the Takeover Offer Period in the absence of a Superior Proposal, liquidity of Genex Shares may be significantly lower than at present, Genex may be removed from the Official List and, if J-POWER Nominee has a Relevant Interest in 90% or more of the Genex Shares during or at the end of the Takeover Offer Period, J-POWER Nominee will be entitled to compulsorily acquire any remaining Genex Shares.

(d) Seek further information

If you have any questions in relation to the Transaction, how to vote on the Scheme Resolution or accept the Takeover Offer, the number of Genex Shares you hold or other questions about your Genex shareholdings, please call the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time) or visit Genex's dedicated Transaction website at www.genexscheme.com.

Please note that the Genex Shareholder Information Line cannot provide any legal, financial, taxation or investment advice and cannot give an opinion on the merits of the Transaction. If you have any doubts as to the actions you should take or you have further questions, please contact your legal, financial, taxation or other professional advisers.

⁶ As at the date of this Transaction Booklet, no Competing Proposal has been received by the Genex IBC (or has otherwise emerged) and the Genex IBC Members are not aware of any Competing Proposal that is likely to emerge.

⁷ The circumstances in which you may revoke your acceptance of the Takeover Offer are set out in Sections 6.6(a) and 6.6(b) of this Transaction Booklet.

How to participate in, and vote at, the Scheme Meeting and accept the Takeover Offer



2 How to participate in, and vote at, the Scheme Meeting and accept the Takeover Offer

2.1 Participation in, and voting at, the Scheme Meeting

Voting at the Scheme Meeting

If you are a Genex Shareholder (other than an Excluded Genex Shareholder) entitled to vote at the Scheme Meeting, you may vote at the Scheme Meeting in any of the following ways:

- (a) by attending the Scheme Meeting in person at the office of Gilbert + Tobin, Level 35, Tower Two, International Towers, 200 Barangaroo Avenue, Barangaroo NSW 2000;
- (b) by attending the Scheme Meeting through the Online Scheme Meeting Platform (details of which are set out below); or
- (c) by appointing a proxy, attorney or, if you are a body corporate, a duly appointed corporate representative to attend and vote at the Scheme Meeting on your behalf (whether in person or through the Online Scheme Meeting Platform).

Participation in, and voting at, the Scheme Meeting in person

Genex Shareholders (other than Excluded Genex Shareholders) and duly appointed proxies, attorneys or corporate representatives of Genex Shareholders (other than Excluded Genex Shareholders) who are attending the Scheme Meeting in person may vote at the Scheme Meeting by either:

- (a) bringing their own mobile device and using this device to log into the Online Scheme Meeting Platform on their mobile device; or
- (b) using a paper polling card, which will be made available to Genex Shareholders (other than Excluded Genex Shareholders) and duly appointed proxies, attorneys or corporate representatives of Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting.

If you attend the Scheme Meeting in person and vote in your capacity as a Genex Shareholder, any votes cast by your proxy or attorney (if any) will not be counted.

Participation in, and voting at, the Scheme Meeting through the Online Scheme Meeting Platform

You will be able to attend and vote at the Scheme Meeting through an online platform by using a web browser at www.web.lumiagm.com/313378822, on your smartphone, tablet or computer (**Online Scheme Meeting Platform**). If you access the Online Scheme Meeting Platform by using a web browser, will need the latest versions of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible with the Online Scheme Meeting Platform.

When you access the Online Scheme Meeting Platform:

- (a) The **meeting ID** for the Scheme Meeting is: 313-378-822.
- (b) Your **username** is your Voting Access Code (VAC), which can be located on the first page of your Scheme Meeting Proxy Form.
- (c) Your **password** is the postcode of your registered address for your holding if you are an Australian Genex Shareholder. If you are a non-Australian Genex Shareholder, you should refer to the Scheme Meeting Online Guide at Attachment C, or contact the Genex Share Registry, for your password, which will be the country code for your country of origin.

Please refer to the Scheme Meeting Online Guide at Attachment C for further details about the Online Scheme Meeting Platform. The Scheme Meeting Online Guide provides details about how to ensure your browser is compatible with the Online Scheme Meeting Platform, as well as a step-by-step guide to successfully log in and navigate the website.

The Online Scheme Meeting Platform will allow Genex Shareholders (other than Excluded Genex Shareholders) and their duly appointed proxies, attorneys and corporate representatives to listen to the Scheme Meeting, cast an online vote and ask questions online.

Online voting will be open between the start of the Scheme Meeting and the closing of voting (as announced by the Chairman during the Scheme Meeting).

If you attend the Scheme Meeting through the Online Scheme Meeting Platform and vote in your capacity as a Genex Shareholder, any votes cast by your proxy or attorney (if any) will not be counted.

Voting by proxy

A Genex Shareholder (other than an Excluded Genex Shareholder) entitled to participate in and vote at the Scheme Meeting may appoint a person to participate in and vote at the Scheme Meeting (either in person or through the Online Scheme Meeting Platform) as their proxy. If you are unable to attend the Scheme Meeting, you are encouraged to appoint a proxy to attend the Scheme Meeting (either in person or through the Online Scheme Meeting Platform) and vote on your behalf.

You can direct your proxy to vote by following the instructions on the Scheme Meeting Proxy Form. You should consider how you wish your proxy to vote. That is, whether you want your proxy to vote 'for' or 'against', or abstain from voting on, the Scheme Resolution, or whether to leave the decision to the proxy after he or she has considered the matters discussed at the Scheme Meeting.

If you do not direct your proxy how to vote on the Scheme Resolution, the proxy may vote, or abstain from voting, as he or she thinks fit. If you instruct your proxy to abstain from voting on an item of business, he or she is directed not to vote on your behalf, and the Genex Shares the subject of the proxy appointment will not be counted in computing the Requisite Majorities.

If the Chairman of the Scheme Meeting is appointed as your proxy (or is appointed as your proxy by default), he can be directed how to vote by ticking the relevant boxes next to the Scheme Resolution on the Scheme Meeting Proxy Form (i.e. 'for', 'against' or 'abstain'). The Chairman of the Scheme Meeting is required to cast all votes as directed. The Chairman of the Scheme Meeting intends to vote all undirected and other available proxies in favour of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).

Any directed proxies that are not voted on a poll at the Scheme Meeting by a Genex Shareholder's appointed proxy will automatically default to the Chairman of the Scheme Meeting, who is required to vote proxies as directed on a poll.

Completed Scheme Meeting Proxy Forms must be received by Genex or the Genex Share Registry by 10:00am (Sydney time) on Sunday, 14 July 2024 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the scheduled resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting). The completed Scheme Meeting Proxy Form may be submitted:

- (a) online to the Genex Share Registry by visiting the website, <https://www.votingonline.com.au/gnxscheme2024> or by scanning the QR code on the Scheme Meeting Proxy Form using your mobile device. You will need your Voting Access Code (VAC) and postcode (or the country code for your country of origin if you are located outside of Australia). You will be taken to have signed the Scheme Meeting Proxy Form if you lodge in accordance with the instructions on the website;
- (b) in respect of hard copy Scheme Meeting Proxy Forms, by mail (using the reply paid envelope provided by the Genex Share Registry) to Genex Power Limited, c/ Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
- (c) in respect of hard copy Scheme Meeting Proxy Forms, by fax to the Genex Share Registry on +61 2 9290 9655; or
- (d) in respect of hard copy Scheme Meeting Proxy Forms, by hand by delivering it to the Genex Share Registry at Level 8, 210 George Street, Sydney NSW 2000 during business hours (Monday – Friday, 9:00am – 5:00pm (Sydney time)).

Given the last date for lodgement of Scheme Meeting Proxy Forms falls on a Sunday, please ensure that any Scheme Meeting Proxy Form which you intend to lodge by post or by hand is received by close of business on Friday, 12 July 2024. Genex will accept valid Scheme Meeting Proxy Forms received by fax or lodged online before 10:00am (Sydney time) on Sunday, 14 July 2024.

Further information about how you may vote by proxy and lodge a Scheme Meeting Proxy Form is contained in the Notice of Scheme Meeting set out at Attachment B to this Transaction Booklet.

2 How to participate in, and vote at, the Scheme Meeting and accept the Takeover Offer continued

2.1 Participation in, and voting at, the Scheme Meeting continued

Lodging online

At <https://www.votingonline.com.au/gnxscheme2024>

Select 'Investor Login' and enter Genex Power Limited or the ASX Code (GNX) in the Issuer name field, your Voting Access Code (VAC) and postcode (or the country code for your country of origin if you are located outside of Australia) and click 'Login', then follow the prompts. You will be taken to have signed your Scheme Meeting Proxy Form if you lodge in accordance with the instructions given on the website.

Voting by corporate representative

A body corporate that is a Genex Shareholder, or that has been appointed as a proxy, must appoint an individual to act as its representative at the Scheme Meeting. If you are a body corporate, you can appoint a corporate representative to attend and vote at the Scheme Meeting on your behalf. The appointment must comply with section 250D of the Corporations Act.

To vote by corporate representative, a corporate representative must provide written evidence of their appointment by obtaining and completing an 'Appointment of Corporate Representative' form from the Genex Share Registry's website at www.boardroomlimited.com.au/investor-forms/. Corporate representative forms must be provided to the Genex Share Registry by no later than 10:00am (Sydney time) on Sunday, 14 July 2024. A corporate representative form may be submitted in the same manner as a completed Scheme Meeting Proxy Form, as described above, except that an appointment of corporate representative form cannot be lodged online or by mobile device.

If a certificate is completed by an individual or corporation under power of attorney or other authority, the power of attorney or other authority, or a certified copy of the power of attorney or other authority, must accompany the completed certificate unless the power of attorney or other authority has previously been received by the Genex Share Registry.

A validly appointed corporate representative wishing to attend and vote at the Scheme Meeting will require the name, Voting Access Code (VAC) and postcode of the body corporate that appointed it in order to access the Online Scheme Meeting Platform.

Voting by attorney

You may appoint an attorney to participate in and vote at the Scheme Meeting on your behalf. Your attorney need not be another Genex Shareholder. Each attorney will have the right to vote on the poll and also to speak at the Scheme Meeting.

The power of attorney appointing your attorney to participate in and vote at the Scheme Meeting must be duly executed by you and specify your name, the company (that is, 'Genex Power Limited' or 'Genex'), and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one.

Certified copies of powers of attorney must be received by the Genex Share Registry by no later than 10:00am (Sydney time) on Sunday, 14 July 2024. A certified copy of a power of attorney may be submitted in the same manner as a completed Scheme Meeting Proxy Form, as described above, except that the power of attorney or a certified copy of the power of attorney cannot be lodged online or by mobile device.

A validly appointed attorney wishing to attend and vote at the Scheme Meeting will require the name, Voting Access Code (VAC) and postcode of the Genex Shareholder that appointed it in order to access the Online Scheme Meeting Platform.

Notice of Scheme Meeting

Please see the Notice of Scheme Meeting as set out at Attachment B to this Transaction Booklet for more information about how to participate in, and vote at, the Scheme Meeting.

Questions about voting at the Scheme Meeting

Genex Shareholders should contact the Genex Shareholder Information Line 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time) with any queries regarding the number of Genex Shares held, how to vote at the Scheme Meeting, or how to vote by proxy. You may also visit Genex's dedicated Transaction website at www.genexscheme.com.

Changes to the current arrangement

Genex may be required to make changes to the arrangements for the Scheme Meeting. If there are any updates, Genex will ensure that Genex Shareholders are given as much notice as possible. Further information will also be made available at Genex's dedicated Transaction website at www.genexscheme.com.

2.2 Accepting the Takeover Offer

To accept the Takeover Offer, you must comply with the procedures and requirements set out in Section 6.4 of this Transaction Booklet. This means:

- (a) **Genex Shares held in your name on Genex's issuer sponsored sub-register:** To accept the Takeover Offer for Genex Shares held in your name on Genex's issuer sponsored sub-register (in which case your Securityholder Reference Number will commence with 'I'), you may accept the Takeover Offer by completing, signing and returning the personalised Takeover Acceptance Form that accompanies this Transaction Booklet in accordance with Section 6.4(b) and the instructions on the Takeover Acceptance Form, in each case before the end of the Takeover Offer Period.
- (b) **Genex Shares held in your name in a CHESS Holding:** To accept the Takeover Offer for Genex Shares held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you must comply with the ASX Settlement Operating Rules, and you may accept the Takeover Offer by, before the end of the Takeover Offer Period, either instructing your Controlling Participant or by writing your Controlling Participant's details on, and returning, the personalised Takeover Acceptance Form that accompanies this Transaction Booklet, in each case in accordance with Section 6.4(c) and the instructions on the Takeover Acceptance Form.
- (c) **Genex Shares of which you are entitled to be registered as holder:** To accept the Takeover Offer for Genex Shares which are not held in your name, but of which you are entitled to be registered as holder, you must contact the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time) to obtain a Takeover Acceptance Form, then complete, sign and return that Takeover Acceptance Form in accordance with Section 6.4(d) and the instructions on the Takeover Acceptance Form before the end of the Takeover Offer Period.

Genex Shareholders should contact the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time) with any queries regarding the number of Genex Shares held or how to accept the Takeover Offer. You may also visit Genex's dedicated Transaction website at www.genexscheme.com.

Key considerations for Genex Shareholders in relation to the Transaction



3 Key considerations for Genex Shareholders in relation to the Transaction

3.1 Background

On 12 April 2024, Genex entered into the Transaction Implementation Deed with J-POWER, under which J-POWER (through J-POWER Nominee) proposes to acquire 100% of Genex Shares (other than the Genex Shares that J-POWER already owns¹) by way of the Scheme and simultaneous Takeover Offer. Entry into the Transaction Implementation Deed followed prior engagement between Genex and J-POWER as follows:

- (a) On 5 February 2024, Genex received the Initial Indicative Proposal from J-POWER to acquire all of the Genex Shares (other than the J-POWER Genex Shares) by way of a members' scheme of arrangement for \$0.240 in cash per Genex Share (**Potential Scheme**) or under an alternative structure under which J-POWER would potentially also, concurrently with a Potential Scheme, make an off-market takeover bid for all of the Genex Shares for \$0.235 in cash per Genex Share (**Potential Takeover Offer**).
- (b) The Genex IBC, an independent committee of the Genex Board comprising all Genex Directors other than J-POWER's representative and nominee to the Genex Board, Mr Kenichi Seshimo, was established to, amongst other things, consider and evaluate the Initial Indicative Proposal.
- (c) After careful consideration of the Initial Indicative Proposal in consultation with its legal and financial advisers, the Genex IBC determined that the Initial Indicative Proposal undervalued Genex in the context of a change of control transaction, and the Genex IBC communicated that determination to J-POWER.
- (d) Subsequently, Genex received the revised Indicative Proposal from J-POWER for \$0.275 under the Potential Scheme and \$0.270 under the Potential Takeover Offer.
- (e) After careful consideration of the Indicative Proposal in consultation with its legal and financial advisers, the Genex IBC unanimously determined that it was in the best interests of Genex Shareholders (as a whole) to progress the Indicative Proposal and allow J-POWER to undertake confirmatory due diligence on Genex to assist J-POWER to provide a binding proposal to the Genex IBC. Genex also entered into the Confidentiality and Exclusivity Deed with J-POWER on 3 March 2024, under which Genex agreed to certain exclusivity restrictions and obligations (**Exclusivity Obligations**) while J-POWER undertook its confirmatory due diligence. The period during which the Exclusivity Obligations applied was subsequently extended on two occasions while Genex and J-POWER negotiated the Transaction Implementation Deed.
- (f) On 12 April 2024, Genex and J-POWER entered into the Transaction Implementation Deed.

On 15 May 2024, in accordance with clause 2.5 of the Transaction Implementation Deed, J-POWER gave written notice to Genex nominating its wholly-owned Subsidiary, J-POWER Nominee, to perform its obligations under the Transaction Implementation Deed to:

- acquire all of the Scheme Shares under the Scheme; and
- make the Takeover Offer and acquire the Genex Shares in respect of which the Takeover Offer is accepted.

The purpose of this Transaction Booklet is to explain the terms of the proposed Transaction and provide you, as a Genex Shareholder, with information on the Transaction to assist you in your voting decision in respect of the Scheme Resolution and your decision as to whether to accept the Takeover Offer.

Voting on the Scheme Resolution will take place at the Scheme Meeting to be held at 10:00am (Sydney time) on Tuesday, 16 July 2024. You should read this Transaction Booklet in full before deciding how to vote. The Transaction has a number of advantages, disadvantages and risks, which may affect Genex Shareholders in different ways depending on their individual circumstances. Genex Shareholders should seek professional advice on their particular circumstances, as appropriate.

3.2 The Transaction and consideration that Genex Shareholders are entitled to receive under the Transaction

Under the Transaction Implementation Deed:

- (a) Genex has agreed to propose the **Scheme**, under which J-POWER Nominee would, subject to the satisfaction (or, if applicable, waiver) of the Scheme Conditions, acquire all of the Genex Shares (other than the J-POWER Genex Shares) under the Scheme for the Scheme Consideration of \$0.275 per Genex Share; and
- (b) J-POWER has agreed to ensure and procure that J-POWER Nominee makes the **Takeover Offer**, under which J-POWER Nominee will make the Takeover Offer for all Genex Shares (other than the J-POWER Genex Shares) for the Takeover Consideration of \$0.270 per Genex Share.

¹ Together with the Excluded Genex Shareholders.

3 Key considerations for Genex Shareholders in relation to the Transaction continued

3.2 The Transaction and consideration that Genex Shareholders are entitled to receive under the Transaction continued

The Takeover Offer is subject to the 50.1% Minimum Acceptance Takeover Condition and other conditions similar to the Scheme Conditions and is proposed in parallel with (but not in substitution of) the Scheme (that is, it is a simultaneous but alternative transaction to the Scheme). J-POWER Nominee has the discretion to waive the 50.1% Minimum Acceptance Takeover Condition, subject to certain conditions being met.² J-POWER Nominee also has the discretion to waive each other Takeover Condition (other than the Scheme Fails Takeover Condition).³

3.3 Genex IBC's unanimous recommendations

The Genex IBC's unanimous recommendations in relation to the Transaction are as follows:

Transaction	Recommendation	Qualifications to recommendation	Independent Expert's opinion
Scheme	<p>The Genex IBC unanimously recommends that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting.</p> <p>The Genex IBC believes that the reasons for Genex Shareholders to vote in favour of the Scheme outweigh the reasons to vote against the Scheme. These reasons and other relevant considerations for Genex Shareholders are set out in Section 3.5 of this Transaction Booklet.</p>	<p>The Genex IBC's unanimous recommendation is made in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).</p>	<p>The Independent Expert has concluded that the Scheme is fair and reasonable and hence in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) in the absence of a superior alternative proposal emerging.</p>
Takeover Offer	<p>The Genex IBC unanimously recommends that Genex Shareholders accept the Takeover Offer.</p> <p>The Genex IBC believes that the reasons for Genex Shareholders to accept the Takeover Offer outweigh the reasons not to accept the Takeover Offer. These reasons and other relevant considerations for Genex Shareholders are set out in Section 3.8.</p>	<p>The Genex IBC's unanimous recommendation is made in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable.⁴</p>	<p>The Independent Expert has concluded that the Takeover Offer is fair and reasonable to Genex Shareholders (other than Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-POWER Nominee) in the absence of a superior alternative proposal emerging.</p>

² J-POWER Nominee has the right to waive the 50.1% Minimum Acceptance Takeover Condition, subject to J-POWER Nominee having a Relevant Interest in at least 40% of the Genex Shares on issue and provided that the waiver of the 50.1% Minimum Acceptance Takeover Condition (together with the waiver of any other applicable Takeover Conditions at the same time as such waiver) causes acceptances under any Takeover Acceptance Facility (including the Institutional Acceptance Facility) to be unable to be withdrawn or, otherwise, with the prior written consent of Genex. For the purpose of determining whether J-POWER Nominee has a Relevant Interest in at least 40% of the Genex Shares on issue such that it may waive the 50.1% Minimum Acceptance Takeover Condition, J-POWER Nominee's Relevant Interest is to be determined as if section 609A of the Corporations Act (which, in summary, provides that J-POWER Nominee will not have acquired a Relevant Interest in any Genex Shares 'accepted into' a Takeover Acceptance Facility) was omitted from the Corporations Act and disregarded in relation to a Takeover Acceptance Facility (including the Institutional Acceptance Facility). See Section 6.9(d)(ii) for more information.

³ See Section 6.9 for more information on the circumstances in which J-POWER Nominee may waive the Takeover Conditions.

⁴ You should be aware that accepting the Takeover Offer now will restrict your ability to sell or transfer your Genex Shares to another person (including selling your Genex Shares on the ASX or accepting any takeover bid from a competing bidder that may be made after the date of this Transaction Booklet) unless you are entitled to withdraw your acceptance. The circumstances in which you may revoke your acceptance of the Takeover Offer are set out in Sections 6.6(a) and 6.6(b) of this Transaction Booklet.

When considering these recommendations, Genex Shareholders should have regard to the Genex IBC Members' Genex IBC Member Shares, and the other interests of Genex IBC Members in the Transaction, which are disclosed in Section 11 (**Additional information**).⁵ The Genex IBC Members (other than, in each case, the relevant Genex IBC Member) consider that, despite each Genex IBC Member's interest(s) disclosed in Section 11 (**Additional information**), it is important and appropriate for each Genex IBC Member to make a recommendation to Genex Shareholders in respect of the Transaction, given: (i) the importance of the Transaction and his or her respective role as a Genex Director and Genex IBC Member; (ii) his or her knowledge of Genex and the industry in which it operates; and (iii) that, in their view, Genex Shareholders would likely want to know the recommendation of each Genex IBC Member in respect of the Transaction.

3.4 Scheme recommendation

The Genex IBC unanimously recommends that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).⁶ Subject to the same qualifications, each Genex IBC Member intends to vote, or cause to be voted, all of that Genex IBC Member's Genex IBC Member Shares in favour of the Scheme at the Scheme Meeting. Each Genex IBC Member's Genex IBC Member Shares as at the date of this Transaction Booklet are set out in Section 11 (**Additional information**). See also the disclosure in Section 3.3 above in relation to Genex IBC Members' other interests in the Transaction.

On the basis that Mr Seshimo is J-POWER's representative and nominee to the Genex Board (and, therefore, the Genex IBC does not consider Mr Seshimo to be an independent Genex Director for the purposes of the Transaction), Mr Seshimo:

- (a) has recused himself from (and has not participated in any) Genex Board meetings or other discussions relating to the Transaction (or the Genex Board's consideration of it or the Initial Indicative Proposal or the subsequent Indicative Proposal); and
- (b) abstains from giving a recommendation to Genex Shareholders in respect of the Scheme.

The Genex IBC strongly encourages each eligible Genex Shareholder (other than Excluded Genex Shareholders) to vote at the Scheme Meeting because every vote in favour of the Scheme will increase the likelihood of all Genex Shareholders (other than Excluded Genex Shareholders) receiving the additional \$0.005 of value per Genex Share available under the Scheme compared to the Takeover Offer.

⁵ As at the date of this Transaction Booklet, Dr Ralph Craven has 1,048,188 Genex IBC Member Shares (representing approximately 0.08% of the Genex Shares on issue), Ms Teresa Dyson has 585,856 Genex IBC Member Shares (representing approximately 0.04% of the Genex Shares on issue), Mr Simon Kidston has 8,663,827 Genex IBC Member Shares (representing approximately 0.63% of the Genex Shares on issue) and Mr Ben Guo has 2,420,681 Genex IBC Member Shares (representing approximately 0.17% of the Genex Shares on issue). In addition:

- (a) each Genex IBC Member is entitled to receive the Genex Option Cancellation Consideration as consideration for the cancellation of their Genex Options in connection with the Scheme or the Takeover Offer (see Section 11.4(a) for more information, including regarding the circumstances in which the Genex Option Cancellation Consideration is payable);
- (b) Dr Ralph Craven is entitled to receive the Genex Chairman Special Exertion Payment of an amount equal to \$200,000 (plus superannuation) (see Section 11.7(c) for more information, including regarding the circumstances in which the Genex Chairman Special Exertion Payment is payable); and
- (c) Special Exertion Fees are payable by Genex to each Non-executive Genex Director who is a Genex IBC Member in recognition of those Non-executive Genex Directors' increased workload and time commitment (in excess of that required for Genex's ordinary business requirements) in connection with the Transaction (see Section 11.7(b) for more information).

⁶ In considering this recommendation of the Genex IBC, Genex Shareholders should have regard to the interests of the Genex IBC Members in Genex Shares and in the Transaction, which are disclosed in Section 11 (**Additional information**).

3 Key considerations for Genex Shareholders in relation to the Transaction continued

3.5 Reasons to vote in favour of the Scheme

- (a) **The Genex IBC has unanimously recommended that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders)**

In reaching its conclusion that the Transaction (including the Scheme) is in the best interests of Genex Shareholders (as a whole), the Genex IBC considered the value and certainty of the Transaction (which involves all cash consideration) relative to the long-term fundamental value of Genex, the risks in relation to the delivery of its projects currently under construction and in its development pipeline, and alternative options to deliver value to Genex Shareholders, including continuing to deliver on growth opportunities as a standalone, ASX-listed company. In undertaking its assessment of the Transaction, the Genex IBC has taken into account, amongst other factors:

- (i) the scarcity value of Genex's renewable energy generation and energy storage assets;
- (ii) the anticipated completion of the 250MW/2,000MWh Kidston Pumped Storage Hydro Project (with energisation expected to occur in Q1 CY2025);
- (iii) the cashflow profile of Genex's 150MW of existing generation and storage assets in operation, including:
 - (A) the 50MW/100MWh Bouldercombe Battery Project, which commenced full commercial operations in November 2023; and
 - (B) Genex's two operating solar farms at Kidston and Jemalong, with Jemalong's output currently being uncontracted and therefore exposed to the underlying pricing dynamics of wholesale electricity markets and the markets for LGCs;
- (iv) the value embedded in Genex's 2.3GW development pipeline of renewable energy and storage projects, including the up to 258MW Kidston Stage-3 Wind Project and the up to 2GW multi-stage Bulli Creek Battery and Solar Project, with the first stage targeting a large scale solar farm of up to 775MW, followed by a BESS stage of approximately 400MW/1,600Wh;
- (v) the risks inherent in the development, financing, construction and operation of large-scale renewable energy generation and energy storage projects; and
- (vi) the need for further capital for Genex to fully fund its development pipeline.

Following consideration of these matters, the Genex IBC unanimously concluded that the Transaction (including the Scheme) is the most attractive option for Genex Shareholders (as a whole) as the Scheme Consideration (or the Takeover Consideration) recognises the value of Genex and provides certainty of value for Genex Shareholders (other than Excluded Genex Shareholders) in the near-term by way of cash consideration.

Accordingly, the Genex IBC Members unanimously recommend that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders). Subject to the same qualifications, each Genex IBC Member intends to vote, or cause to be voted, all of that Genex IBC Member's Genex IBC Member Shares in favour of the Scheme at the Scheme Meeting.

- (b) **The Independent Expert has concluded that the Scheme is fair and reasonable and hence in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) in the absence of a superior alternative proposal emerging**

The Genex IBC appointed the Independent Expert, Grant Thornton, who has significant experience in these matters, to prepare the Independent Expert's Report, including an opinion as to whether the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders). The Independent Expert concluded that the Scheme is fair and reasonable and hence in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) in the absence of a superior alternative proposal emerging.

The basis for this conclusion is that the Scheme Consideration of \$0.275 per Genex Share is within the valuation range (as assessed by the Independent Expert) of the fair market value of Genex on a 100% ownership and control basis of \$0.223 to \$0.290 per Genex Share.

A complete copy of the Independent Expert's Report is included in Attachment A to this Transaction Booklet and the Genex IBC encourages you to read that report in its entirety.

(c) The Scheme Consideration represents an attractive premium to recent undisturbed trading prices of Genex Shares on the ASX

The Scheme Consideration of \$0.275 in cash per Genex Share represents a significant premium to trading prices of Genex Shares before Genex's announcement of the receipt of the Indicative Proposal:

- (i) 49% premium to the closing Genex Share price on the ASX of \$0.185 on the Last Undisturbed Trading Date (being Friday, 1 March 2024);
- (ii) 56% premium to the one-month VWAP of Genex Shares of \$0.176 per Genex Share up to (and including) the Last Undisturbed Trading Date;
- (iii) 58% premium to the three-month VWAP of Genex Shares of \$0.174 per Genex Share up to (and including) the Last Undisturbed Trading Date; and
- (iv) 65% premium to the six-month VWAP of Genex Shares of \$0.166 per Genex Share up to (and including) the Last Undisturbed Trading Date.

(d) The all-cash Scheme Consideration provides Genex Shareholders (other than Excluded Genex Shareholders) with certain and immediate value for their Genex Shares and allows them to cease to be exposed to the risks associated with an ongoing investment in Genex and the execution of Genex's long-term strategy

The Scheme Consideration that Scheme Shareholders will receive if the Scheme is implemented provides the certainty of 100% cash consideration. More specifically, if the Scheme is implemented, Scheme Shareholders will receive \$0.275 in cash for each Genex Share held by them at the Scheme Record Date, to be paid on the Scheme Implementation Date, which is currently expected to be Wednesday, 31 July 2024.

In contrast, if the Scheme does not proceed and only the Takeover Offer is available, you will only have the opportunity to receive the Takeover Consideration under the Takeover Offer if the Takeover Offer is declared or otherwise becomes unconditional, which is \$0.005 per Genex Share less than the Scheme Consideration.

Further, if the Scheme does not become Effective and the Takeover Offer is not declared (or does not otherwise become) unconditional, Genex Shareholders will receive neither the Scheme Consideration nor the Takeover Consideration and, subject to no comparable proposal to the Transaction or Superior Proposal emerging, will continue to be subject to the ongoing risks associated with holding Genex Shares and the amount that Genex Shareholders will be able to realise for their investment in Genex Shares will be uncertain. Key risks related to an ongoing investment in Genex and the execution of Genex's long-term strategy include:

- (i) the possibility of construction-related delays, cost overruns or disputes in relation to Genex's construction and development projects;
- (ii) the need to raise further capital to fully fund Genex's development pipeline, which may not be available on terms favourable to Genex, or may be highly dilutive to Genex Shareholders in the case of additional equity funding;
- (iii) regulatory risks, including changes in the design and rules of the existing energy market, which may impact Genex's business performance or the feasibility of its development projects; and
- (iv) fluctuations in commodity prices (in particular, fluctuations in pricing in wholesale electricity markets and the prices for LGCs) which could adversely affect Genex's revenue and future financial performance.

If the Scheme becomes Effective, the Genex Shareholders (other than Excluded Genex Shareholders) will cease to be exposed to these risks and the resultant uncertainty. For further details of risks relating to remaining a Genex Shareholder if the Scheme is not implemented, see Section 9 **(Risks)**.

3 Key considerations for Genex Shareholders in relation to the Transaction continued

3.5 Reasons to vote in favour of the Scheme continued

- (e) Every vote in favour of the Scheme will increase the likelihood of all Genex Shareholders (other than Excluded Genex Shareholders) receiving the additional \$0.005 of value per Genex Share available under the Scheme compared to under the Takeover Offer

As noted at Section 3.5(d), if the Scheme does not proceed and only the Takeover Offer is available, you will only have the opportunity to receive the Takeover Consideration under the Takeover Offer if the Takeover Offer becomes unconditional, which is \$0.005 per Genex Share less than the Scheme Consideration.

- (f) No Superior Proposal has emerged as at the date of this Transaction Booklet

Since Genex's announcement of the receipt of the Indicative Proposal on 4 March 2024, no Superior Proposal has been received by the Genex IBC and, as at the date of this Transaction Booklet, the Genex IBC Members are not aware of any Superior Proposal that is likely to emerge.

- (g) The Scheme allows you to dispose of your entire holding of Genex Shares

The Scheme provides you with an opportunity to dispose of all your Genex Shares in a single transaction for certain cash value of \$0.275 for each Genex Share held by you at the Scheme Record Date, with no associated brokerage costs.

- (h) If the Transaction does not proceed and no comparable proposal to the Transaction or Superior Proposal emerges, the Genex Share price may fall to a price that is below the Scheme Consideration or Takeover Consideration (including, potentially, to a price that is equal to or below the Genex Share price on the Last Undisturbed Trading Date, at least in the near-term)

If the Scheme does not become Effective and the Takeover Offer does not proceed⁷, in the absence of an alternative proposal that results in Genex being delisted from the ASX, all Genex Shares will continue to remain Officially Quoted on the ASX and the price at which Genex Shares trade will continue to be subject to market volatility (including general stock market movements, the impact of general economic conditions and the demand for listed securities) and Genex Shareholders will continue to be exposed to the risks associated with Genex's business, including, but not limited to, construction-related risks, economic and commodity price risks (including wholesale electricity prices and prices for LGCs), energy policy risks and other macroeconomic risk factors (including interest rate and foreign exchange rate risks). See Section 9 (**Risks**) below for a summary of these and other key risks.

As such, if the Transaction does not proceed and no comparable proposal to the Transaction or Superior Proposal emerges, the price at which Genex Shares trade may fall to a price that is below the Scheme Consideration of \$0.275 per Genex Share or the Takeover Consideration of \$0.270 per Genex Share (including, potentially, to a price that is equal to or below the Genex Share price on the Last Undisturbed Trading Date), at least in the near-term.

Since market close on 1 March 2024 (being the last trading day before Genex's announcement of the receipt of the Indicative Proposal), the Genex Share price has increased 46% up to a closing price of \$0.270 on the Last Practicable Trading Date.

- (i) No brokerage or stamp duty will be payable by you on the transfer of your Genex Shares

You will not incur any brokerage on the transfer of your Genex Shares to J-POWER Nominee under the Scheme.

If you sell your Genex Shares on the ASX (rather than disposing of them as part of the Scheme), you may incur brokerage charges (and potentially GST on those charges).

⁷ That is, the Takeover Offer is not declared (or does not otherwise become) unconditional and J-POWER Nominee does not acquire any Genex Shares under the Takeover Offer.

(j) If the Scheme is not approved, outcomes under the Takeover Offer are less favourable to Genex Shareholders (other than Excluded Genex Shareholders)

If the Scheme is not approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) or by the Court, Genex Shareholders (other than Excluded Genex Shareholders) will have the option of selling their Genex Shares under the Takeover Offer, subject to all of the Takeover Conditions being fulfilled or, if applicable, waived.

The value of the consideration you could receive under the Takeover Offer is \$0.270 per Genex Share. This means that, if you accept the Takeover Offer and the Takeover Offer is declared or otherwise becomes unconditional, or if your Genex Shares are compulsorily acquired during or following the Takeover Offer, you will receive \$0.005 less consideration per Genex Share than the Scheme Consideration.

In addition, if you do not accept the Takeover Offer in circumstances where J-POWER Nominee acquires control of Genex under the Takeover Offer, but is unable to compulsorily acquire your Genex Shares, you will be exposed to the consequences of minority ownership, including those set out in Section 9.5(b).

3.6 Reasons why you may choose to vote against the Scheme

Although the Genex IBC unanimously recommends that you vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders), factors which may lead Genex Shareholders to vote against the Scheme Resolution include:

(a) You may disagree with the Genex IBC’s unanimous recommendation and/or the opinion of the Independent Expert and consider that the Scheme is not in your best interests or is not fair and/or not reasonable

Despite the unanimous recommendation of the Genex IBC and the opinion of the Independent Expert that the Scheme is fair and reasonable and hence in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) in the absence of a superior alternative proposal emerging, you may believe that the Scheme is not in your best interests or that of other Genex Shareholders (other than Excluded Genex Shareholders) or is not fair and/or not reasonable.

(b) You may prefer to retain your Genex Shares and have the opportunity to participate in the future financial performance of Genex as a standalone, ASX-listed company

If the Scheme is approved and implemented, it is expected to complete on Wednesday, 31 July 2024. This time frame may not be consistent with your investment objectives.

You may consider that Genex has stronger long term growth potential and that the Scheme Consideration does not fully reflect your view on long term value. You may therefore prefer to retain your Genex Shares and realise the value of your Genex Shares over the longer term. However, you will continue to be subject to the risks associated with holding Genex Shares, including those set out in Section 9 (**Risks**) as well as the risks involved in becoming a minority shareholder in Genex if J-POWER Nominee acquires control of Genex under the Takeover Offer, including those set out in Section 9.5(b).

(c) You may wish to maintain an investment in an ASX-listed company with the specific characteristics of Genex in terms of industry, operations, profile, size and capital structure

You may wish to keep your Genex Shares as you may want to preserve your investment in an ASX-listed company with the specific characteristics of Genex in terms of industry, operational profile, size and capital structure. In particular, you may consider that, despite the risks relevant to Genex’s potential future operations (including those set out in Section 9 (**Risks**)), Genex may be able to return greater value from its assets by remaining independent, or pursuing alternative strategies.

Implementation of the Scheme may result in a disadvantage to those who wish to maintain their investment profile. Genex Shareholders who wish to maintain their investment profile may find it difficult to find an investment with a similar profile to that of Genex and they may incur transaction costs in undertaking any new investment.

3 Key considerations for Genex Shareholders in relation to the Transaction continued

3.6 Reasons why you may choose to vote against the Scheme continued

(d) The tax consequences of the Scheme may not suit your current financial position

Implementation of the Scheme may trigger taxation consequences for Scheme Shareholders, and these consequences may not be favourable to you. A general guide to the taxation implications of the Scheme for Scheme Shareholders is set out in Section 10 (**Tax implications**). This guide is expressed in general terms only and Genex Shareholders should seek professional taxation advice regarding the tax consequences applicable to their own circumstances.

(e) You may believe that there is potential for a Superior Proposal to be made in the foreseeable future

You may believe that there is the potential for a Superior Proposal to be made in the foreseeable future, in which case you may wish to retain your Genex Shares.

However, as at the date of this Transaction Booklet, no Superior Proposal has been received by the Genex IBC (or has otherwise emerged) and the Genex IBC Members are not aware of any Superior Proposal that is likely to emerge.

3.7 Other considerations relevant to a Genex Shareholder's vote

In addition to the factors that the Genex IBC Members have taken into account in recommending the Scheme to Genex Shareholders (other than Excluded Genex Shareholders) or which may lead Genex Shareholders (other than Excluded Genex Shareholders) to vote against the Scheme, as described above, the other key considerations that the Genex IBC considers may be relevant to a Genex Shareholder's decision on how to vote on the Scheme Resolution are summarised below and in Section 3.12.

(a) The Scheme may be implemented even if you vote against it

Even if you do not vote on, or vote against, the Scheme Resolution at the Scheme Meeting, the Scheme may still be implemented if the Scheme Resolution is approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) and, subsequently, the Court.

(b) Scheme Conditions

The Scheme is subject to a number of Scheme Conditions, which are summarised in Section 5.3. If these Scheme Conditions are not satisfied (or, if applicable, waived), the Scheme will not proceed, even if it is approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting. See Section 11.12 for more information on the status of the Scheme Conditions as at the date of this Transaction Booklet.

3.8 Takeover recommendation

The Genex IBC Members unanimously recommend that Genex Shareholders accept the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable.⁸ Subject to the same qualifications, each Genex IBC Member intends to accept, or procure the acceptance of, the Takeover Offer in respect of all of that Genex IBC Member's Genex IBC Member Shares. Each Genex IBC Member's Genex IBC Member Shares as at the date of this Transaction Booklet are set out in Section 11 (**Additional information**). See also the disclosure in Section 3.3 above in relation to Genex IBC Members' other interests in the Transaction.

⁸ In considering this recommendation of the Genex IBC, Genex Shareholders should have regard to the interests of the Genex IBC Members in Genex Shares and in the Transaction, which are disclosed in Section 11 (**Additional information**).

On the basis that Mr Seshimo is J-POWER's representative and nominee to the Genex Board (and, therefore, the Genex IBC does not consider Mr Seshimo to be an independent Genex Director for the purposes of the Transaction), Mr Seshimo:

- (a) has recused himself from (and has not participated in any) Genex Board meetings or other discussions relating to the Transaction (or the Genex Board's consideration of it or the Initial Indicative Proposal or the subsequent Indicative Proposal); and
- (b) abstains from giving a recommendation to Genex Shareholders in respect of the Takeover Offer.

3.9 Reasons to accept the Takeover Offer

In case the Scheme is not approved by Genex Shareholders (other than Excluded Genex Shareholders) or by the Court, J-POWER Nominee is making a simultaneous Takeover Offer.

The reasons why you should accept the Takeover Offer are similar to the reasons why you should vote in favour of the Scheme Resolution, as set out in Section 3.5. In particular:

- (a) the Genex IBC unanimously recommends that, in addition to voting in favour of the Scheme at the Scheme Meeting, you accept the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable for the same reasons as those set out in Section 3.5(a) above;
- (b) each Genex IBC Member intends to accept, or procure the acceptance of, the Takeover Offer in respect of all of that Genex IBC Member's Genex IBC Member Shares, subject to the same qualifications as set out in paragraph (a) above;
- (c) the Independent Expert has concluded that the Takeover Offer is fair and reasonable to Genex Shareholders (other than Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-POWER Nominee) in the absence of a superior alternative proposal emerging;
- (d) the Takeover Consideration of \$0.270 in cash per Genex Share represents a:
 - (i) 46% premium to the closing Genex Share price on the ASX of \$0.185 on the Last Undisturbed Trading Date (being Friday, 1 March 2024);
 - (ii) 53% premium to the one-month VWAP of Genex Shares of \$0.176 per Genex Share up to (and including) the Last Undisturbed Trading Date;
 - (iii) 56% premium to the three-month VWAP of Genex Shares of \$0.174 per Genex Share up to (and including) the Last Undisturbed Trading Date; and
 - (iv) 62% premium to the six-month VWAP of Genex Shares of \$0.166 per Genex Share up to (and including) the Last Undisturbed Trading Date;
- (e) the Takeover Consideration also provides certain value for a Genex Shareholder's Genex Shares (with no associated brokerage costs or stamp duty payable) and allows the Genex Shareholder to cease to be exposed to the risks associated with an ongoing investment in Genex and the execution of Genex's long-term strategy (including those specifically referred to in Section 3.5(d) above), in each case subject to the Takeover Offer becoming unconditional;
- (f) no Superior Proposal has emerged as at the date of this Transaction Booklet and, as at the date of this Transaction Booklet, the Genex IBC Members are not aware of any Superior Proposal that is likely to emerge;
- (g) the Takeover Offer allows you to dispose of your entire holding of Genex Shares;

3 Key considerations for Genex Shareholders in relation to the Transaction continued

3.9 Reasons to accept the Takeover Offer continued

- (h) if the Scheme does not become Effective and the Takeover Offer is not declared (or does not otherwise become) unconditional, and no comparable proposal to the Transaction or Superior Proposal emerges, the price at which Genex Shares trade may fall to a price that is below the Takeover Consideration of \$0.270 per Genex Share (including, potentially, to a price that is equal to or below the Genex Share price on the Last Undisturbed Trading Date), at least in the near-term; and
- (i) accepting the Takeover Offer removes⁹ your exposure to:
 - (i) an uncertain future market price for your Genex Shares;
 - (ii) the risk of remaining a Genex Shareholder and being exposed to the market, strategic, financial and operational risks that Genex is exposed to (including those specifically referred to in Section 3.5(d) above and those set out in Section 9 (**Risks**)); and
 - (iii) the consequences of minority ownership in circumstances where J-POWER Nominee acquires control of Genex under the Takeover Offer but is unable to compulsorily acquire your Genex Shares (and the Genex Shares of any other Genex Shareholder that does not accept the Takeover Offer), including those consequences set out in Section 9.5(b).

3.10 Reasons why you may choose to reject the Takeover Offer

Although the Genex IBC unanimously recommends that Genex Shareholders accept the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable to Genex Shareholders (other than Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-POWER Nominee) in the absence of a superior alternative proposal emerging, factors which may lead Genex Shareholders to reject the Takeover Offer are similar to the reasons why you may consider voting against the Scheme Resolution, as set out in Section 3.6.

In particular:

- (a) you may disagree with the Genex IBC's unanimous recommendation and/or the Independent Expert's conclusion and consider that the Takeover Offer is not fair and/or reasonable;
- (b) you may prefer to retain your Genex Shares and have the opportunity to participate in the future financial performance of Genex as a standalone, ASX-listed company (noting that, even if you do not accept the Takeover Offer and J-POWER Nominee becomes the holder of at least 75% of Genex Shares, it is possible that, subject to the requirements of the ASX being satisfied, J-POWER Nominee could cause Genex to be removed from the Official List, further details of which are described in Section 8.7(c)(i));
- (c) you may wish to maintain an investment in an ASX-listed company with the specific characteristics of Genex in terms of industry, operations, profile, size and capital structure;
- (d) the tax consequences of the Takeover Offer may not suit your current financial position;
- (e) you may believe that there is potential for a Superior Proposal to be made in the future; or
- (f) you may want to sell your Genex Shares on the ASX if you expect the net proceeds of such sale to be higher than the Takeover Consideration (or that you will be paid sooner than under the Takeover Offer). If you sell your Genex Shares on market instead of accepting the Takeover Offer, you:
 - (i) will receive the price on market, which may be higher or lower than the Takeover Consideration;
 - (ii) will lose the ability to accept the Takeover Offer or any other offer (including any Competing Proposal or Superior Proposal) which may eventuate;
 - (iii) will not be entitled to receive any increased consideration if J-POWER Nominee subsequently increases the Takeover Consideration; and
 - (iv) may incur brokerage costs.

⁹ Subject to the Takeover Offer being declared, or otherwise becoming, unconditional.

3.11 Other considerations relevant to a Genex Shareholder's decision as to whether or not to accept the Takeover Offer

In addition to the factors that the Genex IBC Members have taken into account in recommending the Takeover Offer to Genex Shareholders or which may lead Genex Shareholders to reject the Takeover Offer, as described above, the other key considerations that the Genex IBC considers may be relevant to a Genex Shareholder's decision on whether or not to accept the Takeover Offer are summarised below and in Section 3.12.

(a) Your Genex Shares may be acquired by Compulsory Acquisition even if you do not accept the Takeover Offer

If, in connection with the Takeover Offer, J-POWER Nominee has a Relevant Interest in at least 90% of Genex Shares, J-POWER Nominee may be entitled to compulsorily acquire the Genex Shares of any Genex Shareholder that does not accept the Takeover Offer. See Section 8.7(b)(i) for further information.

(b) Takeover Conditions

The Takeover Offer is subject to the Takeover Conditions, which are set out in Section 6.8. If these Takeover Conditions are not fulfilled (or, if applicable, waived), the Takeover Offer will not proceed, even if eligible Genex Shareholders have accepted the Takeover Offer. See Section 11.12 for more information on the status of the Takeover Conditions as at the date of this Transaction Booklet.

(c) The effect of accepting the Takeover Offer

While you may vote in favour of the Scheme Resolution and accept the Takeover Offer at the same time, as the terms of the Transaction determine whether the Scheme will be implemented or the Takeover Offer will proceed, you should be aware that accepting the Takeover Offer now will restrict your ability to sell or transfer your Genex Shares to another person (including selling your Genex Shares on the ASX or accepting any takeover bid from a competing bidder that may be made after the date of this Transaction Booklet)¹⁰ unless you are entitled to withdraw your acceptance. The circumstances in which you may revoke your acceptance of the Takeover Offer are set out in Sections 6.6(a) and 6.6(b) of this Transaction Booklet.

3.12 Other considerations relevant to a Genex Shareholders' decision in respect of the Transaction

If the Scheme does not become Effective and the Takeover Offer does not proceed¹¹, Genex will continue to operate as a standalone entity listed on the ASX, Genex Shareholders will continue to hold their Genex Shares and be exposed to these risks and any opportunities associated with that investment.

In making your decision on how to vote on the Scheme Resolution and whether to accept the Takeover Offer, you should read this Transaction Booklet carefully and in its entirety. You should carefully consider the risks outlined in Section 9 (**Risks**) and your individual circumstances. However, Genex notes that Section 9 (**Risks**) is general in nature only and does not take into account your individual objectives, financial situation, taxation position or particular needs.

While the Genex IBC unanimously recommends that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting and accept the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude, in respect of the Scheme, that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) and, in respect of the Takeover Offer, that the Takeover Offer is fair and reasonable, Genex Shareholders are encouraged to make their own independent assessment as to whether to vote in favour of the Scheme Resolution and accept the Takeover Offer.

¹⁰ As at the date of this Transaction Booklet, no Competing Proposal has been received by the Genex IBC (or has otherwise emerged) and the Genex IBC Members are not aware of any Competing Proposal that is likely to emerge.

¹¹ That is, the Takeover Offer is not declared (or does not otherwise become) unconditional and J-POWER Nominee does not acquire any Genex Shares under the Takeover Offer.

Frequently asked questions



4 Frequently asked questions

This Transaction Booklet contains detailed information regarding the Transaction. This Section 4 provides summary answers to some questions that Genex Shareholders may have in relation to the Transaction and will assist Genex Shareholders to locate further detailed information in this Transaction Booklet. It is not intended to address all relevant issues for Genex Shareholders. This Section should be read together with the other parts of this Transaction Booklet.

Question	Answer	Further information
Overview of the Transaction		
Why have I received this Transaction Booklet?	<p>This Transaction Booklet has been sent to you because you are a Genex Shareholder.</p> <p>This Transaction Booklet is intended to help you to decide:</p> <ul style="list-style-type: none"> • how to vote on the Scheme Resolution, which must be passed by the Requisite Majorities at the Scheme Meeting to allow the Scheme to proceed; and • whether to accept or reject the Takeover Offer. <p>You should read this Transaction Booklet carefully and, if necessary, consult your legal, taxation, financial or other professional adviser before making a decision in respect of the Transaction.</p>	Section 1
What is the Transaction?	<p>The Transaction is a proposal from J-POWER (through J-POWER Nominee) to acquire all of your Genex Shares by way of the Scheme for \$0.275 in cash per Genex Share and a simultaneous offer to acquire all of your Genex Shares under the Takeover Offer for \$0.270 in cash per Genex Share.</p> <p>While there are two alternative transactions for the purposes of implementing J-POWER Nominee's acquisition of Genex, only one of these alternatives (either the Scheme or the Takeover Offer) can proceed to completion (see "<i>Why is there a Scheme and a simultaneous Takeover Offer?</i>" below).</p>	<p>Letter from the Chairman of the Genex IBC</p> <p>Sections 5 and 6</p>
What should I do now?	<p>This Transaction Booklet has been sent to you because you are a Genex Shareholder and Genex Shareholders have decisions to make in relation to the Transaction.</p> <p>For the reasons set out in this Transaction Booklet, the Genex IBC unanimously recommends that you:</p> <ul style="list-style-type: none"> • vote in favour of the Scheme at the Scheme Meeting; and • accept the Takeover Offer, <p>in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that, in respect of the Scheme, it is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) and, in respect of the Takeover Offer, it is fair and reasonable.</p> <p>You should carefully read this Transaction Booklet in its entirety before making any decision in relation to the Transaction.</p>	<p>Section 1, Notice of Scheme Meeting, Scheme Meeting Proxy Form, Takeover Acceptance Form and Scheme Meeting Online Guide</p>

4 Frequently asked questions continued

Question	Answer	Further information
Overview of the Transaction <small>continued</small>		
Why is there a Scheme and a simultaneous Takeover Offer?	<p>The Scheme can only proceed if, in addition to the other Scheme Conditions being satisfied (or, if applicable, waived), the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) (being more than 50% in number present and voting (either in person (either by being physically present at the Scheme Meeting venue or attending via the Online Scheme Meeting Platform) or by proxy, attorney or, in the case of corporate Genex Shareholders, its duly appointed corporate representative), and at least 75% of votes cast, at the Scheme Meeting) vote in favour of the Scheme Resolution. Excluded Genex Shareholders (being Genex Shareholders that hold the J-POWER Genex Shares) are not eligible to vote on the Scheme Resolution and are excluded from the Requisite Majorities.</p> <p>The simultaneous Takeover Offer can proceed with a different and lower acceptance threshold (compared to the approval threshold required in respect of the Scheme, as described above), that is, if acceptances are received from Genex Shareholders such that J-POWER Nominee has a Relevant Interest in at least 50.1% of the Genex Shares and the other Takeover Conditions are fulfilled or, if applicable, waived. Under the terms of the Takeover Offer, J-POWER Nominee retains the discretion to waive the 50.1% Minimum Acceptance Takeover Condition subject to either J-POWER Nominee having a Relevant Interest in at least 40% of the Genex Shares on issue¹ and provided that the waiver (together with the waiver of any other applicable Takeover Conditions at the same time) causes acceptances under any Takeover Acceptance Facility (including the Institutional Acceptance Facility) to be unable to be withdrawn, or, otherwise, with the prior written consent of Genex. Accordingly, subject to the valid waiver of the 50.1% Minimum Acceptance Takeover Condition (where J-POWER Nominee is entitled to do so), the Takeover Offer may proceed subject to an even lower acceptance threshold.</p> <p>The Takeover Offer enhances the possibility of delivering value to Genex Shareholders (that accept the Takeover Offer) by increasing the prospects of a successful acquisition of Genex by J-POWER Nominee should the Scheme not be approved by the Requisite Majorities at the Scheme Meeting or by the Court.</p>	<p>Letter from the Chairman of the Genex IBC</p> <p>Sections 3, 5 and 6</p>

¹ Where, for this purpose, the Relevant Interest is to be determined as if section 609A of the Corporations Act (which, in summary, provides that J-POWER Nominee will not have acquired a Relevant Interest in any Genex Shares 'accepted into' a Takeover Acceptance Facility) was omitted from the Corporations Act and disregarded in relation to a Takeover Acceptance Facility (including the Institutional Acceptance Facility). See Section 6.9(d)(ii) for more information.

Question	Answer	Further information
Overview of the Transaction continued		
Who is J-POWER Nominee and J-POWER?	<p>J-POWER Nominee is the company that is offering the \$0.275 cash price for your Genex Shares under the Scheme and the \$0.270 cash price for your Genex Shares under the Takeover Offer.</p> <p>J-POWER Nominee is an Australian proprietary company limited by shares and is an indirect wholly-owned Subsidiary of J-POWER.</p> <p>J-POWER is a Japanese electric power generation and transmission business listed on the Tokyo Stock Exchange with a market capitalisation of approximately A\$4.56 billion² as at the Last Practicable Trading Date. J-POWER has one of the largest installed capacities in Japan centred on hydro-electric and wind power and has total diversified power generation capacity of 26GW.</p> <p>In Australia, J-POWER has invested in three Australian coal mines: the Clermont Coal Mine, the Narrabri Coal Mine and the Maules Creek Coal Mine. J-POWER is also engaged in two joint venture projects with Genex in the renewable energy sector, being the development of the up to 258MW Kidston Stage-3 Wind Project and the development of the up to 2GW Bulli Creek Battery and Solar Project. J-POWER is also a participant in the Hydrogen Energy Supply Chain (HESC) Pilot Project which was completed in 2022 with production of clean hydrogen via extraction from Latrobe Valley coal in Victoria.</p>	Sections 8.2 and 11.10
How is J-POWER funding the Scheme Consideration and the Takeover Consideration?	<p>J-POWER intends to fund the Scheme Consideration and the Takeover Consideration from the J-POWER Group's existing cash reserves, as described in Section 8.6.</p> <p>J-POWER and J-POWER Nominee have each executed the Scheme Deed Poll under which they each covenant in favour of Scheme Shareholders that, subject to the Scheme becoming Effective, they will provide or procure the provision of the Scheme Consideration to each Scheme Shareholder and perform the obligations attributed to them under the Scheme.</p> <p>On the basis of the funding arrangements described above and in Section 8.6 of this Transaction Booklet, J-POWER and J-POWER Nominee each believe that it will be able to satisfy its obligations to pay the Scheme Consideration or Takeover Consideration (as applicable) as and when due under the terms of the Scheme or the Takeover Offer, respectively.</p>	Section 8.6
Does J-POWER currently hold any Genex Shares?	<p>As described in Section 8.8(a), as at the date of this Transaction Booklet, J-POWER has a Relevant Interest in 7.72% of the Genex Shares on issue at the date of this Transaction Booklet (being the J-POWER Genex Shares).</p>	Section 8.8(a)

² Assuming a conversion rate of ¥1 to AU\$0.0096 as at the Last Practicable Trading Date.

4 Frequently asked questions continued

Question	Answer	Further information
Scheme		
What is the Scheme?	<p>A scheme of arrangement is a statutory procedure that is commonly used in transactions which may result in a change of ownership or control of an ASX-listed company.</p> <p>The Scheme is a scheme of arrangement between Genex and Genex Shareholders (other than Excluded Genex Shareholders) under which, if the Scheme Resolution is passed by the Requisite Majorities at the Scheme Meeting and all other Scheme Conditions are satisfied (or, if applicable waived), will result in:</p> <ul style="list-style-type: none"> • J-POWER Nominee acquiring all of the Genex Shares (that J-POWER Nominee³ does not already own); and • each Scheme Shareholder receiving the Scheme Consideration from J-POWER or J-POWER Nominee, being \$0.275 in cash for each Genex Share held by that Scheme Shareholder as at the Scheme Record Date. 	Section 5
What is the Scheme Consideration?	<p>If the Scheme is implemented, Genex Shareholders (other than Excluded Genex Shareholders) will receive the Scheme Consideration from J-POWER or J-POWER Nominee, being \$0.275 in cash for each Genex Share held by that Genex Shareholder as at the Scheme Record Date.</p>	Section 5.2
What premium does the Scheme Consideration represent?	<p>The Scheme Consideration of \$0.275 in cash per Genex Share represents a significant premium to recent undisturbed trading prices of Genex Shares, including:</p> <ul style="list-style-type: none"> • 49% premium to the closing Genex Share price on the ASX of \$0.185 on the Last Undisturbed Trading Date (being Friday, 1 March 2024); • 56% premium to the one-month VWAP of Genex Shares of \$0.176 per Genex Share up to (and including) the Last Undisturbed Trading Date; • 58% premium to the three-month VWAP of Genex Shares of \$0.174 per Genex Share up to (and including) the Last Undisturbed Trading Date; and • 65% premium to the six-month VWAP of Genex Shares of \$0.166 per Genex Share up to (and including) the Last Undisturbed Trading Date. 	Section 3.5(c)

³ Together with any other Excluded Genex Shareholders.

Question	Answer	Further information
Scheme continued		
When will I receive my Scheme Consideration?	If the Scheme becomes Effective (after all Scheme Conditions are satisfied (or, if applicable, waived)), the Scheme Consideration will be sent to Scheme Shareholders on the Scheme Implementation Date (currently expected to be Wednesday, 31 July 2024).	Section 5.5
What are J-POWER's and J-POWER Nominee's intentions if the Scheme is implemented?	<p>If the Scheme is implemented, J-POWER Nominee will hold all of the Genex Shares on issue. J-POWER's present intentions if the Scheme is implemented include to:</p> <ul style="list-style-type: none"> • continue to support the strategic direction of Genex's business and attempt to accelerate the growth of Genex and the completion of its projects; and • conduct a broad-based general review of Genex's strategic, financial and commercial operations to: <ul style="list-style-type: none"> – identify opportunities on how to best integrate the businesses of J-POWER and Genex and to achieve greater efficiencies and synergy benefits over time; and – determine the optimal manner of operating and managing the Genex businesses going forward. <p>All statements in this answer and Section 8.7 in respect of J-POWER Nominee's intentions for Genex following the Scheme being implemented are statements of current intention only based on information available to J-POWER Nominee as at the date of this Transaction Booklet and may change as new information becomes available to J-POWER or as circumstances change.</p>	Section 8.7

4 Frequently asked questions continued

Question	Answer	Further information
Scheme continued		
What are the key steps required to implement the Scheme?	<p>The key remaining steps to implement the Scheme are:</p> <ul style="list-style-type: none"> • approval of the Scheme Resolution by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting; • the satisfaction (or, if applicable, waiver) of the remaining Scheme Conditions (as described below); • Court approval of the Scheme at the Second Court Hearing; and • lodgement of the Court order with ASIC, which will cause the Scheme to become Effective. <p>Following lodgement of the Court order with ASIC, the Scheme will become Effective and will be implemented on the Scheme Implementation Date. If the Scheme is implemented:</p> <ul style="list-style-type: none"> • Genex Shareholders (other than Excluded Genex Shareholders) will receive the Scheme Consideration of \$0.275 in cash for each Genex Share held by those Genex Shareholders as at the Scheme Record Date; and • all Genex Shares held by Scheme Shareholders will be transferred to J-POWER Nominee. <p>Section 5 (Overview of the Scheme) contains further details of the steps required to implement the Scheme (and further details of the Scheme itself), including a description of the Requisite Majorities required for the Scheme Resolution to be passed and other Scheme Conditions that must be satisfied (or, if applicable, waived) for the Scheme to proceed.</p>	Section 5.4
Is the Scheme subject to any conditions?	<p>Yes. For the Scheme to become Effective and implemented, the Scheme Conditions must be satisfied (or, if applicable, waived). These Scheme Conditions are summarised in Section 5.3 and are set out in full in clause 3.1 of the Transaction Implementation Deed. Section 11.12 sets out a summary of the status of each relevant Scheme Condition as at the date of this Transaction Booklet.</p> <p>The Scheme will not proceed unless all the Scheme Conditions are satisfied (or, if applicable, waived) in accordance with the Scheme and the Transaction Implementation Deed.</p> <p>As at the date of this Transaction Booklet, no Genex IBC Member is aware of any circumstances which would cause any Scheme Condition to not be satisfied.</p>	Section 5.3

Question	Answer	Further information
Scheme continued		
Is the Scheme subject to a “material adverse change” condition?	<p>Yes. As described in Section 5.3(f), for the Scheme to become Effective and be implemented, the No Material Adverse Change Scheme Condition must be satisfied (or waived by J-POWER). The definition of “Genex Material Adverse Change” in Section 14 (Glossary) sets out what will constitute a Genex Material Adverse Change for the purpose of this Scheme Condition.</p> <p>As at the date of this Transaction Booklet, no Genex IBC Member is aware of any circumstances which would cause the No Material Adverse Change Scheme Condition to not be satisfied.</p>	Sections 5.3(f) and 14
Are there any regulatory approvals required for the Scheme to become Effective?	<p>Yes, the Scheme is subject to the FIRB Scheme Condition.</p> <p>It is a Scheme Condition that, in summary, J-POWER has received written notice by or on behalf of the Treasurer advising that the Commonwealth Government has no objections to the Scheme (or the Treasurer ceases to become entitled to make an order prohibiting the implementation of the Scheme under FATA) – this is commonly known as “FIRB approval”.</p> <p>An application for FIRB approval was submitted to FIRB by J-POWER on 8 March 2024. As at the date of this Transaction Booklet, the Treasurer has not yet provided notice that the Commonwealth Government has no objection to the Scheme under the FATA and the FIRB Scheme Condition remains unsatisfied.</p> <p>While, as at the date of this Transaction Booklet, neither Genex nor J-POWER or J-POWER Nominee is aware of any circumstances which would cause the FIRB Scheme Condition to not be satisfied, it is possible that the requirement for FIRB approval for the Scheme to proceed may result in a delay to the date of the Scheme Meeting and/or implementation of the Scheme.</p>	Sections 5.3(g) and 11.12
When will the Scheme become Effective and be implemented?	<p>Subject to the satisfaction or waiver (as applicable) of the Scheme Conditions, the Scheme will become Effective on the Effective Date (currently expected to be Monday, 22 July 2024) and will be implemented on the Scheme Implementation Date (currently expected to be Wednesday, 31 July 2024).</p>	Section 5.4

4 Frequently asked questions continued

Question	Answer	Further information
Scheme <small>continued</small>		
What happens if the Scheme does not become Effective?	<p>If the Scheme does not become Effective:</p> <ul style="list-style-type: none"> • Genex Shareholders will not receive the Scheme Consideration; • the Takeover Offer will become the only offer available to Genex Shareholders from J-POWER (or J-POWER Nominee); • Genex Shareholders will continue to hold Genex Shares (unless they accept the Takeover Offer and the Takeover Offer is declared or otherwise becomes unconditional); • a Break Fee of \$3,515,014 (excluding GST, if any) may be payable by Genex to J-POWER in certain circumstances (unless the Takeover Offer is declared or otherwise becomes unconditional)⁴; and • in the absence of a party acquiring control of Genex and seeking its delisting from the ASX, Genex will continue as an ASX-listed entity and, as such, Genex Shareholders will be exposed to the risks relating to Genex's business, including those outlined in Sections 9.2 and 9.3. 	N/A
Which Genex Shareholders are eligible to participate in the Scheme and what will they receive if the Scheme is implemented?	<p>All Genex Shareholders registered on the Genex Share Register as the holders of Genex Shares at the Scheme Record Date (other than Excluded Genex Shareholders) will be Scheme Shareholders and, therefore, will participate in the Scheme and receive the Scheme Consideration of \$0.275 for each Genex Share held on the Scheme Record Date if the Scheme is implemented.</p> <p>As described in Section 5.4(c), under the terms of the Scheme, the J-POWER Genex Shares (and any other Genex Shares held by the Excluded Genex Shareholders) will not be acquired by J-POWER Nominee under the Scheme and, accordingly, J-POWER Nominee (and any other Excluded Genex Shareholder) will not be Scheme Shareholders (that is, J-POWER Nominee (and any other Excluded Genex Shareholders) will not participate in the Scheme). As a result, the Scheme must be approved by the Requisite Majorities, which excludes the Excluded Genex Shareholders, and the Excluded Genex Shareholders will not be entitled to vote on the Scheme Resolution at the Scheme Meeting.</p>	Sections 5.4(c) and 5.4(g)

⁴ The Break Fee will not be payable solely as a result of the Scheme not receiving approval by the Requisite Majorities at the Scheme Meeting. See also Section 11.11(c) of this Transaction Booklet.

Question	Answer	Further information
Scheme continued		
Who are the Excluded Genex Shareholders?	<p>An Excluded Genex Shareholder is any Genex Shareholder that:</p> <ul style="list-style-type: none"> • is a J-POWER Group Member; or • holds any Genex Shares on behalf of, or for the benefit of, any J-POWER Group Member and does not hold Genex Shares on behalf of, or for the benefit of, any other person, <p>and includes J-POWER Nominee, which holds the J-POWER Genex Shares.</p> <p>As at the date of this Transaction Booklet, the only Excluded Genex Shareholder is J-POWER Nominee.</p> <p>An Excluded Genex Shareholder at the Scheme Record Date will not be a Scheme Shareholder and, therefore, will not participate in the Scheme. Accordingly, the Excluded Genex Shareholders will not be entitled to vote on the Scheme Resolution at the Scheme Meeting.</p> 	N/A
When and where will the Scheme Meeting be held?	<p>The Scheme Meeting will be held as a hybrid meeting at 10:00am on Tuesday, 16 July 2024.</p> <p>Eligible Genex Shareholders and duly appointed proxies, attorneys and corporate representatives of Genex Shareholders can attend, participate and vote at the Scheme Meeting in person at the office of Gilbert + Tobin, Level 35, Tower Two, International Towers, 200 Barangaroo Avenue, Barangaroo NSW 2000 or through the Online Scheme Meeting Platform.</p> <p>Genex Shareholders who participate in the Scheme Meeting through the Online Scheme Meeting Platform will be able to listen to the Scheme Meeting and cast a vote and ask questions online through the Online Scheme Meeting Platform.</p> <p>Full details of how to vote at the Scheme Meeting (including through the Online Scheme Meeting Platform) are set out in Section 2 (How to participate in, and vote at, the Scheme Meeting and accept the Takeover Offer) and the Scheme Meeting Online Guide at Attachment C.</p>	Sections 2 and 5.4(c), Notice of Scheme Meeting and Scheme Meeting Online Guide
What am I being asked to vote on at the Scheme Meeting?	<p>Genex Shareholders (other than Excluded Genex Shareholders) will be asked at the Scheme Meeting to vote on the Scheme Resolution to approve the Scheme.</p> <p>The Scheme Resolution is set out in the Notice of Scheme Meeting in Attachment B.</p>	Section 5.4(c) and Notice of Scheme Meeting

4 Frequently asked questions continued

Question	Answer	Further information
Scheme <small>continued</small>		
What is the Genex Shareholder approval threshold for the Scheme?	<p>For the Scheme to proceed, votes “in favour of” the Scheme Resolution at the Scheme Meeting must be received from the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders). The Requisite Majorities for the Scheme Resolution are the resolution being passed by:</p> <ul style="list-style-type: none"> • a majority in number (more than 50%) of eligible Genex Shareholders (other than Excluded Genex Shareholders) who are present and voting at the Scheme Meeting (either in person (either by being physically present at the Scheme Meeting venue or attending via the Online Scheme Meeting Platform) or by proxy, attorney or, in the case of a corporate Genex Shareholder, its duly appointed corporate representative), unless the Court orders otherwise; and • at least 75% of the total number of votes cast on the Scheme Resolution by eligible Genex Shareholders (other than Excluded Genex Shareholders). <p>The Genex IBC strongly encourages each Genex Shareholder (other than Excluded Genex Shareholders) to vote at the Scheme Meeting because every vote in favour of the Scheme will increase the likelihood of all Genex Shareholders (other than Excluded Genex Shareholders) receiving the additional \$0.005 of value per Genex Share available under the Scheme compared to the Takeover Offer.</p>	Section 5.4(c) and Notice of Scheme Meeting
Am I entitled to vote at the Scheme Meeting?	<p>You will be entitled to vote at the Scheme Meeting if you are registered as a Genex Shareholder (and are not an Excluded Genex Shareholder) on the Genex Share Register at 10:00am (Sydney time) on Sunday, 14 July 2024, irrespective of whether you have accepted the Takeover Offer.</p>	Section 5.4(c) and Notice of Scheme Meeting

Question	Answer	Further information
Scheme continued		
How do I vote at the Scheme Meeting?	<p>If you are a Genex Shareholder entitled to vote at the Scheme Meeting, you may vote at the Scheme Meeting in any of the following ways:</p> <ul style="list-style-type: none"> • by attending the Scheme Meeting in person at the office of Gilbert + Tobin, Level 35, Tower Two, International Towers, 200 Barangaroo Avenue, Barangaroo NSW 2000; • by attending the Scheme Meeting through the Online Scheme Meeting Platform; or • by appointing a proxy, attorney or, if you are a body corporate, a duly appointed corporate representative to attend and vote at the Scheme Meeting on your behalf (whether in person or through the Online Scheme Meeting Platform). <p>Full details of how to vote at the Scheme Meeting (whether in person at the Scheme Meeting venue, through the Online Scheme Meeting Platform or by appointing a proxy, attorney or, if you are a body corporate, a duly appointed corporate representative to attend and vote at the Scheme Meeting on your behalf), the Online Scheme Meeting Platform (and how to access it) and how to lodge a Scheme Meeting Proxy Form, corporate representative appointment or power of attorney, are set out in Section 2 (How to participate in, and vote at, the Scheme Meeting and accept the Takeover Offer), in the Notice of Scheme Meeting at Attachment B and (in respect of the Online Scheme Meeting Platform) in the Scheme Meeting Online Guide at Attachment C.</p>	Section 2, Notice of Scheme Meeting and Scheme Meeting Online Guide
Is voting at the Scheme Meeting compulsory?	Voting is not compulsory. However, the Scheme will only be successful if the Scheme Resolution is approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders), so voting is important, and the Genex IBC strongly encourages you to vote.	Sections 5.3(a) and 5.4(c)
When will the results of the Scheme Meeting be known?	The results of the Scheme Meeting will be available shortly after the conclusion of the Scheme Meeting and will be announced to ASX (https://www.asx.com.au/) once available.	Section 5.4(c)

4 Frequently asked questions continued

Question	Answer	Further information
Scheme <small>continued</small>		
What are the potential outcomes for Genex Shareholders in connection with the Scheme?	<p>The potential outcomes for Genex Shareholders in connection with the Scheme are:</p> <ul style="list-style-type: none"> • the Scheme is implemented, all Genex Shareholders (other than Excluded Genex Shareholders) will receive the Scheme Consideration, and Genex will be acquired by J-POWER Nominee and be delisted from ASX. If this occurs, the Takeover Offer will not proceed; and • the Scheme is not implemented, Genex Shareholders will not receive the Scheme Consideration and will retain their Genex Shares. If this occurs, the Takeover Offer will still be available to be accepted by Genex Shareholders but will only be completed subject to the satisfaction (or, if applicable, waiver) of the Takeover Conditions (see the further questions and answers below regarding the Takeover Offer). 	Sections 5 and 6
What happens to my Genex Shares if I do not vote at the Scheme Meeting, or if I vote against the Scheme, and the Scheme becomes Effective and is implemented?	<p>If you do not vote at the Scheme Meeting, or you vote against the Scheme, and the Scheme is nonetheless approved by the Requisite Majorities and the Court and becomes Effective and is implemented, any Scheme Shares held by you on the Scheme Record Date (currently expected to be 7:00pm on Wednesday, 24 July 2024) will be transferred to J-POWER Nominee (unless you are an Excluded Genex Shareholder) and you will be sent the Scheme Consideration in respect of each of those Genex Shares. In those circumstances, the Scheme will be implemented and binding on all Genex Shareholders (who are Scheme Shareholders), including any such Genex Shareholders who did not vote on, or voted against, the Scheme Resolution.</p>	Sections 5.4 and 5.5
If the Scheme is implemented, when will Genex Shares cease trading on ASX?	<p>Genex intends to apply to ASX for Genex Shares to be suspended from Official Quotation on the ASX from the close of trading on the Effective Date. Following the Scheme Implementation Date, Genex will apply for termination of the Official Quotation of Genex Shares on ASX and for Genex to be removed from the Official List.</p>	Sections 5.4(f) and 5.6
Will I have to pay brokerage fees or stamp duty?	<p>No brokerage fees or stamp duty will be payable by Scheme Shareholders on the transfer of Genex Shares to J-POWER Nominee under the Scheme.</p>	Section 3.5(i)

Question	Answer	Further information
Takeover Offer		
What is the Takeover Offer?	<p>A takeover bid is a form of offer regulated by the Corporations Act, under which an offer is made by a bidder directly to the shareholders of an ASX-listed (or other public) company to acquire their shares in that company. Like the Scheme, a takeover bid may result in a change of ownership or control of the relevant company (to the bidder) if shareholders accept the offer in respect of a sufficient number of shares and the offer becomes unconditional.</p> <p>The Takeover Offer is a takeover bid under which eligible Genex Shareholders are entitled to receive Takeover Consideration of \$0.270 in cash for each Genex Share accepted into the Takeover Offer if the Scheme is not approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) or the Court and the Takeover Offer is declared or otherwise becomes unconditional.</p> <p>The Takeover Offer gives Genex Shareholders the opportunity to sell their Genex Shares to J-POWER Nominee (subject to the Takeover Offer being declared or otherwise becoming unconditional) if the Scheme is not approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) or the Court.</p> <p>Importantly, the Takeover Offer is subject to the 50.1% Minimum Acceptance Takeover Condition (among other Takeover Conditions), which is a different and lower acceptance threshold to the approval threshold in respect of the Scheme (being the approval of the Scheme Resolution by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders)). The 50.1% Minimum Acceptance Condition may be waived by J-POWER Nominee in the circumstances (and subject to the conditions and requirements) set out in Section 6.9(d)(ii) of this Transaction Booklet.</p>	<p>Letter from the Chairman of the Genex IBC</p> <p>Section 6</p>
What is the Takeover Consideration?	<p>You will be entitled to receive \$0.270 in cash per Genex Share held by you if you accept the Takeover Offer and the Takeover Conditions are fulfilled or, if applicable, waived (such that the Takeover Offer becomes unconditional).</p>	Section 6.2(b)

4 Frequently asked questions continued

Question	Answer	Further information
Takeover Offer <small>continued</small>		
What premium does the Takeover Consideration represent?	<p>The Takeover Consideration of \$0.270 in cash per Genex Share represents a significant premium to recent undisturbed trading prices of Genex Shares, including:</p> <ul style="list-style-type: none"> • 46% premium to the closing Genex Share price on the ASX of \$0.185 on the Last Undisturbed Trading Date (being Friday, 1 March 2024); • 53% premium to the one-month VWAP of Genex Shares of \$0.176 per Genex Share up to (and including) the Last Undisturbed Trading Date; • 56% premium to the three-month VWAP of Genex Shares of \$0.174 per Genex Share up to (and including) the Last Undisturbed Trading Date; and • 62% premium to the six-month VWAP of Genex Shares of \$0.166 per Genex Share up to (and including) the Last Undisturbed Trading Date. <p>The premium represented by the Takeover Consideration is less than that represented by the Scheme Consideration. Accordingly, the Genex IBC strongly encourages each Genex Shareholder (other than Excluded Genex Shareholders) to vote at the Scheme Meeting because every vote in favour of the Scheme will increase the likelihood of all Genex Shareholders (other than Excluded Genex Shareholders) receiving the additional \$0.005 of value per Genex Share available under the Scheme compared to under the Takeover Offer.</p>	Section 3.9
Can I accept the Takeover Offer now?	<p>Yes. You may accept the Takeover Offer at any time during the Takeover Offer Period, including before the Scheme Meeting.</p> <p>You may vote in favour of the Scheme and accept the Takeover Offer at the same time, as the terms of the Transaction determine whether the Scheme will be implemented or the Takeover Offer will proceed. However, you should be aware that accepting the Takeover Offer now will restrict your ability to sell or transfer your Genex Shares to another person (including selling your Genex Shares on the ASX or accepting any takeover bid from a competing bidder that may be made after the date of this Transaction Booklet)⁵ unless you are entitled to withdraw your acceptance (see the question “<i>If I accept the Takeover Offer, can I withdraw or revoke my acceptance?</i>” below).</p> <p>However, even where you accept the Takeover Offer, please make sure you also vote on the Scheme Resolution.</p>	Sections 6.1 and 6.4

⁵ As at the date of this Transaction Booklet, no Competing Proposal has been received by the Genex IBC (or has otherwise emerged) and the Genex IBC Members are not aware of any Competing Proposal that is likely to emerge.

Question	Answer	Further information
Takeover Offer continued		
What choice do I have as a Genex Shareholder in respect of the Takeover Offer?	<p data-bbox="416 530 1091 584">As a Genex Shareholder, you have the following choices in respect of the Takeover Offer:</p> <ul data-bbox="416 607 1134 927" style="list-style-type: none"> <li data-bbox="416 607 1110 748">• accept the Takeover Offer in respect of all of your Genex Shares (which is what the Genex IBC recommends you do, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable); <li data-bbox="416 770 1118 853">• sell your Genex Shares on ASX (unless you have previously accepted the Takeover Offer and you have not validly withdrawn your acceptance); or <li data-bbox="416 875 1134 927">• “reject” the Takeover Offer and retain your Genex Shares by doing nothing. <p data-bbox="416 949 1086 1032">There are several important implications of each of these choices. A summary of these implications is set out in Section 1.3(c).</p>	Section 1.3(c)

4 Frequently asked questions continued

Question	Answer	Further information
Takeover Offer <small>continued</small>		
How do I accept the Takeover Offer?	<p>You may accept the Takeover Offer for all of your Genex Shares and any purported acceptance of the Takeover Offer for fewer than all of your Genex Shares will be treated as being for all of your Genex Shares.</p> <p>Issuer sponsored holdings</p> <p>If your Genex Shares are registered on Genex's issuer sponsored sub-register (in which case your Securityholder Reference Number will commence with 'I'), you may accept the Takeover Offer using a Takeover Acceptance Form by completing and signing the personalised Takeover Acceptance Form accompanying this Transaction Booklet and returning it to one of the postal, delivery or email addresses shown on the form so that it is received before the Takeover Offer closes.</p> <p>CHESS Holdings</p> <p>If your Genex Shares are registered in a CHESS holding (in which case your Holder Identification Number will commence with 'X'), you may accept the Takeover Offer using a Takeover Acceptance Form or by contacting your Controlling Participant.</p> <ul style="list-style-type: none"> • Acceptance form: to accept the Takeover Offer using a Takeover Acceptance Form, you must complete and sign the personalised Takeover Acceptance Form accompanying this Transaction Booklet and return it to one of the postal, delivery or email addresses shown on the form before the Takeover Offer closes. • Contact your Controlling Participant: alternatively, you can accept the Takeover Offer by instructing your Controlling Participant (normally your broker) to accept the Takeover Offer on your behalf, before the Takeover Offer closes. <p>Participants</p> <p>If you are a Participant, acceptance of this Takeover Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Takeover Offer closes.</p> <p>Full details on how to accept the Takeover Offer are set out in Section 6.4 of this Transaction Booklet.</p>	Sections 1.3(c), 2.2 and 6.4
Can I accept the Takeover Offer for part of my holding?	<p>No. You can only accept the Takeover Offer for all of your Genex Shares. Any purported acceptance of the Takeover Offer for fewer than all of your Genex Shares will be treated as being for all of your Genex Shares.</p>	Section 6.4(a)(i)

Question	Answer	Further information
Takeover Offer continued		
What are the consequences of accepting the Takeover Offer now?	<p>If you have accepted the Takeover Offer (before the end of the Takeover Offer Period) and the Takeover Offer is declared or otherwise becomes unconditional:</p> <ul style="list-style-type: none"> • you will be entitled to payment of the Takeover Consideration in respect of your Genex Shares; and • your Genex Shares will be transferred to J-POWER Nominee. <p>Genex Shareholders will be notified when the Takeover Offer is declared or otherwise becomes unconditional via an announcement to the ASX.</p> <p>Unless withdrawal rights are available (see below), if you have accepted the Takeover Offer, you will not have the right to sell your Genex Shares on ASX or otherwise deal with your Genex Shares.</p>	Sections 6.6 and 6.7
Can I accept the Takeover Offer before the Scheme Meeting?	<p>Yes. You may accept the Takeover Offer at any time during the Takeover Offer Period, including before the Scheme Meeting.</p> <p>While the Genex IBC recommends you to accept the Takeover Offer (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable), you should be aware that doing so will restrict your ability to sell or transfer your Genex Shares to another person (including selling your Genex Shares on the ASX or accepting any takeover bid from a competing bidder that may be made after the date of this Transaction Booklet)⁶ unless you are entitled to withdraw your acceptance (see the next question).</p>	Sections 6.3 and 6.6

⁶ As at the date of this Transaction Booklet, no Competing Proposal has been received by the Genex IBC (or has otherwise emerged) and the Genex IBC Members are not aware of any Competing Proposal that is likely to emerge.

4 Frequently asked questions continued

Question	Answer	Further information
Takeover Offer <small>continued</small>		
If I accept the Takeover Offer, can I withdraw or revoke my acceptance?	<p>Once you have accepted the Takeover Offer, you will be able to revoke your acceptance at any time while the FIRB Takeover Condition has not been fulfilled (or waived).</p> <p>However, once the FIRB Approval Takeover Condition has been fulfilled (or waived)⁷, you will be unable to revoke your acceptance of the Takeover Offer, except in limited circumstances in accordance with the Corporations Act – that is, where the Takeover Offer remains subject to Takeover Conditions and J-POWER Nominee varies the Takeover Offer in a way that postpones the time when J-POWER Nominee is required to satisfy its obligations under the Takeover Offer by more than one month.</p> <p>If you are unable to withdraw your acceptance of the Takeover Offer, you will not have the right to sell your Genex Shares to another person (including selling your Genex Shares on the ASX).</p> <p>See Section 6.6 for more information, including details of the circumstances where you are able to withdraw your acceptance of the Takeover Offer.</p>	Section 6.6
When does the Takeover Offer Period close?	<p>The Takeover Offer Period is currently scheduled to close at 7:00pm (Sydney time) on Wednesday, 14 August 2024, but it can be extended by J-POWER Nominee, and may be automatically extended under the Corporations Act, in certain circumstances.</p>	Section 6.3

⁷ See Section 6.9(b) of this Transaction Booklet for further information.

Question	Answer	Further information
Takeover Offer continued		
Is the Takeover Offer subject to any conditions?	<p data-bbox="416 533 1090 589">Yes. The Takeover Offer is subject to a number of Takeover Conditions, including (in summary form only):</p> <ul data-bbox="416 611 1134 1980" style="list-style-type: none"> <li data-bbox="416 611 1134 898">• FIRB Takeover Condition: before the end of the Takeover Offer Period, either J-POWER Nominee receiving FIRB approval without conditions (or subject to certain 'standard' tax conditions (being the FIRB Standard Tax Conditions), conditions of a similar kind to which a J-POWER Group Member has accepted in relation to prior notifications to FIRB and other conditions or undertakings acceptable to J-POWER Nominee (in its absolute discretion)), or FIRB ceasing to be empowered to make an order or decision in respect of the Takeover Transaction; <li data-bbox="416 920 1134 1350">• Genex Performance Rights: Genex entering into a Genex Performance Right Deed with each Genex Performance Right Holder and not doing anything under that deed requiring J-POWER consent without such consent, an ASX waiver being issued or provided (and not adversely amended in any material respect) in respect of ASX Listing Rule 6.23 in connection with the treatment of the Genex Performance Rights under the Genex Performance Right Deeds, and no Genex Shares or other securities being issued, transferred or granted under the Genex Performance Rights Plan between the date of the Transaction Implementation Deed and the end of the Takeover Offer Period (and there being no obligation to issue any Genex Shares in connection with a Genex Performance Right as at the end of the Takeover Offer Period); <li data-bbox="416 1373 1134 1776">• Genex Options: Genex entering into a Genex Option Cancellation Deed with each Genex Optionholder and not doing anything under that deed requiring J-POWER consent without such consent, an ASX waiver being issued or provided (and not adversely amended in any material respect) in respect of ASX Listing Rule 6.23 in connection with the treatment of the Genex Options under the Genex Option Cancellation Deeds, and no Genex Shares or other securities being issued, transferred or granted in connection with a Genex Option between the date of the Transaction Implementation Deed and the end of the Takeover Offer Period (and there being no obligation to issue any Genex Shares in connection with a Genex Option as at the end of the Takeover Offer Period); <li data-bbox="416 1798 1134 1877">• Genex Prescribed Occurrences: no Genex Prescribed Occurrence occurring between 12 April 2024 and the end of the Takeover Offer Period; <li data-bbox="416 1899 1134 1980">• no restraints: no court or Government Agency restraining or preventing implementation of the Takeover Offer as at the end of the Takeover Offer Period; 	Sections 6.8 and 6.9

4 Frequently asked questions continued

Question	Answer	Further information
Takeover Offer <small>continued</small>		
<p>Is the Takeover Offer subject to any conditions? <small>continued</small></p>	<ul style="list-style-type: none"> • Scheme fails: either the Scheme not being approved at the Scheme Meeting by the Requisite Majorities or, following approval at the Scheme Meeting by the Requisite Majorities, the Court not approving the Scheme; • minimum acceptance: J-POWER Nominee having a Relevant Interest in at least 50.1% of the Genex Shares on issue; • Genex Material Adverse Change: no Genex Material Adverse Change occurring (or being disclosed or announced or becoming known to J-POWER Nominee) between 12 April 2024 and the end of the Takeover Offer Period; • Identified Contracts: between 12 April 2024 and the end of the Takeover Offer Period, no counterparty exercising or stating an intention to exercise any right under an Identified Contract to terminate, cancel or rescind that Identified Contract, to vary, amend or modify (in a manner materially adverse to a Genex Group Member) that Identified Contract, to require monies borrowed by the Genex Group to be repayable early, or to terminate, cancel or suspend any commitment to provide financial accommodation to the Genex Group, as a result of the change of control of a Genex Group Member under the Transaction; and • Transaction Implementation Deed: the Transaction Implementation Deed not being terminated by J-POWER under clauses 15.1(b), 15.2(a) or 15.3(b) of the Transaction Implementation Deed (being the circumstances set out in Sections 11.11(e)(i)(B), 11.11(e)(ii)(A) and 11.11(e)(ii)(B) of this Transaction Booklet) before the end of the Takeover Offer Period. 	
	<p>The Takeover Conditions are set out in full in Section 6.8.</p>	
	<p>Other than the Takeover Conditions set out below, each of these Takeover Conditions can be waived by J-POWER Nominee in its absolute discretion.</p>	
	<p>The Scheme Fails Takeover Condition and the 50.1% Minimum Acceptance Takeover Condition (being the Takeover Condition at Section 6.8(g)) may only be waived by J-POWER Nominee in the circumstances set out in Section 6.9(d).</p>	
	<p>A summary of the status of each Takeover Condition the satisfaction of which depends upon the performance of an action by a Third Party (other than the Scheme Fails Takeover Condition and the 50.1% Minimum Acceptance Takeover Condition) as at the date of this Transaction Booklet is set out in Section 11.12.</p>	

Question	Answer	Further information
Takeover Offer continued		
What happens if the conditions to the Takeover Offer are not fulfilled or waived?	<p>If the Takeover Conditions are not fulfilled or, if applicable, waived before the end of the Takeover Offer Period (or, in the case of the Genex Prescribed Occurrences Condition, at the end of the third business day (as defined in the Corporations Act) after the end of the Takeover Offer Period), the Takeover Offer will lapse and any acceptances into the Takeover Offer will be void.</p> <p>In those circumstances, Genex Shareholders who have accepted the Takeover Offer (and those who have not accepted the Takeover Offer) will, unless the Scheme becomes Effective, continue to hold their Genex Shares and be free to deal with them as if the Takeover Offer had not been made and, if the Scheme does not become Effective, in the absence of a party acquiring control of Genex and seeking its delisting from the ASX, Genex will continue to be an ASX-listed company and Genex Shareholders will be exposed to the risks relating to Genex's business, including those outlined in Sections 9.2 and 9.3.</p>	Section 6.9
When will I receive payment under the Takeover Offer?	<p>Subject to the Corporations Act and the terms of the Takeover Offer, if you accept the Takeover Offer in respect of your Genex Shares, you will be sent the Takeover Consideration from J-POWER Nominee on or before the earlier of:</p> <ul style="list-style-type: none"> • one month after the date of your acceptance or, if the Takeover Offer is subject to a Takeover Condition when you accept the Takeover Offer, within one month after the Takeover Offer is declared or otherwise becomes unconditional; and • if the Takeover Offer is declared or otherwise becomes unconditional, 21 days after the end of the Takeover Offer Period. 	Section 6.7
What if the Scheme does not become Effective and I accept the Takeover Offer?	<p>If the Scheme does not become Effective and the Takeover Offer is declared or otherwise becomes unconditional, you will receive the Takeover Consideration (which is \$0.270) for each Genex Share in respect of which you accept the Takeover Offer.</p> <p>For more information on what will happen if the Scheme does not become Effective and the Takeover Offer is not declared, or does not become, unconditional, see "<i>What happens if the conditions to the Takeover Offer are not fulfilled or waived?</i>".</p>	N/A
What if the Scheme does not become Effective and I do not accept the Takeover Offer?	<p>If the Scheme does not become Effective and you do not accept the Takeover Offer, you will continue to hold your Genex Shares, unless they are compulsorily acquired by J-POWER Nominee (see below) after the Takeover Offer Period, or you sell them to another person. Depending on the level of acceptances received in respect of the Takeover Offer, this may result in you remaining a shareholder in Genex in circumstances where Genex becomes an unlisted company.</p>	N/A

4 Frequently asked questions continued

Question	Answer	Further information
Takeover Offer <small>continued</small>		
<p>What happens if J-POWER Nominee receives acceptances under the Takeover Offer such that it has become the holder of 90% or more of Genex Shares?</p>	<p>If J-POWER Nominee receives acceptances under the Takeover Offer such that J-POWER Nominee holds 90% or more of the Genex Shares, J-POWER Nominee intends to give notices to Genex Shareholders to compulsorily acquire any outstanding Genex Shares in accordance with Part 6A.1 of the Corporations Act.</p> <p>If J-POWER Nominee compulsorily acquires the remaining Genex Shares under this procedure, the applicable Genex Shareholders will receive the Takeover Consideration for each Genex Share they hold.</p>	<p>Sections 8.7(b)(i) and 9.5(d)</p>
<p>What happens if J-POWER Nominee receives acceptances under the Takeover Offer such that it has become the holder of more than 50%, but less than 90%, of Genex Shares?</p>	<p>If J-POWER Nominee becomes the holder of more than 50% but less than 90% of the Genex Shares pursuant to the Takeover Offer, Genex will become a Controlled Entity of J-POWER Nominee, but J-POWER Nominee will not be entitled to proceed to Compulsory Acquisition.</p> <p>In these circumstances (and assuming the Takeover Offer is declared or becomes unconditional), J-POWER Nominee intends to review the Genex Board and will decide whether to reconstitute the Genex Board at that time (to the extent permitted by Genex's constitution, and subject to certain other requirements set out in the Transaction Implementation Deed, if applicable). However, final decisions regarding the composition of the Genex Board in these circumstances will be made by J-POWER Nominee closer to the conclusion of the Takeover Offer. In addition, if J-POWER Nominee becomes the holder of at least 75% of the Genex Shares, it will be able to pass a special resolution of Genex. This will enable J-POWER Nominee to, among other things, change Genex's constitution and, in certain circumstances (and subject to the requirements of the ASX being satisfied), cause Genex to be removed from the Official List, further details of which are described in Section 8.7(c)(i).</p> <p>As described in Section 8.7(c)(i), if J-POWER acquires a Relevant Interest in at least 75% of the Genex Shares, in those circumstances J-POWER will not be supportive of Genex remaining listed on ASX after the close of the Takeover Offer, having regard to the requirements of the ASX Listing Rules and the additional corporate and compliance costs, and will request that the Genex Board review the benefits and suitability of a continued listing of Genex on ASX. If the Genex Board were to decide that it is in the best interests of Genex to cease to be listed on ASX, J-POWER will support delisting Genex from ASX. See Section 8.7(c)(i) for a summary of the ASX's policy in relation to a request for removal from the Official List and the conditions that may need to be satisfied for the ASX to remove Genex from the Official List.</p>	<p>Sections 8.7(c) and 9.5</p>

Question	Answer	Further information
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Takeover Offer continued

What happens if J-POWER Nominee receives acceptances under the Takeover Offer such that it has become the holder of more than 50%, but less than 90%, of Genex Shares?
continued

J-POWER Nominee may also acquire additional Genex Shares under the 'creep' provisions set out in the Corporations Act (which permit J-POWER Nominee and its Associates to acquire up to 3% of Genex Shares every six months, subject to certain conditions being satisfied) or as otherwise permitted under the Corporations Act (and, if applicable, subject to the standstill provisions of the Confidentiality and Exclusivity Deed).

In addition, other than as otherwise described in Section 8.7, it is the present intention of J-POWER Nominee that:

- the Genex business will be conducted in substantially the same manner in which it currently operates;
- no major changes will be made to the Genex business; and
- there will be no redeployment of the fixed assets of Genex.

All statements in this answer and in Section 8.7 in respect of J-POWER Nominee's intentions for Genex following the Scheme being implemented are statements of current intention only based on information available to J-POWER Nominee as at the date of this Transaction Booklet and may change as new information becomes available to J-POWER Nominee or as circumstances change.

What happens if J-POWER Nominee receives acceptances under the Takeover Offer such that it has become the holder of less than 50% of Genex Shares?

The Takeover Offer is conditional on the 50.1% Minimum Acceptance Takeover Condition. However, J-POWER Nominee reserves the right to waive the 50.1% Minimum Acceptance Takeover Condition subject to J-POWER Nominee having a Relevant Interest in at least 40% of the Genex Shares on issue and provided that the waiver of the 50.1% Minimum Acceptance Takeover Condition (together with the waiver of any other applicable Takeover Conditions at the same time as such waiver) causes acceptances under any Takeover Acceptance Facility (including the Institutional Acceptance Facility) to be unable to be withdrawn or, otherwise, with the prior written consent of Genex. For the purpose of determining whether J-POWER Nominee has a Relevant Interest in at least 40% of the Genex Shares on issue such that it may waive the 50.1% Minimum Acceptance Takeover Condition, J-POWER Nominee's Relevant Interest is to be determined as if section 609A of the Corporations Act (which, in summary, provides that J-POWER Nominee will not have acquired a Relevant Interest in any Genex Shares 'accepted into' a Takeover Acceptance Facility) was omitted from the Corporations Act and disregarded in relation to a Takeover Acceptance Facility (including the Institutional Acceptance Facility).

Sections 6.9(d)(ii), 8.7(d) and 9.5

4 Frequently asked questions continued

Question	Answer	Further information
Takeover Offer <small>continued</small>		
<p>What happens if J-POWER Nominee receives acceptances under the Takeover Offer such that it has become the holder of less than 50% of Genex Shares? <small>continued</small></p>	<p>If J-POWER Nominee validly waives the 50.1% Minimum Acceptance Takeover Condition the Takeover Offer may close in circumstances where J-POWER Nominee has a Relevant Interest in less than 50% of the Genex Shares. In such circumstances:</p> <ul style="list-style-type: none"> • while J-POWER Nominee will not be able to unilaterally reconstitute the Genex Board, J-POWER Nominee may attempt to appoint one or more additional nominee directors to the Genex Board; • J-POWER Nominee may acquire additional Genex Shares under the ‘creep’ provisions set out in the Corporations Act (which permit J-POWER Nominee and its Associates to acquire up to 3% of Genex Shares every six months, subject to certain conditions being satisfied) or as otherwise permitted under the Corporations Act (and, if applicable, subject to the standstill provisions of the Confidentiality and Exclusivity Deed); and • other than as set out in Section 8.7, it is the present intention of J-POWER Nominee that: <ul style="list-style-type: none"> – the Genex business will be conducted in substantially the same manner in which it currently operates; – no major changes will be made to the Genex business; and – there will be no redeployment of the fixed assets of Genex. <p>All statements in this answer and Section 8.7 in respect of J-POWER Nominee’s intentions for Genex following the Scheme being implemented are statements of current intention only based on information available to J-POWER Nominee as at the date of this Transaction Booklet and may change as new information becomes available to J-POWER Nominee or as circumstances change.</p>	
<p>Will I have to pay brokerage fees or stamp duty?</p>	<p>J-POWER Nominee will pay any stamp duty on the transfer of your Genex Shares to J-POWER Nominee as a result of your acceptance of the Takeover Offer. As long as those Genex Shares are registered in your name and you deliver them directly to J-POWER Nominee, you will not incur any brokerage in connection with your acceptance of the Takeover Offer.</p> <p>If your Genex Shares are registered in a CHESS Holding or you hold your Genex Shares through a bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker), or the bank, custodian or other nominee whether it will charge any transaction fees or service charges in connection with your acceptance of the Takeover Offer.</p>	Section 6.17

Question	Answer	Further information
Genex IBC's recommendations and intentions		
What is the Genex IBC?	<p>The Genex IBC is an independent committee of the Genex Board, comprising all Genex Directors, other than Mr Kenichi Seshimo, who is J-POWER's representative and nominee to the Genex Board.</p> <p>The Genex IBC was established to (among other related matters) consider and evaluate the Initial Indicative Proposal, the Indicative Proposal and the proposed Transaction.</p> <p>On the basis that Mr Seshimo is J-POWER's representative and nominee to the Genex Board (and, therefore, the Genex IBC does not consider Mr Seshimo to be an independent Genex Director for the purposes of the Transaction), Mr Seshimo:</p> <ul style="list-style-type: none"> • has recused himself from (and has not participated in any) Genex Board meetings or other discussions relating to the Transaction (or the Genex Board's consideration of it or the Initial Indicative Proposal or the subsequent Indicative Proposal); and • abstains from giving a recommendation to Genex Shareholders in respect of the Transaction. 	N/A
What does the Genex IBC recommend in relation to voting on the Scheme?	<p>The Genex IBC unanimously recommends that you in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).</p>	Section 3.4
What does the Genex IBC recommend in relation to the Takeover Offer?	<p>The Genex IBC unanimously recommends that you accept the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable.</p>	Section 3.8
What do the Genex IBC Members intend to do?	<p>Each Genex IBC Member intends to:</p> <ul style="list-style-type: none"> • vote, or cause to be voted, all of that Genex IBC Member's Genex IBC Member Shares in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders); and • accept, or procure the acceptance of, the Takeover Offer in respect of all of that Genex IBC Member's Genex IBC Member Shares, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable. 	Sections 3.4 and 3.8

4 Frequently asked questions continued

Question	Answer	Further information
Independent Expert's opinion in respect of the Transaction		
Who is the Independent Expert?	The Genex IBC appointed Grant Thornton as the Independent Expert to assess the merits of the Transaction.	N/A
What is the Independent Expert's opinion of the Scheme?	<p>The Independent Expert has concluded that the Scheme is fair and reasonable and hence in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) in the absence of a superior alternative proposal emerging.</p> <p>The Genex IBC recommends that you read the Independent Expert's Report carefully and in its entirety. A copy of the Independent Expert's Report is set out at Attachment A to this Transaction Booklet.</p>	Section 3.5(b) Attachment A
What is the Independent Expert's opinion of the Takeover Offer?	<p>The Independent Expert has concluded that the Takeover Offer is fair and reasonable to Genex Shareholders (other than Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-POWER Nominee) in the absence of a superior alternative proposal emerging.</p> <p>The Genex IBC recommends that you read the Independent Expert's Report carefully and in its entirety. A copy of the Independent Expert's Report is set out at Attachment A to this Transaction Booklet.</p>	Section 3.9(c) Attachment A
Taxation implications of the Transaction		
What are the taxation implications of the Transaction for Genex Shareholders?	<p>The general Australian tax implications of the Scheme for certain Scheme Shareholders and the Takeover Offer for certain Genex Shareholders are set out in Section 10 (Tax implications of the Transaction for Genex Shareholders) of this Transaction Booklet.</p> <p>Section 10 is general in nature and should not be relied upon as advice. The tax consequence for each Genex Shareholder may vary depending upon their individual circumstances. Accordingly, you are encouraged to seek your own professional taxation advice as to the Australian and, if applicable, foreign tax implications of the Transaction before making a decision as to whether or not to vote in favour of the Scheme and/or accept the Takeover Offer.</p>	Section 10

Question	Answer	Further information
Other questions		
What risks are associated with the Transaction (including if neither the Scheme nor the Takeover Offer proceeds)?	A summary of the key risk associated with the Transaction (including in circumstances where neither the Scheme nor the Takeover Offer proceeds) is set out in Section 9 (Risks). You should carefully consider these risks and your individual circumstances. However, Genex notes that Section 9 (Risks) is general in nature only and does not take into account your individual objectives, financial situation, taxation position or particular needs.	Section 9
What happens if a competing proposal is received?	Genex can consider any Competing Proposal that emerges, subject to Genex complying with its obligations under the Transaction Implementation Deed (including its exclusivity obligations summarised in Section 11.11(b)). Subject to Genex's exclusivity obligations under the Transaction Implementation Deed, the Genex IBC will carefully consider any Competing Proposal that is made and advise Genex Shareholders of their recommendation.	Section 11.11(b)
Is there a break fee payable by Genex under the Transaction Implementation Deed?	Under the Transaction Implementation Deed, Genex must pay J-POWER a Break Fee of \$3,515,014 (excluding GST, if any) in certain circumstances. The Break Fee will not be payable as a result of the Scheme not receiving approval by the Requisite Majorities.	Section 11.11(c)
Is there a reverse break fee payable by J-POWER under the Transaction Implementation Deed?	Under the Transaction Implementation Deed, J-POWER must pay Genex a Reverse Break Fee of \$3,515,014 (excluding GST, if any) in certain circumstances.	Section 11.11(d)
Can I sell my Genex Shares now?	Provided you have not already accepted the Takeover Offer, you can sell your Genex Shares on-market at any time before the close of trading on the ASX on the Effective Date (assuming the Scheme is approved by Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting and by the Court) at the prevailing on-market price at that time (which may vary from the Scheme Consideration and/or the Takeover Consideration), or if the Scheme Fails Takeover Bid Condition is fulfilled, at any time during the Takeover Offer Period. If you do so, you will not receive the Scheme Consideration or the Takeover Consideration, and you may incur brokerage costs.	N/A

4 Frequently asked questions continued

Question	Answer	Further information
Further information		
What if I want further information?	<p>If you have any questions in relation to the Transaction, the number of Genex Shares you hold or other questions about your Genex shareholdings or if you would like additional copies of this Transaction Booklet, please call the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time) or visit Genex's dedicated Transaction website at www.genexscheme.com.</p> <p>For information about your individual financial or taxation circumstances please consult your licensed financial adviser or other suitable professional adviser.</p>	N/A

Overview of the Scheme



5 Overview of the Scheme

5.1 Background

(a) Transaction Implementation Deed

On 12 April 2024, Genex entered into the Transaction Implementation Deed with J-POWER, under which:

- (i) Genex agreed to propose the Scheme to Genex Shareholders (other than Excluded Genex Shareholders) under which J-POWER or a wholly-owned Subsidiary of J-POWER nominated by it would acquire all of the Genex Shares that it does not already own¹ as at the Scheme Record Date by way of the Scheme for the Scheme Consideration; and
- (ii) J-POWER agreed to make, or to ensure and procure that a wholly-owned Subsidiary of J-POWER nominated by it would make, the Takeover Offer, under which J-POWER (or its nominee) would acquire all Genex Shares (other than the J-POWER Genex Shares) for the Takeover Consideration.

On 14 May 2024, in accordance with clause 2.5 of the Transaction Implementation Deed, J-POWER gave written notice to Genex nominating its wholly-owned Subsidiary, J-POWER Nominee, to perform its obligations under the Transaction Implementation Deed to acquire all of the Scheme Shares under the Scheme, and make the Takeover Offer and acquire the Genex Shares in respect of which the Takeover Offer is accepted.

As Genex announced to the ASX on 4 June 2024, Genex and J-POWER amended the Transaction Implementation Deed (under the Deed of Variation) to align the relevant provisions of the TID with a condition of the waiver from the requirements of ASX Listing Rule 6.23 granted by the ASX in relation to the treatment of Genex Options and Genex Performance Rights in connection with the Transaction (see Section 11.4 for more information).²

A summary of the key terms of the Transaction Implementation Deed is set out in Section 11.11 of this Transaction Booklet. Copies of the Transaction Implementation Deed and the Deed of Variation were released to the ASX by Genex on 12 April 2024 and 4 June 2024, respectively, and are also available on Genex's dedicated Transaction website (www.genexscheme.com).

(b) Scheme Deed Poll

J-POWER and J-POWER Nominee have executed the Scheme Deed Poll, pursuant to which each of J-POWER and J-POWER Nominee have covenanted and undertaken in favour of each Scheme Shareholder to:

- (i) provide, or procure the provision of, the Scheme Consideration to each Scheme Shareholder in accordance with the terms of the Scheme;
- (ii) perform all other actions and obligations attributed to, and/or contemplated and/or required of, and give each acknowledgement, representation and warranty (if any) given by (or otherwise attributed to or required of), J-POWER and/or J-POWER Nominee (as the case may be) under the Scheme; and
- (iii) in the case of J-POWER, procure that J-POWER Nominee performs all actions and obligations attributed to, and/or contemplated and/or required of, J-POWER Nominee under the Scheme,

in each case subject to and in accordance with the terms of the Scheme.

A copy of the Scheme Deed Poll is set out in Attachment E to this Transaction Booklet.

(c) Overview of the Scheme

This Section 5 (**Overview of the Scheme**) contains an overview of the Scheme. If the Scheme becomes Effective and is implemented, Genex will be delisted from ASX and become a wholly-owned Subsidiary of J-POWER Nominee.

¹ Together with the Excluded Genex Shareholders.

² See also Genex's announcement to the ASX on 4 June 2024 entitled "Update on the proposed acquisition of Genex by J-POWER – status of conditions relating to options and performance rights".

5.2 What Genex Shareholders (other than Excluded Genex Shareholders) will receive – an overview of the Scheme Consideration

(a) Scheme Consideration

If the Scheme is implemented, each Genex Shareholder (other than Excluded Genex Shareholders) will receive the Scheme Consideration of \$0.275 in cash for each Genex Share held by that Genex Shareholder as at the Scheme Record Date.

(b) Fractional entitlements

Where the calculation of the Scheme Consideration to be provided to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent (after applying the Scheme Shareholder's entitlement (prior to rounding) to its entire holding of Scheme Shares), the fractional entitlement will be rounded to the nearest whole cent, such that, if a fractional entitlement is:

- (i) less than 0.5 of a cent, it will be rounded down to the nearest whole cent; or
- (ii) equal to or greater than 0.5 of a cent, it will be rounded up to the nearest whole cent.

The details regarding fractional entitlements are set out in full in clause 6.2 of the Scheme (a copy of which is attached as Attachment D).

5.3 Scheme Conditions

The Scheme becoming Effective is subject to the satisfaction (or, if applicable, waiver) of the Scheme Conditions. The following Scheme Conditions are outstanding as at the date of this Transaction Booklet:

- (a) **Genex Shareholder approval of the Scheme:** Genex Shareholders (other than Excluded Genex Shareholders) approving the Scheme Resolution by the Requisite Majorities at the Scheme Meeting;
- (b) **Court approval of the Scheme:** the Court approving the Scheme at the Second Court Hearing (either unconditionally and without modification or with modifications or conditions consented to by Genex and J-POWER);
- (c) **no restraints:** as at the Delivery Time, there not being in effect any:
 - (i) permanent or temporary restraining order, injunction or other decision, order or decree issued by any court of competent jurisdiction or by any Government Agency;
 - (ii) law, rule or regulation; or
 - (iii) other legal restraint or prohibition,
 that restrains, prevents or prohibits implementation of the Scheme;
- (d) **Independent Expert:** the Independent Expert not withdrawing, adversely changing or adversely qualifying its conclusion that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders), or withdrawing its Independent Expert's Report, before the Delivery Time;
- (e) **no Genex Prescribed Occurrence:** no Genex Prescribed Occurrence occurring at or before the Delivery Time;
- (f) **no Genex Material Adverse Change:** no Genex Material Adverse Change:
 - (i) occurring on or before the Delivery Time; or
 - (ii) having occurred before the date of the Transaction Implementation Deed but being first discovered by J-POWER to be a Genex Material Adverse Change, is first announced or disclosed to J-POWER by Genex in a manner that makes known to J-POWER that a Genex Material Adverse Change has occurred, or otherwise first becomes known to J-POWER to be a Genex Material Adverse Change, during the period commencing on the execution of the Transaction Implementation Deed and ending at the Delivery Time (each inclusive);

5 Overview of the Scheme continued

5.3 Scheme Conditions continued

- (g) **Scheme Transaction FIRB approval:** before 5:00pm on the Business Day before the Second Court Date, any of the following happening:
- (i) J-POWER has received written notice under FATA, by or on behalf of the Treasurer, advising that the Commonwealth Government has no objections to the Scheme Transaction, either unconditionally or subject only to:
 - (A) FIRB Standard Tax Conditions;
 - (B) conditions of a similar kind to which a J-POWER Group Member has accepted in relation to prior notifications to FIRB (including, for the avoidance of doubt, any condition requiring notification of implementation of a Transaction); and
 - (C) such other conditions or undertakings imposed, required or requested by FIRB which are on terms and conditions that are acceptable to J-POWER;
 - (ii) the Treasurer becoming precluded by the passage of time from making an order or decision under Part 3 of FATA in relation to the Scheme Transaction and the Scheme Transaction is not prohibited by section 82 of FATA; or
 - (iii) where an interim order is made under section 68 of the FATA in respect of the Scheme Transaction, the subsequent period for making an order or decision under Part 3 of the FATA having elapsed without the Treasurer making such an order or decision;
- (h) **ASIC and ASX:** before the Delivery Time, ASIC and ASX having issued or provided all consents, waivers, relief or approvals that Genex and J-POWER (each acting reasonably) agree in writing are necessary to implement the Scheme on the terms and conditions of the Transaction Implementation Deed (other than any such consents, waivers, relief or approvals that are specifically referred to in or specifically contemplated by another provision of the Transaction Implementation Deed), and no such consent, waiver, relief or approval having been withdrawn, cancelled, revoked or adversely modified before the Delivery Time;
- (i) **Genex Performance Rights:** as at the Delivery Time:
- (i) Genex having entered into a Genex Performance Right Deed with each Genex Performance Right Holder and having not done any thing that is expressed under the terms of a Genex Performance Right Deed to require J-POWER's prior written consent (except where J-POWER's prior written consent has been provided);
 - (ii) Genex having complied with all of its obligations under clause 7.2 of the Transaction Implementation Deed (other than any such obligation that is conditional on the Scheme becoming, or that is only required to be (or can only be) performed after the Scheme has become, Effective);
 - (iii) no Genex Shares or other securities (as that expression is defined in section 92 of the Corporations Act) in a Genex Group Member having been issued, transferred or granted to any person under the Genex Performance Rights Plan between (and including) the date of the Transaction Implementation Deed and the Delivery Time and, other than solely as a result of:
 - (A) either the terms of issue of a Genex Performance Right or a term or provision of the Genex Performance Rights Plan requiring Genex (or the Genex Board) to issue or transfer, or otherwise giving Genex or the Genex Board the right or discretion to issue or transfer, a Genex Share to a Genex Performance Right Holder on, or as a result or in satisfaction of, the vesting, exercise, conversion, lapsing, extinguishment or cancellation of a Genex Performance Right held that Genex Performance Right Holder, provided that:
 - (1) as at the Delivery Time, the relevant Genex Performance Right Holder has entered into a Genex Performance Right Deed with Genex that has not been validly terminated; and
 - (2) any such discretion is not exercised without the prior written consent of J-POWER; or
 - (B) the amended terms of issue of a Project Genex Performance Rights set out in the Genex Performance Right Deed³ giving Genex or the Genex Board the right or discretion to issue or transfer a Genex Share or other security in a Genex Group Member to that Genex Performance Right Holder

³ These amendments are summarised in Section 11.4(b).

on, or as a result or in satisfaction of the vesting, exercise, conversion, lapsing, extinguishment or cancellation of a Project Genex Performance Right held by that Genex Performance Right Holder,

there being no obligation on a Genex Group Member to issue any Genex Share or any such securities on or as a result or in satisfaction of the vesting, exercise, conversion, lapsing, extinguishment or cancellation of any Genex Performance Right (including as a consequence of Genex amending, waiving or exercising any discretion in connection with the Genex Performance Rights Plan or any Genex Performance Right); and

(iv) either:

- (A) an ASX waiver having been issued or provided (and not adversely amended in any material respect, withdrawn or revoked) in respect of the applicable requirements under ASX Listing Rule 6.23 to enable any action required to be taken by Genex under clause 7.2 of the Transaction Implementation Deed that requires the approval of Genex Shareholders to be taken without such approval; or
- (B) Genex Shareholders approving, for the purposes of ASX Listing Rule 6.23, any action required to be taken by Genex under clause 7.2 of the Transaction Implementation Deed that requires the approval of Genex Shareholders;

(j) **Genex Options:** as at the Delivery Time:

- (i) Genex having entered into a Genex Option Cancellation Deed with each Genex Optionholder and having not done any thing that is expressed under the terms of a Genex Option Cancellation Deed to require J-POWER's prior written consent (except where J-POWER's prior written consent has been provided);
- (ii) Genex having complied with all of its obligations under clause 7.3 of the Transaction Implementation Deed (other than any such obligation that is conditional on the Scheme becoming, or that is only required to be (or can only be) performed after the Scheme has become, Effective);
- (iii) no Genex Shares or other securities (as that expression is defined in section 92 of the Corporations Act) in a Genex Group Member having been issued or transferred to any person between (and including) the date of the Transaction Implementation Deed and the Delivery Time as a result of the vesting, exercise, conversion or cancellation of any Genex Option and, other than solely as a result of the terms of issue of a Genex Option requiring Genex (or the Genex Board) to issue or transfer, or otherwise giving Genex or the Genex Board the right or discretion to issue or transfer, a Genex Share to a Genex Optionholder on, or as a result or in satisfaction of, the vesting, exercise, conversion, lapsing, extinguishment or cancellation of a Genex Option held by that Optionholder (provided that: (A) as at the end of the Takeover Offer Period, the relevant Genex Optionholder has entered into a Genex Option Cancellation Deed with Genex that has not been validly terminated; and (B) any such discretion is not exercised without the prior written consent of J-POWER), there being no obligation on a Genex Group Member to issue any Genex Share or any such securities on or as a result or in satisfaction of the vesting, exercise, conversion, lapsing, extinguishment or cancellation of any Genex Option (including as a consequence of Genex amending, waiving or exercising any discretion in connection with any Genex Option); and

(iv) either:

- (A) an ASX waiver having been issued or provided (and not adversely amended in any material respect, withdrawn or revoked) in respect of the applicable requirements under ASX Listing Rule 6.23 to enable any action required to be taken by Genex under clause 7.3 of the Transaction Implementation Deed that requires the approval of Genex Shareholders to be taken without such approval; or
- (B) Genex Shareholders approving, for the purposes of ASX Listing Rule 6.23, any action required to be taken by Genex under clause 7.3 of the Transaction Implementation Deed that requires the approval of Genex Shareholders;

(k) **Identified Contracts:** before the Delivery Time, each relevant counterparty to an Identified Contract having provided (as applicable in respect of each Identified Contract):

- (i) its written consent, waiver, approval or other relevant confirmation under the relevant Identified Contract to the change of control or ownership of Genex (or another Genex Group Member) that will occur as a result of the Scheme Transaction (**Genex Change of Control**); or
- (ii) written confirmation that it will not exercise, or a written waiver of the right to exercise, a right to terminate the relevant Identified Contract that arises as a result of the Genex Change of Control,

in each case in a form acceptable to J-POWER (acting reasonably), and no such consent, waiver, approval or confirmation having been withdrawn, cancelled, revoked or adversely modified as at the Delivery Time.

5 Overview of the Scheme continued

5.3 Scheme Conditions continued

The Scheme Conditions set out in paragraphs 5.3(a) (the Genex Shareholder Approval Scheme Condition), 5.3(b) (the Court Approval Scheme Condition) and 5.3(g) (the FIRB Scheme Condition) cannot be waived.

The Scheme Conditions are set out in full in clause 3.1 of the Transaction Implementation Deed. The Scheme will not proceed unless all of the Scheme Conditions are satisfied or waived (as applicable) in accordance with the Transaction Implementation Deed and the Scheme.

As at the date of this Transaction Booklet, none of the Genex IBC Members are aware of any circumstances which would cause any Scheme Condition not to be satisfied. A summary of the status of each Scheme Condition the satisfaction of which depends upon the performance of an action by a Third Party (other than the Genex Shareholder Approval Scheme Condition and the Court Approval Scheme Condition) as at the date of this Transaction Booklet is set out in Section 11.12.

5.4 Key steps for implementing the Scheme

(a) Remaining requirements for the Scheme to become Effective and be implemented

The Scheme will only become Effective and be implemented if:

- (i) the Scheme Resolution is approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting (that is, the Genex Shareholder Approval Scheme Condition is satisfied);
- (ii) the Scheme is approved by the Court at the Second Court Hearing (that is, the Court Approval Scheme Condition is satisfied); and
- (iii) the other Scheme Conditions (which are summarised in Section 5.3 above) are satisfied (or, if applicable, waived).

(b) Summary of the Scheme Resolution to be considered at the Scheme Meeting

Genex Shareholders (other than Excluded Genex Shareholders) will be asked to consider and, if thought fit, pass the Scheme Resolution at the Scheme Meeting, which is a resolution under section 411(4)(a)(ii) of the Corporations Act to approve the Scheme.

The Scheme Resolution is set out in the Notice of Scheme Meeting at Attachment B to this Transaction Booklet.

(c) Scheme Meeting

(i) The Scheme Meeting and Excluded Genex Shareholders

In accordance with an order of the Court dated 6 June 2024, the Scheme Meeting will be held as a hybrid meeting – in person at the office of Gilbert + Tobin, Level 35, Tower Two, International Towers, 200 Barangaroo Avenue, Barangaroo NSW 2000 and through the Online Scheme Meeting Platform at 10:00am (Sydney time) on Tuesday, 16 July 2024 - for the purpose of Genex Shareholders (other than Excluded Genex Shareholders) voting on the Scheme Resolution. The Notice of Scheme Meeting (which sets out the Scheme Resolution) is set out in Attachment B to this Transaction Booklet.

Each Genex Shareholder (other than an Excluded Genex Shareholder) who is registered on the Genex Share Register at 10:00am (Sydney time) on Sunday, 14 July 2024 is entitled to attend and vote at the Scheme Meeting, either in person or by proxy, by attorney or, in the case of a body corporate, by its corporate representative appointed in accordance with section 250D of the Corporations Act.

Instructions on how to attend and vote at the Scheme Meeting or to appoint a proxy to attend and vote on your behalf, are set out in Section 2.1 and the Notice of Scheme Meeting.

The Scheme Resolution must be approved by the Requisite Majorities, being:

- (A) a majority in number (more than 50%) of Genex Shareholders (other than Excluded Genex Shareholders) who are present and voting at the Scheme Meeting (either in person (either by being physically present at the Scheme Meeting venue or attending via the Online Scheme Meeting Platform) or by proxy, by attorney or, in the case of corporate Genex Shareholders, by a duly appointed corporate representative), unless the Court orders otherwise (the **Headcount Test**); and

(B) at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting by eligible Genex Shareholders (other than Excluded Genex Shareholders).

It should be noted that the Court has the power to waive the Headcount Test.

As described in Section 8.8(a), as at the date of this Transaction Booklet, J-POWER Nominee holds (and has a Relevant Interest in) 7.72% of the Genex Shares on issue at the date of this Transaction Booklet (being the J-POWER Genex Shares). Under the terms of the Scheme, the J-POWER Genex Shares will not be acquired by J-POWER Nominee and J-POWER Nominee (and any other Excluded Genex Shareholder) will not be a Scheme Shareholder (that is, J-POWER Nominee (and any other Excluded Genex Shareholders) will not participate in the Scheme). As a result, the Scheme must be approved by the Requisite Majorities, which excludes the Excluded Genex Shareholders, and the Excluded Genex Shareholders will not be entitled to vote on the Scheme Resolution at the Scheme Meeting.

(ii) **Genex IBC Members' recommendation and voting intentions**

The Genex IBC strongly encourages each Genex Shareholder (other than Excluded Genex Shareholders) to vote at the Scheme Meeting because every vote in favour of the Scheme will increase the likelihood of all Genex Shareholders (other than Excluded Genex Shareholders) receiving the additional \$0.005 of value per Genex Share available under the Scheme compared to under the Takeover Offer.

Voting is not compulsory. However, the Genex IBC unanimously recommends that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders). Subject to the same qualifications, each Genex IBC Member intends to vote, or cause to be voted, all of that Genex IBC Member's Genex IBC Member Shares in favour of the Scheme at the Scheme Meeting.

When considering the Genex IBC's recommendation, Genex Shareholders should have regard to the Genex IBC Members' interests in Genex IBC Member Shares, and the other interests of the Genex IBC Members in the Transaction, which are disclosed in Section 11 (**Additional information**).⁴ The Genex IBC Members (other than, in each case, the relevant Genex IBC Member) consider that, despite each Genex IBC Member's interest(s) disclosed in Section 11 (**Additional information**), it is important and appropriate for each Genex IBC Member to make a recommendation to Genex Shareholders in respect of the Transaction, given: (i) the importance of the Transaction and his or her respective role as a Genex Director and Genex IBC Member; (ii) his or her knowledge of Genex and the industry in which it operates; and (iii) that, in their view, Genex Shareholders would likely want to know the recommendation of each Genex IBC Member in respect of the Transaction.

(iii) **Scheme may be implemented even if you do not vote, or vote against the Scheme, at the Scheme Meeting**

You should be aware that, even if you do not vote, or vote against the Scheme, at the Scheme Meeting, the Scheme may still be implemented if it is approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) and the Court. If this occurs, your Genex Shares will be transferred to J-POWER Nominee and you will receive the Scheme Consideration for each Genex Share that you hold at the Scheme Record Date even though you did not vote, or voted against the Scheme, at the Scheme Meeting.

(iv) **Results of the Scheme Meeting**

The results of the Scheme Meeting will be available as soon as practicable after the conclusion of the Scheme Meeting and will be announced to ASX (<https://www.asx.com.au/>) once available.

⁴ As at the date of this Transaction Booklet, Dr Ralph Craven has 1,048,188 Genex IBC Member Shares (representing approximately 0.08% of the Genex Shares on issue), Ms Teresa Dyson has 585,856 Genex IBC Member Shares (representing approximately 0.04% of the Genex Shares on issue), Mr Simon Kidston has 8,663,827 Genex IBC Member Shares (representing approximately 0.63% of the Genex Shares on issue) and Mr Ben Guo has 2,420,681 Genex Shares (representing approximately 0.17% of the Genex Shares on issue). In addition:

- (a) each Genex IBC Member is entitled to receive the Genex Option Cancellation Consideration as consideration for the cancellation of their Genex Options in connection with the Scheme or the Takeover Offer (see Section 11.4(a) for more information, including regarding the circumstances in which the Genex Option Cancellation Consideration is payable);
- (b) Dr Ralph Craven is entitled to receive the Genex Chairman Special Exertion Payment of an amount equal to \$200,000 (plus superannuation) (see Section 11.7(c) for more information, including regarding the circumstances in which the Genex Chairman Special Exertion Payment is payable); and
- (c) Special Exertion Fees are payable by Genex to each Non-executive Genex Director who is a Genex IBC Member in recognition of those Non-executive Genex Directors' increased workload and time commitment (in excess of that required for Genex's ordinary business requirements) in connection with the Transaction (see Section 11.7(b) for more information).

5 Overview of the Scheme continued

5.4 Key steps for implementing the Scheme continued

(d) Second Court Hearing

In the event that:

- (i) the Scheme Resolution is approved by the Requisite Majorities of Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting; and
- (ii) all other Scheme Conditions (other than the Court Approval Scheme Condition) have been satisfied (or, if applicable, or waived),

Genex will apply to the Court for orders approving the Scheme at the Second Court Hearing, which is expected to be held at 9:15am (Sydney time) on Friday, 19 July 2024. Any change to the date or time of the Second Court Hearing will be announced by Genex on the ASX market announcements platform. Each Genex Shareholder has the right to appear and be heard at the Second Court Hearing and may oppose the approval of the Scheme at the Second Court Hearing. If you wish to oppose the approval of the Scheme at the Second Court Hearing in this manner, you must file with the Court and serve on Genex a notice of appearance in the prescribed form together with any affidavit that you propose to rely on.

(e) Effective Date

If the Court makes orders approving the Scheme, then Genex will lodge with ASIC an office copy of the Court orders given under section 411(4)(b) of the Corporations Act approving the Scheme. As soon as an office copy of the Court orders approving the Scheme are lodged with ASIC, the Scheme will become Effective. It is expected that this will occur on the Business Day immediately following the Court Approval Date.

If the Scheme becomes Effective:

- (i) J-POWER and J-POWER Nominee will become bound to pay the Scheme Consideration to the Scheme Shareholders (in the manner described in Section 5.5 below) on the Scheme Implementation Date; and
- (ii) subject to payment of the aggregate Scheme Consideration by J-POWER or J-POWER Nominee (as described in Section 5.5(a) below) below, Genex will become bound to take the steps required for J-POWER Nominee to become the holder of all Genex Shares.

Genex will, on the Scheme becoming Effective, give notice of that event to the ASX.

(f) Suspension from trading in Genex Shares on ASX

If the Scheme becomes Effective, Genex intends to apply to the ASX for Genex Shares to be suspended from Official Quotation on the ASX from the close of trading on the Effective Date.

(g) Scheme Record Date and entitlement to Scheme Consideration

Those Genex Shareholders (other than Excluded Genex Shareholders) on the Genex Share Register on the Scheme Record Date (which is currently expected to be 7:00pm on Wednesday, 24 July 2024) will be Scheme Shareholders and will be entitled to receive the Scheme Consideration in respect of the Genex Shares they hold at that time (being Scheme Shares).

(i) Dealings on or prior to the Scheme Record Date

For the purpose of determining and establishing the identity of the persons who are Scheme Shareholders, dealings in Genex Shares will only be recognised if:

- (A) in the case of dealings of the type to be effected by CHESSE, the transferee is registered on the Genex Share Register as a holder of the relevant Genex Shares as at the Scheme Record Date; and
- (B) in all other cases, registrable transfers or transmission applications are received at the place where the Genex Share Register is kept by 7:00pm (Sydney time) on the Scheme Record Date (in which case, Genex must register such transfers or transmission applications before 7:00pm (Sydney time) on the Scheme Record Date).

Genex will not accept for registration, nor recognise for the purpose of establishing the identity of the persons who are Scheme Shareholders, any transmission application or transfer in respect of Genex Shares received after such time or received prior to that time and not in registrable or actionable form.

(ii) Dealings after the Scheme Record Date

For the purposes of determining entitlements to Scheme Consideration, Genex will, until the Scheme Consideration has been paid to Scheme Shareholders and the name and address of J-POWER Nominee has been entered in the Genex Share Register as the holder of all the Genex Shares, maintain the Genex Share Register in accordance with the terms of the Scheme, and the Genex Share Register in this form will solely determine entitlements to the Scheme Consideration.

Any share certificates or statements of holding in respect of Genex Shares shall, from the time that the Scheme Consideration is provided to the relevant Scheme Shareholder in accordance with the Scheme, cease to have any effect as documents of evidence of title in respect of such Genex Shares.

5.5 Implementation of the Scheme – payment of Scheme Consideration

On the Scheme Implementation Date (which is currently expected to be Wednesday, 31 July 2024), the Scheme will be implemented by Genex, J-POWER and J-POWER Nominee undertaking the following steps.

(a) Deposit of aggregate Scheme Consideration by J-POWER or J-POWER Nominee

On or before the date that is two Business Days before the Scheme Implementation Date, J-POWER or J-POWER Nominee will deposit (or will procure the deposit of) the aggregate Scheme Consideration payable to all Scheme Shareholders in cleared funds into an account nominated by Genex to be held on trust by Genex for Scheme Shareholders.

(b) Transfer of all Genex Shares to J-POWER Nominee

Subject to payment of the aggregate Scheme Consideration by J-POWER or J-POWER Nominee as referred to in paragraph (a) above, all of the Scheme Shares (together with all rights and entitlements attaching to the Scheme Shares on the Scheme Implementation Date) will be transferred to J-POWER Nominee by Genex (on behalf of all Scheme Shareholders) and Genex will enter (or procure the entry of) the name of J-POWER Nominee in the Genex Share Register as the holder of all Scheme Shares.

(c) Payment of Scheme Consideration

The Scheme Consideration will be paid by Genex (in its absolute discretion and despite any election referred to in paragraph (i) or nomination referred to in paragraph (ii) made or given by the Scheme Shareholder) by either:

- (i) if a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Genex Share Registry to receive dividend payments from Genex by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;
- (ii) if a Scheme Shareholder has otherwise nominated a bank account for the purpose of receiving the Scheme Consideration by an appropriate authority from the Scheme Shareholder to Genex (through the Genex Share Registry), paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to that bank account; or
- (iii) otherwise, whether or not the Scheme Shareholder has made an election referred to in sub-paragraph (i) or a valid nomination referred to in sub-paragraph (ii), dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Shareholder by prepaid post to that Scheme Shareholder's address shown in the Genex Share Register as at the Scheme Record Date.

If you have not previously notified the Genex Share Registry of your nominated bank account or you would like to change your existing nominated bank account, you should contact the Genex Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time) before the Scheme Record Date.

For the purposes of paragraphs (i) and (ii) (as applicable) above:

- (iv) if a Scheme Shareholder has validly elected in accordance with the requirements of the Genex Share Registry (and, if applicable, the Third Party Currency Conversion Service Provider (as defined below)):
 - (A) to receive dividend payments from Genex by electronic funds in Australian currency to a bank account operated by a third-party service provider (**Third Party Currency Conversion Service Provider**) (or otherwise nominated the Third Party Currency Conversion Service Provider to receive

5 Overview of the Scheme continued

5.5 Implementation of the Scheme – payment of Scheme Consideration continued

that Scheme Shareholder's dividend payments from Genex) which must (in accordance with the agreement between the Scheme Shareholder and the Third Party Currency Conversion Service Provider) then convert those payments into the Scheme Shareholder's nominated non-Australian currency (**Elected Foreign Currency**) and transfer the converted amount(s) (in the Elected Foreign Currency) to a bank account (denominated in the Elected Foreign Currency) nominated by the Scheme Shareholder for that purpose; or

- (B) otherwise nominated (by an appropriate authority from the Scheme Shareholder to Genex or the Genex Share Registry) to receive the Scheme Consideration by electronic funds to a bank account operated by a Third Party Currency Conversion Service Provider (or otherwise nominated the Third Party Currency Conversion Service Provider to receive that Scheme Shareholder's Scheme Consideration) which must (in accordance with the agreement between the Scheme Shareholder and the Third Party Currency Conversion Service Provider) then convert the Scheme Consideration into the Scheme Shareholder's Elected Foreign Currency and transfer the converted amount(s) (in the Elected Foreign Currency) to a bank account (denominated in the Elected Foreign Currency) nominated by the Scheme Shareholder for that purpose,

then, without limiting Genex's discretion described above, Genex may pay (or procure the payment of) the Scheme Shareholder's Scheme Consideration in Australian currency by electronic means to the bank account operated by (or otherwise to) the Third Party Currency Conversion Service Provider; and

- (v) under the Scheme, each Scheme Shareholder that has made a valid election described Section 5.5(c)(iv) above acknowledges and agrees that, if that Scheme Shareholder's Scheme Consideration is paid in Australian currency into the bank account operated by (or otherwise to) the Third Party Currency Conversion Service Provider as described above:
- (A) the obligations of Genex to pay the Scheme Consideration to the Scheme Shareholder will be satisfied (in their entirety);
- (B) the aggregate Scheme Consideration to which the Scheme Shareholder is entitled will be converted from Australian currency to the relevant Elected Foreign Currency at an exchange rate determined or achieved by the Third Party Currency Conversion Service Provider (**Scheme Consideration Exchange Rate**);
- (C) Genex has no control over, cannot and does not make any representations or warranties in respect of, and will not be responsible for, the Scheme Consideration Exchange Rate; and
- (D) Genex has no responsibility, and accepts no liability, for the conduct, acts or omissions of the Third Party Currency Conversion Service Provider (including in relation to the conversion of the Scheme Consideration into the Scheme Shareholder's Elected Foreign Currency, the Scheme Consideration Exchange Rate actually achieved, and/or the transfer of the converted amount (in the Elected Foreign Currency) to a bank account (denominated in the Elected Foreign Currency) nominated by the Scheme Shareholder for that purpose), and the Scheme Shareholder waives its right to make any Claim against Genex in relation to any such conduct, act or omission of the Third Party Currency Conversion Service Provider.

If a Scheme Shareholder has not nominated a bank account, a deposit into such an account is rejected or refunded, or a cheque issued has been cancelled in accordance with the terms of the Scheme, and the applicable Scheme Shareholder does not have a registered address shown in the Genex Share Register as at the Scheme Record Date (or Genex believes that the applicable Scheme Shareholder is not known at the Scheme Shareholder's registered address shown in the Genex Share Register), the Scheme Consideration will be paid into a separate bank account and held by Genex until claimed or applied under laws dealing with unclaimed money. If you wish to confirm your current address details with the Genex Share Registry, you may do so using the contact details above. If J-POWER or J-POWER Nominee is required by the foreign resident capital gains tax withholding regime to withhold an amount in respect of the acquisition of the Scheme Shares from any Scheme Shareholder (in this paragraph, the **Withholding Amount**), J-POWER or J-POWER Nominee (as the case may be) is permitted to deduct the Withholding Amount from the payment of the Scheme Consideration and the payment of the net sum payable to Scheme Shareholders to which the Withholding Amount relates in respect of Scheme Consideration under the Scheme will be taken to be in full and final satisfaction of the amounts owing to those Scheme Shareholders in respect of Scheme Consideration under this Scheme. The aggregate sum payable to you will not be increased to reflect the Withholding Amount. See Section 10.3(b) for further detail.

5.6 Delisting of Genex

If the Scheme becomes Effective, Genex will apply for termination of the Official Quotation of Genex Shares and for Genex to be removed from the Official List of the ASX, in each case with effect on and from the Business Day immediately following the Scheme Implementation Date (or such other Business Day notified by J-POWER to Genex in writing).

5.7 End Date

If the Scheme has not become Effective by the End Date, and Genex and J-POWER are, in certain circumstances, unable to agree on a course of action (after complying with their respective obligations in this respect under the Transaction Implementation Deed), either Genex or J-POWER is able to terminate the Transaction Implementation Deed.

If, as at the End Date, the Scheme has not become Effective or the Transaction Implementation Deed is terminated, the Scheme will not proceed (unless agreed otherwise by Genex and J-POWER).

5.8 Copy of the Genex Share Register

Under section 173 of the Corporations Act, any Genex Shareholder has a right to inspect, and to ask for a copy of, the Genex Share Register, which contains details of the registered name and address of each Genex Shareholder. Genex may require a Genex Shareholder to provide reasons for their request prior to providing a copy of the Genex Share Register, and a Genex Shareholder must not use any information obtained for an improper purpose. A copy of the Genex Share Register will be given to any Genex Shareholder upon request and payment of the prescribed fee under the Corporations Act where Genex is satisfied that the details provided are not likely to be used for an improper purpose.

5.9 Warranties given by Scheme Shareholders under the Scheme

Under the terms of the Scheme, each Scheme Shareholder is taken (by operation of the Scheme and without the need for any further act by the Scheme Shareholder) to have warranted to Genex and J-POWER Nominee on the Scheme Implementation Date, and is taken to have appointed and authorised Genex as its attorney and agent to warrant to J-POWER Nominee, that:

- (a) all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) which are transferred to J-POWER Nominee under the Scheme will, on the date they are transferred to J-POWER Nominee, be fully paid and free from all Encumbrances and third party rights or interests of any kind and/or restrictions on transfer of any kind;
- (b) they have full power and capacity to sell and to transfer their Scheme Shares (including, and together with, any rights and entitlements attaching to those Scheme Shares) to J-POWER Nominee; and
- (c) as at the Scheme Record Date, except as otherwise provided for or contemplated in the Transaction Implementation Deed or a Genex Performance Right Deed, they have no existing right to be issued any Genex Shares, options exercisable into Genex Shares, performance rights convertible into Genex Shares, convertible notes convertible into Genex Shares or any other equity securities in any Genex Group Member.

5.10 Indicative timetable

An indicative timetable for the Scheme appears on page 15 of this Transaction Booklet. All dates and times are indicative only and, among other things, are subject to the Court approval process and satisfaction or, where applicable, waiver of the Scheme Conditions. Any changes to the timetable (which may include an earlier or later date for the Scheme Meeting or Second Court Hearing) will be announced on the ASX and notified on Genex's dedicated Transaction website (www.genexscheme.com).

5.11 Further questions

If you have any questions in relation to the Scheme, the number of Genex Shares you hold or other questions about your Genex shareholding(s), please call the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time) or visit Genex's dedicated Transaction website at www.genexscheme.com.

Overview and terms of the Takeover Offer



6 Overview and terms of the Takeover Offer

6.1 Introduction

In addition to the Scheme, J-POWER Nominee is making a simultaneous Takeover Offer. Under the Takeover Offer (which is conditional on the satisfaction or (if applicable) waiver of the Takeover Conditions), including the Scheme Fails Takeover Condition, J-POWER Nominee is offering to acquire your Genex Shares on the terms and conditions set out in Sections 6.2 to 6.19 of this Section 6 (**Overview and terms of the Takeover Offer**). This Section 6 (**Overview and terms of the Takeover Offer**) has been prepared by, and is the responsibility of, J-POWER and J-POWER Nominee.

You may vote in favour of the Scheme and accept the Takeover Offer at the same time as the terms of the Transaction determine whether the Scheme will be implemented or the Takeover Offer will proceed.

However, please make sure you also vote on the Scheme Resolution.

6.2 The Takeover Offer

- (a) J-POWER Nominee offers to acquire all (but not some only) of your Genex Shares, on and subject to the terms and conditions set out in this Section 6 (**Overview and terms of the Takeover Offer**).
- (b) The consideration per Genex Share under the Takeover Offer is \$0.270 in cash.
- (c) By accepting the Takeover Offer, you undertake to transfer to J-POWER Nominee not only the Genex Shares to which the Takeover Offer relates, but also all Rights attached to your Genex Shares (see Section 6.6(d) and Section 6.7(c)).
- (d) The Takeover Offer is made to each person registered as the holder of at least one Genex Share in the Genex Share Register at the Takeover Register Date, other than J-POWER Nominee itself.
- (e) The Takeover Offer also extends to:
 - (i) any person who becomes a holder of Genex Shares during the period from the Takeover Register Date to the end of the Takeover Offer Period (inclusive) due to the conversion of, or exercise of rights conferred by, securities or derivatives (including Genex Incentive Securities) that:
 - (A) will convert, or may be converted, into Genex Shares, or confer rights to be issued Genex Shares; and
 - (B) are on issue as at the Takeover Register Date,
 such that the Takeover Offer will extend to those Genex Shares;
 - (ii) any person who becomes registered, or is entitled to be registered, as the holder of Genex Shares (that were on issue (as shown in the Genex Share Register) at the Takeover Register Date) during the Takeover Offer Period; and
 - (iii) any person referred to in Section 6.2(f) and/or Section 6.2(g).
- (f) If, at any time during the Takeover Offer Period, another person is registered, or is entitled to be registered, as the holder of some or all of your Genex Shares or is otherwise able to give good title to some or all of your Genex Shares, then that person may accept the Takeover Offer as if they held those Genex Shares on the Takeover Register Date and, for this purpose:
 - (i) a corresponding offer on the same terms and conditions as the Takeover Offer will be deemed to have been made to that other person in respect of those Genex Shares;
 - (ii) a corresponding offer on the same terms and conditions as this Takeover Offer will be deemed to have been made to you in respect of any other Genex Shares you hold to which the Takeover Offer relates; and
 - (iii) this Takeover Offer made to you (other than that reference in Section 6.2(f)(ii)) will be deemed to have been withdrawn immediately at that time.
- (g) If, at any time during the Takeover Offer Period, you hold Genex Shares in two or more separate parcels (within the meaning of section 653B of the Corporations Act, for example, because you are a trustee or nominee for several distinct beneficial owners), in accordance with section 653B of the Corporations Act:
 - (i) J-POWER Nominee will be taken to have made separate offers under the Takeover Offer for each separate parcel of Genex Shares; and

6 Overview and terms of the Takeover Offer continued

6.2 The Takeover Offer continued

(ii) to validly accept the Takeover Offer for each parcel, you must:

- (A) give J-POWER Nominee notice that the Genex Shares consist of separate parcels (for Genex Shares not in a CHESS Holding, in writing or, for Genex Shares in a CHESS Holding, in any form approved by the ASX Settlement Operating Rules); and
- (B) specify in your Takeover Acceptance Form the number of Genex Shares in each separate parcel to which the acceptance relates.

If, for the purposes of complying with that procedure, you require additional copies of this Transaction Booklet and/or the Takeover Acceptance Form, please call the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time) to request those additional copies.

- (h) If your Genex Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee you should contact that party for assistance in accepting the Takeover Offer.
- (i) Offers on terms and conditions identical to those contained in this Takeover Offer have been dispatched or will be dispatched to all holders of Genex Shares registered as such in the Genex Share Register on the Takeover Register Date.
- (j) The Takeover Offer is dated 7 June 2024.

6.3 Takeover Offer Period

- (a) Unless withdrawn in accordance with the Corporations Act, the Takeover Offer will remain open for acceptance during the period commencing on the date of the Takeover Offer and ending at 7:00pm (Sydney time) on the later of:
 - (i) a date that is at least 20 Business Days after the date of the Scheme Meeting (currently expected to be Wednesday, 14 August 2024); or
 - (ii) subject to paragraph (b) below, any date to which the Takeover Offer Period is extended (including, for the avoidance of doubt, any date to which the Takeover Offer Period is automatically extended as a result of the operation of section 624(2) of the Corporations Act (as modified by ASIC Corporations (Takeover Bids) Instrument 2023/683)).
- (b) J-POWER Nominee reserves the right, exercisable in its sole discretion, to extend the Takeover Offer Period in accordance with the Corporations Act, provided that J-POWER Nominee may not extend the Takeover Offer Period to a date that is after the latest to occur of:
 - (i) the date that is three months after the date of the Scheme Meeting (which, as at the date of this Transaction Booklet, is expected to be Tuesday, 16 October 2024);
 - (ii) the End Date; and
 - (iii) the date to which the end of the Takeover Offer Period is automatically extended as a result of the operation of section 624(2) of the Corporations Act (as modified by ASIC Corporations (Takeover Bids) Instrument 2023/683),
 without the prior written consent of Genex.
- (c) If, within the last seven days of the Takeover Offer Period, either of the following events occur:
 - (i) the Takeover Offer is varied to improve the consideration offered; or
 - (ii) J-POWER Nominee's Voting Power in Genex increases to more than 50%,

the Takeover Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act (as modified by ASIC Corporations (Takeover Bids) Instrument 2023/683). J-POWER Nominee must give Genex and each Genex Shareholder who has not accepted the Takeover Offer written notice that the extension has occurred within three days after that event.

6.4 How to accept the Takeover Offer

(a) General

- (i) Subject to Sections 6.2(f) and 6.2(g):
 - (A) you may accept the Takeover Offer only for all (and not some) of your Genex Shares; and
 - (B) subject to Section 6.5(d), any purported acceptance of the Takeover Offer for fewer than all of your Genex Shares will be treated as being for all of your Genex Shares.
- (ii) You may accept the Takeover Offer at any time during the Takeover Offer Period.
- (iii) J-POWER Nominee has established the Institutional Acceptance Facility to facilitate the acceptance of offers under the Takeover Offer by institutional Genex Shareholders. Only Genex Shareholders that hold or beneficially own at least 925,926 Genex Shares (approximately \$250,000 worth based on the Takeover Consideration) are eligible to participate in the Institutional Acceptance Facility. See Section 11.14 for details of the Institutional Acceptance Facility.
- (iv) When accepting the Takeover Offer, you should also provide for inspection:
 - (A) if the Takeover Acceptance Form is executed by an attorney, a certified copy of the power of attorney; and
 - (B) if the Takeover Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased Genex Shareholder, the relevant grant of probate or letters of administration.
- (v) If some of your Genex Shares are in different holdings, your acceptance of the offers under the Takeover Offer will require action under Sections 6.4(b) to 6.4(d) (as applicable) in relation to each of your holdings.

(b) Shares held in your name on Genex's issuer sponsored sub-register

To accept the Takeover Offer for Genex Shares held in your name on Genex's issuer sponsored sub-register (in which case your Securityholder Reference Number will commence with 'I'), you must use the Takeover Acceptance Form accompanying this Transaction Booklet by:

- (i) completing and signing the personalised Takeover Acceptance Form in accordance with the terms of this Takeover Offer and the instructions on the Takeover Acceptance Form; and
- (ii) ensuring that the Takeover Acceptance Form (including any documents required by the terms of this Takeover Offer and the instructions on the Takeover Acceptance Form) is received before the end of the Takeover Offer Period at one of the postal, delivery or email addresses shown on the Takeover Acceptance Form.

(c) Shares held in your name in a CHESS Holding

To accept this Takeover Offer in respect of Genex Shares held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you must comply with the ASX Settlement Operating Rules, and you may accept the Takeover Offer, by instructing your Controlling Participant or by using the Takeover Acceptance Form accompanying this Transaction Booklet, as set out below.

(i) Controlling Participant

- (A) If your Genex Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are not a Participant, you may accept this Takeover Offer by instructing your Controlling Participant (for Genex Shareholders who are not institutions, this is normally the stockbroker either through whom you bought your Genex Shares or through whom you ordinarily acquire shares on the ASX) to initiate acceptance of this Takeover Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules in sufficient time for this Takeover Offer to be accepted before the end of the Takeover Offer Period. Neither J-POWER Nominee nor the Genex Share Registry will be responsible if your Controlling Participant does not acknowledge and confirm your acceptance in sufficient time.
- (B) If your Genex Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are a Participant, you should initiate acceptance of this Takeover Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Takeover Offer Period.

6 Overview and terms of the Takeover Offer continued

6.4 How to accept the Takeover Offer continued

(ii) Takeover Acceptance Form

Alternatively, to accept this Takeover Offer for Genex Shares held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you may sign and complete the Takeover Acceptance Form in accordance with the terms of this Takeover Offer and the instructions on the Takeover Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Takeover Acceptance Form) is received before the end of the Takeover Offer Period at one of the postal, delivery or email addresses shown on the Takeover Acceptance Form. This will authorise J-POWER Nominee and the Genex Share Registry to request your Controlling Participant to initiate acceptance of this Takeover Offer on your behalf.

If you return your completed Takeover Acceptance Form to the Genex Share Registry instead of your Controlling Participant, the Genex Share Registry will endeavour to contact your Controlling Participant on your behalf and relay your instructions but makes no guarantee that it will be able to do so. It is your Controlling Participant's responsibility to acknowledge and accept these instructions, so please ensure you allow sufficient time to do so. Neither J-POWER Nominee nor the Genex Share Registry will be responsible should your Controlling Participant not acknowledge and accept your instructions.

However, if you are the Controlling Participant in respect of your Genex Shares, to accept the Takeover Offer you must initiate the acceptance of the offers under the Takeover Offer before the end of the Takeover Offer Period.

(iii) Must comply with ASX Settlement Operating Rules

If your Genex Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you must also comply with any other applicable ASX Settlement Operating Rules.

(d) Shares of which you are entitled to be registered as holder

To accept this Takeover Offer for Genex Shares which are not held in your name, but of which you are entitled to be registered as holder, you must contact the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time), Monday to Friday (excluding public holidays) to obtain a Takeover Acceptance Form, then:

- (i) complete and sign the Takeover Acceptance Form in accordance with the terms of this Takeover Offer and the instructions on the Takeover Acceptance Form; and
- (ii) ensure that the Takeover Acceptance Form (together with any documents required by the terms of this Offer and the instructions on the Takeover Acceptance Form, including, if applicable, a copy of the purchase contract note in respect of your relevant Genex Shares) is received before the end of the Takeover Offer Period at one of the postal, delivery or email addresses shown on the Takeover Acceptance Form.

If the Takeover Offer becomes unconditional then, notwithstanding anything else in this Transaction Booklet (including this Section 6), J-POWER Nominee's obligation to provide the Takeover Consideration in respect of your Genex Shares as described in this Section 6.4(d) to you will be subject to you becoming the registered holder of those Genex Shares.

(e) Takeover Acceptance Form and other documents

- (i) The Takeover Acceptance Form forms part of the Takeover Offer.
- (ii) If your Takeover Acceptance Form (including any documents required by the terms of this Takeover Offer and the instructions on the Takeover Acceptance Form) is returned by post or by email, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by the J-POWER Share Registry at the postal or email address (as applicable) shown on the Takeover Acceptance Form before the end of the Takeover Offer Period.
- (iii) When using the Takeover Acceptance Form to accept this Takeover Offer in respect of Genex Shares in a CHESS Holding, you must ensure that the Takeover Acceptance Form (and any documents required by the terms of this Takeover Offer and the instruction on the Takeover Acceptance Form) are received by J-POWER Nominee in time for J-POWER Nominee to instruct your Controlling Participant to initiate acceptance of this Takeover Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Takeover Offer Period.

- (iv) The postage and transmission of the Takeover Acceptance Form and other documents is at your own risk. No acknowledgement of receipt of any such documents will be given to you by or on behalf of J-POWER Nominee.

6.5 Validity of acceptances

- (a) Subject to this Section 6.5, your acceptance of the Takeover Offer will not be valid unless it is made in accordance with the procedures set out in Section 6.3.
- (b) J-POWER Nominee may determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Takeover Offer and time of receipt of an acceptance of the Takeover Offer. J-POWER is not required to communicate with you prior to making this determination. The determination of J-POWER Nominee will be final and binding on all parties.
- (c) Despite Sections 6.4(b) to 6.4(e), J-POWER Nominee may, in its sole discretion, at any time and without further communication to you, deem any Takeover Acceptance Form it receives to be a valid acceptance in respect of Genex Shares, even if:
 - (i) the Takeover Acceptance Form is received after the end of the Takeover Offer Period where the Takeover Acceptance Form is sent by post and the envelope in which it is posted is post-marked before the end of the Takeover Offer Period; or
 - (ii) a requirement for acceptance has not been complied with,
 but the payment of the consideration in accordance with the Takeover Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by J-POWER Nominee.
- (d) Where you satisfy the requirement for acceptance in respect of only some of your Genex Shares, J-POWER Nominee will be entitled, in its sole discretion and without further communication to you, to regard the Takeover Offer to be accepted in respect of those Genex Shares but not the remainder.

6.6 The effect of acceptance

- (a) Once you have accepted the Takeover Offer, you will be able to revoke your acceptance at any time while the FIRB Takeover Condition has not been fulfilled (or waived).
- (b) Where the FIRB Takeover Condition has been fulfilled (or waived), you will not be able to revoke your acceptance, the contract resulting from your acceptance will be binding on you, and you will consequently be unable to withdraw your Genex Shares from the Takeover Offer or otherwise dispose of your Genex Shares, except as follows:
 - (i) if, by the relevant times specified in Section 6.6(c), the applicable Takeover Conditions have not all been fulfilled or waived, this Takeover Offer will automatically terminate and your Genex Shares will be returned to you; or
 - (ii) if J-POWER Nominee varies the Takeover Offer in a way that postpones for more than one month the time when it is required to meet its obligations under the Takeover Offer and, at that time, the Takeover Offer is subject to one or more Takeover Conditions, then you may be able to withdraw your acceptance in respect of your Genex Shares in accordance with section 650E of the Corporations Act. If this occurs, a notice will be sent to you at the time explaining your rights in this regard.
- (c) The relevant times for the purposes of Section 6.6(b)(i) are:
 - (i) in relation to the No Genex Prescribed Occurrences Takeover Condition, the end of the third business day (as defined in the Corporations Act) after the end of the Takeover Offer Period; and
 - (ii) in relation to all other Takeover Conditions, the end of the Takeover Offer Period.
- (d) By signing and returning your Takeover Acceptance Form, or otherwise accepting the Takeover Offer pursuant to Section 6.4, you will be deemed to have:
 - (i) accepted the Takeover Offer (and any variation of it) in respect of your Genex Shares and agreed to the terms and conditions of the Takeover Offer, and, subject to all of the Takeover Conditions being fulfilled or waived):

6 Overview and terms of the Takeover Offer continued

6.6 The effect of acceptance continued

- (ii) agreed to transfer (or consented to the transfer in accordance with the ASX Settlement Operating Rules) to J-POWER Nominee all of your Genex Shares (even if the number of Genex Shares specified on the Takeover Acceptance Form differs from the total number of your Genex Shares) and all Rights attached to those Genex Shares, subject to Sections 6.2(f) and 6.2(g);
- (iii) represented and warranted to J-POWER Nominee, as a fundamental condition going to the root of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of your Genex Shares (including any Rights) to J-POWER Nominee is registered, that:
 - (A) all your Genex Shares are and will be fully paid and free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise);
 - (B) you have full power and capacity to accept the Takeover Offer and to sell and transfer the legal and beneficial ownership in your Genex Shares (including any relevant Rights) to J-POWER Nominee; and
 - (C) you have paid to Genex all amounts which at the time of acceptance have fallen due for payment to Genex in respect of your Genex Shares;
- (iv) irrevocably authorised J-POWER Nominee (or any director, secretary, nominee or agent of J-POWER Nominee) to:
 - (A) alter the Takeover Acceptance Form on your behalf by inserting correct details of your Genex Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by J-POWER Nominee (including for the purpose of making it an effective acceptance of this Takeover Offer) to enable registration of your Genex Shares in the name of J-POWER Nominee or in connection with any withholding required by law (as further described in Section 6.7(f)); and
 - (B) rectify any errors or omissions in connection with any step taken or other process to accept this Takeover Offer including with respect to any withholding required by law (as further described in Section 6.7(f));
- (v) if you signed the Takeover Acceptance Form in respect of Genex Shares which are held in a CHES Holding, irrevocably authorised J-POWER Nominee (or any director, secretary, nominee or agent of J-POWER Nominee) to:
 - (A) initiate, or alternatively instruct your Controlling Participant to initiate, acceptance of the Takeover Offer in respect of those Genex Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules; and
 - (B) give any other instructions in relation to those Genex Shares to your Controlling Participant, as determined by J-POWER Nominee acting in its own interests as a beneficial owner and intended registered holder of those Genex Shares;
- (vi) irrevocably authorised and directed Genex to pay to J-POWER Nominee, or to account to J-POWER Nominee for, all Rights in respect of your Genex Shares, subject to J-POWER Nominee accounting to you for any such Rights received by J-POWER Nominee if the Takeover Offer is withdrawn or rendered void;
- (vii) except where Rights have been paid or accounted for under, and without limiting, Section 6.6(d)(vi), irrevocably authorised J-POWER Nominee to deduct from the Takeover Consideration payable to you:
 - (A) where the Rights take the form of cash, the cash value of any Rights paid to you (ignoring any franking credits attaching to them) in respect of your Genex Shares; and
 - (B) where the Rights take a non-cash form, the value of those Rights in respect of your Genex Shares, as reasonably assessed by J-POWER Nominee;
- (viii) irrevocably authorised J-POWER Nominee to notify Genex on your behalf that your place of address for the purpose of serving notices upon you in respect of your Genex Shares is the address specified by J-POWER Nominee in the notification;
- (ix) agreed that, immediately upon the Takeover Offer being declared or otherwise becoming unconditional and until Genex registers J-POWER Nominee as the holder of your Genex Shares in the Genex Share Register, Section 6.14 will apply;

- (x) agreed to do all such acts, matters and things that J-POWER Nominee may require to give effect to the matters the subject of this Section 6.6(d) (including the execution of a written form of proxy to the same effect as this Section 6.6(d) which complies in all respects with the requirements of the constitution of Genex) if requested by J-POWER Nominee;
 - (xi) agreed to indemnify J-POWER Nominee in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or Shareholder Reference Number or in consequence of the transfer of your Genex Shares to J-POWER Nominee being registered by Genex without production of your Holder Identification Number or your Shareholder Reference Number for your Genex Shares;
 - (xii) represented and warranted to J-POWER Nominee that, unless you have notified it in accordance with Section 6.2(g), your Genex Shares do not consist of separate parcels of Genex Shares;
 - (xiii) irrevocably authorised J-POWER Nominee (and any nominee) to transmit a message in accordance with Rule 14.17 of the ASX Settlement Operating Rules to transfer your Genex Shares to J-POWER Nominee's Takeover Transferee Holding (as defined in the ASX Settlement Operating Rules), regardless of whether it has paid the consideration due to you under the Takeover Offer;
 - (xiv) where, at that time, you have a right to be registered as a holder of the Genex Shares the subject of your acceptance as the result of an on-market purchase (but are not a Genex Shareholder):
 - (A) agreed to use best endeavours to procure the delivery of the Genex Shares the subject of your acceptance to J-POWER Nominee in accordance with your acceptance (including giving J-POWER Nominee all documents necessary to vest those Genex Shares in J-POWER Nominee or otherwise to give J-POWER Nominee the benefit or value of those Genex Shares);
 - (B) agreed not to do or omit to do anything which may frustrate your acceptance of the Takeover Offer, or otherwise obstruct registration of the transfer of the Genex Shares the subject of your acceptance to J-POWER Nominee;
 - (C) irrevocably assigned to J-POWER Nominee all contractual rights and recourse against the vendor in respect of your on-market purchase which contractual rights and recourse may arise by reason of that person's failure to complete that trade;
 - (D) agreed to assign to J-POWER Nominee (without any further action being required) all rights in respect of your on-market purchase immediately on any failure by you to complete that trade, including irrevocably assigning to J-POWER Nominee the right to (at J-POWER Nominee's sole discretion) complete that trade on your behalf and agreed that J-POWER Nominee may deduct from the Takeover Consideration otherwise payable to you (pursuant to a valid acceptance of the Takeover Offer and the delivery of the Genex Shares the subject of that acceptance) any amount paid by J-POWER Nominee in order to settle that on-market purchase on your behalf. If J-POWER Nominee does not, or cannot, make such a deduction, you must pay such amount to J-POWER Nominee; and
 - (E) agreed that if you are unable to assign to J-POWER Nominee any of the rights and recourse specified under Sections 6.6(d)(xiv)(C) and 6.6(d)(xiv)(D), you will assign such rights and recourse as soon as you are legally able to; and
 - (xv) agreed, subject to the Takeover Conditions being fulfilled (or waived), to execute all such documents, transfers and assurances, and do all such acts, matters and things that J-POWER Nominee may consider (acting reasonably) necessary or desirable to convey your Genex Shares registered in your name and Rights to J-POWER Nominee.
- (e) The undertakings, agreements, representations, warranties, indemnity and authorities referred to in Section 6.6(d) will remain in force after you receive the consideration for your Genex Shares and after J-POWER Nominee becomes registered as the holder of your Genex Shares.
- (f) By accepting the Takeover Offer, you will be deemed to have agreed to the matters set out in Section 6.6(d), notwithstanding where the Takeover Offer has been caused to be accepted in accordance with ASX Settlement Operating Rules.

6 Overview and terms of the Takeover Offer continued

6.7 Payment of consideration

- (a) Subject to Sections 6.4(d) and 6.5(b), this Section 6.7 and the Corporations Act, if you have accepted the Takeover Offer, J-POWER Nominee will provide the Takeover Consideration due to you for your Genex Shares on or before the earlier of:
- (i) one month after the date of your acceptance or, if the Takeover Offer is subject to a Takeover Condition when you accept the Takeover Offer, within one month after the Takeover Offer is declared or otherwise becomes unconditional; and
 - (ii) if the Takeover Offer is declared or otherwise becomes unconditional, 21 days after the end of the Takeover Offer Period.
- (b) Where the Takeover Acceptance Form or any subsequent request from J-POWER Nominee requires an additional document to be delivered with your Takeover Acceptance Form (such as a power of attorney):
- (i) if that document is given with your Takeover Acceptance Form, J-POWER Nominee will provide the consideration in accordance with Section 6.7(a);
 - (ii) if that document is given after your Takeover Acceptance Form and before the end of the Takeover Offer Period while the Takeover Offer is subject to a Takeover Condition, J-POWER Nominee will provide the consideration due to you on or before the earlier of:
 - (A) one month after the Takeover Offer is declared or otherwise becomes unconditional; and
 - (B) 21 days after the end of the Takeover Offer Period;
 - (iii) if that document is given after your Takeover Acceptance Form and before the end of the Takeover Offer Period while the Takeover Offer is not subject to any Takeover Conditions, J-POWER Nominee will provide the consideration due to you on or before the earlier of:
 - (A) one month after that document is given to J-POWER Nominee; and
 - (B) 21 days after the end of the Takeover Offer Period; and
 - (iv) if that document is given after your Takeover Acceptance Form and after the end of the Takeover Offer Period, and the Takeover Offer is not subject to any Takeover Conditions, J-POWER Nominee will provide the consideration due to you within 21 days after that document is given to J-POWER Nominee. However, if at the time the document is given to J-POWER Nominee, the Takeover Offer is still subject to a Takeover Condition that relates only to the happening of an event or circumstance referred to in section 652C(1) or (2) of the Corporations Act, J-POWER Nominee will provide the consideration due to you within 21 days after the Takeover Offer becomes unconditional.
- (c) If you accept this Takeover Offer and J-POWER Nominee acquires your Genex Shares under the Takeover Offer:
- (i) J-POWER Nominee is entitled to all Rights in respect of your Genex Shares;
 - (ii) J-POWER Nominee may require you to provide all documents necessary to vest title to those Rights in J-POWER Nominee, or otherwise to give it the benefit or value of those Rights;
 - (iii) if:
 - (A) any cash Rights are declared, paid, made or arise or accrue on or after 12 April 2024 in respect of your Genex Shares;
 - (B) J-POWER Nominee is not paid or accounted to for those cash Rights in respect of the your Genex Shares under Section 6.6(d)(vi) or J-POWER Nominee does not, or cannot, make a deduction in respect of those cash Rights under Section 6.6(d)(vii)(A); and
 - (C) you receive those cash Rights,
 then you must pay the cash value of those Rights to J-POWER Nominee (ignoring any franking credits attaching to them); and

(iv) if:

- (A) any non-cash Rights are issued or made or arise or accrue on or after 12 April 2024 in respect of your Genex Shares;
- (B) those non-cash Rights have not been issued to J-POWER Nominee; and
- (C) J-POWER Nominee is not paid or accounted to for those non-cash Rights in respect of your Genex Shares under Section 6.6(d)(vi),

then J-POWER Nominee will be entitled under Section 6.6(d)(vii)(B) to deduct from the Takeover Consideration payable to you an amount equal to the value (as reasonably assessed by J-POWER Nominee) of such non-cash Rights.

(d) Payment of any cash amount to which you are entitled under the Takeover Offer will be made by:

- (i) electronic funds transfer to the bank account validly registered with the Genex Share Registry before the end of the Takeover Offer Period. You can verify and update any existing bank account details:
 - (A) online at www.investorserve.com.au before accepting the Takeover Offer. If you have not previously validly registered your bank account details with the Genex Share Registry and you want to be paid electronically, you must provide these details via www.investorserve.com.au before accepting the Takeover Offer; or
 - (B) if you accept the Takeover Offer by using the Takeover Acceptance Form, by inserting your bank account details in the indicated place on the Takeover Acceptance Form and then otherwise completing, signing and returning the form in accordance with the terms of this Takeover Offer and the instructions on the Takeover Acceptance Form; or
- (ii) cheque in Australian currency. Cheques will be posted to you at your risk by ordinary mail (or, if you are overseas, by airmail) to the address as shown on your Takeover Acceptance Form. For the purpose of compliance with any timing requirement of the Takeover Offer or the Corporations Act, payment of any cash amount to which you are entitled under the Takeover Offer will be deemed to be made once the cheque is posted to the address as shown on your Takeover Acceptance Form. If your Genex Shares are held in a joint name, any cheque issued will be in the name of the joint holders and forwarded to the address that appears in the Genex Share Register.

Additionally, if your Genex Shares are held in your name in a CHESS Holding and you accept the Takeover Offer by instructing your Controlling Participant in the manner described in Section 6.4(c)(i), and you have not previously validly registered your bank account details with the Genex Share Registry and you wish to receive payment by electronic funds transfer, you must also complete, sign and return the Takeover Acceptance Form (in accordance with the terms of this Takeover Offer and the instructions on the Takeover Acceptance Form) and include in the indicated place on the Takeover Acceptance Form your bank account details. If you do not do so, you will instead receive any payment by cheque in Australian currency, posted to you at your risk by ordinary mail (or, if you are overseas, by airmail) to your registered address shown in the Genex Share Register.

- (e) If, at the time you accept the Takeover Offer, any consent, authority, clearance or approval is required for you to receive any consideration under the Takeover Offer, including (but not limited) to consent, authority, clearance or approval of:
 - (i) the Reserve Bank of Australia (whether under the *Banking (Foreign Exchange) Regulations 1959* (Cth) or otherwise);
 - (ii) the Minister for Foreign Affairs (whether under the *Charter of the United Nations Act 1945* (Cth), the *Charter of United Nations (Dealing with Assets) Regulations 2008* (Cth) or any other regulations made under the above legislation, or otherwise);
 - (iii) the ATO; or
 - (iv) any other person required by any other law of Australia or regulation under the Charter of the United Nations that would make it unlawful for J-POWER Nominee to provide any consideration for your Genex Shares,

then acceptance of the Takeover Offer will not create or transfer to you any right (contractual or contingent) to receive (and you will not be entitled to receive) any consideration for your Genex Shares until all requisite consents, authorities, clearances or approvals have been received by J-POWER Nominee.

6 Overview and terms of the Takeover Offer continued

6.7 Payment of consideration continued

- (f) If any amount (in this paragraph, the **Withholding Amount**) is required under any Australian law or by any Government Agency, to be:
- (i) withheld from any consideration otherwise payable to you under the Takeover Offer and paid to a Government Agency; or
 - (ii) retained by J-POWER Nominee out of any consideration otherwise payable to you under the Takeover Offer,

the payment or retention by J-POWER Nominee of the Withholding Amount (as applicable) will constitute full discharge of J-POWER Nominee's obligations to pay the consideration to you to the extent of the Withholding Amount. The aggregate sum payable to you will not be increased to reflect the Withholding Amount.

- (g) Where the calculation of the Takeover Consideration to be provided to a particular Genex Shareholder that has accepted the Takeover Offer would result in the Genex Shareholder becoming entitled to a fraction of a cent (after applying the Genex Shareholder's entitlement (prior to rounding) to its entire holding of Genex Shares), the fractional entitlement will be rounded to the nearest whole cent, with any such fractional entitlement of less than 0.5 being rounded down to the nearest whole cent, and any fractional entitlement of 0.5 or more being rounded up to the nearest whole cent.
- (h) Under no circumstances will interest be paid on the consideration payable under the Takeover Offer, regardless of any delay in paying the consideration or any extension of the Takeover Offer.

6.8 Takeover Conditions

Subject to Section 6.9, the completion of the Takeover Offer and any contract that results from the acceptance of the Takeover Offer will be subject to each of the following conditions (and no other defeating conditions):

- (a) **Takeover Transaction FIRB approval:** before the end of the Takeover Offer Period, one of the following having occurred:
- (i) J-POWER Nominee has received written notice under FATA, by or on behalf of the Treasurer, advising that the Commonwealth Government has no objections to the Takeover Transaction, either unconditionally or subject only to:
 - (A) conditions or undertakings in the form of the tax conditions published by or on behalf of FIRB before 12 April 2024 in items 1 to 6 of part D of FIRB's guidance note 12 (*Tax Conditions*) (in the form last updated on 10 August 2023) (**FIRB Standard Tax Conditions**);
 - (B) conditions of a similar kind to which a J-POWER Group Member has accepted in relation to prior notifications to FIRB (including, for the avoidance of doubt, any condition requiring notification of implementation of a Transaction); and
 - (C) such other conditions or undertakings imposed, required or requested by FIRB which are on terms and conditions that are acceptable to J-POWER Nominee (in its absolute discretion);
 - (ii) the Treasurer has become precluded by the passage of time from making an order or decision under Part 3 of FATA in relation to the Takeover Transaction and the Takeover Transaction is not prohibited by section 82 of FATA; or
 - (iii) where an interim order is made under section 68 of the FATA in respect of the Takeover Transaction, the subsequent period for making an order or decision under Part 3 of the FATA has elapsed without the Treasurer making such an order or decision;
- (b) **Genex Performance Rights:** as at the end of the Takeover Offer Period:
- (i) Genex having entered into a Genex Performance Right Deed with each Genex Performance Right Holder and having not done any thing that is expressed under the terms of a Genex Performance Right Deed to require J-POWER's prior written consent (except where J-POWER's prior written consent has been provided);
 - (ii) an ASX waiver having been issued or provided (and not adversely amended in any material respect, withdrawn or revoked) in respect of the applicable requirements under ASX Listing Rule 6.23 to enable any action required to be taken by Genex under clause 7.2 of the Transaction Implementation Deed that

requires the approval of Genex Shareholders under that ASX Listing Rule to be taken by Genex without the approval of Genex Shareholders under that ASX Listing Rule;

- (iii) no Genex Shares or other securities (as that expression is defined in section 92 of the Corporations Act) in a Genex Group Member having been issued, transferred or granted to any person under the Genex Performance Rights Plan between 12 April 2024 (being the date of the Transaction Implementation Deed) and the end of the Takeover Offer Period (each inclusive); and
 - (iv) other than solely as a result of:
 - (A) either the terms of issue of a Genex Performance Right or a term or provision of the Genex Performance Rights Plan requiring Genex (or the Genex Board) to issue or transfer, or otherwise giving Genex or the Genex Board the right or discretion to issue or transfer, a Genex Share to a Genex Performance Right Holder on, or as a result or in satisfaction of, the vesting, exercise, conversion, lapsing, extinguishment or cancellation of a Genex Performance Right held by that Genex Performance Right Holder, provided that:
 - (1) as at the end of the Takeover Offer Period, the relevant Genex Performance Right Holder has entered into a Genex Performance Right Deed with Genex that has not been validly terminated; and
 - (2) any such discretion is not exercised without the prior written consent of J-POWER; or
 - (B) the amended terms of issue of a Project Genex Performance Rights set out in the Genex Performance Right Deed giving Genex or the Genex Board the right or discretion to issue or transfer a Genex Share or other security in a Genex Group Member to that Genex Performance Right Holder on, or as a result or in satisfaction of the vesting, exercise, conversion, lapsing, extinguishment or cancellation of a Project Genex Performance Right held by that Genex Performance Right Holder, there being no obligation on a Genex Group Member to issue any Genex Share or any such securities on or as a result or in satisfaction of the vesting, exercise, conversion, lapsing, extinguishment or cancellation of any Genex Performance Right (including as a consequence of Genex amending, waiving or exercising any discretion in connection with the Genex Performance Rights Plan or any Genex Performance Right);
- (c) **Genex Options:** as at the end of the Takeover Offer Period:
- (i) Genex having entered into a Genex Option Cancellation Deed with each Genex Optionholder and having not done any thing that is expressed under the terms of a Genex Option Cancellation Deed to require J-POWER's prior written consent (except where J-POWER's prior written consent has been provided);
 - (ii) an ASX waiver having been issued or provided (and not adversely amended in any material respect, withdrawn or revoked) in respect of the applicable requirements under ASX Listing Rule 6.23 to enable any action required to be taken by Genex under clause 7.3 of the Transaction Implementation Deed that requires the approval of Genex Shareholders under that ASX Listing Rule to be taken by Genex without the approval of Genex Shareholders under that ASX Listing Rule; and
 - (iii) no Genex Shares or other securities (as that expression is defined in section 92 of the Corporations Act) in a Genex Group Member having been issued or transferred to any person between 12 April 2024 (being the date of the Transaction Implementation Deed and the end of the Takeover Offer Period (each inclusive) as a result of the vesting, exercise, conversion or cancellation of any Genex Option; and
 - (iv) other than solely as a result of the terms of issue of a Genex Option requiring Genex (or the Genex Board) to issue or transfer, or otherwise giving Genex or the Genex Board the right or discretion to issue or transfer, a Genex Share to a Genex Optionholder on, or as a result or in satisfaction of, the vesting, exercise, conversion, lapsing, extinguishment or cancellation of a Genex Option held by that Genex Optionholder (provided that: (A) as at the end of the Takeover Offer Period, the relevant Genex Optionholder has entered into a Genex Option Cancellation Deed with Genex that has not been validly terminated; and (B) any such discretion is not exercised without the prior written consent of J-POWER), there being no obligation on a Genex Group Member to issue any Genex Share or any such securities on or as a result or in satisfaction of the vesting, exercise, conversion, lapsing, extinguishment or cancellation of any Genex Option (including as a consequence of Genex amending, waiving or exercising any discretion in connection with any Genex Option);

6 Overview and terms of the Takeover Offer continued

6.8 Takeover Conditions continued

- (d) **no Genex Prescribed Occurrence:** no Genex Prescribed Occurrence occurring during the period commencing on 12 April 2024 (being the date of the Transaction Implementation Deed) and ending at the end of the Takeover Offer Period (each inclusive);
- (e) **no restraints:** as at the end of the Takeover Offer Period, there not being in effect any:
- (i) permanent or temporary restraining order, injunction or other decision, order or decree issued by any court of competent jurisdiction or by any Government Agency;
 - (ii) law, rule or regulation; or
 - (iii) other legal restraint or prohibition,
- that restrains, prevents or prohibits the Takeover Offer or the completion of contracts formed by the acceptance of the Takeover Offers by Genex Shareholders;
- (f) **Scheme fails:** either:
- (i) the Scheme is not approved by Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting by the Requisite Majorities (except to the extent the Court orders otherwise under section 411(4)(a)(ii)(A) of the Corporations Act); or
 - (ii) following the approval of the Scheme by Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting by the Requisite Majorities, the Court does not approve the Scheme in accordance with section 411(4)(b) of the Corporations Act;
- (g) **minimum acceptance:** J-POWER Nominee has a Relevant Interest in at least 50.1% of the Genex Shares on issue;
- (h) **no Genex Material Adverse Change:** no event, change in condition, matter, occurrence or circumstances that is a Genex Material Adverse Change:
- (i) occurring during the period commencing on 12 April 2024 (being the date of the Transaction Implementation Deed) and ending at the end of the Takeover Offer Period; or
 - (ii) having occurred before 12 April 2024 (being the date of the Transaction Implementation Deed) but being first discovered by J-POWER Nominee to be a Genex Material Adverse Change, being first announced or disclosed to J-POWER Nominee by Genex in a manner that makes known to J-POWER Nominee that a Genex Material Adverse Change has occurred, or otherwise first becoming known to J-POWER Nominee to be a Genex Material Adverse Change, during the period commencing on 12 April 2024 (being the date of execution of the Transaction Implementation Deed) and ending at the end of the Takeover Offer Period (each inclusive);
- (i) **Identified Contracts:** between 12 April 2024 (being the date of the Transaction Implementation Deed) and the end of the Takeover Offer Period (each inclusive), no counterparty to an Identified Contract exercising or stating an intention to exercise any rights (whether or not subject to contingencies or conditions, or to the effluxion of time) under any provision in the relevant Identified Contract to:
- (i) terminate, cancel or rescind that Identified Contract;
 - (ii) vary, amend or modify that Identified Contract in a manner that is materially adverse to any Genex Group Member;
 - (iii) require any monies borrowed by any Genex Group Member under that Identified Contract to be repayable earlier than the payment date specified in that Identified Contract (or cause the repayment of those monies borrowed to be otherwise accelerated); or
 - (iv) terminate, cancel or suspend any commitment to provide financial accommodation to a Genex Group Member under that Identified Contract,
- in each case that arise or will arise as a result of:
- (v) J-POWER Nominee acquiring, or acquiring a Relevant Interest in, any Genex Shares or any number or percentage of them under the Takeover Offer that may occur as a result of acceptances of the Takeover Offer; or

(vi) J-POWER Nominee acquiring control or ownership of, or there otherwise being a change in control or ownership of, Genex or any other Genex Group Member under the Takeover Offer that may occur as a result of acceptances of the Takeover Offer,

(each such provision in an identified Contract being a **Change of Control Provision**), other than where that counterparty has provided:

(vii) a written, enforceable and unconditional waiver or release of such rights under the relevant Change of Control Provision and:

(A) Genex has provided a copy of that waiver or release to J-POWER Nominee; and

(B) that waiver or release has not been withdrawn, cancelled, revoked or adversely modified as at the end of the Takeover Offer Period; or

(viii) without limiting paragraph (vii) above, its written:

(A) consent, waiver, approval or other confirmation under the relevant Identified Contract to the change of control or ownership of Genex (or another Genex Group Member); or

(B) confirmation that it will not exercise, or a written waiver of the right to exercise, a right to terminate the relevant Identified Contract,

in each case in a form acceptable to J-POWER Nominee (acting reasonably), and that consent, waiver, approval or confirmation has not been withdrawn, cancelled, revoked or adversely modified as at the end of the Takeover Offer Period; and

(j) **no termination of Transaction Implementation Deed:** the Transaction Implementation Deed not being terminated by J-POWER under clause 15.1(b), clause 15.2(a) or clause 15.3(b) of the Transaction Implementation Deed before the end of the Takeover Offer Period.

6.9 Nature and waiver of Takeover Conditions

(a) Each of the Takeover Conditions, other than the FIRB Takeover Condition, are conditions subsequent. The non-fulfilment of any condition subsequent does not, until the end of the Takeover Offer Period (or in the case of the No Genex Prescribed Occurrences Takeover Condition, until the end of the third business day (as defined in the Corporations Act) after the end of the Takeover Offer Period), prevent a contract to sell Genex Shares from arising, but will entitle J-POWER Nominee by written notice to Genex Shareholders, to rescind the contract resulting from Genex Shareholders' acceptance of the Takeover Offer.

(b) The FIRB Takeover Condition is a condition precedent to the acquisition of any interest in Genex Shares by J-POWER Nominee under the Takeover Offer and will prevent a contract to sell Genex Shares from arising until it is fulfilled or waived. Notwithstanding the acceptance of the Takeover Offer by a Genex Shareholder, unless and until the FIRB Takeover Condition is fulfilled or waived:

(i) no contract for the sale of the Genex Shares to J-POWER Nominee under the Takeover Offer will come into force or be binding on that Genex Shareholder or on J-POWER Nominee;

(ii) J-POWER Nominee will have no rights (conditional or otherwise), including Rights, in relation to the Genex Shares;

(iii) if any of your Genex Shares are held in a CHESS Holding, you will be entitled to withdraw your acceptance in respect of those Genex Shares by having your Controlling Participant transmit a valid originating message to ASX Settlement specifying the Genex Shares to be released from sub position, in accordance with Rule 14.16 of the ASX Settlement Operating Rules; and

(iv) if any of your Genex Shares are not held in a CHESS Holding, you will be entitled to withdraw your acceptance in respect of those Genex Shares by sending a notice to that effect signed by you (or on your behalf, in which case documentation proving that the person or persons signing the notice are authorised to do so must accompany the notice) to any of the postal, delivery or email addresses specified on the Takeover Acceptance Form, so that it is received at the relevant address at any time prior to the fulfillment (or waiver) of the FIRB Takeover Condition.

J-POWER Nominee may waive the FIRB Takeover Condition but will only do so if such waiver would not be in, or result in a, breach of the FATA.

6 Overview and terms of the Takeover Offer continued

6.9 Nature and waiver of Takeover Conditions continued

- (c) Subject to the Corporations Act and Sections 6.9(d) and 6.9(e), J-POWER Nominee may waive, and declare the Takeover Offer to be free from, any Takeover Condition by giving written notice to Genex declaring the Takeover Offer to be free from the relevant Takeover Condition or Takeover Conditions specified, in accordance with section 650F of the Corporations Act. This notice may be given:
- (i) in the case of the No Genex Prescribed Occurrences Takeover Condition, not later than three business days (as defined in the Corporations Act) after the end of the Takeover Offer Period; and
 - (ii) in the case of all the other Takeover Conditions, not less than seven days before the end of the Takeover Offer Period.
- (d) The Takeover Condition in:
- (i) Section 6.8(f) (*Scheme fails*) may only be waived by J-POWER Nominee (including by J-POWER Nominee freeing the Takeover Offer from that Takeover Condition) with the prior written consent of Genex (in its absolute discretion); and
 - (ii) Section 6.8(g) (*minimum acceptance*) may only be waived by J-POWER Nominee (including by J-POWER Nominee freeing the Takeover Offer from that Takeover Condition):
 - (A) if J-POWER Nominee has a Relevant Interest in at least 40% of Genex Shares on issue (where for the purposes of this Section 6.9(d)(ii)(A), J-POWER Nominee's Relevant Interest is to be determined as if section 609A of the Corporations Act was omitted from the Corporations Act and disregarded in relation to an institutional acceptance facility (including the Institutional Acceptance Facility) covered by that section relating to the Takeover Offer (**Takeover Acceptance Facility**)), provided that the waiver of the Takeover Condition in Section 6.8(g) (minimum acceptance) (together with the waiver of any other applicable Takeover Conditions at the same time as such waiver) causes acceptances under the Takeover Acceptance Facility to be unable to be withdrawn; or
 - (B) otherwise, with the prior written consent of Genex (in its absolute discretion).
- (e) If a Scheme Condition is waived or satisfied, J-POWER Nominee must declare the Takeover Offer free from the corresponding Takeover Condition.
- (f) If, at the end of the Takeover Offer Period (or in the case of the No Genex Prescribed Occurrences Takeover Condition, at the end of the third business day (as defined in the Corporations Act) after the end of the Takeover Offer Period), one or more Takeover Conditions have not been fulfilled and J-POWER Nominee has not declared the Takeover Offer (or it has not become) free from that or those Takeover Conditions, all contracts resulting from the acceptance of the Takeover Offer will be automatically void.
- (g) Subject to the Corporations Act and Section 6.9(d), J-POWER Nominee alone is entitled to the benefit of the Takeover Conditions and to rely on breach or non-fulfilment of any of them.
- (h) Each Takeover Condition is a separate, several and distinct Takeover Condition. No Takeover Condition will be taken to limit the meaning or effect of any other Takeover Condition.

6.10 Withdrawal of the Takeover Offer

- (a) J-POWER Nominee may withdraw the Takeover Offer with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, J-POWER Nominee will give notice of the withdrawal to ASX and to Genex and will comply with any other conditions imposed by ASIC.
- (b) If, at the time the Takeover Offer is withdrawn, all the Takeover Conditions have been waived, all contracts arising from acceptance of the Takeover Offer before it was withdrawn will remain enforceable.
- (c) If, at the time the Takeover Offer is withdrawn, the Takeover Offer remains subject to one or more of the Takeover Conditions, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant Takeover Conditions have occurred).
- (d) A withdrawal pursuant to this Section 6.10 will be deemed to take effect:
 - (i) if ASIC's consent to the withdrawal of the Takeover Offer is not subject to conditions imposed by ASIC, on and after the date on which that consent in writing is given by ASIC; or
 - (ii) if ASIC's consent to the withdrawal of the Takeover Offer is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied.

6.11 Notice on status of Takeover Conditions

The date for giving the notice on the status of the Takeover Conditions required by section 630(1) of the Corporations Act is Tuesday, 6 August 2024 (subject to extension in accordance with section 630(2) of the Corporations Act if the Takeover Offer Period is extended).

6.12 Date for determining holders of Genex Shares

For the purposes of section 633(2) of the Corporations Act, the date for determining people to whom information is to be sent under items 6 and 12 of section 633(1) is the Takeover Register Date.

6.13 Variation of the Takeover Offer

J-POWER Nominee will be entitled to vary the Takeover Offer in accordance with the Corporations Act:

- (a) by extending the Takeover Offer Period;
- (b) by increasing the consideration payable under the Takeover Offer; or
- (c) with the written consent of ASIC, and subject to any conditions specified by ASIC in that consent, in the manner that ASIC permits.

6.14 Power of attorney

Immediately upon the Takeover Offer being declared or becoming unconditional and until Genex registers J-POWER Nominee as the holder of your Genex Shares in the Genex Share Register, where you have accepted the Takeover Offer, you:

- (a) are deemed to have appointed J-POWER Nominee as your attorney and agent (and directed J-POWER Nominee in each such capacity) to appoint any director, officer, secretary or agent nominated by J-POWER Nominee as your sole proxy and, where applicable or appropriate, corporate representative, to attend meetings of Genex Shareholders, exercise the votes attaching to your Genex Shares registered in your name and sign any shareholders' resolution or document on your behalf;
- (b) must not attend or vote at any of those meetings or sign any such resolutions, whether in person, by direct vote, by proxy or by corporate representative (other than pursuant to Section 6.14(a));
- (c) must take all other actions in the capacity of the registered holder of your Genex Shares as J-POWER Nominee reasonably directs; and
- (d) acknowledge and agree that in exercising the powers referred to in Section 6.14(a), J-POWER Nominee and any director, officer, secretary or agent nominated by J-POWER Nominee under Section 6.14(a) may act in the best interests of J-POWER Nominee as the intended registered holder of your Genex Shares.

6.15 Return of documents

If the Takeover Offer does not become unconditional or any contract arising from the Takeover Offer is rescinded by J-POWER Nominee on the grounds of a breach of a condition of that contract, J-POWER Nominee will, at its election, either return by post to you any Takeover Acceptance Form and any other documents sent with it by you, or destroy those documents and notify the ASX of this.

6.16 Foreign laws

- (a) J-POWER Nominee will not be required to register the Takeover Offer in any jurisdiction outside Australia (unless an applicable foreign law treats it as registered as a result of this Transaction Booklet being lodged with ASIC).
- (b) It is your sole responsibility to satisfy yourself that you are permitted by any foreign law applicable to you to accept the Takeover Offer.

6 Overview and terms of the Takeover Offer continued

6.17 No stamp duty or brokerage

- (a) J-POWER Nominee will pay any stamp duty on the transfer of your Genex Shares to J-POWER Nominee as a result of your acceptance of the Takeover Offer. As long as those Genex Shares are registered in your name and you deliver them directly to J-POWER Nominee, you will not incur any brokerage in connection with your acceptance of the Takeover Offer.
- (b) If your Genex Shares are registered in a CHESS Holding or you hold your Genex Shares through a bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker), or the bank, custodian or other nominee whether it will charge any transaction fees or service charges in connection with your acceptance of the Takeover Offer.

6.18 Notices

(a) **Service on Genex**

J-POWER Nominee may give a notice to Genex under the Takeover Offer by leaving it at, or sending it by prepaid ordinary post to, the registered office of Genex.

(b) **Service on J-POWER Nominee**

You or Genex may give a notice to J-POWER Nominee under the Takeover Offer by leaving it at, or sending it by prepaid ordinary post to, J-POWER Nominee at the address set out on your Takeover Acceptance Form.

(c) **Service on you**

J-POWER Nominee may give a notice to you under the Takeover Offer by email, by leaving it at, or sending it by prepaid ordinary post or by airmail (if your address is outside Australia), to your address given to J-POWER Nominee by Genex under section 641 of the Corporations Act.

6.19 Governing law

The Takeover Offer and any contract that results from an acceptance of the Takeover Offer will be governed by the laws in force in New South Wales, Australia.

Information on Genex



7 Information on Genex

7.1 Overview of Genex

(a) Introduction

Genex is an Australian ASX-listed company (ASX: GNX), focused on developing a portfolio of renewable energy generation and energy storage projects in Australia, including large-scale batteries, and pumped storage hydro, wind, and solar energy generation projects across Queensland and New South Wales.

(b) Genex's business

Genex's flagship asset is a 300MW/2,000MWh clean energy hub in Kidston, North Queensland, comprising large-scale solar with pumped storage hydro technologies which are either fully operational or under construction, with plans to add a further approximately 258MW in wind generation capacity. The 'Kidston Clean Energy Hub' represents an innovative deployment of intermittent renewable energy with large-scale pumped storage hydro at a former gold mine site.

Genex also owns and operates the 50MW Jemalong Solar Project, located near Forbes in NSW, and the 50MW/100MWh Bouldercombe Battery Project near Rockhampton in central Queensland. With the acquisition of the up to 2GW Bulli Creek Solar and Battery Project in south-east Queensland in August 2022, Genex has a development pipeline of up to 2.3GW of renewable energy and storage projects.

A summary of Genex's portfolio of renewable energy generation and energy storage projects is set out in the table below.

Project	Genex Ownership	Capacity	Development Stage
Kidston Solar Project	100%	50MW	Operating
Jemalong Solar Project	100%	50MW	Operating
Bouldercombe Battery Project	100%	50MW/100MWh	Operating
Kidston Pumped Storage Hydro Project	100%	250MW/2,000MWh	Construction
Kidston Wind Project	50%	Up to 258MW	Development
Bulli Creek Stage 1 Solar Project	50%	Up to 775MW	Development
Bulli Creek Stage 1 BESS	50%	~400MW/1,600MWh	Development
Bulli Creek Solar Expansion	50%	Up to 825MW	Feasibility
Bulli Creek BESS Expansion	50%	Up to 825MW	Feasibility
Bouldercombe Battery Project 2	100%	50MW/100MWh	Feasibility

(c) Strategic focus

Genex is currently focussed on the continued delivery of the construction of the 250MW/2,000MWh Kidston Pumped Storage Hydro Project, while rapidly progressing the development of the up to 258MW Kidston Stage-3 Wind Project and the first stage of the 2,000MW Bulli Creek Solar and Battery Project, being a large scale solar farm of up to 775MW followed by a first stage battery energy storage system of up to 400MW/1,600MWh.

(d) Project financing arrangements

Genex Group Members are parties to a number of debt facility agreements, under which debt financiers have agreed to make debt financing available to the Genex Group for the purpose of financing the development and construction of the Genex Group's projects, including the NAIF Facility Agreement and the Infradebt Facility Agreement. Information about these debt facilities, including the identity of the lenders, the amount drawn down and available to be drawn down under, and the maturity date of, each of these debt facilities (together with the weighted average interest rate of these debt facilities) as at 31 March 2024 is set out in section 7 of the Appendix 4C (Quarterly cash flow report for entities subject to Listing Rule 4.B) released by Genex to the ASX on 29 April 2024 (**Q3 FY24 Quarterly Activities Report**).

(e) Commercial, development and debt financing arrangements with the J-POWER Group

Genex Group Members are parties to a number of commercial, development and debt financing arrangements with J-POWER Group Members relating to the Kidston Pumped Storage Hydro Project, the Kidston Wind Project and the Bulli Creek Solar and Battery Project, the key terms of which are summarised in Section 11.10 of this Transaction Booklet.

7.2 Genex Directors and senior management**(a) Genex Board**

As at the date of this Transaction Booklet, the Genex Board comprises the following Genex Directors:

Name	Current position
Dr Ralph Craven	Independent, Non-executive Genex Director and Chairman
Ms Teresa Dyson	Independent, Non-executive Genex Director
Mr Simon Kidston	Non-executive Genex Director
Mr Ben Guo	Non-executive Genex Director
Mr Kenichi Seshimo	Non-executive Genex Director

More information about the Genex Directors, including their relevant experience, can be found on Genex's website at <https://genexpower.com.au/about-genex-power/#board-directors>.

(b) Genex key management personnel

As at the date of this Transaction Booklet, Genex's key management personnel are each of the following individuals:

Name	Current position
Mr Craig Francis	Genex Group Chief Executive Officer
Mr Patrick McCarthy	Genex Group Chief Financial Officer
Mr Arran McGhie	Genex Group Chief Operating Officer

More information about Genex's key management personnel, including their relevant experience, can be found on Genex's website at <https://genexpower.com.au/about-genex-power/#board-directors>.

7 Information on Genex continued

7.3 Equity capital structure and market capitalisation

As at the date of this Transaction Booklet, Genex has:

- (a) 1,385,177,140 Genex Shares on issue;
- (b) 14,500,000 Genex Options on issue; and
- (c) 9,660,586 Genex Performance Rights on issue.

See Section 11.4 for further information about the treatment of the Genex Options and Genex Performance Rights in connection with the Transaction.

As at the Last Practicable Trading Date, Genex had a market capitalisation of approximately \$374 million (based on a closing price of \$0.270 per Genex Share and 1,385,177,140 Genex Shares on issue¹).

As at the Last Practicable Trading Date, J-POWER Nominee holds, and has a Relevant Interest in, 106,990,005 Genex Shares (representing 7.72% of the Genex Shares on issue). Under the terms of the Scheme, the J-POWER Genex Shares (and any other Genex Shares held by the Excluded Genex Shareholders) will not be acquired by J-POWER Nominee under the Scheme and, accordingly, J-POWER Nominee (and any other Excluded Genex Shareholder) will not be a Scheme Shareholder (that is, J-POWER Nominee (and any other Excluded Genex Shareholders) will not participate in the Scheme). As a result, the Scheme must be approved by the Requisite Majorities, which excludes the Excluded Genex Shareholders, and the Excluded Genex Shareholders will not be entitled to vote on the Scheme Resolution at the Scheme Meeting.

7.4 Substantial Genex Shareholders

The substantial holders of Genex Shares as at the Last Practicable Trading Date are:

Substantial Genex Shareholder	Number of Genex Shares ²	Percentage of Genex Shares on issue
Skip Capital	276,896,318	19.99%
J-POWER Nominee	106,990,005	7.72%

The holdings of Genex Shares in this Section 7.4 are as disclosed to Genex by the Genex Shareholders in substantial holding notices on or before the Last Practicable Trading Date. Information in respect of substantial holdings arising, changing or ceasing after this time, or in respect of which the relevant announcement containing such information is not available on ASX's website (www.asx.com.au), is not included above.

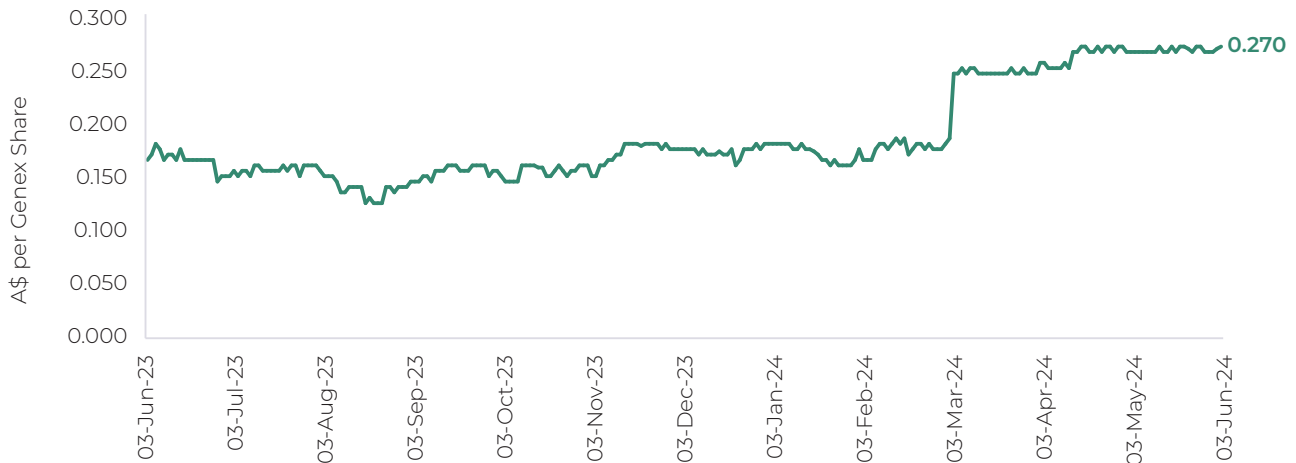
¹ This excludes the Genex Incentive Securities on issue as at the Last Practicable Trading Date.

² This refers to the number of Genex Shares in which the person or entity and its Associates have a Relevant Interest as noted in the relevant substantial shareholder notice.

7.5 Recent Genex Share price performance

Genex Shares are listed on the ASX under the ticker code “GNX”.

The graph below shows the closing Genex Share price during the twelve-month period that ended on the Last Practicable Trading Date.



The closing Genex Share price on the Last Practicable Trading Date was \$0.270 per Genex Share. Up to and including the Last Practicable Trading Date:

- the one-month VWAP of Genex Shares was \$0.268 per Genex Share;
- the three-month VWAP of Genex Shares was \$0.258 per Genex Share;
- the six-month VWAP of Genex Shares was \$0.251 per Genex Share;
- the twelve-month VWAP of Genex Shares was \$0.221 per Genex Share; and
- the lowest and highest Genex Share price during the preceding twelve months were \$0.125 and \$0.270 per Genex Share, respectively.

The Genex IBC Members are unable to predict the price at which Genex Shares will trade in the future but consider that, if the Scheme is not implemented and the Takeover Offer does not become (or is not declared) unconditional, and no comparable proposal to the Scheme or Superior Proposal is received by the Genex Board or otherwise emerges, the Genex Share price may fall or trade at a price below the Scheme Consideration of \$0.275 per Genex Share or the Takeover Consideration of \$0.270 per Genex Share (including, potentially, to a price that is equal to or below the Genex Share price on the Last Undisturbed Trading Date), at least in the near-term.

7.6 Historical financial information relating to Genex

This Section 7.6 contains audited financial information relating to Genex for the financial year ended 30 June 2023 and the financial half year ended 31 December 2023. The historical financial information in this Section 7.6 is a summary only and has been prepared and extracted for the purposes of this Transaction Booklet only.

The historical financial information of Genex presented in this Section 7.6 is in an abbreviated form and does not contain all the disclosures, presentations, statements or comparatives that are usually provided in an annual report prepared in accordance with the Corporations Act. Genex considers that, for the purposes of this Transaction Booklet, the historical financial information presented in this Section 7.6 is more appropriate. The historical financial information of Genex presented in this Transaction Booklet has been prepared in accordance with the recognition and measurement principles contained in the Australian Accounting Standards and is presented on a standalone basis, and accordingly, does not reflect any impact of the implementation of the Transaction.

Further detail about Genex's historical financial performance can be found in Genex's financial statements for the financial year ended 30 June 2023 (which are included in the Annual Report in respect of that financial year, which Genex released to the ASX on 25 August 2023) and financial half year ended 31 December 2023 (which are included in the financial report in respect of that financial half year, which Genex released to the ASX on 26 February 2024 (**FY24 Half Yearly Report**)) (**HI FY24 Financial Statements**). Copies of these documents can be obtained, free of charge, from the ASX website (www.asx.com.au) or from the Genex website (www.genexpower.com.au).

7 Information on Genex continued

7.6 Historical financial information relating to Genex continued

(a) Historical consolidated income statement

The following table presents the historical consolidated statement of profit or loss for Genex for the financial year ended 30 June 2023 and the financial half year ended 31 December 2023.

	Six months ended 31 December 2023 \$	12 months ended 30 June 2023 \$
REVENUE		
Sale of electricity and environmental products and lease income	9,317,070	23,759,426
Other income	1,088,679	889,380
Total revenue	10,405,749	24,648,806
EXPENSES		
Project site costs	2,918,427	3,779,075
Project consulting costs	–	219,466
Employment expenses	2,217,725	4,774,134
Share-based payments	210,000	58,206
Administrative expenses	2,261,115	4,659,669
Depreciation	4,648,035	9,467,607
Total expenses	12,255,302	22,958,157
Operating gain/(loss)	(1,849,553)	1,690,649
Finance costs	(3,613,075)	(4,425,926)
Finance income	1,616,809	1,707,632
Share of profit of joint ventures	675,326	–
Loss before tax	(3,170,493)	(1,027,645)
Income tax expense	–	–
Loss after income tax expense attributable to the owners of Genex	(3,170,493)	(1,027,645)
Net gain on cash flow hedges	(3,720,361)	295,279
Total comprehensive gain/(loss) attributable to the owners of Genex	(6,890,854)	(732,366)

(b) Historical consolidated balance sheet

The following table presents the historical consolidated statement of financial position for Genex as at 30 June 2023 and 31 December 2023.

	31 December 2023	30 June 2023
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	75,425,202	49,589,224
Trade and other receivables	4,849,096	3,725,508
Inventory	506,900	234,350
Prepayments	2,816,784	2,595,094
Total current assets	83,597,982	56,144,176
Non-current assets		
Bond, deposits and bank guarantee	124,354,534	128,295,703
Property, plant and equipment	713,708,673	637,369,498
Right of use assets	4,126,990	3,937,206
Investment in joint venture	6,292,326	3,135,000
Other non-current financial assets	13,885,023	17,605,384
Other assets	2,170,251	2,876,734
Total non-current assets	864,537,797	793,219,525
Total assets	948,135,779	849,363,701
LIABILITIES		
Current liabilities		
Trade and other payables	13,496,479	15,770,201
Interest-bearing loans and borrowings	162,275,278	15,260,647
Short term interest accrued	2,511,935	1,089,361
Government grant	443,712	443,712
Provisions	608,847	2,426,139
Current lease liabilities	788,082	770,597
Total current liabilities	180,124,333	35,760,657

7 Information on Genex *continued*

7.6 Historical financial information relating to Genex *continued*

(b) Historical consolidated balance sheet *continued*

	31 December 2023 \$	30 June 2023 \$
Non-current liabilities		
Interest-bearing loans and borrowings	563,028,671	601,914,504
Government grant	5,750,075	5,973,144
Non-current lease liabilities	3,758,347	3,555,572
Rehabilitation and restoration provision	3,804,311	3,804,311
Other non-current liabilities	209,838	214,455
Total non-current liabilities	576,551,242	615,461,986
Total liabilities	756,675,575	651,222,643
Net assets	191,460,204	198,141,058
EQUITY		
Share capital	240,572,998	240,572,998
Option reserves	4,796,353	4,586,353
Cash flow hedge reserve	13,885,023	17,605,384
Accumulated losses	(67,794,170)	(64,623,677)
Total equity	191,460,204	198,141,058

(c) Historical consolidated cash flow statement

The following table presents the historical consolidated statement of cash flows for Genex for the financial year ended 30 June 2023 and the financial half year ended 31 December 2023.

	Six months ended 31 December 2023	12 months ended 30 June 2023
	\$	\$
CASHFLOW FROM OPERATING ACTIVITIES		
Receipts from customers	9,317,412	28,508,914
Payments to suppliers	(7,112,034)	(13,130,833)
Payments to employees	(3,073,212)	(4,743,612)
Interest received	1,616,810	1,707,632
Interest and other costs of finance paid	(4,586,499)	(8,085,952)
Government grants and tax incentives	25,211	23,865
Net cash from / (used in) operating activities	(3,812,312)	4,280,014
Cashflow from investing activities		
Purchase of property, plant and equipment	(71,818,820)	(240,846,834)
Funds invested into term deposit/bank guarantee	–	(353,185)
Investment in joint ventures	(2,752,000)	(2,865,000)
Cash flows from loans to other entities	450,518	–
Net cash used in investing activities	(74,120,302)	(244,065,019)
CASHFLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	111,551,659	254,819,571
Repayment of borrowings	(7,083,067)	(27,980,036)
Transaction costs related to loans and borrowings	(700,000)	(320,000)
Net cash from financing activities	103,768,592	226,519,535
Net increase / (decrease) in cash and cash equivalents for the period	25,835,978	(13,265,470)
Cash and cash equivalents at beginning of the period	49,589,224	62,854,694
Cash and cash equivalents at end of the period	75,425,202	49,589,224

7 Information on Genex continued

7.7 Material changes to the financial position of Genex since 31 December 2023

(a) Material changes to the financial position of Genex since 31 December 2023

Other than:

- (i) the accumulation of earnings and incurring of expenses in the ordinary course of trading; and
- (ii) as disclosed in this Transaction Booklet (including as described in this Section 7.7 below) or as otherwise disclosed to ASX by Genex (including in the Q3 FY24 Quarterly Activities Report),

within the knowledge of the Genex Directors, the financial position of Genex has not materially changed since 31 December 2023, being the date of Genex's H1 FY24 Financial Statements.

(b) Effect of proposed refinancing of Genex's senior debt and subordinated debt facilities on Genex's financial position

As stated in the FY24 Half Yearly Report, Genex prepared the H1 FY24 Financial Statements on a going concern basis, which contemplates the realisation of assets and settlement of liabilities in the ordinary course of the Genex Group's business.

As at 31 December 2023, as shown in the H1 FY24 Financial Statements, Genex had net current liabilities of \$96.53 million (compared to net current assets of \$20.38 million as at 30 June 2023). This is the result of Genex's senior debt facility and subordinated debt facility of \$147.19 million and \$10.92 million, respectively, (compared to \$151.18 million and \$11.93 million, respectively, as at 30 June 2023) being (as at 31 December 2023) due and repayable in full on 17 December 2024. As repayment of both facilities was due within 12 months, the total of \$158.11 million was classified as a current liability in the interim consolidated financial statements. As at the date of this Transaction, Genex is negotiating a refinancing of these facilities which it currently anticipates will be completed (if it is completed) before 1 July 2024.

The effect of the refinancing, if completed, will be that the amounts owing under the senior debt facility and subordinated debt facility will be reclassified as non-current liabilities, which is expected to provide for a net current asset position as at 30 June 2024 (from a net current liability position as at 31 December 2023). If the refinancing is completed, Genex will make an announcement to the ASX confirming completion of the refinancing. However, if the refinancing does not complete, the maturity date of the senior debt facility and the subordinated debt facility will remain 17 December 2024.

(c) Effect of increase in Tranche 2 of the J-POWER Corporate Loan Facility on Genex's financial position

On 12 May 2024, Genex and J-POWER agreed to an increase in Tranche 2 of the existing J-POWER Corporate Loan Facility of \$10 million, the effect of which is that the total amount available to be drawn by the Genex Group under the J-POWER Corporate Loan Facility is \$45 million. Further details regarding the J-POWER Corporate Loan Facility are set out in Section 11.10(d).

The additional amount available to be drawn under the J-POWER Corporate Loan Facility in Tranche 2 is not expected to be drawn before 30 June 2024 and therefore the increase to Tranche 2 is not expected to have a material impact on Genex's statement of financial position as at 30 June 2024.

(d) Copies of Genex's H1 FY24 Financial Statements

Genex Shareholders may obtain a copy of Genex's H1 FY24 Financial Statements (which was released to the ASX by Genex on 26 February 2024 and which contains Genex's consolidated financial statements for the financial half year ended 31 December 2023) from the ASX website (www.asx.com.au) or from the Genex website (www.genexpower.com.au), or by calling the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time).

Genex Shareholders should also refer to Genex's Q3 FY24 Quarterly Activities Report, a copy of which may also be obtained by Genex Shareholders in the same way as Genex Shareholders may obtain a copy of Genex's H1 FY24 Financial Statements, as described above.

7.8 Genex Directors' intentions for Genex's business

The Corporations Act requires a statement by the Genex Directors of their intentions regarding the Genex Group's business to be included in this Transaction Booklet. If the Scheme is implemented, J-POWER Nominee will own and control all of the Genex Shares on issue and J-POWER and J-POWER Nominee presently intend to review the Genex Board and will decide whether to reconstitute the Genex Board at that time. Accordingly, it is not possible for the Genex IBC Members to provide a statement of their intentions regarding:

- (a) the continuation of the business of the Genex Group or how the Genex Group's existing business will be conducted;
- (b) any major changes, if any, to be made to the business of the Genex Group; or
- (c) any future employment of the present employees of the Genex Group, in respect of the period after implementation of the Scheme.

The intentions of J-POWER and J-POWER Nominee with respect to the matters listed above if J-POWER Group owns or controls all of the Genex Shares on issue are set out in Section 8.7.

If the Scheme is not implemented but the Takeover Offer is declared (or otherwise becomes) unconditional and J-POWER Nominee acquires Genex Shares under the Takeover Offer giving it a Relevant Interest in more than 50% but less than 90% of Genex Shares, Genex will become a Controlled Entity of J-POWER Nominee, but J-POWER Nominee will not be entitled to proceed to Compulsory Acquisition. In these circumstances (and assuming the Takeover Offer is declared or becomes unconditional), J-POWER intends to review the Genex Board and will decide whether to reconstitute the Genex Board at that time (to the extent permitted by Genex's constitution, and subject to certain other requirements set out in the Transaction Implementation Deed, if applicable). However, final decisions regarding the composition of the Genex Board in these circumstances will be made by J-POWER and J-POWER Nominee closer to the conclusion of the Takeover Offer. The intentions of J-POWER and J-POWER Nominee with respect to the matters listed above if J-POWER Nominee Controls Genex, but does not own or control all of the Genex Shares on issue, are set out in Section 8.7(c).

If the Scheme is not implemented and J-POWER Nominee does not acquire a sufficient number of Genex Shares under the Takeover Offer such that, at the end of the Takeover Offer Period, it holds less than 50% of Genex Shares on issue, as at the date of this Transaction Booklet, J-POWER Nominee will not be able to unilaterally reconstitute the Genex Board. However, J-POWER Nominee may attempt to appoint one or more additional nominee directors to the Genex Board. In those circumstances, it is the present intention of the Genex IBC Members that Genex will continue its current strategic plans, including the completion of construction of its Kidston Pumped Storage Hydro Project, the continued development and financing of its growth portfolio projects and the implementation of the Potential Project Sell-downs described in the H1 FY24 Financial Report and Section 9.3(t), and operate on a standalone basis and remain listed on the ASX.

7.9 Risks relating to Genex's business

There are existing risks relating to Genex's business and an investment in Genex Shares which will continue to be relevant to Genex Shareholders if the Scheme does not become Effective or J-POWER Nominee does not acquire their Genex Shares under the Takeover Offer. A summary of the key risks relating to Genex's business and an investment in Genex is set out in Section 9 (**Risks**).

7 Information on Genex continued

7.10 Publicly available information about Genex

Genex is an ASX-listed disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, as a company listed on the ASX, Genex is subject to the ASX Listing Rules, which require (subject to some exceptions) continuous disclosure of any information Genex has that a reasonable person would expect to have a material effect on the price or value of Genex Shares.

ASX maintains files containing publicly disclosed information about all companies listed on the ASX. Information disclosed to ASX by Genex is available on ASX's website at www.asx.com.au.

In addition, Genex is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Genex may be obtained from ASIC.

A copy of Genex's annual report for the financial year ended 30 June 2023 may be obtained by Genex Shareholders free of charge, in the manner set out in Section 7.7(d).

A list of announcements made by Genex to ASX from the time that Genex announced that it and J-POWER had entered into the Transaction Implementation Deed on 12 April 2024 to the Last Practicable Trading Date are listed in the table below.³

Title of announcement	Date
Kidston Pumped Storage Hydro Project – Construction Update	22/04/2024
Notice of Quarterly Results and Webinar	22/04/2024
Q3 FY24 Investor Presentation	29/04/2024
Quarterly Activities/Appendix 4C Cash Flow Report	29/04/2024
Funding Extension Agreed with J-POWER	13/05/2024
Notice from J-POWER regarding ASIC relief	21/05/2024

Further, a substantial amount of information about Genex, including financial information and releases to ASX, is available in electronic form on Genex's website at www.genexpower.com.au.

³ This excludes announcements relating to substantial holding notices.

Information on J-POWER and J-POWER Nominee



8 Information on J-POWER and J-POWER Nominee

8.1 Introduction

The information contained in this Section 8 has been prepared by, and is the responsibility of, J-POWER and J-POWER Nominee. Neither Genex, nor any of its Representatives, assumes any responsibility for the accuracy or completeness of the information in this Section 8.

Although J-POWER and J-POWER Nominee believe that the intentions, views and opinions reflected in this Section 8 have been formed (and are described) on a reasonable basis, no assurance can be given that such intentions, views or opinions will prove to be correct or that they will not change in the future.

8.2 Overview of J-POWER

(a) J-POWER and its principal activities

J-POWER is a Japanese electric power generation and transmission business listed on the Tokyo Stock Exchange with a market capitalisation of approximately A\$4.56 billion¹ as at the Last Practicable Trading Date.

J-POWER has a history of developing alternative sources of energy, developing its first large-scale hydropower generation project in 1952. As at the date of this Transaction Booklet, the J-POWER Group has 148 energy generation projects in operation or under construction or development globally, the vast majority of which are either hydropower, wind power or gas-fired power stations. J-POWER is also engaged in a consulting capacity in respect of an additional 375 energy projects around the world. J-POWER has one of the largest installed capacities in Japan centred on hydro-electric and wind power and has total diversified power generation capacity of 26GW.

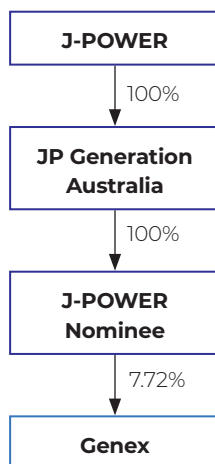
In Australia, J-POWER has investments in three Australian coal mines: the Clermont Coal Mine, the Narrabri Coal Mine and the Maules Creek Coal Mine. J-POWER is jointly engaged with Genex in the development of (and has the opportunity to earn up to a 50% interest in) the up to 258MW Kidston Stage-3 Wind Project and the development of the up to 2GW Bulli Creek Solar and Battery Project. J-POWER is also a participant in the Hydrogen Energy Supply Chain (HESC) Pilot Project which was completed in 2022 with production of clean hydrogen via extraction from Latrobe Valley coal in Victoria.

Further information about J-POWER and its activities, operations and history is available at <https://www.jpowers.co.jp/english/>.

(b) J-POWER Nominee

J-POWER Nominee is an Australian proprietary company limited by shares and is an indirect wholly owned Subsidiary of J-POWER. The direct holding company of J-POWER Nominee, JP Generation Australia, is a direct wholly-owned Subsidiary of J-POWER.

The diagram below details J-POWER's ownership of JP Generation Australia and J-POWER Nominee.



¹ Assuming a conversion rate of ¥1 to A\$0.0096 as at the Last Practicable Trading Date.

As at the date of this Transaction Booklet, J-POWER Nominee holds 106,990,005 Genex Shares, representing 7.72% of the Genex Shares on issue (being the J-POWER Genex Shares). It is proposed that J-POWER Nominee will acquire all of the Genex Shares that it does not already own under the Scheme (an overview of the Scheme is set out in Section 5), or if the Scheme does not proceed, acquire all of the Genex Shares that it does not already own under the Takeover Offer (an overview of the Takeover Offer is set out in Section 6).

8.3 Director profiles

(a) J-POWER Nominee

As at the date of this Transaction Booklet, the J-POWER Nominee Board comprises the following J-POWER Nominee Directors:

- Yasuhiro Koide – Director of J-POWER Nominee;
- Taichi Hirose – Director of J-POWER Nominee;
- Yukio Ishiguro – Director of J-POWER Nominee; and
- Kenichi Seshimo – Director of J-POWER Nominee (Mr Seshimo is also a Genex Director but, as noted in Section 3.1(b), is not a Genex IBC Member).

(b) J-POWER

As at the date of this Transaction Booklet, the board of directors of J-POWER (**J-POWER Board**) comprises the following directors:

- Toshifumi Watanabe – Representative Director Chairman;
- Hitoshi Kanno – Representative Director President;
- Hiroyasu Sugiyama – Representative Director (Executive Vice President);
- Osamu Hagiwara – Director (Executive Vice President);
- Yoshikazu Shimada – Director (Executive Vice President);
- Hiroshi Sasatsu – Director (Executive Vice President);
- Isshu Kurata – Director (Executive Vice President);
- Takaya Nomura – Director (Executive Managing Officer);
- Ryoji Sekine – Director (Executive Managing Officer);
- Tomonori Ito – Director;
- John Buchanan – Director; and
- Takashi Yokomizo – Director.

Profiles of the members of the J-POWER Board can be found at https://www.jpowers.co.jp/english/company_info/about/officer.html.

8.4 Rationale for the Transaction

The proposed acquisition of Genex by J-POWER Nominee aligns with J-POWER's commitment to delivering sustainable and competitive energy solutions globally. J-POWER views the proposed acquisition of Genex as a significant opportunity to expand its Australian renewable generation presence (including storage). J-POWER has significant expertise in hydroelectric and wind power generation assets and through the proposed acquisition of Genex looks to utilise its expertise to expand its Australian energy market presence.

The J-POWER Group has been supportive of Genex as a shareholder, financier (having provided Genex the J-POWER Corporate Loan Facility now totalling A\$45 million), technical services provider and co-developer of key projects and has a strong working relationship with the Genex management team and extensive knowledge of the company and key projects as a result. A summary of the existing commercial, development and debt financing arrangements between the Genex Group and the J-POWER Group is set out in Section 11.10.

8 Information on J-POWER and J-POWER Nominee continued

8.4 Rationale for the Transaction continued

A successful acquisition of Genex will enable J-POWER to continue to work collaboratively with Genex management to deliver on the company's development and construction portfolio to operational status and by doing so help to accelerate Australia's energy transition.

J-POWER believes that the Transaction, if implemented, would provide a significant opportunity for both businesses to leverage their respective capabilities and know-how to enhance the growth prospects of both businesses.

8.5 The Transaction consideration

(a) Scheme Consideration

The Scheme Consideration is A\$0.275 per Scheme Share.

If the Scheme becomes Effective, Scheme Shareholders will be entitled to receive the Scheme Consideration per Genex Share that they hold on the Scheme Record Date.

Based on the total number of Genex Shares on issue as at the date of this Transaction Booklet (other than the J-POWER Genex Shares) being 1,278,187,135 (ie 92.28% of Genex Shares), the maximum aggregate amount of cash consideration payable by J-POWER Nominee to Scheme Shareholders will be A\$351,501,462.13.²

J-POWER and J-POWER Nominee have each executed the Scheme Deed Poll in favour of the Scheme Shareholders. Pursuant to the Scheme Deed Poll, J-POWER and J-POWER Nominee have each covenanted in favour of Scheme Shareholders that, subject to the Scheme becoming Effective, they will provide or procure the provision of the Scheme Consideration to each Scheme Shareholder and perform the obligations attributed to them under the Scheme. This includes the obligation to deposit (or procure the deposit of) in cleared funds the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders into a trust account operated by Genex as trustee for the Scheme Shareholders by no later than 2 Business Days before the Scheme Implementation Date.

(b) Takeover Consideration

The Takeover Consideration is A\$0.270 per Genex Share.

If the Takeover Offer is declared or otherwise becomes unconditional, each Genex Shareholder who has accepted the Takeover Offer will be entitled to receive the Takeover Consideration for each Genex Share for which they accept the Takeover Offer.

Based on the total number of Genex Shares on issue as at the date of this Transaction Booklet (other than the J-POWER Genex Shares) being 1,278,187,135 (ie 92.28% of Genex Shares) and assuming that J-POWER Nominee acquires all of the Genex Shares that it does not already own, the maximum aggregate amount of cash consideration payable by J-POWER Nominee to Genex Shareholders who accept the Takeover Offer if the Takeover Offer is declared or otherwise becomes unconditional or whose Genex Shares are acquired by J-Power Nominee by way of Compulsory Acquisition will be A\$345,110,526.45.³

² The Scheme will under its terms apply to all Scheme Shares, which may include any Genex Shares that may be issued prior to the Scheme Record Date (other than any such Genex Shares which are held by an Excluded Genex Shareholder). As noted in footnote 3 below, the terms of the Transaction Implementation Deed (and other documents and arrangements agreed between J-POWER and Genex) restrict Genex from issuing Genex Shares during the Exclusivity Period. If, notwithstanding these requirements and restrictions, all Genex Options were exercised and all Genex Performance Rights were to vest prior to the Scheme Record Date, the maximum aggregate amount of the Scheme Consideration that J-POWER Nominee may be required to pay to Scheme Shareholders would be A\$358,145,623.28. Additionally, the maximum aggregate Scheme Consideration may be slightly increased by the rounding of the Scheme Consideration payable to individual Scheme Shareholders as contemplated by Section 5.2(b) and in accordance with clause 6.2 of the Scheme.

³ Consistent with Section 6.2(e), the Takeover Offer extends to Genex Shares that may between the Takeover Register Date and the end of the Takeover Offer Period be issued or transferred to holders of Genex Performance Rights or Genex Options under their terms. However, the Genex Performance Right Deeds that Genex has entered into with each Genex Performance Right Holder (see Section 11.4(b)), and the Genex Option Deeds that Genex has entered into with each Genex Optionholder (see Section 11.4(a)), together with the terms of the Transaction Implementation Deed and the Genex Incentive Securities Disclosure Letter, require that no Genex Options be exercised and no Genex Shares be issued or transferred in satisfaction of Genex Performance Rights during the Exclusivity Period. If, notwithstanding these requirements and restrictions, all Genex Options were exercised and all Genex Performance Rights were to vest during the Takeover Offer Period, the maximum aggregate amount of the Takeover Consideration that J-POWER Nominee may be required to pay to Genex Shareholders under the Takeover Offer and, if applicable, Compulsory Acquisition, would be A\$351,633,884.67.

8.6 Overview of funding arrangements

(a) Scheme

If the Scheme becomes Effective, J-POWER intends to fund the Scheme Consideration from the J-POWER Group's existing cash reserves. As at 31 March 2024, J-POWER had (on a consolidated basis) cash and deposits of approximately A\$2.67 billion.⁴ This amount is significantly in excess of the maximum amount that is required to fund the aggregate amount of the Scheme Consideration.

(b) Takeover Offer

If the Takeover Offer is declared or otherwise becomes unconditional, J-POWER intends to fund the Takeover Consideration from its existing cash reserves. As noted above, as at 31 March 2024, J-POWER had (on a consolidated basis) cash and deposits of approximately A\$2.67 billion.⁵ This amount is significantly in excess of the maximum amount that is required to fund the aggregate amount of the Takeover Consideration.

(c) Equity funding

J-POWER and J-POWER Nominee have entered into a legally binding equity commitment letter pursuant to which J-POWER undertakes to, among other things, have available, commit and provide to J-POWER Nominee via J-POWER Nominee's sole shareholder, JP Generation Australia:

- if the Scheme becomes Effective, an amount of A\$351,501,462.13 (being the maximum aggregate amount of the Scheme Consideration that J-POWER Nominee will be required to pay to Scheme Shareholders under the Scheme);⁶ or
- if the Takeover Offer is declared, or otherwise becomes, unconditional, an amount of up to A\$345,110,526.45 (being the maximum amount of the Takeover Consideration that J-POWER Nominee may be required to pay to Genex Shareholders under the Takeover Offer and, if applicable, Compulsory Acquisition).⁷

(d) Conclusion

On the basis of the funding arrangements described above, J-POWER Nominee believes that it has reasonable grounds for holding the view, and holds the view, that J-POWER Nominee will be able to satisfy its obligations to pay the Scheme Consideration or Takeover Consideration (as applicable) as and when due under the terms of the Scheme or the Takeover Offer, respectively.

Neither the Scheme nor the Takeover Offer are conditional on J-POWER Nominee obtaining finance to fund the payment of the aggregate Scheme Consideration or the aggregate Takeover Consideration.

8.7 Intentions if the Scheme is implemented or at the conclusion of the Takeover Offer Period

(a) Introduction

This Section 8.7 sets out the present intentions of J-POWER in relation to the following:

- the continuation of the business of Genex;
- any major changes to be made to the business of Genex, including any redeployment of fixed assets of Genex; and
- the future employment of Genex's present employees.

These intentions have been formed on the basis of facts and information concerning Genex and the general business environment which are known to J-POWER at the time of preparation of this Transaction Booklet.

⁴ Assuming a conversion rate of ¥1 to A\$0.0096 as at the Last Practicable Trading Date.

⁵ Assuming a conversion rate of ¥1 to A\$0.0096 as at the Last Practicable Trading Date.

⁶ See footnote 2 above.

⁷ See footnote 3 above.

8 Information on J-POWER and J-POWER Nominee continued

8.7 Intentions if the Scheme is implemented or at the conclusion of the Takeover Offer Period continued

Final decisions about any major changes to the future commercial operating plans and management organisation of Genex will only be made by J-POWER in light of all material facts and circumstances at the relevant time. Accordingly, statements set out in this Section 8.7 are statements of current intention only and may change as new information becomes available to J-POWER or circumstances change.

J-POWER Nominee's present intentions concerning the matters set out in this Section 8.7 are the same as the present intentions of J-POWER as set out in this Section 8.7, and the references to J-POWER's intentions in this Section 8.7 should be read as referring to and including the intentions of J-POWER Nominee as the proposed acquirer of Scheme Shares under the Scheme and the bidder under the Takeover Offer.

(b) J-POWER's intentions upon either the Scheme becoming Effective or J-POWER Nominee holding a Relevant Interest in 90% or more of the Genex Shares under the Takeover Offer

J-POWER's current intentions if the Scheme becomes Effective or if J-POWER Nominee acquires a Relevant Interest in 90% or more of Genex Shares pursuant to the Takeover Offer and is entitled to proceed to Compulsory Acquisition of the outstanding Genex Shares are set out below.

(i) **Compulsory Acquisition**

The Takeover Offer will only proceed if the Scheme does not become Effective. In the event that the Takeover Offer proceeds and J-POWER Nominee becomes entitled to do so under the Corporations Act, J-POWER intends that J-POWER Nominee will give notices to Genex Shareholders to compulsorily acquire any outstanding Genex Shares in accordance with Part 6A.1 of the Corporations Act.

If J-POWER Nominee compulsorily acquires the remaining Genex Shares under this procedure, the applicable Genex Shareholders will receive the Takeover Consideration for each Genex Share they hold.

(ii) **ASX listing**

Following implementation of the Scheme or if, at the end of the Takeover Offer Period, J-POWER Nominee is entitled to proceed to Compulsory Acquisition, J-POWER intends to arrange for Genex to be removed from the Official List (subject to any requirements of the ASX being satisfied).

(iii) **Directors**

Following implementation of the Scheme or if, at the end of the Takeover Offer Period, J-POWER Nominee is entitled to proceed to Compulsory Acquisition, J-POWER intends to review the Genex Board and will decide whether to reconstitute the Genex Board at that time.

Final decisions regarding the composition of the Genex Board will be made by J-POWER closer to the time of implementation of the Scheme or the conclusion of the Takeover Offer Period.

(iv) **Genex's business, assets and employees**

Following implementation of the Scheme or if, at the end of the Takeover Offer Period, J-POWER Nominee is entitled to proceed to Compulsory Acquisition of any outstanding Genex Shares, J-POWER intends to:

- continue to support the strategic direction of Genex's business and attempt to accelerate the growth of Genex and the completion of its projects; and
- conduct a broad-based general review of Genex's strategic, financial and commercial operations to:
 - identify opportunities on how to best integrate the businesses of J-POWER and Genex and to achieve greater efficiencies and synergy benefits over time; and
 - determine the optimal manner of operating and managing the Genex businesses going forward.

J-POWER considers Genex's management personnel and other employees to be an integral part of the success of the Genex Group. J-POWER does not intend to make material changes to Genex's management personnel and employees.

However, final decisions on these matters (including any changes to the employment of the present employees of Genex) will, if necessary, only be made by J-POWER following implementation of the Scheme or the end of the Takeover Offer Period (as applicable) based on all material facts and circumstances at the relevant time.

(c) J-POWER's intentions upon J-POWER Nominee becoming the holder of greater than 50% but less than 90% of the Genex Shares under the Takeover Offer

J-POWER's current intentions if Genex becomes a Controlled Entity of J-POWER Nominee, but J-POWER Nominee is not entitled to proceed to Compulsory Acquisition are set out below.

(i) ASX listing

J-POWER considers that there may be advantages and disadvantages of Genex continuing to remain listed on the ASX after the close of the Takeover Offer, depending on the Relevant Interest in Genex Shares held by J-POWER at the close of the Takeover Offer.

If J-POWER acquires a Relevant Interest in at least 75% of the Genex Shares, in those circumstances J-POWER will not be supportive of Genex remaining listed on ASX after the close of the Takeover Offer, having regard to the requirements of the ASX Listing Rules and the additional corporate and compliance costs, and will request that the Genex Board review the benefits and suitability of a continued listing of Genex on ASX.

J-POWER anticipates that the Genex Board's determination will likely depend on a range of factors, including:

- the number of Genex Shares acquired by J-POWER Nominee under the Takeover Offer;
- the spread (ie number) of Genex Shareholders after the Takeover Offer closes;
- the level of liquidity of Genex Shares after the Takeover Offer closes; and
- the costs of listing and associated compliance.

If the Genex Board were to decide that it is in the best interests of Genex to cease to be listed on ASX, J-POWER will support delisting Genex from ASX.

ASX Guidance Note 33 sets out ASX's policy in relation to a request for removal from the Official List. ASX Guidance Note 33 indicates that Genex Shareholder approval would not usually be required for the removal of Genex from the Official List if certain conditions are satisfied, including:

- J-POWER Nominee and its Related Bodies Corporate (which includes J-POWER) own or control at least 75% of Genex Shares but do not meet the conditions for Compulsory Acquisition under the Corporations Act;
- excluding J-POWER Nominee and its Related Bodies Corporate, the number of Genex Shareholders having holdings with a value of at least \$500 (being a marketable parcel) is fewer than 150;
- J-POWER Nominee having foreshadowed in this Transaction Booklet that it intends, if it secures control of Genex, to cause Genex to apply for removal from the Official List;
- the Takeover Offer remains open for at least two weeks following J-POWER Nominee and its Related Bodies Corporate having attained ownership or control of at least 75% of Genex Shares; and
- Genex applies for removal from ASX no later than one month after the end of the Takeover Offer Period.

If these conditions are satisfied and Genex Shareholder approval for the delisting of Genex is not required, J-POWER will procure Genex to send a written or electronic communication to all remaining Genex Shareholders advising them of the nominated time and date at which Genex would be removed from the Official List (**Removal Date**), being a date not earlier than three months after the date the notice was given to Genex Shareholders.

The notice to the remaining Genex Shareholders would also state that:

- if they wish to sell their Genex Shares on ASX, they will need to do so before the Removal Date; and
- if they do not sell their Genex Shares before the Removal Date, thereafter, they will only be able to sell their Genex Shares off-market.

Those remaining Genex Shareholders who do not sell their Genex Shares on ASX before the Removal Date would face risks associated with the reduced liquidity of an unlisted Genex Share.

If the conditions in ASX Guidance Note 33 are not satisfied, J-POWER will still request that ASX remove Genex from the Official List. Guidance Note 33 indicates that ASX's decision to act on J-POWER's request may be subject to the satisfaction of certain conditions. The ASX-imposed conditions ensure that the interests of the remaining Genex Shareholders are not unduly prejudiced by the removal and that trading in Genex Shares takes place in an orderly manner up to the date of its removal from the Official List.

8 Information on J-POWER and J-POWER Nominee continued

8.7 Intentions if the Scheme is implemented or at the conclusion of the Takeover Offer Period continued

ASX Guidance Note 33 indicates that these conditions will usually include Genex Shareholders approving Genex's removal from the Official List by way of a special resolution (which must be passed by at least 75% of votes cast on the resolution by Genex Shareholders entitled to vote on the resolution). ASX Guidance Note 33 states that, if such Genex Shareholder approval is sought within 12 months of the end of the Takeover Offer Period, J-POWER Nominee and its Associates will be excluded from voting in certain circumstances (as determined by the ASX). Where more than 12 months have elapsed since the Takeover Offer Period, ASX Guidance Note 33 indicates that ASX would generally permit J-POWER Nominee and its Associates to vote on a resolution approving Genex's removal from the Official List.

J-POWER is also mindful of the requirement under the ASX Listing Rules for a listed company to maintain a spread of holdings which, in ASX's opinion, is sufficient to ensure that there is an orderly and liquid market in its securities. ASX may suspend or delist a company which does not meet its spread requirements. Depending upon the level of acceptances under the Takeover Offer, it is possible that ASX may seek to delist Genex on this basis. Should ASX seek to do so, J-POWER will not oppose such a delisting.

(ii) **Directors**

At the conclusion of the Takeover Offer, if J-POWER has acquired a Relevant Interest in more than 50% of the Genex Shares, J-POWER intends to review the Genex Board and will decide whether to reconstitute the Genex Board at that time (to the extent permitted by Genex's constitution (and subject to certain other requirements set out in the Transaction Implementation Deed).

Final decisions regarding the composition of the Genex Board will be made by J-POWER closer to the conclusion of the Takeover Offer.

(iii) **Further acquisitions of Genex Shares**

J-POWER Nominee may acquire additional Genex Shares as and to the extent permitted under the Corporations Act (and, if applicable, the standstill provisions of the Confidentiality and Exclusivity Deed), including (without limitation) by acquiring additional Genex Shares under the 'creep' provisions set out in the Corporations Act. In summary, those provisions permit J-POWER and its Associates to acquire up to 3% of Genex's Shares every six months, subject to certain conditions being satisfied.

J-POWER Nominee has not yet decided whether it will acquire further Genex Shares under the 'creep' provisions (or by other available means) in the future, as that will be dependent upon (amongst other things) the extent of the Voting Power of J-POWER Nominee and its Associates in Genex and market conditions at the time.

(iv) **Continuation of business and assets**

Other than as set out in this Section 8.7(c), it is the present intention of J-POWER that:

- the Genex business will be conducted in substantially the same manner in which it currently operates;
- no major changes will be made to the Genex business; and
- there will be no redeployment of the fixed assets of Genex.

(d) **Intentions upon J-POWER acquiring a Relevant Interest in less than 50% of Genex Shares under the Takeover Offer**

The Takeover Offer is subject to the 50.1% Minimum Acceptance Takeover Condition. J-POWER Nominee has the discretion to waive the 50.1% Minimum Acceptance Takeover Condition, subject to certain conditions being met.⁸

⁸ J-POWER has the right to waive the 50.1% Minimum Acceptance Takeover Condition, subject to J-POWER having a Relevant Interest in at least 40% of the Genex Shares on issue and provided that the waiver of the 50.1% Minimum Acceptance Takeover Condition (together with the waiver of any other applicable Takeover Conditions at the same time as such waiver) causes acceptances under any Takeover Acceptance Facility (including the Institutional Acceptance Facility) to be unable to be withdrawn or, otherwise, with the prior written consent of Genex. For the purpose of determining whether J-POWER has a Relevant Interest in at least 40% of the Genex Shares on issue such that it may waive the 50.1% Minimum Acceptance Takeover Condition, J-POWER's Relevant Interest is to be determined as if section 609A of the Corporations Act (which, in summary, provides that J-POWER will not have acquired a Relevant Interest in any Genex Shares 'accepted into' a Takeover Acceptance Facility) was omitted from the Corporations Act and disregarded in relation to a Takeover Acceptance Facility (including the Institutional Acceptance Facility). See Section 6.9(d)(ii) for more information.

If J-POWER Nominee validly waives the 50.1% Minimum Acceptance Takeover Condition, the Takeover Offer may close in circumstances where J-POWER Nominee has a Relevant Interest in less than 50% of the Genex Shares. In such circumstances:

- while J-POWER Nominee will not be able to unilaterally review and reconstitute the Genex Board, J-POWER may attempt to appoint one or more additional nominee directors to the Genex Board;
- J-POWER Nominee may acquire additional Genex Shares under the ‘creep’ provisions set out in the Corporations Act (which permit J-POWER Nominee and its Associates to acquire up to 3% of Genex Shares every six months, subject to certain conditions being satisfied) or as otherwise permitted under the Corporations Act (and, if applicable, subject to the standstill provisions of the Confidentiality and Exclusivity Deed), as summarised above; and
- other than as set out in this Section 8.7, it is the present intention of J-POWER that:
 - the Genex business will be conducted in substantially the same manner in which it currently operates;
 - no major changes will be made to the Genex business; and
 - there will be no redeployment of the fixed assets of Genex.

(e) Limitations on intentions

The ability of J-POWER to implement the intentions set out in this Section 8.7 will be subject to:

- the legal obligations of the Genex Board at the time, including any nominees of J-POWER, to act in good faith in and the best interest of Genex Shareholders and for proper purposes and to have regard to the interests of all Genex Shareholders; and
- the law (including the Corporations Act and, if applicable, the ASX Listing Rules), including relation to conflicts of interests and related party transactions.

These obligations and requirements may limit J-POWER's ability to implement the intentions set out in this Section 8.7 or may require the approval of Genex Shareholders (other than J-POWER Nominee) in order to implement these intentions. Accordingly, this Section 8.7 must be read and understood on that basis.

8.8 Additional information concerning J-POWER and J-POWER Nominee

(a) Interests in Genex Shares

As at the date of this Transaction Booklet and the date of the offers made under the Takeover Offer (immediately before the first offer under the Takeover Offer was sent):

- J-POWER Nominee holds 106,990,005 Genex Shares (representing 7.72% of the Genex Shares on issue);
- the Voting Power of J-POWER Nominee and its Associates (including J-POWER) in Genex was 7.72%;
- other than as described above (and other than as a result of being a J-POWER Group Member and therefore having a Relevant Interest in the Genex Shares held by J-POWER Nominee), no J-POWER Group Member has a Relevant Interest in any Genex Shares (and they may under the standstill provisions of the Confidentiality and Exclusivity Deed be restricted from acquiring any Genex Shares, other than under the Scheme or the Takeover Offer); and
- no director of J-POWER or J-POWER Nominee has a Relevant Interest in any Genex Shares.

Under the terms of the Scheme, J-POWER Nominee is not entitled to vote on the Scheme Resolution at the Scheme Meeting. The Genex Shares held by J-POWER Nominee (being the J-POWER Genex Shares) will not be acquired by J-POWER Nominee under the Scheme or the Takeover Offer.

(b) No dealings in Genex Shares in previous four months

During the four months before the date of the offers made to Genex Shareholders under the Takeover Offer, neither J-POWER Nominee nor any of its Associates has provided or agreed to provide consideration for any Genex Shares under any transaction (including a purchase) or agreement except for:

- the Scheme Consideration which J-POWER and J-POWER Nominee have agreed to provide under the Scheme (as reflected in the Transaction Implementation Deed and the Scheme Deed Poll); or
- the Takeover Consideration which J-POWER Nominee has agreed to provide under the Takeover Offer.

8 Information on J-POWER and J-POWER Nominee continued

8.8 Additional information concerning J-POWER and J-POWER Nominee continued

(c) No inducing benefits to Scheme Shareholders in previous four months

During the four months before the date of the offers made to Genex Shareholders under the Takeover Offer, neither J-POWER Nominee nor any of its Associates has given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person or an Associate of that person to:

- vote in favour of the Scheme;
- accept the Takeover Offer; or
- otherwise dispose of Genex Shares,

where the benefit was not offered to all Genex Shareholders under the Scheme or the Takeover Offer (as applicable) or, for completeness and to the extent that it constitutes such a benefit, is otherwise to be provided by Genex under a Genex Option Cancellation Deed or Genex Performance Right Deed, as described in Section 11.4.

(d) No escalation agreements

Neither J-POWER Nominee nor any of its Associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

(e) No benefits to current Genex officers

Neither J-POWER Nominee nor any of its Associates will be making any payment or giving any benefit to any current officers of Genex as compensation for, or otherwise in connection with, their resignation from their respective offices if the Scheme is implemented or the Takeover Offer is declared, or otherwise becomes unconditional, and the Genex Board is reconstituted other than (for completeness and to the extent that the following constitute such a benefit):

- to be provided by Genex as required by the relevant person's employment contract with Genex;
- as described in Section 11.7; or
- is otherwise to be provided by Genex under a Genex Option Cancellation Deed or Genex Performance Right Deed, as described in Section 11.4.

Risks



9 Risks

9.1 Introduction

The Genex IBC considers that it is appropriate for Genex Shareholders, in considering the Transaction, to be aware that there are a number of general risks, as well as risks specific to Genex and/or the industries in which Genex operates, which could materially adversely affect the future operating and financial performance of Genex, as well as the value of Genex and the potential for any future dividends to be declared and paid by Genex.

This Section outlines:

- general investment risks (refer to Section 9.2);
- specific risks associated with your current investment in Genex (refer to Section 9.3); and
- specific risks related to the Transaction and to the Takeover Offer becoming unconditional (refer to Sections 9.4 and 9.5).

The risks outlined in this Section 9 (**Risks**) will only continue to be relevant to you if you retain your Genex Shares, either because:

- the Scheme is **not** implemented and the Takeover Offer **does not** become (and is not declared) unconditional;
- the Scheme is **not** implemented and you have **not accepted** the Takeover Offer and J-POWER Nominee is unable to compulsorily acquire your Genex Shares; or
- you choose not to sell your Genex Shares.

This Section 9 (**Risks**) is not intended to provide a list of every risk that may be related to the Transaction or an investment in Genex at any time. This Section only provides a brief summary of the risks that may be applicable to Genex Shareholders and should not be considered exhaustive. There may be additional risks and uncertainties not currently known to Genex which may also have a material adverse effect on Genex's financial and operational performance now or in the future. These risks do not take into account your individual circumstances including your investment objectives, financial situation, taxation position or particular needs.

While the Genex IBC unanimously recommends that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting and accept the Takeover Offer, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude, in respect of the Scheme, that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) and, in respect of the Takeover Offer, that the Takeover Offer is fair and reasonable, Genex Shareholders are encouraged to make their own independent assessment as to whether to vote in favour of the Scheme and whether to accept the Takeover Offer.

You should carefully consider the risks mentioned in this Section 9 (**Risks**), as well as the other information contained in this Transaction Booklet before voting on the Scheme and deciding whether to accept the Takeover Offer. You should also consult a licenced financial adviser or other suitable professional adviser if you are uncertain about any matters in this Transaction Booklet.

9.2 General investment risks

Like many listed companies, Genex is exposed to general risks that could materially adversely affect its assets and liabilities, the future operating and financial position, profits and prospects of Genex, the potential to make distributions to Genex Shareholders, and the price and/or value of Genex Shares. General risks that may impact on Genex or the market for Genex Shares include:

- (a) changes in general business and industry cycles and economic conditions including inflation, interest rates, exchange rates, commodity prices and consumer demand and preferences;
- (b) regulatory risks and changes to government policy (including fiscal, monetary, taxation, employment and environmental policies), legislation or regulation (including accounting and reporting standards);
- (c) the nature of competition in the markets in which Genex operates;
- (d) weather conditions, natural disasters or catastrophes, pandemics and other global health events generally, global geopolitical events including wars, conflicts, sanctions and other such events, and other general operational and business risks;

- (e) variations in Genex's operating results; and
- (f) the overall performance of the Australian and international stock markets, changes in investor sentiment, recommendations by securities analysts, the operating and trading price performance of other comparable listed entities or inclusion or removal from major market indices.

While there is a possibility of future benefits to Genex Shareholders that arise from some of these risks, equally, some of these factors could affect Genex's share price regardless of Genex's underlying operating performance.

9.3 Risks associated with your current investment in Genex Shares

There is a range of business-specific risks associated with your current investment in Genex Shares, as set out below. You will only continue to be exposed to these risks if the Scheme does not proceed and your Genex Shares are not acquired by J-POWER Nominee under the Takeover Offer or by Compulsory Acquisition, in which case, in the absence of a comparable proposal to the Transaction or Superior Proposal which is ultimately consummated, Genex will continue to operate as a standalone entity listed on the ASX¹. The risks set out in this Section 9.3 may materially adversely affect the operating or financial performance of Genex and the investment returns or value of Genex Shares. Some of these risks may be mitigated by appropriate controls, systems and other actions, but others will be outside the control of Genex.

(a) Construction risks

Genex entered into a fixed-price lump sum engineering procurement and construction contract with a joint venture formed by McConnell Dowell Constructors (Aust) Pty Ltd (ACN 002 929 017) and John Holland Pty Ltd (ACN 004 282 268) (together, the **K2H EPC Contractor**) on 31 March 2021 for the construction of the flagship Kidston Pumped Storage Hydro Project described in Section 7.1 (**K2H EPC Contract**). While many of the project delivery activities are largely the responsibility of the K2H EPC Contractor, there is a possibility of delay, cost overrun, misalignment of contract interfaces, issues with principal supplied scopes of work or other responsibilities under the K2H EPC Contract, unforeseen or unexpected events or circumstances, industry-wide escalation and cost pressures or contractual disputes which may impact the timing, cost and expected financial performance of the Kidston Pumped Storage Hydro Project.

In addition, the construction of any project, including the Kidston Pumped Storage Hydro Project, can be affected by force majeure circumstances, environmental considerations and issues, and other external factors. Such events that could adversely impact upon the successful construction and delivery of a project (and the costs incurred by Genex in constructing and delivering the project) include, but are not limited to, geotechnical and geological conditions (including subsurface impediments), weather conditions (including natural disasters), equipment availability, utilisation rates and failure, availability of labour (including the potential for industrial disputes), the potential for health, safety and environmental incidents, and the availability of specialist electronic components and equipment.

The risks described in this Section 9.3(a) will also generally apply to any other project that Genex develops and constructs in the future.

(b) Litigation and dispute-related risks

Genex may be exposed to actual or threatened litigation, claims and disputes in the ordinary course of its business, including contractual disputes, employment disputes, indemnity claims, environmental claims, personal injury claims, regulatory proceedings, and inquiries. In most cases, the outcome of legal (including contractual) and regulatory disputes, proceedings, claims and inquiries is difficult to predict, and there is a risk that any such litigation, claim, dispute, proceeding or inquiry may result in substantial costs and reputational damage to the Genex Group and/or have a material adverse impact on Genex's financial position, performance and/or operations.

As disclosed in Section 9.3(a) above, Genex has engaged the K2H EPC Contractor in respect of the construction of the Kidston Pumped Storage Hydro Project under the terms of the K2H EPC Contract. Genex is presently engaged in continuing and incomplete negotiations with the K2H EPC Contractor with respect to a number of unresolved claims under the K2H EPC Contract submitted by the K2H EPC Contractor (**K2H EPC Claims**). The aggregate amount that the K2H EPC Contractor has claimed under the K2H EPC Claims is \$225.4 million.

¹ Subject to J-POWER Nominee's power to pass a special resolution of Genex to remove Genex from the Official List if it acquires a Relevant Interest in at least 75% of the Genex Shares on issue. See Section 8.7(c)(i) for further details.

9 Risks continued

9.3 Risks associated with your current investment in Genex Shares continued

A significant number of the K2H EPC Claims have been rejected by Genex on the basis that the K2H EPC Contractor is not entitled to make them (or they are not otherwise valid) under the terms of the K2H EPC Contract. As part of the negotiations between Genex and the K2H EPC Contractor in relation to the K2H EPC Claims, the parties are discussing whether a commercial settlement of the K2H EPC Claims can be agreed between the parties based on the merits of the K2H EPC Claims.

Contractual disputes between principals and contractors are common in connection with the construction of projects, including projects of the nature of the Kidston Pumped Hydro Project. As at the date of this Transaction Booklet, the commercial negotiations between Genex and the K2H EPC Contractor in respect of a potential commercial settlement of the K2H EPC Claims are incomplete and ongoing, and there is currently no certainty that such a commercial settlement will be reached.

If a commercial settlement is not reached, there is a risk that the K2H EPC Contractor may exercise its rights under the dispute resolution provisions of the K2H EPC Contract in respect of the K2H EPC Claims (including by issuing any notices of dispute or referring any disputes to mediation, expert determination or formal arbitration proceedings), and/or may refer the K2H EPC Claims to adjudication under the security of payments legislation, which would have the risks and potential consequences described above.

If a commercial settlement is ultimately reached:

- (i) as at the date of this Transaction Booklet, there is no certainty regarding the terms of any settlement agreement, including the amount of any payment Genex may make to the K2H EPC Contractor to resolve the K2H EPC Claims (and any corresponding increase in the lump sum contract price under the K2H EPC Contract) under that commercial settlement; and
- (ii) Genex may be required to fund any settlement payment (including any agreed increase in the lump sum contract price under the K2H EPC Contract) from external funding sources (whether debt or equity). Any additional equity funding sought by Genex for this purpose may be dilutive to Genex Shareholders, depending on the price at which Genex seeks to issue new securities and the level of investor participation, and may not be available on terms favourable to Genex. Any additional debt financing obtained by Genex for this purpose may have an adverse impact upon Genex's financial position, performance and/or operations.

As at the date of this Transaction Booklet, Genex has assessed that the aggregate amount that the K2H EPC Contractor is entitled to in respect of the K2H EPC Claims is within the budgeted contingency for the Kidston Pumped Hydro Project. The Genex IBC also considers that it is not probable that the outcome of the K2H EPC Claims will have a material adverse effect on Genex's business. No contingent liabilities were recognised for the K2H EPC Claims in the H1 FY24 Financial Statements or the historical financial information relating to Genex set out in Section 7.6. However, if a commercial settlement or the outcome of formal arbitration or other proceedings (as described above) results in the aggregate amount to which the K2H EPC Contractor is entitled in respect of the K2H EPC Claims being materially in excess of the amount assessed by Genex as at the date of this Transaction Booklet, this may have a material adverse effect on, among other things (including those described above), the Genex Group's financial position and the successful construction and delivery of the Kidston Pumped Hydro Project.

(c) Project delivery and economics risks

Genex's capacity to develop new clean energy and energy storage projects is dependent on capital being available, including equity capital from Genex Shareholders, and the receipt of all necessary approvals and the successful negotiation of all necessary contracts including securing final costings which allow for appropriate returns on capital invested. Failure to secure sufficient capital on economic terms and/or to achieve or the delay in receipt of project approvals will affect Genex's delivery of its growth strategy.

There is a risk that project delivery may not proceed as planned. This could be the result of matters within or outside Genex's control resulting in a project costing more and/or a deterioration in project economics, not proceeding as scheduled or failing to perform to technical specifications, not receiving final planning and environmental approvals, or failure to obtain appropriate consents from landowners and traditional owners. This could adversely affect Genex's revenues and future financial performance.

There is a risk that goods or services may not be delivered or supplied to contracted price, time or quality specifications, or health, safety and environmental requirements. Inadequate supply chain performance may adversely affect Genex's future financial performance.

(d) Permits, licenses and approvals

Genex's activities depend on the granting and maintenance of appropriate licences, permits and approvals, which may be granted or withdrawn or granted subject to limitations and/or conditions at the discretion of the government or relevant regulatory authority. If there is a failure to obtain or retain appropriate licences, permits and approvals, this may adversely impact Genex's ability to continue its operations and activities.

(e) Sufficiency of funding

Genex may need to raise further capital in the future to fund the development of its pipeline. Any additional equity funding sought in the future may be highly dilutive to Genex Shareholders, depending on the price at which Genex seeks to issue new securities and the level of investor participation, and may not be available on terms favourable to Genex. While debt funding may be available to Genex in the future, the availability and pricing of such funding will be dependent on Genex's financial performance. In addition to dilution, if Genex is unsuccessful in obtaining funds when required, it may need to delay planned business activities, and potentially forgo opportunities or dispose of its assets, which in turn may adversely affect Genex's financial performance or position and the price or value of Genex Shares.

(f) Debt facilities

Genex has in place a number of secured debt facilities, many of which include covenants (including financial covenants). A breach of these covenants, unless remedied within any "cure period", would provide the lenders with rights to take action under the facilities, including the right to accelerate repayment of the debt if an event of default occurs.

(g) Sovereign and energy policy risks

Investors in the Australian energy market are reliant upon stable policy settings by state and federal governments. Genex's business performance may be directly impacted by changes in the design and rules of the existing energy market and the uncertainty that arises from debate in relation to the energy market's future regulatory design and rules, and/or policy decisions of state and federal governments that relate to the energy transition in Australia and more generally.

(h) Volume risks

Variation in wind and solar resources will result in changes to Genex's electricity production level and generation profile. These changes could adversely affect Genex's revenue and future financial performance.

There is a risk that Genex's assets may suffer from equipment or key component failure resulting in sustained unplanned outages or significant damage. This could adversely affect Genex's revenue, future financial performance and reputation.

Genex's production and sale of electricity is reliant on access to third party infrastructure – in particular, electricity transmission and distribution infrastructure. An inability to have access to these assets for any reason, including due to constraint, curtailment or outages, could restrict the ability of Genex assets to export energy at full potential. This could adversely affect Genex's revenue and future financial performance.

(i) Commodity price risks (in particular, fluctuations in pricing in wholesale electricity markets and the prices for LGCs)

Genex produces electricity which it sells under various commercial terms and arrangements. The price of electricity can be volatile as it is primarily driven by supply and demand factors, including:

- (i) economic conditions affecting demand;
- (ii) consumer perception of energy affordability;
- (iii) mandatory energy efficiency schemes;
- (iv) competitive behaviours of retailers and generators;
- (v) changes in the energy mix including the timing of retirement of existing thermal generation and the timing and nature of replacement generation and storage capacity being delivered;
- (vi) network constraints;

9 Risks continued

9.3 Risks associated with your current investment in Genex Shares continued

- (vii) actions of the market operator, interpretation of rules by the market operator and changes to those rules; and
- (viii) actions of the regulator, including regulatory changes that impact market design and operation.

Movements in electricity price that are not mitigated through effective contracting and hedging could adversely affect Genex's revenue and future financial performance.

Genex creates Large Generation Certificates (**LGCs**) from its generation which it sells under various commercial terms and arrangements. The price of LGCs is predominantly determined on short-term and long-term supply and demand but may also be impacted by the actions of market participants. Movements in LGC prices could adversely affect Genex's revenue and future financial performance.

Electricity is lost in the delivery of electricity from the generator to the consumer. Marginal Loss Factors (**MLFs**) are calculated by the market operator and fixed annually as a price adjustment to reflect electricity losses for each specific generator. Variations in the MLF applicable to Genex's assets could adversely affect revenue and future financial performance.

(j) Inability to execute Genex's business strategy may adversely impact its financial performance

Genex may fail to implement its business strategy and/or achieve its strategic objectives due to a range of factors, including changes to the competitive environment that result in a change to the underlying assumptions of the strategy, poor cost management, loss of key management personnel, failure to effectively execute a project, or adverse economic shocks and uncertainty.

A failure by Genex to execute its strategy may result in a failure to maintain or increase operating margins and market share, which could potentially adversely affect Genex's financial performance. Genex's results of operations and financial condition could be adversely affected if Genex encounters difficulties in effectively managing the budgeting, forecasting and other process control issues in the pursuit of future growth.

(k) Risk of losing key personnel

Genex's profitability depends on the talent and experience of its senior management and staff. New management and staff do not have the institutional knowledge and experience with Genex's business available to existing employees. Therefore, to manage and operate its business effectively, Genex aims to retain its high performing and experienced staff.

Genex also faces the challenge of maintaining a reputation as an attractive place to work and to enable talented individuals to be developed and promoted within Genex. To do so, Genex must ensure that it has a remuneration structure that meets market expectations, quality human resources and training systems and opportunities for advancement. If Genex fails to attract, develop and retain high performing key personnel, it may not manage its business effectively and may not be able to meet its growth objectives.

(l) Failure of Genex's information technology systems

Genex relies on third-party information technology infrastructure and systems for its day-to-day operations. Any failure of, or disruption to, information technology infrastructure or systems could impede the processing of transactions or limit Genex's ability to carry out its operations. Similarly, the unauthorised disclosure of confidential company, customer, team member or third-party information, or a malicious attack on Genex's infrastructure, could impact Genex's reputation or competitive strength or result in litigation and/or regulatory enforcement. Genex seeks to mitigate these risks by regularly testing and reviewing its information technology infrastructure and systems, and continually seeking to strengthen data and cyber security.

(m) Genex's insurance policies may not be sufficient to cover a future loss

Genex has placed insurance policies that it believes are at an appropriate level of retained risk and coverage for the business activities of Genex. However, adequate insurance coverage for potential losses and liabilities may not be available in the future on commercially reasonable terms. If Genex experiences a loss in the future, the proceeds of the applicable insurance policies, if any, may not be adequate to cover replacement costs, lost revenues, increased expenses or liabilities to third parties. This may adversely impact Genex's financial and

operating performance. There is also a risk that Genex's insurance costs may be higher than anticipated due to supply and demand factors, such as (but not limited to) underwriter risk appetite, the trend of insurance claims in a given market or industry, or Genex's individual claims performance.

(n) Occupational health and safety

Genex is exposed to risks associated with the occupational health and safety of its employees and contractors. Injuries to employees and contractors may result in significant lost time for the employee and contractor and costs and impacts on Genex's business beyond what is covered under workers compensation schemes. Genex takes out insurance (see above) to cover these risks within certain parameters. However, it is possible for injuries and/or incidents to occur which may result in expenses in excess of the amount insured or provided for with a resultant impact on Genex's financial performance.

While Genex has established a comprehensive set of workplace health and safety procedures and protocols, it is still exposed to the risk of serious injury or death of its employees and contractors, which may result in significant impacts to Genex's reputation and result in regulatory/enforcement actions which may ultimately impact on Genex's ability to carry out its business activities.

(o) Operational regulatory compliance

Genex's business operations are governed by a range of legislative and regulatory requirements. These include environmental, planning, employee relations, work, health and safety, competition, financial services and energy market rules, regulations and legislation. Genex is exposed to the risk of changes in government policy, and changes to, or in the interpretation of, applicable rules, regulations and legislation. Compliance with such rules, regulations and legislation could increase compliance responsibilities and costs and the feasibility of Genex's development projects. A failure to comply with such rules, regulations and legislation may impact Genex's ability to operate and could adversely affect Genex's revenues, future financial performance and reputation.

(p) Environmental risk

The operations and activities of Genex are subject to the environmental laws and regulations in Australia. Genex is unable to predict the effect of new environmental laws and regulations which may come into force in the future, including whether any such laws or regulations would materially increase Genex's cost of conducting its business or affect its operations. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not require Genex to incur significant expenses and undertake significant investments which could have a material adverse effect on Genex's business, financial condition and/or performance.

(q) Changes to accounting standards may adversely impact Genex's financial performance

Changes in accounting or financial reporting standards may adversely impact the financial performance of Genex. In addition, Genex's financial performance may be impacted by changes to accounting policies after the date of this Transaction Booklet or differences in interpretations of accounting standards.

(r) Other operating risks

Other risks that may arise in relation to Genex's operations include, but are not limited to:

- (i) business continuity and interruption related risks, such as:
 - (A) impacts on Genex's operations and locations from natural events, such as earthquakes, floods, fires or droughts;
 - (B) interruptions at Genex's workplaces arising from industrial disputes and work stoppages and accidents; and
 - (C) information technology related service outages and failures, including cyber-incidents; and
- (ii) risks related to compliance with laws and regulations relevant to Genex's operations in areas including, but not limited to:
 - (A) occupational health and safety;
 - (B) operating licences and permits;

9 Risks continued

9.3 Risks associated with your current investment in Genex Shares continued

(C) competition and fair trading;

(D) tax; and

(E) environmental standards.

(s) Uncertainty associated with COVID-19 pandemic (and pandemics generally)

There is continuing uncertainty as to the ongoing impacts of the COVID-19 pandemic. Given this uncertainty, it is currently not possible for Genex to fully assess the impact that the COVID-19 pandemic will (or any other pandemic that emerges would) have on its operations and financial performance. The COVID-19 pandemic may impact Genex's business in the following ways:

- (i) adverse fluctuations in Genex's share price, including as a consequence of volatility in financial markets; and/or
- (ii) increased costs and/or supply chain constraints.

The market volatility and economic uncertainty that remains could adversely impact Genex's business and its ability to drive shareholder value. These risks may also apply to any future pandemic or other global health event.

(t) Risks relating to the Potential Project Sell-downs and Genex's ability to continue as a going concern

In its H1 FY24 Financial Statements, Genex referred to:

- (i) two advanced development projects² that the Genex Group has developed with its joint development partner, J-POWER, which are expected to reach financial close in FY2025 and have a combined capital requirement (to reach financial close on both projects) in excess of \$2 billion; and
- (ii) Genex's strategy (together with J-POWER) to sell down interests in those projects to new equity investors (together, the **Potential Project Sell-downs**), which, if implemented, would:
 - (A) generate immediate cash flows to support the Genex Group's business and allow the Genex Group to utilise the proceeds to fund its share of the equity requirements for the development of each project; and
 - (B) be expected to have a positive impact on Genex's liquidity position.

If the Potential Project Sell-downs are not able to be achieved on terms acceptable to Genex (or at all), Genex may not be able to continue as a going concern without selling or otherwise realising other assets of the Genex Group (whether in whole or in part) or obtaining additional external funding, including by way of an equity capital raising. As noted in the H1 FY24 Financial Statements, if Genex is required to realise its assets and extinguish its liabilities in such circumstances, such realisation may be at amounts different to the value of the relevant assets stated in the H1 FY24 Financial Statements.³ Further, as described in Section 9.3(e) above, any additional equity funding raised in these circumstances may be highly dilutive to Genex Shareholders (depending on the price at which Genex seeks to issue new securities and the level of investor participation) and may not be available on terms favourable to Genex. Given that there is no certainty that either Potential Project Sell-down will be able to be achieved on terms acceptable to Genex (or at all), as noted in the H1 FY24 Financial Statements, there is uncertainty regarding Genex's ability to continue as a going concern.

(u) Risks relating to existing development arrangements with J-POWER

As disclosed in Section 11.10, Genex Group Members and J-POWER Group Members are parties to the K3W Joint Development Agreement and Bulli Creek Joint Development Agreement and, under those agreements, material development decisions in respect of the Kidston Wind Project and the Bulli Creek Solar and Battery Project (as applicable) must be made by the K3W Management Committee and the BCP Management Committee (as applicable). Those management committees comprise an equal number of representatives from each of Genex and the relevant J-POWER Group Member and decisions of the committees require agreement of a simple majority of committee members. In practice, this requires representatives of both

² Being the up to 2GW Bulli Creek Solar and Battery Project and the up to 258MW Kidston Stage-3 Wind Project.

³ See note 2.2 on pages 16 and 17 of Genex's H1 FY24 Financial Statements which were released to the ASX on 26 February 2024.

Genex and the relevant J-POWER to vote in favour of the relevant matter. There is a risk that, if the Scheme is not implemented, and the Takeover Offer does not result in J-POWER acquiring Control of Genex, Genex and the relevant J-POWER Group Member may have differing views on such matters in the future, which results in the relevant management committee not being able to make decisions in respect of material development matters, which has an adverse effect on the development of the Kidston Wind Project or the Bulli Creek Solar and Battery Project.

As also disclosed in Section 11.10, the relevant J-POWER Group Member counterparty to the K3W Joint Development Agreement or the Bulli Creek Joint Development Agreement may not obtain FIRB approval (or any such FIRB approval that has been obtained may expire or cease to be valid at the relevant time) or board approval for the equity capitalisation under those agreements, in which case:

- (i) if FIRB approval is not obtained (or has expired or ceased to be valid at the relevant time), the relevant J-POWER Group Member may terminate the relevant agreement;
- (ii) if board approval is not obtained (in the case of the K3W Joint Development Agreement only), the relevant Genex Group Member may terminate the K3W Joint Development Agreement; and
- (iii) in either case, the relevant Genex Group Member may have to pay compensation to the relevant J-POWER Group Member relating to its funding contributions on financial close of the relevant project or other liquidity event in respect of the project or the project assets, including a sale to a third party or all or part of the relevant project assets or all or part of the equity interests in the relevant Genex Group Member. See Section 11.10 of this Transaction Booklet for further details regarding the circumstances in which compensation may be payable to a J-POWER Group Member under these agreements.

(v) Unknown risks

Additional risks and uncertainties not currently known to Genex may also have a material adverse effect on Genex's financial and operational performance. The information set out in this Section 9 (**Risks**) does not purport to be, nor should it be construed as, an exhaustive overview of the risks which may affect Genex.

9.4 Risks to Genex Shareholders associated with the Transaction

(a) Implications for Genex and Genex Shareholders if the Scheme is not implemented or the Takeover Offer does not proceed

If:

- (i) the Scheme is not implemented, Genex Shareholders will not receive the Scheme Consideration;
- (ii) the Takeover Offer is not declared (or does not otherwise become) unconditional, no Genex Shareholder will receive the Takeover Consideration; or
- (iii) the Takeover Offer is declared (or otherwise becomes) unconditional but any Genex Shareholders have not accepted the Takeover Offer and J-POWER Nominee is not entitled to acquire their Genex Shares by Compulsory Acquisition, those Genex Shareholders will not receive the Takeover Consideration.

If the Scheme does not become Effective and the Takeover Offer does not proceed⁴, and no comparable proposal to the Transaction or Superior Proposal is received by the Genex IBC (or otherwise emerges), Genex will continue to operate as a standalone ASX-listed entity⁵. Unless Genex Shareholders choose to sell their Genex Shares on the ASX, Genex Shareholders will continue to hold Genex Shares and will be exposed to both risks (including those set out Section 9.3) and potential future benefits in retaining exposure to Genex's business and assets. The Genex Share price will also remain subject to market volatility and, if no comparable proposal to the Transaction or Superior Proposal is received by the Genex IBC (or otherwise emerges), the Genex Share price may fall or trade at a price below the Scheme Consideration or Takeover Consideration (including, potentially, to a price that is equal to or below the Genex Share price on the Last Undisturbed Trading Date), at least in the near-term (see Section 3.5(h)).

⁴ That is, the Takeover Offer is not declared (or does not otherwise become) unconditional and J-POWER Nominee does not acquire any Genex Shares under the Takeover Offer.

⁵ Subject to J-POWER Nominee's power to pass a special resolution of Genex to remove Genex from the Official List if it acquires a Relevant Interest in at least 75% of the Genex Shares on issue. See Section 8.7(c)(i) for further details.

9 Risks continued

9.4 Risks to Genex Shareholders associated with the Transaction continued

If the Scheme is not implemented and J-POWER Nominee does not obtain Control of Genex under the Takeover Offer, the Genex IBC Members intend that Genex will continue its current strategic plans and operate on a standalone basis and will remain listed on the ASX. See Section 7.8 for further information on the strategy and intentions of Genex if the Transaction does not proceed.

While it is not possible to predict the future performance of Genex or the Genex Share price, in deciding whether or not to vote in favour of the Scheme and accept the Takeover Offer, you should have regard to the prospects of Genex on a standalone basis (that is, if the Scheme is not approved and implemented and J-POWER Nominee does not obtain Control of Genex under the Takeover Offer).

In addition, if the Transaction is not implemented:

- the advantages of the Transaction described in Section 3.5 and Section 3.9 of this Transaction Booklet (as applicable) will not be realised and the relevant potential disadvantages and risks of the Transaction described in Sections 3.6, 3.10 and 9.4(d) (as applicable) of this Transaction Booklet will not arise; and
- as described in Section 11.13, Genex expects to pay an aggregate of approximately \$2.3 million (excluding GST, if any) in transaction costs in connection with the Transaction, being costs that have already been incurred as at the date of this Transaction Booklet or are expected to be incurred even if the Transaction is not implemented or does not proceed (but excluding any Break Fee that may be payable by Genex – see Section 11.11(c) for information on the circumstances in which a Break Fee may be payable by Genex).

(b) The Transaction Implementation Deed may be terminated by Genex or J-POWER in certain circumstances and the Transaction is also subject to certain conditions precedent

Each of Genex and J-POWER has the right to terminate the Transaction Implementation Deed in certain circumstances. These termination rights are summarised in Section 11.11(e) of this Transaction Booklet.

The Transaction is also subject to certain conditions that must be satisfied (or, if applicable, waived) for the Scheme to become Effective or for the Takeover Offer to become binding (as applicable). These conditions are summarised in Section 5.3 (in the case of the Scheme Conditions) and Section 6.8 (in the case of the Takeover Conditions). The failure of a condition to be satisfied (or, if applicable, waived) may also give rise to a right for either Genex or J-POWER to terminate the Transaction Implementation Deed.

As at the date of this Transaction Booklet, none of the Genex IBC Members is aware of any circumstances which would cause any outstanding Scheme Condition or Takeover Condition not to be satisfied. Despite this, there is a possibility that one or more of the conditions to the Transaction will not be satisfied (or, if applicable, waived) and that the Scheme and/or the Takeover Offer will not proceed. There are a number of conditions to the Transaction which are outside the control of Genex, including, but not limited to, in the case of the Scheme Conditions, the FIRB Scheme Condition, the Genex Shareholder Approval Scheme Condition and the Court Approval Scheme Condition, and, in the case of the Takeover Conditions, the Scheme Fails Takeover Condition, the FIRB Takeover Condition and the 50.1% Minimum Acceptance Takeover Condition. In this regard, there is also a risk that some or all of the aspects of the Genex Shareholder or Court approval required for the Scheme to proceed, or FIRB's determination in respect of the Transaction, may be delayed.

If, for any reason, all of the conditions precedent are not satisfied (or, if applicable, waived) and the Scheme does not proceed and the Takeover Offer does not become (or is not declared) unconditional, or otherwise if the Transaction Implementation Deed is terminated (and, in the case of the Takeover Offer, the Takeover Offer is withdrawn by J-POWER Nominee or otherwise lapses), the Genex Share price will continue to be subject to market volatility and, if no comparable proposal to the Transaction or Superior Proposal is received by the Genex Board (or otherwise emerges), may fall (see Section 3.5(h)).

(c) Tax consequences for participating Genex Shareholders

If the Scheme becomes Effective or the Takeover Offer is declared (or otherwise becomes) unconditional, there will be tax consequences for Scheme Shareholders or Genex Shareholders who accept the Takeover Offer (as the case may be), which may include tax being payable. For further information regarding general Australian tax consequences of the Transaction for participating Genex Shareholders, see Section 10 (**Tax implications**) of this Transaction Booklet. The taxation consequences of the Transaction for participating Genex Shareholders may vary depending on the nature and characteristics of those Genex Shareholders and their specific circumstances. Accordingly, you should seek professional tax advice in relation to your circumstances.

(d) Risks if the Transaction is implemented

If the Scheme is implemented or your Genex Shares are acquired by J-POWER Nominee under the Takeover Offer or Compulsory Acquisition, you will no longer be a Genex Shareholder and will forgo any future benefits that may result from being a Genex Shareholder. In particular, you will not be able to participate in the future financial and share price performance of Genex, retain any exposure to Genex's business or assets or have the opportunity to share in any value that could be generated by Genex in the future. However, there is no guarantee as to Genex's future performance, or its future share price and financial performance, as is the case with all investments in shares of ASX-listed companies. Genex Shareholders may also consider that it would be difficult to identify or invest in alternative investments that have a similar investment profile to that of Genex or may incur transaction costs in undertaking any new investment.

9.5 Risks to Genex Shareholders associated with the Takeover Offer becoming unconditional

This Section 9.5 outlines some of the risks to Genex Shareholders associated with the Takeover Offer being or becoming unconditional. The Takeover Offer will only become unconditional if the Scheme is not implemented (that is, the Scheme Fails Takeover Condition is fulfilled) and the other Takeover Conditions have been fulfilled or waived.

(a) Effect of change of Control of Genex on material contracts

Genex is a party to a number of contracts and agreements with a range of suppliers, service providers and financiers.

Some of Genex's contractual counterparties have a right to terminate contracts in certain circumstances, including where a change of Control provision is triggered or where Genex is in material breach of the contract. In addition, some contracts contain a right for the counterparty to terminate for convenience at any time during the contract term.

If the Takeover Offer is declared or otherwise becomes unconditional, a change of Control in Genex may occur. It is possible that material contracts to which Genex is a party may be subject to termination rights upon this change of Control.

Whilst Genex will seek to mitigate the risk of termination of any contracts triggered by the Transaction, Genex cannot guarantee that any necessary consents to a change of Control will be forthcoming or, if forthcoming, that such consents will not be subject to conditions that are unfavourable to Genex.

The Scheme and the Takeover Offer are conditional upon receipt of, and Genex has sought (or, in the case of the Solar Facility Agreement (which, as disclosed in Section 7.7(b) is currently in the process of being refinanced) will seek as part of that refinancing process), relevant consents, waivers, approvals and/or confirmations in relation to the Genex Change of Control from relevant counterparties to Identified Contracts. See Section 11.12(b) for further information regarding the status of these consents, waivers, approvals and/or confirmations.

(b) Minority ownership (if J-POWER Nominee becomes the holder of more than 50% but less than 90% of Genex Shares)

If J-POWER Nominee acquires Genex Shares under the Takeover Offer such that it has a Relevant Interest in more than 50% but less than 90% of the Genex Shares, then J-POWER Group will acquire a majority shareholding in Genex but will not be entitled to compulsorily acquire the outstanding Genex Shares. In this situation, Genex Shareholders who do not accept the Takeover Offer will become minority shareholders in Genex. This has a number of possible implications, including:

- Genex Shareholders who do not accept the Takeover Offer will continue to hold Genex Shares (unless those Genex Shares are sold on-market (provided Genex remains an ASX-listed entity)) and will remain exposed to the general risks set out in Section 9.2 and the specific risks relating to Genex's business and operations set out in Section 9.3;
- J-POWER Nominee will be in a position to cast (or otherwise control) the majority of votes at a general meeting of Genex. In addition, under the Transaction Implementation Deed, to the extent permitted by Genex's constitution (and subject to certain other requirements set out in the Transaction Implementation Deed), Genex must procure that the persons nominated by J-POWER Nominee are appointed to the

9 Risks continued

9.5 Risks to Genex Shareholders associated with the Takeover Offer becoming unconditional continued

Genex Board such that a majority of the Genex Board is comprised of Genex Directors nominated by J-POWER Nominee. This will enable J-POWER Nominee to control the composition of the Genex Board and senior management, which would allow its nominees on the Genex Board to determine Genex's dividend policy and control the strategic direction of the businesses of the Genex Group;

- Genex's share price is likely to fall immediately following the end of the Takeover Offer Period (in the absence of a further takeover offer (or other proposal comparable to the Transaction) from J-POWER Nominee or a third party) and it is unlikely that the price of Genex Shares will contain any takeover premium;
- the Genex business will remain subject to a number of listing and other compliance costs associated with Genex remaining an ASX-listed company, assuming that it remains an ASX-listed entity;
- the liquidity of Genex Shares may be lower than at present and there is a risk that, if Genex is included in any S&P/ASX market indices as at the date of this Transaction Booklet (or at any time before the end of the Takeover Offer Period), it is fully or partially removed from one or more of those indices due to lack of free float and/or liquidity; and
- if the number of Genex Shareholders is less than that required by the ASX Listing Rules to maintain an ASX listing then J-POWER Nominee has stated that it will request that the Genex Board review the benefits and suitability of Genex remaining listed on ASX after the close of the Takeover Offer having regard to the requirements of the ASX Listing Rules and the additional corporate and compliance costs.

See Section 8.7(b) for J-POWER's and J-POWER Nominee's intentions relating to Genex if J-POWER Nominee has a Relevant Interest in more than 50% but less than 90% of Genex Shares.

(c) Special resolutions and ASX delisting (if J-POWER Nominee becomes the holder of at least 75% but less than 90% of Genex Shares)

If J-POWER Nominee acquires at least 75%, but less than 90%, of Genex Shares, then all of the risks outlined in Sections 9.5(a) and 9.5(b) will apply. In addition, if J-POWER Nominee acquires at least 75% of the Genex Shares, then it will be able to pass a special resolution of Genex. This will enable J-POWER Nominee to, among other things, change Genex's constitution and, in certain circumstances (and subject to the requirements of the ASX being satisfied) cause Genex to be removed from the Official List. See Section 8.7(c)(i) for further details.

As described in Section 8.7(c)(i), if J-POWER acquires a Relevant Interest in at least 75% of the Genex Shares, in those circumstances J-POWER will not be supportive of Genex remaining listed on ASX after the close of the Takeover Offer, having regard to the requirements of the ASX Listing Rules and the additional corporate and compliance costs, and will request that the Genex Board review the benefits and suitability of a continued listing of Genex on ASX. If the Genex Board were to decide that it is in the best interests of Genex to cease to be listed on ASX, J-POWER will support delisting Genex from ASX. See Section 8.7(c)(i) for a summary of the ASX's policy in relation to a request for removal from the Official List and the conditions that may need to be satisfied for the ASX to remove Genex from the Official List.

(d) Compulsory Acquisition (if J-POWER Nominee becomes the holder of at least 90% of the Genex Shares)

If J-POWER Nominee were to receive acceptances under the Takeover Offer so that its Relevant Interest in Genex Shares is at least 90% of the Genex Shares on issue, and J-POWER Nominee has acquired 75% by number of the Genex Shares that J-POWER Nominee has offered to acquire under the Takeover Offer, then J-POWER Nominee will be entitled to compulsorily acquire any Genex Shares in respect of which it has not received an acceptance of its Takeover Offer on the same terms as the Takeover Offer in accordance with the compulsory acquisition provisions of Part 6A.1 of the Corporations Act. In this situation, regardless of whether Genex Shareholders have accepted the Takeover Offer, it is possible that their Genex Shares may be compulsorily acquired in accordance with the Corporations Act and they will receive the Takeover Consideration.

See Section 8.7(b) for J-POWER's and J-POWER Nominee's intentions relating to Genex if J-POWER Nominee has a Relevant Interest in at least 90% of Genex Shares.

Tax implications of the Transaction for Genex Shareholders



10 Tax implications of the Transaction for Genex Shareholders

10.1 Overview

This Section 10 provides a general summary of the Australian income tax, GST and stamp duty consequences for certain Scheme Shareholders in relation to the Scheme and for Genex Shareholders to which the Takeover Offer is made (in accordance with Section 6 (**Overview and terms of the Takeover Offer**)) (**Takeover Shareholders**) in relation to the Takeover Offer. The purpose of this Section 10 is to assist Scheme Shareholders and Takeover Shareholders to understand the potential Australian tax consequences of the Scheme or the Takeover Offer (as applicable).

The information contained in this Section 10 is based on the Australian taxation laws (including established judicial and administrative interpretations of those laws) as at the date of this Transaction Booklet, which may change periodically due to the complex nature of these laws and the changing interpretations by courts and tax authorities.

This Section 10 is general in nature and is not intended to be an authoritative or a complete statement of the Australian taxation laws. It should be noted that the Australian taxation laws are complex and each Scheme Shareholder's and Takeover Shareholder's own specific circumstances will affect the taxation consequences of the ownership or disposal of the Scheme Shares or the Genex Shares to which the Takeover Offer extends (in accordance with Section 6) (**Takeover Shares**) (as applicable). It is therefore recommended that Genex Shareholders seek independent, professional tax advice in respect of the tax implications of the Scheme and the Takeover Offer for that Genex Shareholder, having regard to their own specific circumstances, and not rely solely on the overview contained in this Section 10.

The Australian tax consequences of the Transaction outlined in this Section 10 are relevant to Scheme Shareholders and Takeover Shareholders who are individuals, complying superannuation entities and certain companies or trusts, each of whom holds their Genex Shares on capital account for Australian income tax purposes.

The summary in this Section 10 is not applicable to all Scheme Shareholders and Takeover Shareholders and is not intended to cover Genex Shareholders who:

- (a) hold their Genex Shares as a revenue asset (for example, trading entities or entities who acquired their Genex Shares for the purposes of resale at a profit) or as trading stock;
- (b) are partnerships or individuals who are partners of such partnerships;
- (c) acquired their Genex Shares pursuant to an employee share, option or rights plan;
- (d) are under a legal disability;
- (e) are not tax residents for Australian income tax purposes and who hold their Genex Shares as an asset in a business that is carried on through a permanent establishment in Australia;
- (f) are not tax residents for Australian income tax purposes and who, together with their associates, hold 10% or more of the Genex Shares;
- (g) are 'temporary residents' as that term is defined in section 995-1(1) of the ITAA 1997;
- (h) change their tax residence while holding Genex Shares;
- (i) are exempt from Australian income tax;
- (j) are subject to the Taxation of Financial Arrangements rules in Division 230 of the ITAA 1997 in relation to gains and losses on their Genex Shares; or
- (k) are subject to the Investment Manager Regime under Subdivision 842-I of the ITAA 1997 in respect of their Genex Shares.

References in this Section 10 to:

- Australian resident Genex Shareholders are to Genex Shareholders who are residents of Australia for Australian income tax purposes and are not tax resident in any other jurisdiction; and
- non-Australian resident Genex Shareholders are to Genex Shareholders who are not residents of Australia for Australian income tax purposes.

This Section 10 should not be relied upon by Genex Shareholders as a substitute for advice from an appropriate professional tax adviser, who has had regard to the Genex Shareholder's individual circumstances. Neither the ATO nor the courts are bound by the contents of this Section 10 and there can be no guarantee

that they would agree with the statements made or the conclusions reached in this Section 10. All Scheme Shareholders and Takeover Shareholders are strongly advised to obtain and rely only on their own professional advice on the tax implications of the Scheme and the Takeover Offer (as applicable) based on their own specific circumstances.

10.2 Genex Shareholders that are Australian tax residents

(a) Australian income tax consequences arising on the disposal of Genex Shares under the Scheme or the Takeover Offer

Capital gains tax (CGT) event A1 will occur for Genex Shareholders when they dispose of their Scheme Shares or Takeover Shares (as applicable) to J-POWER Nominee under the Scheme or the Takeover Offer. The precise timing of the CGT event will depend on whether the Genex Shares are disposed of under the Scheme or the Takeover Offer.

Where the Genex Shares are disposed of under the Scheme, the CGT event should occur on the Scheme Implementation Date.

Where the Genex Shares are disposed of under the Takeover Offer (or Compulsory Acquisition), the CGT event should occur:

- (i) for a Genex Shareholder who accepted the Takeover Offer before the FIRB Takeover Condition had been fulfilled or waived – when the FIRB Takeover Condition was fulfilled or waived (or, if earlier, the Takeover Offer was declared (or otherwise became) unconditional);
- (ii) for a Genex Shareholder who agreed to sell their Genex Shares by accepting the Takeover Offer after the FIRB Takeover Condition had been fulfilled or waived (or, if earlier, the Takeover Offer was declared (or otherwise became) unconditional) – when the Genex Shareholder entered into the contract to dispose of their Genex Shares to J-POWER Nominee (that is, at the time the Genex Shareholder accepted the Takeover Offer); or
- (iii) for a Genex Shareholder who did not accept the Takeover Offer and has their Genex Shares acquired by J-POWER Nominee under Compulsory Acquisition – when J-POWER Nominee becomes the owner (that is, the Genex Shareholder ceases to be the registered holder) of those Genex Shares.

Genex Shareholders who dispose of their Genex Shares under the Scheme or the Takeover Offer will be required to determine their capital gain or loss in respect of the disposal of their Genex Shares.

No CGT roll-over will be available to Scheme Shareholders in relation to the Scheme or to Takeover Shareholders in relation to the Takeover Offer.

(b) Calculation of capital gain or capital loss

Scheme Shareholders and Takeover Shareholders should make a capital gain from the disposal of their Scheme Shares under the Scheme or their Takeover Shares under the Takeover Offer (as applicable) to the extent that the capital proceeds received from that disposal exceed the cost base of their Scheme Shares or Takeover Shares (as applicable). Australian resident Scheme Shareholders or Takeover Shareholders who make a capital gain on disposal of their Scheme Shares under the Scheme or Takeover Shares under the Takeover Offer will be required to aggregate the capital gain with any other capital gains the Scheme Shareholder or Takeover Shareholder (as applicable) may have in that income year. Any resulting net capital gain (after applying any available capital losses from the current income year or brought forward from prior income years) should be reduced by any applicable CGT discount (discussed below), and any remaining discounted net capital gain for the income year should be included in the Scheme Shareholder's or Takeover Shareholder's assessable income and should be subject to tax at the Scheme Shareholder's or Takeover Shareholder's applicable rate of tax.

Conversely, Scheme Shareholders and Takeover Shareholders should make a capital loss to the extent that the reduced cost base of their Scheme Shares or Takeover Shares (as applicable) exceeds the capital proceeds received from the disposal of their Scheme Shares under the Scheme or their Takeover Shares under the Takeover Offer (as applicable). Subject to a series of complex and strict loss integrity measures, this capital loss may be used to reduce a capital gain realised in the same income year or carried forward to be applied against capital gains in later income years. Scheme Shareholders and Takeover Shareholders are strongly advised to consult with their tax adviser to determine the availability of both current year and carried forward capital losses prior to lodging their income tax return.

10 Tax implications of the Transaction for Genex Shareholders continued

10.2 Genex Shareholders that are Australian tax residents continued

(c) Capital proceeds

The capital proceeds from the disposal of Scheme Shares under the Scheme or Takeover Shares under the Takeover Offer should equal the Scheme Consideration received by the Scheme Shareholder or the Takeover Consideration received by the Takeover Shareholder (as applicable).

(d) Cost base and reduced cost base

Generally, the cost base or reduced cost base of the Scheme Shares held by a Scheme Shareholder or the Takeover Shares held by a Takeover Shareholder should broadly equal the money they paid or were required to pay to acquire the Scheme Shares or Takeover Shares (as applicable), plus any non-deductible incidental costs (such as brokerage fees and legal fees) incurred in acquiring or disposing of those Scheme Shares or Takeover Shares (as applicable). The cost base and reduced cost base of each Scheme Share and Takeover Share will depend on the individual circumstances of each Scheme Shareholder or Takeover Shareholder, so all Scheme Shareholders and Takeover Shareholders are strongly advised to obtain their own professional tax advice in this respect.

(e) CGT discount

If a Scheme Shareholder or Takeover Shareholder is an individual, complying superannuation entity or trustee, and they acquired their Scheme Shares or Takeover Shares (as applicable) at least 12 months prior to the CGT event occurring in respect of their Scheme Shares or Takeover Shares (as applicable – Section 10.2(a) above for when this will occur) (excluding the date of acquisition and the disposal date), the amount of the capital gain (after first being reduced for any current year capital losses and available prior year capital losses) may be reduced by the relevant CGT discount. The discount generally available to different classes of Genex Shareholder are, subject to the above, as follows:

- (i) if a Scheme Shareholder or Takeover Shareholder who is an individual or a trustee applies the CGT discount, the capital gain (after first being reduced for current year capital losses and available prior year capital losses) will be reduced by half;
- (ii) if a Scheme Shareholder or a Takeover Shareholder is a complying superannuation entity, the capital gain (after first being reduced for current year capital losses and available prior year capital losses) will be reduced by one third; or
- (iii) Scheme Shareholders or Takeover Shareholders who are companies are not entitled to the CGT discount.

No CGT discount is available for Australian resident Scheme Shareholders or Takeover Shareholders who have held their Scheme Shares or Takeover Shares for less than 12 months at the time the CGT event occurs in respect of their Scheme Shares or Takeover Shares (as applicable – see Section 10.2(a) above for when this will occur).

10.3 Genex Shareholders that are not Australian tax residents

(a) Australian income tax consequences arising on the disposal of Genex Shares under the Scheme or the Takeover Offer

Scheme Shareholders or Takeover Shareholders that are not tax residents of Australia and who make a capital gain on the disposal of their Scheme Shares under the Scheme or their Takeover Shares under the Takeover Offer (excluding Scheme Shareholders and Takeover Shareholders who have at any time held their Scheme Shares in carrying on a business through a permanent establishment in Australia) should not be required to include the gain in their assessable income, unless their Scheme Shares or Takeover Shares (as applicable) are 'Taxable Australian Property' (**TAP**).

Broadly, a Scheme Shareholder's Scheme Shares and a Takeover Shareholder's Takeover Shares (as applicable) will be TAP if they constitute an 'indirect Australian real property interest'. This will be the case if both of the following apply:

- (i) the Scheme Shareholder or Takeover Shareholder (as applicable), together with its associates, holds 10% or more of the issued share capital of Genex as at the time of disposal of their Scheme Shares or Takeover Shares (as applicable) or has held 10% or more of the issued share capital of Genex for a continuous 12-month period that began no more than 24 months prior to the time of disposal of their Scheme Shares or Takeover Shares (as applicable) (**Non-portfolio Interest Test**); and
- (ii) the aggregate market value of Genex's assets which are TAP (being direct and indirect interests in Australian real property, including land and property that is a fixture) exceeds the aggregate market value of Genex's non-TAP assets (**Principal Asset Test**).

Scheme Shareholders or Takeover Shareholders that are not tax residents of Australia and who do not satisfy the Non-portfolio Interest Test should be able to disregard a capital gain or capital loss arising from the disposal of their Scheme Shares under the Scheme or their Takeover Shares under the Takeover Offer as their Scheme Shares or Takeover Shares (as applicable) should not constitute an 'indirect Australian real property interest'.

Scheme Shareholders or Takeover Shareholders that are not tax residents of Australia and who satisfy the Non-portfolio Interest Test should seek independent professional advice on the Australian tax consequences arising from the disposal of their Scheme Shares under the Scheme and Takeover Shares under the Takeover Offer, having regard to their particular circumstances.

No CGT discount is available for non-Australian resident Scheme Shareholders or Takeover Shareholders.

(b) Foreign resident capital gains tax withholding

The foreign resident capital gains tax withholding regime can impose an obligation on a purchaser of shares to withhold an amount equal to 12.5% of the purchase price of the shares and remit that amount to the ATO where the relevant shares constitute an 'indirect Australian real property interest' (see Section 10.3(a) above) and certain declarations have not been made by the vendors (either that the vendor is an Australian tax resident or that the shares do not constitute an 'indirect Australian real property interest'). For completeness, it is noted that the Australian government has announced an increase to the rate of withholding under the foreign resident capital gains tax withholding regime to 15% from 1 January 2025.

Notwithstanding that a Scheme Shareholder or a Takeover Shareholder may determine that their Genex Shares are not an 'indirect Australian real property interest' (see Section 10.3(a) above), the foreign resident capital gains tax withholding obligation may still apply to J-POWER and J-POWER Nominee, such that J-POWER or J-POWER Nominee may be required to withhold an amount equal to 12.5% of the Scheme Consideration or Takeover Consideration in respect of the Scheme Shares or Takeover Shares held by certain Scheme Shareholders or Takeover Shareholders (as applicable) and remit that amount to the ATO, unless the applicable Scheme Shareholder or Takeover Shareholder makes a specified declaration to J-POWER or J-POWER Nominee (as applicable) by the required time prior to the Scheme Implementation Date or the Takeover Shareholder's Takeover Shares being acquired by J-POWER Nominee under the Takeover Offer (as applicable).

As such, J-POWER or J-POWER Nominee, with assistance from Genex, may seek to clarify the status of particular Genex Shareholders and, where it is unclear whether a Genex Shareholder satisfies or does not satisfy the Non-portfolio Interest Test, or otherwise, J-POWER or J-POWER Nominee may request the Genex Shareholder to provide the following:

- (i) a declaration that the Genex Shareholder is an Australian tax resident (and will be an Australian tax resident at the time of disposal of their Genex Shares to J-POWER Nominee under the Scheme or the Takeover Offer) or that its Genex Shares do not constitute an "indirect Australian real property interest" (as described in 10.3(a) above) (**Declaration Form**); or
- (ii) a notice from the ATO varying the amount or rate of tax that is to be withheld (**Variation Notice**).

10 Tax implications of the Transaction for Genex Shareholders continued

10.3 Genex Shareholders that are not Australian tax residents continued

If J-POWER Nominee has requested that a Genex Shareholder provide such a Declaration Form or Variation Notice and they do not do so, J-POWER or J-POWER Nominee (as applicable) may withhold the required foreign resident capital gains tax withholding amount from the Scheme Consideration or the Takeover Consideration (as applicable) in respect of that Genex Shareholder and remit to the ATO the amount withheld. In these circumstances, the Scheme Consideration or Takeover Consideration (as applicable) payable to the Genex Shareholder will not be increased to reflect any foreign resident capital gains tax withholding amount withheld.

Under the terms of the Scheme, if J-POWER or J-POWER Nominee has received a Declaration Form from a Scheme Shareholder before the Scheme Implementation Date, each of J-POWER and J-POWER Nominee agrees that it must not withhold the relevant foreign resident capital gains tax withholding amount from the Scheme Consideration in respect of that Scheme Shareholder, provided that the Declaration Form completed by the Scheme Shareholder complies with the requirements of clause 7.2(f) (or 7.2(g)) of the Scheme and J-POWER Nominee does not know the declaration in the Declaration Form to be false.

J-POWER has advised Genex that, where J-POWER or J-POWER Nominee (as applicable) requests that a Genex Shareholder provide a Declaration Form or Variation Notice, the relevant form will be provided to the Genex Shareholder by J-POWER or J-POWER Nominee (as applicable).

Genex Shareholders who believe that the disposal of their Genex Shares under the Scheme or the Takeover Offer may trigger a foreign resident capital gains tax withholding liability are strongly advised to obtain their own professional tax advice in this respect.

10.4 GST

GST should not be payable on the disposal of the Scheme Shares under the Scheme or the Takeover Shares under the Takeover Offer.

Genex Shareholders participating in the Scheme or the Takeover Offer may be charged GST on costs incurred in relation to the Scheme or the Takeover Offer (for example, tax, legal or other adviser fees). Certain Scheme Shareholders or Takeover Shareholders that are registered (or required to be registered) for GST may be entitled to claim input tax credits (or reduced input tax credits) in relation to GST incurred on some or all of these costs. Genex Shareholders participating in the Scheme or the Takeover Offer should seek their own independent professional tax advice in this respect, having regard to their own particular circumstances.

10.5 Stamp duty

Scheme Shareholders and Takeover Shareholders should not be liable for any Australian stamp duty in respect of the disposal of their Scheme Shares under the Scheme or Takeover Shares under the Takeover Offer (as applicable).

10.6 Financial product advice

Deloitte, a registered tax agent, has prepared this Section 10. Deloitte is not licensed under Chapter 7 of the Corporations Act to provide financial product advice. Taxation issues, such as those covered by this Section 10, are only some of the matters you need to consider when making a decision about a financial product. You should consider taking advice from someone who holds an Australian financial services licence (AFSL) before making such a decision.

Additional information



11 Additional information

11.1 Interests of Genex Directors in Genex Shares

The table below lists:

- each Genex IBC Member's Genex IBC Member Shares; and
- the Genex Shares in which the other Genex Director (being J-POWER's representative and nominee to the Genex Board, Kenichi Seshimo) has a Relevant Interest,

as at the date of this Transaction Booklet.

Genex Director	Position as at the date of the Transaction Booklet	Genex IBC Member Shares or Genex Shares in which Genex Director has a Relevant Interest (as applicable)
Dr Ralph Craven	Independent, Non-executive Genex Director and Chairman of Genex Board and Genex IBC	1,048,188 ¹
Ms Teresa Dyson	Independent, Non-executive Genex Director and Genex IBC Member	585,856 ²
Mr Simon Kidston	Non-executive Genex Director and Genex IBC Member	8,663,827 ³
Mr Ben Guo	Non-executive Genex Director and Genex IBC Member	2,420,681 ⁴
Mr Kenichi Seshimo	Non-executive Genex Director and nominee of J-POWER to Genex Board	Nil

Genex IBC Members who hold Genex Shares as at 10:00am (Sydney time) on Sunday, 14 July 2024, will be entitled to vote at the Scheme Meeting. Genex IBC Members will also be entitled to receive the Scheme Consideration (along with the other Scheme Shareholders) in respect of each Scheme Share they hold.

Each Genex IBC Member intends to:

- vote, or cause to be voted, all of that Genex IBC Member's Genex IBC Member Shares in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders); and
- accept, or procure the acceptance of, the Takeover Offer in respect of all of that Genex IBC Member's Genex IBC Member Shares, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Takeover Offer is fair and reasonable.

¹ These Genex Shares represent approximately 0.08% of the Genex Shares on issue as at the date of this Transaction Booklet and are held by Lesral Pty Ltd (ACN 607 669 796) as trustee for R H Craven Super Fund.

² These Genex Shares represent approximately 0.04% of the Genex Shares on issue as at the date of this Transaction Booklet and are held by Gritem Superannuation Pty Ltd (ACN 168 003 218) as trustee for The Glen & Teresa Dyson Family Superannuation Fund.

³ These Genex Shares represent approximately 0.63% of the Genex Shares on issue as at the date of this Transaction Booklet. 5,350,000 of these Genex Shares are held by KFT Capital Pty Limited (ACN 101 966 910) as trustee for Gundimaine Trust and 3,313,827 of these Genex Shares are held by KFS Pty Limited (ACN 155 698 614) as trustee for SEK Super Fund.

⁴ These Genex Shares represent approximately 0.17% of the Genex Shares on issue as at the date of this Transaction Booklet and are held by Moore Park Capital Pty Ltd (ACN 161 369 213) as trustee for SoDamnSolid Fund.

11.2 Interests of Genex Directors in Genex Options

Set out below is a table which shows the Genex Options held by or on behalf of Genex Directors as at the date of this Transaction Booklet.

Genex Director	Position as at the date of this Transaction Booklet	Genex Options in which Genex Director has an interest
Dr Ralph Craven	Independent, Non-executive Genex Director and Chairman of Genex Board and Genex IBC	4,000,000 ⁵
Ms Teresa Dyson	Independent, Non-executive Genex Director and Genex IBC Member	1,500,000 ⁶
Mr Simon Kidston	Non-executive Genex Director and Genex IBC Member	3,000,000 ⁷
Mr Ben Guo	Non-executive Genex Director and Genex IBC Member	3,000,000 ⁸
Mr Kenichi Seshimo	Non-executive Genex Director and nominee of J-POWER to Genex Board	Nil

The remaining Genex Options on issue as at the date of this Transaction Booklet (being 3,000,000 Genex Options) are held by or on behalf of a former Genex Director.

The treatment of the Genex Options held by the Genex Directors identified in the table above in connection with the Transaction is described in Section 11.4(a) below.

11.3 Interests of Genex Directors in Genex Performance Rights

All Genex Performance Rights are held by members of Genex's management. No Genex Performance Rights are held by or on behalf of any Genex Director.

The treatment of the Genex Performance Rights held by members of Genex's management team in connection with the Transaction is described in Section 11.4(b) below.

⁵ These Genex Options are held by ESCR Investments Pty Ltd (ACN 100 357 944) as trustee for The Craven Family Trust.

⁶ These Genex Options are held by Gritem Superannuation Pty Ltd (ACN 168 003 218) as trustee for The Glen & Teresa Dyson Family Superannuation Fund.

⁷ 1,500,000 of these Genex Options are held by KFT Capital Pty Limited (ACN 101 996 910) as trustee for Gundimaine Trust and 1,500,000 of these Genex Options are held by KFS Pty Limited (ACN 155 698 614) as trustee for SEK Superannuation Fund.

⁸ These Genex Options are held by LiGuo Capital Pty Limited (ACN 614 272 249) as trustee for Benjo Family Trust.

11 Additional information continued

11.4 Treatment of Genex Incentive Securities in connection with the Transaction

(a) Genex Options

In connection with the Transaction (and for the purpose of satisfying the relevant component of each of the Scheme Condition described in Section 5.3(i) and the Takeover Condition in Section 6.8(c)), Genex has entered into a cancellation deed on terms agreed between Genex and J-POWER (**Genex Option Cancellation Deed**) with each Genex Director (and one former Genex Director) and the entities that hold Genex Options on behalf, or as nominees, of those individuals (each a **Genex Optionholder**). Under the Genex Option Cancellation Deeds, subject to satisfaction of the following conditions (**Genex Option Cancellation Conditions**):

(i) either:

- (A) ASX issuing or providing a waiver in respect of the applicable requirements under ASX Listing Rule 6.23 to enable any action required to be taken by Genex under clause 7.3 of the Transaction Implementation Deed that requires the approval of Genex Shareholders under that ASX Listing Rule to be taken without such approval and the ASX not adversely amending (in a material respect), withdrawing or revoking that waiver; or
- (B) Genex Shareholders approving, for the purposes of ASX Listing Rule 6.23, any action required to be taken by Genex under clause 7.3 of the Transaction Implementation Deed that requires the approval of Genex Shareholders under that ASX Listing Rule; and

(ii) either:

- (A) the Scheme becoming Effective (**Scheme Option Condition**); or
- (B) the Takeover Offer having been declared or otherwise becoming unconditional and J-POWER having acquired Voting Power in Genex of at least 50.1% (whether at the time that the Takeover Offer was declared or otherwise became unconditional, or subsequently) (**Takeover Option Condition**),

the Genex Optionholders agree to have all of the Genex Options that they hold cancelled on the date set out below in exchange for the payment by Genex of a cash amount per Genex Option (**Genex Option Cancellation Consideration**):

- (iii) if the Scheme Option Condition is satisfied, the Effective Date (or such other later date determined by Genex that is before the Scheme Record Date); or
- (iv) if the Takeover Option Condition is satisfied, the date determined by Genex that is on or before the fifth Business Day after the date on which the Genex Option Cancellation Conditions are satisfied.

On 4 June 2024, Genex and J-POWER entered into the Deed of Variation, which amended the Transaction Implementation Deed to provide that the Takeover Option Condition would not be satisfied unless J-POWER had acquired Voting Power in Genex of at least 50.1%. The amendment was made to align the Takeover Option Condition with the equivalent condition of the waiver from the requirements of ASX Listing Rule 6.23.2 granted by the ASX (as described below and in Section 11.15(a)). The Genex Option Cancellation Deeds entered into between Genex Optionholders and Genex reflect the amended Takeover Option Condition (in the form described above).

The Genex Option Cancellation Consideration in respect of the Genex Options on issue as at the date of this Transaction Booklet was determined based on the Black-Scholes valuation methodology (with inputs in respect of that valuation methodology agreed between Genex and J-POWER). The Genex Option Cancellation Consideration for, and the key terms of, the Genex Options on issue as at the date of this Transaction Booklet are set out in the table below.

Key term	Detail	
Exercise price	\$0.34	
Expiry date	10 September 2024	
Number of Genex Options on issue	14,500,000	
Genex Option Cancellation Consideration	If the Scheme Option Condition is satisfied	\$0.0359 per Genex Option
	If the Takeover Option Condition is satisfied	\$0.0337 per Genex Option
Aggregate Genex Option Cancellation Consideration payable	If the Scheme Option Condition is satisfied	\$520,550
	If the Takeover Option Condition is satisfied	\$488,650

As stated in Section 11.15(a), Genex has applied for, and ASX has granted, a waiver from the requirements of ASX Listing Rule 6.23.2 to enable Genex to cancel the 14,500,000 Genex Options on issue under the Genex Option Cancellation Deeds for the Genex Option Cancellation Consideration described above.

11 Additional information continued

11.4 Treatment of Genex Incentive Securities in connection with the Transaction continued

If the Transaction proceeds, the aggregate Genex Option Cancellation Consideration payable by Genex to all of the Genex Optionholders under the Genex Option Cancellation Deeds is expected, at the date of this Transaction Booklet, to be \$520,550 (in the case of the Scheme becoming Effective) or \$488,650 (in the case of the Takeover Offer becoming unconditional in the circumstances described above). Of this overall aggregate Genex Option Cancellation Consideration, the aggregate Genex Option Cancellation Consideration that will be paid to each current Genex Director (or the entity that holds Genex Options on behalf, or as nominee, of that Genex Director) if the Scheme becomes Effective or the Takeover Offer becomes unconditional in the circumstances described above is as follows:

Genex Director	Position as at the date of this Transaction Booklet	Aggregate Genex Option Cancellation Consideration	
		If the Scheme Option Condition is satisfied	If the Takeover Option Condition is satisfied
Dr Ralph Craven	Independent, Non-executive Genex Director and Chairman of Genex Board and Genex IBC	\$143,600	\$134,800
Ms Teresa Dyson	Independent, Non-executive Genex Director and Genex IBC Member	\$53,850	\$50,550
Mr Simon Kidston	Non-executive Genex Director and Genex IBC Member	\$107,700	\$101,100
Mr Ben Guo	Non-executive Genex Director and Genex IBC Member	\$107,700	\$101,100
Mr Kenichi Seshimo	Non-executive Genex Director and nominee of J-POWER to Genex Board	N/A	N/A

(b) Genex Performance Rights

In connection with the Transaction (and for the purpose of satisfying the relevant component of each of the Scheme Condition described in Section 5.3(i) and the Takeover Condition in Section 6.8(b)(i)), Genex has entered into a deed on terms agreed between Genex and J-POWER (**Genex Performance Right Deed**) with each member of Genex's management team who holds or has been granted Genex Performance Rights and, where such person does not hold those Genex Performance Rights in their personal capacity and has nominated an individual or entity to hold those Genex Performance Rights on their behalf or as their nominee, the individual or entity that holds those Genex Performance Rights (**each a Genex Performance Right Holder**). No Genex Directors are Genex Performance Right Holders.

Under the Genex Performance Right Deeds, subject to satisfaction of the following conditions (**Genex Performance Right Cancellation Conditions**):

(i) either:

- (A) ASX issuing or providing a waiver in respect of the applicable requirements under ASX Listing Rule 6.23 to enable any action required to be taken by Genex under clause 7.2 of the Transaction Implementation Deed that requires the approval of Genex Shareholders under that ASX Listing Rule to be taken without such approval and the ASX not adversely amending (in a material respect), withdrawing or revoking that waiver; or
- (B) Genex Shareholders approving, for the purposes of ASX Listing Rule 6.23, any action required to be taken by Genex under clause 7.2 of the Transaction Implementation Deed that requires the approval of Genex Shareholders under that ASX Listing Rule; and

(ii) either:

- (A) the Scheme becoming Effective (Scheme Performance Right Condition); or
- (B) the Takeover Offer having been declared or otherwise becoming unconditional and J-POWER having acquired Voting Power in Genex of at least 50.1% (whether at the time that the Takeover Offer was declared or otherwise became unconditional, or subsequently) (**Takeover Performance Right Condition**),

the Genex Performance Right Holders agree to have all of the Genex Performance Rights that they hold which are subject to vesting conditions measured against total shareholder return hurdles (**TSR Genex Performance Rights**), which comprise approximately 50% of the Genex Performance Rights held by each Genex Performance Right Holder, cancelled on the date set out below in exchange for the payment by Genex of a cash amount per TSR Genex Performance Right (**Genex Performance Right Cancellation Consideration**):

- (iii) if the Scheme Performance Right Condition is satisfied, the Effective Date (or such other later date determined by Genex that is before the Scheme Record Date); or
- (iv) if the Takeover Performance Right Condition is satisfied, the date determined by Genex that is on or before the fifth Business Day after the date on which the Genex Performance Right Cancellation Conditions are satisfied,

(the **Genex Performance Right Cancellation Date**).

11 Additional information continued

11.4 Treatment of Genex Incentive Securities in connection with the Transaction continued

On 4 June 2024, Genex and J-POWER entered into the Deed of Variation, which amended the Transaction Implementation Deed to provide that the Takeover Performance Right Condition would not be satisfied unless J-POWER had acquired Voting Power in Genex of at least 50.1%. The amendment was made to align the Takeover Performance Right Condition with the equivalent condition of the waiver from the requirements of ASX Listing Rule 6.23.2 granted by the ASX (as described below and in Section 11.15(a)). The Genex Performance Right Deeds entered into between Genex Performance Right Holders and Genex reflect the amended Takeover Performance Right Condition (in the form described above).

The Genex Performance Right Cancellation Consideration is the same as the Scheme Consideration or the Takeover Consideration (as the case may be)⁹. The Genex Performance Right Cancellation Consideration for, and the key terms of, the TSR Genex Performance Rights on issue as at the date of this Transaction Booklet are set out in the table below.

Key term	Detail	
Exercise price	Nil	
Vesting date	Subject to vesting conditions being met, 10 May 2026	
Number of TSR Genex Performance Rights on issue	4,830,296	
Genex Performance Right Cancellation Consideration	If the Scheme Performance Right Condition is satisfied	\$0.275 per TSR Genex Performance Right ¹⁰
	If the Takeover Performance Right Condition is satisfied	\$0.270 per TSR Genex Performance Right ¹¹
Aggregate Genex Performance Right Cancellation Consideration payable	If the Scheme Performance Right Condition is satisfied	\$1,328,331.40 ¹²
	If the Takeover Performance Right Condition is satisfied	\$1,304,179.92 ¹³

⁹ Except as noted in the footnotes to the table immediately below.

¹⁰ Or, if the Transaction Implementation Deed and the Scheme are validly amended to increase the Scheme Consideration, then an amount equal to the increased Scheme Consideration (**Increased Scheme Consideration**).

¹¹ Or, if the Transaction Implementation Deed is validly amended to increase the Takeover Consideration, or the Takeover Consideration is otherwise increased, then an amount equal to the increased Takeover Consideration (**Increased Takeover Consideration**).

¹² Or, if the Transaction Implementation Deed and the Scheme are validly amended to increase the Scheme Consideration, then an amount equal to the number of TSR Genex Performance Rights on issue multiplied by the Increased Scheme Consideration.

¹³ Or, if the Transaction Implementation Deed is validly amended to increase the Takeover Consideration, or the Takeover Consideration is otherwise increased, then amount equal to the number of TSR Genex Performance Rights on issue multiplied by the increased Takeover Consideration.

In addition, under each Genex Performance Right Deed, the applicable Genex Performance Right Holder agrees, subject to the same conditions as set out above (that is, the Genex Performance Right Cancellation Conditions), to the terms of issue of the Genex Performance Rights that they hold which are subject to vesting conditions relating to projects being undertaken or proposed to be undertaken by Genex (**Project Genex Performance Rights**) (which comprise the remaining Genex Performance Rights held by each Genex Performance Right Holder) being amended on and from the Genex Performance Right Cancellation Date as summarised in the following table:

Term	Current position	Position following proposed amendment
Settlement of vested rights	Each vested Project Genex Performance Right entitles the holder to receive one Genex Share.	Each vested Project Genex Performance Right entitles the holder to receive either (at Genex's discretion): <ul style="list-style-type: none"> • one Genex Share; or • a cash amount per Project Genex Performance Right equal to the Genex Performance Right Cancellation Consideration.
Vesting date	Subject to the satisfaction of certain project-related vesting conditions, the Project Genex Performance Rights vest on 10 May 2026 (or, in respect of Project Genex Performance Rights subject to a vesting condition relating to the completion of the Kidston Pumped Storage Hydro Project, the date of the satisfaction of such condition, subject to such condition being satisfied before 10 May 2026). If the applicable vesting conditions are not satisfied before 10 May 2026, the Project Genex Performance Rights will lapse on 10 May 2026.	The Project Genex Performance Rights vest on the date on which the specified project-related vesting conditions are satisfied ¹⁴ , subject to such conditions being satisfied before 10 May 2026. If the applicable vesting conditions are not satisfied before 10 May 2026, the Project Genex Performance Rights will lapse on 10 May 2026.

As stated in Section 11.15(a), Genex has applied for, and ASX has granted, a waiver from the requirements of ASX Listing Rule 6.23.2 to enable Genex to cancel the 4,830,296 TSR Genex Performance Rights on issue under the Genex Performance Right Deeds for the Genex Performance Right Cancellation Consideration described above. ASX has also confirmed to Genex that a waiver from the requirements of ASX Listing Rule 6.23 is not required to give effect to the amendment of the terms of the Project Genex Performance Rights (as described above).

If the Transaction proceeds, the terms of the Project Genex Performance Rights will be amended as described above, and the aggregate Genex Performance Right Cancellation Consideration payable by Genex to all of the Genex Performance Right Holders under the Genex Performance Right Deeds is expected, at the date of this Transaction Booklet, to be \$1,328,331.40 (in the case of the Scheme becoming Effective) or \$1,304,179.92 (in the case of the Takeover Offer becoming unconditional in the circumstances described above).

¹⁴ Provided that no Project Genex Performance Rights can become vested during the period starting on the date of the Transaction Implementation Deed (being 12 April 2024) and ending on (i) if the Scheme Performance Right Condition is satisfied, the Genex Performance Right Cancellation Date or (ii) otherwise, the end of the Exclusivity Period.

11 Additional information continued

11.5 Marketable securities in J-POWER and J-POWER Nominee held by, or on behalf of, Genex Directors

As at the date of this Transaction Booklet, no marketable securities in J-POWER or J-POWER Nominee are held by, or on behalf of, any Genex IBC Member.

As at the date of this Transaction Booklet:

- (a) J-POWER's representative and nominee to the Genex Board, Mr Kenichi Seshimo, holds interests in ordinary shares in J-POWER (**J-POWER Ordinary Shares**) through an 'Employee Stock Ownership Association'. As at 30 April 2024, Mr Seshimo held an interest in 422,102 J-POWER Ordinary Shares through that Employee Stock Ownership Association. Mr Seshimo's interest in J-POWER Ordinary Shares through the Employee Stock Ownership Association increases on a monthly basis by a minimal amount of approximately \$100 per month; and
- (b) an additional 2,100 J-POWER Ordinary Shares are held by, or on behalf of, Mr Seshimo.

Other than these interests in J-POWER Ordinary Shares (and any increase in this interest described in Section 11.5(a)), as at the date of this Transaction Booklet, no other marketable securities in J-POWER or J-POWER Nominee are held by, or on behalf of, Mr Seshimo.

11.6 Interests of Genex Directors in contracts of J-POWER and J-POWER Nominee

As at the date of this Transaction Booklet, no Genex IBC Member has an interest in any contract entered into by J-POWER or J-POWER Nominee, other than the Transaction Implementation Deed and the Scheme Deed Poll.

As at the date of this Transaction Booklet, J-POWER's representative and nominee to the Genex Board, Mr Kenichi Seshimo, has an interest in his contract of employment with J-POWER. Other than this, Mr Seshimo does not have an interest in any other contract entered into by J-POWER or J-POWER Nominee.

11.7 Other interests of Genex Directors

(a) Interests of Genex Directors

As at the date of this Transaction Booklet, no Genex IBC Member has any interest, whether as a director, member or creditor of Genex or otherwise, which is material to the Scheme or the Takeover Offer, other than:

- (i) in respect of his or her Genex IBC Member Shares or Genex Options;
- (ii) in respect of a right to receive Special Exertion Fees, as described in Section 11.7(b) below;
- (iii) in respect of the Independent, Non-executive Chairman of the Genex Board, Dr Ralph Craven, the Genex Chairman Special Exertion Payment, as described in Section 11.7(c) below;
- (iv) in respect of J-POWER's representative and nominee to the Genex Board, Mr Kenichi Seshimo, as described in Section 11.7(d) below;
- (v) in connection with the D&O Deeds and the D&O Run-off Policy, as described in Section 11.7(e) below; and/or
- (vi) as otherwise disclosed in this Transaction Booklet.

(b) Special Exertion Fees payable to Genex IBC Members

As contemplated by Genex's constitution, the Genex Board has approved the payment of special exertion fees by Genex to each Genex IBC Member (**Special Exertion Fees**) in recognition of their increased workload and time commitment (in excess of that required for Genex's ordinary business requirements) which are and have been required in connection with the Transaction. This additional work includes overseeing J-POWER's due diligence process, considering and responding to J-POWER's non-binding, indicative proposals in respect of the Transaction that preceded the execution of the Transaction Implementation Deed, considering and negotiating the terms and conditions of the Transaction and the Transaction Implementation Deed (and related documents and matters), and overseeing the process for preparation of this Transaction Booklet and the implementation of the Transaction.

The payment of the Special Exertion Fees is not conditional on the Scheme becoming Effective or being implemented, or the Takeover Offer being declared (or otherwise becoming) unconditional (or otherwise being implemented). The aggregate Special Exertion Fees payable to each applicable Genex IBC Member is based on the time spent on the relevant matters (as described above) by that Genex IBC Member at the following rates:

- (i) \$2,500 (plus superannuation) per half day for Dr Ralph Craven, Independent, Non-executive Genex Director and Chairman of the Genex IBC; and
- (ii) \$1,250 (plus superannuation) per half day for each of Ms Teresa Dyson, Mr Simon Kidston and Mr Ben Guo, each of whom is a Non-executive Genex Director and a Genex IBC Member.

The Special Exertion Fee payable to Dr Ralph Craven is greater than the Special Exertion Fee payable to the other applicable Genex IBC Members in recognition of Dr Craven's active role in overseeing and coordinating Genex's response to J-POWER's non-binding, indicative proposals in respect of the Transaction that preceded the execution of the Transaction Implementation Deed, considering and negotiating the terms and conditions of the Transaction and the Transaction Implementation Deed (and related documents and matters), and overseeing the preparation of this Transaction Booklet, on a day-to-day basis.

As at the date of this Transaction Booklet, the aggregate of the Special Exertion Fees already paid, and which are payable, to each Genex IBC Member are as set out below:

- (i) Dr Ralph Craven, Independent, Non-executive Genex Director and Chairman of the Genex IBC, \$57,581;
- (ii) Ms Teresa Dyson, Independent, Non-executive Genex Director and Genex IBC Member, \$3,816;
- (iii) Mr Simon Kidston, Non-executive Genex Director and Genex IBC Member, \$8,360; and
- (iv) Mr Ben Guo, Non-executive Genex Director and Genex IBC Member, \$10,337.

Each applicable Genex IBC Member will continue to be entitled to be paid Special Exertion Fees (at the rates set out above) for time spent on the relevant matters by that Genex IBC Member after the date of this Transaction Booklet, up to the time of either the implementation of the Scheme or the completion of the Takeover Offer.

(c) Genex Chairman Special Exertion Payment

In 2017, the Genex Board (as it was constituted at the time, but with Dr Ralph Craven abstaining) approved the payment by Genex of a one-off fee to Dr Ralph Craven in the event of a change of control of Genex (**Genex Chairman Special Exertion Payment**) in recognition of Dr Craven's services to Genex (which, as at the time of the relevant Genex Directors' decision, were, in the relevant Genex Directors' view, substantially in excess of those required for Genex's ordinary business requirements and required of a Non-executive Genex Director). The Genex Chairman Special Exertion Payment is an amount equal to 12 months of Dr Ralph Craven's Genex Director fees (plus superannuation) at the applicable time.

Dr Craven will become entitled to be paid the Genex Chairman Special Exertion Payment on (i) implementation of the Scheme, or (ii) the Takeover Offer having been declared or otherwise becoming unconditional and either J-POWER Nominee having a Relevant Interest of at least 50.1% of the Genex Shares on issue (whether at the time that the Takeover Offer was declared or otherwise became unconditional, or subsequently) or J-POWER Nominee having validly waived the 50.1% Minimum Acceptance Takeover Condition (in the circumstances described in Section 6.9(d)(ii)). On the basis that Dr Craven's annual Genex Director's fees as at the date of this Transaction Booklet are \$200,000 (plus superannuation), the amount of the Genex Chairman Special Exertion Payment that is to be paid to Dr Craven if that occurs is expected to be \$200,000 (plus superannuation).

(d) J-POWER's representative and nominee to the Genex Board

As at the Last Practicable Trading Date, J-POWER Nominee (a wholly-owned Subsidiary of J-POWER) holds 106,990,005 Genex Shares (representing 7.72% of the Genex Shares on issue).

Mr Kenichi Seshimo is J-POWER's representative and nominee to the Genex Board.

11 Additional information continued

11.7 Other interests of Genex Directors continued

As at the date of this Transaction Booklet, Mr Seshimo is a director of the following J-POWER Group Members:

- J-POWER Nominee;
- JP Generation Australia;
- JPBC Development;
- JPBC Solar; and
- JPBC Battery Pty Ltd (ACN 668 631 418).

Under the terms of the Scheme, the J-POWER Genex Shares (and any other Genex Shares held by the Excluded Genex Shareholders) will not be acquired by J-POWER Nominee under the Scheme and, accordingly, J-POWER Nominee (and any other Excluded Genex Shareholder) will not be a Scheme Shareholder (that is, J-POWER Nominee (and any other Excluded Genex Shareholders) will not participate in the Scheme).

In addition, under the terms of the Takeover Offer, the Takeover Offer will not be made to J-POWER Nominee, such that the Takeover Offer will not extend to any J-POWER Genex Shares already held by J-POWER Nominee as at the date of the Takeover Offer.

On the basis that Mr Seshimo is J-POWER's representative and nominee to the Genex Board (and, therefore, the Genex IBC does not consider Mr Seshimo to be an independent Genex Director for the purposes of the Transaction), Mr Seshimo:

- (i) has recused himself from (and has not participated in any) Genex Board meetings or other discussions relating to the Transaction (or the Genex Board's consideration of it or the Initial Indicative Proposal or the subsequent Indicative Proposal); and
- (ii) abstains from giving a recommendation to Genex Shareholders in respect of the Transaction.

(e) D&O Deeds and D&O Run-off Policy

Genex has entered into deeds of indemnity, insurance and access with the Genex Directors (other than Mr Seshimo, J-POWER's representative and nominee to the Genex Board) on customary terms (**D&O Deeds**). Each D&O Deed includes terms that provide for the applicable Genex Group Member(s) to indemnify the relevant Genex Director against any liability incurred by that person in their capacity as a director of the Genex Group Member to any person other than a Genex Group Member. Under the Transaction Implementation Deed, subject to the Scheme becoming Effective or J-POWER Nominee having acquired a Relevant Interest in at least 50.1% of the Genex Shares on issue and the Takeover Offer having been declared or otherwise having become unconditional, J-POWER must procure that the applicable Genex Group Members comply with the D&O Deeds after implementation of the Transaction.

Genex also pays premiums in respect of a directors' and officers' insurance policy for the benefit of the directors and executive officers of the Genex Group (including the Genex Directors). Under the Transaction Implementation Deed, Genex may enter into arrangements to secure directors' and officers' run-off insurance for the persons referred to above for a period of up to seven years after either of the events in respect of the Transaction described above occurring (**D&O Run-off Policy**). As at the date of this Transaction Booklet, Genex expects that the premium for entry into D&O Run-off Policy will be approximately \$1.8 million (excluding GST).

11.8 Agreements or arrangements with Genex Directors

Other than as described in Section 11.4 or Section 11.7 of this Transaction Booklet, as at the date of this Transaction Booklet, there is no agreement or arrangement made between any Genex Director and any other person, including any J-POWER Group Member, in connection with or conditional upon the outcome of the Transaction.

11.9 Payments and other benefits to directors, secretaries or executive officers of Genex

As at the date of this Transaction Booklet, no payment or other benefit is proposed to be made or given to a director, secretary or executive officer of Genex or any Genex Group Member as compensation for loss of, or as consideration for or in connection with their retirement from, office in Genex or any member of Genex Group as a result of the Transaction, where:

- (a) that person will lose office or retire from office as a consequence of, or in connection with, the Transaction; or
- (b) the amount of any payment or benefit which may be made to that person upon their loss of office or retirement from office as a result of the Transaction may be materially affected by the Transaction.

11.10 Existing commercial, development and debt financing arrangements with the J-POWER Group

As at the date of this Transaction Booklet, the Genex Group and the J-POWER Group are party to the following commercial and debt financing arrangements:

(a) J-POWER Subscription Agreement

On 3 August 2020, Genex and J-POWER entered into the J-POWER Subscription Agreement, which governed the investment in Genex by J-POWER of \$25 million in connection with the financing of the Kidston Pumped Storage Hydro Project by way of the subscription for new Genex Shares by J-POWER Nominee (**J-POWER Share Subscription**). The J-POWER Subscription Agreement was subsequently amended on 22 December 2020, 25 February 2021 and 24 March 2021, primarily to extend the date by which financial close of the Kidston Pumped Storage Hydro Project (which was a condition to the J-POWER Subscription Agreement) was required to be achieved due to delays in the financial close process for that project.¹⁵ The J-POWER Share Subscription was completed on 18 May 2021, with 106,990,005 Genex Shares being issued to J-POWER Nominee for a subscription price of \$0.2337 per Genex Share under the terms of the J-POWER Subscription Agreement.

The J-POWER Subscription Agreement gives J-POWER the following ongoing rights:

- (i) **Genex Director appointment:** J-POWER has the right to appoint a Genex Director to the Genex Board for so long as J-POWER holds at least 5% of the Genex Shares on issue, or otherwise for a period of five years from the date of completion of the J-POWER Share Subscription (being the five-year period ending on 18 May 2026). As at the date of this Transaction Booklet, J-POWER has appointed Mr Kenichi Seshimo to be J-POWER's representative and nominee to the Genex Board (see Section 11.7(d)); and
- (ii) **development rights:** for the period of five years from the date of completion of the J-POWER Share Subscription (being the five-year period ending on 18 May 2026), J-POWER has a first right to discuss a potential joint development with Genex in circumstances where Genex is considering third party equity investment for a new renewable energy generation or storage project. If, after a period of 30 Business Days from the commencement of such discussions, no binding agreement in relation to joint development in relation to the relevant project is entered into between Genex and J-POWER, Genex is free to enter into discussions with third parties with respect to the joint development of, or an equity investment in, that project with or by those third parties.

(b) J-POWER Technical Services Agreement

At the same time as entering into the J-POWER Subscription Agreement, Genex and J-POWER entered into the J-POWER Technical Services Agreement, which provides for certain professional technical advisory services to be provided by J-POWER to Genex in relation to the development and operational stages of the Kidston Pumped Storage Hydro Project. The J-POWER Technical Services Agreement was amended on 22 December 2020, 25 February 2021 and 24 March 2021, primarily to extend the date by which financial close of the Kidston Pumped Storage Hydro Project (which was a condition to the J-POWER Technical Services

¹⁵ See the announcements made by Genex to the ASX on 22 December 2020 entitled "Kidston Hydro Project – Genex Power Final Investment Decision", on 25 February 2021 entitled "Kidston Hydro Project Update – Extension of Funding and Technical Arrangement with J-POWER" and 24 March 2021 entitled "GNX Launches \$90M Underwritten Raising for Kidston Hydro".

11 Additional information continued

11.10 Existing commercial, development and debt financing arrangements with the J-POWER Group continued

Agreement) was required to be achieved due to delays in the financial close process for that project.¹⁶ Currently, under the J-POWER Technical Services Agreement, J-POWER provides agreed technical advisory services through the provision of one full-time J-POWER engineer based in Brisbane, Australia for a fee of \$20,000 per month (plus GST), and is required under the J-POWER Technical Services Agreement to continue to do so for the duration of the construction of the Kidston Pumped Storage Hydro Project. Once the construction phase of the Kidston Pumped Storage Hydro Project is completed, for a period of two years thereafter, J-POWER is required to provide agreed technical advisory services through the provision of an engineer who will attend the Kidston Pumped Storage Hydro Project's site for a total of two weeks per annum, at a cost to Genex of \$20,000 per annum (plus GST).

The J-POWER Technical Services Agreement is not affected by the entry by Genex and J-POWER into the Transaction Implementation Deed and, for the avoidance of doubt, neither Genex nor J-POWER is entitled to terminate (and no other rights of either party arise under) the J-POWER Technical Services Agreement as a result of the Scheme not being approved by the Requisite Majorities at the Scheme Meeting or by the Court at the Second Court Hearing (or the Scheme is otherwise not implemented), or the Takeover Offer not becoming unconditional (or J-POWER not acquiring some or all of the Genex Shares under the Takeover Offer).

(c) K3W Development Funding Agreement and K3W Joint Development Agreement

On 27 November 2020, Genex and J-POWER entered into a development funding agreement for the joint development of the Kidston Wind Project, which provided for J-POWER to earn a 50% interest in the project subject to FIRB approval (as described below) (**K3W Development Funding Agreement**).¹⁷

The K3W Development Funding Agreement was superseded and terminated by a joint development agreement dated 13 May 2022 between Genex, Genex's wholly-owned subsidiary, Genex Kidston Wind and J-POWER (**K3W Joint Development Agreement**).¹⁸ On 1 June 2022, J-POWER assigned all of its rights and obligations under the K3W Joint Development Agreement to J-POWER Nominee.

¹⁶ See the announcements made by Genex to the ASX on 22 December 2020 entitled "Kidston Hydro Project – Genex Power Final Investment Decision", on 25 February 2021 entitled "Kidston Hydro Project Update – Extension of Funding and Technical Arrangement with J-POWER" and 24 March 2021 entitled "GNX Launches \$90M Underwritten Raising for Kidston Hydro".

¹⁷ See the announcement made by Genex to the ASX on 30 November 2020 entitled "Genex Executes Development Funding Agreement with J-POWER for the Kidston Wind Project".

¹⁸ See the announcement made by Genex to the ASX on 16 May 2022 entitled "Genex Executed Joint Development Agreement with J-POWER for the Kidston Wind Project".

A summary of the key terms and conditions of the K3W Joint Development Agreement is set out below:

Item	Description
Parties	Genex, Genex Kidston Wind and J-POWER Nominee.
Development funding	<p>The third-party development costs for the Kidston Wind Project are to be funded as follows:</p> <ul style="list-style-type: none"> (i) the first \$1.5 million was funded by J-POWER Nominee pursuant to monthly calls on J-POWER Nominee by Genex Kidston Wind; and (ii) thereafter, J-POWER Nominee and Genex must contribute such funding on a 50:50 basis, with Genex Kidston Wind making monthly calls on J-POWER Nominee for its contribution.
Equity ownership of the Kidston Wind Project	<p>As a result of J-POWER Nominee having paid the first \$1.5 million of third party development costs for the Kidston Wind Project, subject to FIRB approval, J-POWER Nominee is entitled to capitalise that contribution and future contributions to development costs for the Kidston Wind Project (as described above) into ownership of up to 50% of the issued shares in Genex Kidston Wind (and, therefore, up to 50% of the ownership of the project). As at the date of this Transaction Booklet, no such equity capitalisation has occurred.</p>
Termination	<p>There are a number of termination rights under the K3W Joint Development Agreement, including the right for either party (or one of them) to terminate the agreement if:</p> <ul style="list-style-type: none"> (i) J-POWER Nominee does not receive FIRB approval for its acquisition of equity in Genex Kidston Wind pursuant to the exercise of its equity capitalisation rights described above; (ii) an insolvency event occurs in respect of the other party; (iii) another party is in default under the agreement, which remains unremedied for a specified period of time following notice of such default; (iv) J-POWER Nominee does not receive approval of its board of directors for the issue of equity to J-POWER Nominee in satisfaction of its equity capitalisation rights described above. This termination right is for the benefit of Genex only; or (v) the Genex and J-POWER Nominee representatives of the K3W Management Committee (as defined below) are unable to agree on a specified material development issue at two consecutive meetings of the K3W Management Committee. This termination right is for the benefit of J-POWER Nominee only. <p>If termination occurs for any reason other than a default by, or the insolvency of, J-POWER Nominee, then J-POWER Nominee will be due compensation relating to its funding contribution as at the time of termination upon financial close of the project or other liquidity event in respect of Genex Kidston Wind or the project assets, including the sale to a third party of all or part of the project assets or all or part of the equity interests in Genex Kidston Wind.</p> <p>The K3W Joint Development Agreement is not affected by the entry by Genex and J-POWER into the Transaction Implementation Deed and, for the avoidance of doubt, neither Genex nor J-POWER is entitled to terminate (and no other rights of either party arise under) the K3W Joint Development Agreement as a result of the Scheme not being approved by the Requisite Majorities at the Scheme Meeting or by the Court at the Second Court Hearing (or the Scheme is otherwise not implemented), or the Takeover Offer not becoming unconditional (or J-POWER not acquiring some or all of the Genex Shares under the Takeover Offer).</p>

11 Additional information continued

11.10 Existing commercial, development and debt financing arrangements with the J-POWER Group continued

Item	Description
Governance	<p>The K3W Joint Development Agreement provides for material development decisions in respect of the Kidston Wind Project to be made by a management committee comprising an equal number of representatives from each of Genex and J-POWER Nominee (K3W Management Committee). Decisions of the K3W Management Committee require the agreement of a simple majority (however, in practice, this requires representatives of both Genex and J-POWER Nominee to be in favour of the relevant matter).</p> <p>In the event that J-POWER Nominee fails to meet a funding call made by Genex Kidston Wind under the agreement or is in unremedied default under the agreement, its voting power in respect of K3W Management Committee decisions becomes 0%.</p>

(d) J-POWER Corporate Loan Facility and J-POWER Specific Security Deeds

On 30 June 2023, Genex and J-POWER Nominee entered into the J-POWER Corporate Loan Facility, under which J-POWER Nominee provided a \$35 million loan to Genex for the purposes of funding the replenishment of the contingency budget for the Kidston Pumped Storage Hydro Project and funding Genex's general working capital requirements.

On 12 May 2024, Genex and J-POWER Nominee entered into an amendment agreement in respect of the J-POWER Corporate Loan Facility, under which the aggregate amount of the loan made available by J-POWER Nominee to Genex under the J-POWER Corporate Loan Facility was increased by \$10 million to assist Genex to fund its working capital requirements.¹⁹ The additional amount of debt available to be drawn by Genex was provided by J-POWER Nominee under the existing terms and conditions of the J-POWER Corporate Loan Facility, with the following amendments:

- (i) the introduction of a 1% p.a. commitment fee on undrawn amounts;
- (ii) an increase in the K3W Mandatory Prepayment Event (as defined below) amount from \$10 million to \$15 million; and
- (iii) an increase in the BCB Mandatory Prepayment Event (as defined below) amount from \$5 million to \$10 million.

¹⁹ See the announcement made by Genex to the ASX on 13 May 2024 entitled "Funding Extension Agreed with J-POWER".

A summary of the key terms and conditions of the J-POWER Corporate Loan Facility (as amended as described above) is set out in the table below:

Item	Description
Parties	Genex (as borrower) and J-POWER Nominee (as lender).
Facility limit	\$45 million, to be drawn as follows: (i) Tranche 1 of \$25 million; and (ii) Tranche 2 of \$20 million (which includes the additional \$10 million described above).
Tranche 1	Kidston Pumped Storage Hydro Project contingency tranche of \$25 million, which has been drawn and transferred to the project's contingent equity account.
Tranche 2	General working capital tranche of \$20 million, to be utilised by Genex for general working capital purposes. The additional \$10 million available to be drawn under Tranche 2 as a result of the amendment described above is not expected to be drawn before 30 June 2024.
Establishment fee	\$700,000 (which was paid by Genex after the J-POWER Corporate Loan Facility was entered into in 2023).
Commitment fee	1% per annum commitment fee on undrawn amounts.
Interest rate	6% per annum payable quarterly in arrears.
Security	Security was provided to J-POWER Nominee by Genex, Genex Kidston Wind and Genex Bulli Creek under specific security deeds (J-POWER Specific Security Deeds) entered into by: (i) Genex and J-POWER Nominee, under which Genex provides first ranking security over the shares it holds in Genex Bulli Creek; (ii) Genex Bulli Creek and J-POWER Nominee, under which Genex Bulli Creek provides: (A) first ranking security over its shareholding in Bulli Creek HoldCo and its rights in respect of, and the credit balances into, any bank account held by Genex Bulli Creek; and (B) an all assets featherweight security; and (iii) Genex Kidston Wind and J-POWER Nominee, under which Genex Kidston Wind provides: (A) first ranking security over its shareholding in K3W Hold Co. Pty Ltd (ACN 664 465 623), its unitholding in K3W Hold Trust (ABN 80 904 953 919) and its rights in respect of, and the credit balances into, any bank account held by Genex Kidston Wind; and (B) an all assets featherweight security.
Term	Maturity date of the earlier of: (i) the date that is 12 months after the issuance of provisional acceptance for the Kidston Pumped Storage Hydro Project; and (ii) 31 December 2026.

11 Additional information continued

11.10 Existing commercial, development and debt financing arrangements with the J-POWER Group continued

Item	Description
Mandatory prepayments	<p>The lesser of the principal outstanding and:</p> <ul style="list-style-type: none"> (i) \$15 million on financial close of the Kidston Wind Project (K3W Mandatory Prepayment Event); (ii) \$20 million on financial close of the first solar stage of the Bulli Creek Solar and Battery Project; (iii) \$10 million on financial close of the first battery stage of the Bulli Creek Solar and Battery Project (BCB Mandatory Prepayment Event); (iv) if Genex raises \$20 million in new equity capital (including by way of the issue of new Genex Shares) for any other purpose than those described in paragraphs (i) to (iii) above, \$5 million within 10 business days of completion of such equity raising; (v) the balance in the Kidston Pumped Storage Hydro Project contingent equity account within 10 business days of the project's commissioning date; (vi) \$25 million in the event of a sell-down in shares of the Kidston Pumped Storage Hydro Project (excluding an enforcement event), to be paid 10 business days thereafter; and/or (vii) the principal outstanding in the event financial close for the project financing of the Bulli Creek Solar and Battery Project stages does not occur by 31 December 2026, with payment to occur on that same date.
Review Event – Change of Control	<p>A review event occurs if there is an acquisition of ownership or control by a person, either directly or indirectly, of more than 50% of the voting shares in Genex (i.e. Genex Shares), Genex Bulli Creek, Bulli Creek HoldCo or any of Genex's wholly-owned subsidiaries for the Kidston Wind Project, Bulli Creek Solar and Battery Project and Kidston Pumped Storage Hydro Project without J-POWER Nominee's prior consent.</p> <p>Genex and J-POWER Nominee must negotiate in good faith for a period of 60 days after a review event occurs with a view to determining whether any amendments to the J-POWER Corporate Loan Facility can be given effect to, or other actions can be taken, which mitigate or otherwise overcome the effects of the review event to the satisfaction of J-POWER Nominee. If no agreement is reached in this respect, J-POWER Nominee may accelerate the debt outstanding under the J-POWER Corporate Loan Facility, which will then become due and payable (together with accrued interest and all other amounts accrued under the J-POWER Corporate Loan Facility) within 10 business days after notice of such acceleration being given to Genex.</p> <p>A review event will not occur if the relevant change of control occurs in accordance with the Bulli Creek Joint Development Agreement, Bulli Creek Development Funding Agreement and/or the development management agreement between BCS ProjectCo and Genex, or as a result of the enforcement of security under the project financing granted in respect of the Kidston Pumped Storage Hydro Project, or otherwise with the consent of J-POWER Nominee.</p> <p>It is not a review event (and neither Genex nor J-POWER is entitled to terminate the J-POWER Corporate Loan Facility or accelerate the debt outstanding under the J-POWER Corporate Loan Facility), and no other rights of either party arise under J-POWER Corporate Loan Facility, as a result of the Scheme not being approved by the Requisite Majorities at the Scheme Meeting or by the Court at the Second Court Hearing (or the Scheme is otherwise not implemented), or the Takeover Offer not becoming unconditional (or J-POWER not acquiring some or all of the Genex Shares under the Takeover Offer).</p>

(e) Bulli Creek Joint Development Agreement

On 30 June 2023, Genex, Bulli Creek HoldCo and J-POWER entered into a joint development agreement for the joint development of the Bulli Creek Solar and Battery Project, which provided for J-POWER to earn a 50% interest in the project (subject to FIRB approval, to the extent not already obtained), for total upfront funding by J-POWER of up to \$8.5 million (**Bulli Creek Joint Development Agreement**).²⁰ On 30 June 2023, after entering into the Bulli Creek Joint Development Agreement, J-POWER assigned all of its rights and obligations under the Bulli Creek Joint Development Agreement to JPBC Development. A summary of the key terms and conditions of the Bulli Creek Joint Development Agreement is set out below:

Item	Description
Parties	Genex, Bulli Creek HoldCo and JPBC Development.
Acquisition funding	Up to \$2.5 million payable on execution of the agreement to meet costs associated with the acquisition of the Bulli Creek Solar and Battery Project.
Development funding	<p>The third-party development costs for the Bulli Creek Solar and Battery Project are to be funded as follows:</p> <ul style="list-style-type: none"> (i) the first \$6 million must be funded by JPBC Development pursuant to monthly calls on JPBC Development by Bulli Creek HoldCo; and (ii) thereafter, JPBC Development and Genex must contribute such funding on a 50:50 basis, with Bulli Creek HoldCo making monthly calls on JPBC Development for its contribution. <p>At financial close of the first stage of the Bulli Creek Solar and Battery Project, Genex must reimburse 50% of the third-party development costs paid by JPBC Development to JPBC Development. For example, assuming \$6 million has been spent, Genex must reimburse \$3 million to JPBC Development.</p>
Equity ownership of the Bulli Creek Solar and Battery Project	JPBC Development or a nominee of JPBC Development is entitled to capitalise its contributions to development costs (made before the date of this Transaction Booklet and in the future, as described above) for the Bulli Creek Solar and Battery Project into ownership of up to 50% of the issued shares in Bulli Creek HoldCo (and, therefore, up to 50% of the ownership of the project), subject to FIRB approval (to the extent not already obtained). As at the date of this Transaction Booklet, no such equity capitalisation has occurred.
Termination	<p>There are a number of termination rights under the Bulli Creek Joint Development Agreement, including the right for either party (or one of them) to terminate the agreement if:</p> <ul style="list-style-type: none"> (i) JPBC Development does not receive FIRB approval for its acquisition of equity in Bulli Creek HoldCo pursuant to the exercise of its equity capitalisation rights described above; (ii) an insolvency event occurs in respect of the other party; (iii) another party is in default under the agreement, which remains unremedied for a specified period of time following notice of such default; or (iv) the Genex and J-POWER Nominee representatives of the BCP Management Committee (as defined below) are unable to agree on a specified material development issue at two consecutive meetings of the BCP Management Committee. This termination right is for the benefit of J-POWER Nominee only.

²⁰ See the announcement made by Genex to the ASX on 30 June 2023 entitled “Funding Package and JDA Agreed with J-POWER”.

11 Additional information continued

11.10 Existing commercial, development and debt financing arrangements with the J-POWER Group continued

Item	Description
	<p>If termination occurs for any reason other than a default by, or the insolvency of, JPBC Development, then JPBC Development will be due compensation relating to its funding contribution upon financial close of the project or other liquidity event in respect of Bulli Creek Solar and Battery Project or the project assets occurring, including the sale to a third party of all or part of the project assets or all or part of the equity interests in the relevant stage vehicles which own the project. Compensation may also be payable to JPBC Development in these circumstances where JBPC Development does not receive the approval of its board of directors for the issue of equity to JBPC Development in satisfaction of its equity capitalisation rights described above.</p> <p>The Bulli Creek Joint Development Agreement is not affected by the entry by Genex and J-POWER into the Transaction Implementation Deed and, for the avoidance of doubt, neither Genex nor J-POWER is entitled to terminate (and no other rights of either party arise under) the Bulli Creek Joint Development Agreement as a result of the Scheme not being approved by the Requisite Majorities at the Scheme Meeting or by the Court at the Second Court Hearing (or the Scheme is otherwise not implemented), or the Takeover Offer not becoming unconditional (or J-POWER not acquiring some or all of the Genex Shares under the Takeover Offer).</p>
Governance	<p>The Bulli Creek Joint Development Agreement provides for material development decisions in respect of the Bulli Creek Solar and Battery Project to be made by a management committee comprising an equal number of representatives from each of Genex and JPBC Development (BCP Management Committee). Decisions of the BCP Management Committee require agreement of a simple majority (however, in practice, this requires representatives of both Genex and JPBC Development to be in favour of the relevant matter).</p> <p>In the event that Genex or JPBC Development fails to meet a funding call made by Bulli Creek HoldCo under the agreement or is in unremedied default under the agreement, its voting power in respect of BCP Management Committee decisions becomes 0%.</p>

(f) Bulli Creek Development Funding Agreement

In order to support Genex’s internal costs in developing the Bulli Creek Solar and Battery Project, at the same time as entering into the Bulli Creek Joint Development Agreement, BCS ProjectCo (a wholly-owned subsidiary of Genex) and J-POWER entered into a development funding agreement on 30 June 2023 (**Bulli Creek Development Funding Agreement**).²¹ On 30 June 2023, after entering into the Bulli Creek Development Funding Agreement, J-POWER assigned all of its rights and obligations under the Bulli Creek Development Funding Agreement to JPBC Solar. A summary of the key terms and conditions of the Bulli Creek Development Funding Agreement is set out below:

Item	Description
Parties	JPBC Solar and BCS ProjectCo.
Fees	\$125,000 per quarter up to a maximum aggregate amount of \$1,000,000, payable by JPBC Solar quarterly in advance.
Term	The agreement expires on the earlier of: <ul style="list-style-type: none"> (i) two years from 30 June 2023 (being 30 June 2025); (ii) termination of the Bulli Creek Development Management Agreement (as defined below); and (iii) termination of the Bulli Creek Joint Development Agreement.
Services	<p>Under the Bulli Creek Development Funding Agreement, JPBC Solar is to contribute \$1 million to BCS ProjectCo to meet the costs of a development management agreement between BCS ProjectCo and Genex (Bulli Creek Development Management Agreement) under which Genex provides certain development management services (including by way of the engagement of project managers) to BCS ProjectCo for the Bulli Creek Solar and Battery Project.</p> <p>The Bulli Creek Development Funding Agreement is not affected by the entry by Genex and J-POWER into the Transaction Implementation Deed and, for the avoidance of doubt, neither Genex nor JPBC Solar is entitled to terminate (and no other rights of either party arise under) the Bulli Creek Development Funding Agreement as a result of the Scheme not being approved by the Requisite Majorities at the Scheme Meeting or by the Court at the Second Court Hearing (or the Scheme is otherwise not implemented), or the Takeover Offer not becoming unconditional (or J-POWER not acquiring some or all of the Genex Shares under the Takeover Offer).</p>
Termination	<p>The Bulli Creek Development Funding Agreement automatically terminates on termination of the Bulli Creek Joint Development Agreement or the Bulli Creek Development Management Agreement.</p> <p>The Bulli Creek Development Funding Agreement may also be terminated:</p> <ul style="list-style-type: none"> (i) by either party due to default or insolvency of the other party; or (ii) by JPBC Solar due to the insolvency of Genex.

²¹ See the announcement made by Genex to the ASX on 30 June 2023 entitled “Funding Package and JDA Agreed with J-POWER”.

11 Additional information continued

11.11 Key terms of Transaction Implementation Deed

(a) Overview

On 12 April 2024, Genex and J-POWER entered into the Transaction Implementation Deed, which governs the conduct of the Scheme and the Takeover Offer.

On 15 May 2024, in accordance with clause 2.5 of the Transaction Implementation Deed, J-POWER gave written notice to Genex nominating its wholly-owned Subsidiary, J-POWER Nominee, to perform its obligations under the Transaction Implementation Deed to:

- acquire all of the Scheme Shares under the Scheme; and
- make the Takeover Offer and acquire the Genex Shares in respect of which the Takeover Offer is accepted.

On 4 June 2024, Genex and J-POWER entered into the Deed of Variation, which amended the Transaction Implementation Deed. See Sections 5.1(a) and 11.4 for further details.²²

A summary of the key terms of the Transaction Implementation Deed is set out below. Full copies of the Transaction Implementation Deed and the Deed of Variation were released by Genex to ASX on 12 April 2024 and 4 June 2024, respectively, and copies can also be obtained from www.asx.com.au or Genex's dedicated Transaction website at www.genexscheme.com.

(b) Exclusivity

Under the Transaction Implementation Deed, Genex is subject to exclusivity arrangements in favour of J-POWER. These provisions are set out in clause 10 of the Transaction Implementation Deed, and are summarised as follows:

- (i) **No existing discussions:** Genex represents and warrants to J-POWER that, at the date of the Transaction Implementation Deed:
 - (A) neither it, nor any of its Restricted Representatives are, directly or indirectly, party to an agreement or other binding arrangement with a Third Party (other than a confidentiality agreement) in relation to any actual, proposed or potential Competing Proposal, nor are they in negotiations or discussions with a Third Party in respect of, or that could reasonably be expected to lead to, any Competing Proposal;
 - (B) any access to Non-public Information (as defined below) granted by Genex to any Third Party for the purpose of facilitating a Competing Proposal has been terminated; and
 - (C) any Third Party to which Non-public Information has been provided on behalf of Genex has been requested to be returned or destroyed.
- (ii) **No shop:** during the Exclusivity Period, Genex must not, and must ensure that its Restricted Representatives do not, directly or indirectly, solicit, invite or initiate any enquiry, expression of interest, proposal, offer, negotiation or discussion with or by any Third Party in relation to, or which would reasonably be expected to lead to, an actual, proposed or potential Competing Proposal, nor communicate any intention to do any of those things.
- (iii) **No talk:** during the Exclusivity Period, subject to the Fiduciary Exception, Genex must not, and must ensure that its Restricted Representatives do not, directly or indirectly, negotiate or enter into or participate in negotiations or discussions with, or enter into any agreement, arrangement or understanding with, any Third Party, or communicate any intention to do any of these things, in relation to an actual, proposed or potential Competing Proposal (or which may reasonably be expected to lead to one). This includes where the Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by Genex or its Restricted Representatives.
- (iv) **No due diligence:** during the Exclusivity Period, subject to the Fiduciary Exception, Genex must not, and must ensure that its Restricted Representatives do not, directly or indirectly, in relation to an actual, proposed or potential Competing Proposal:
 - (A) enable any Third Party to undertake due diligence investigations on the Genex Group by disclosing, providing or making available non-public information relating to the business, operations, assets or affairs of the Genex Group (**Non-public Information**) to that Third Party; or

²² See also Genex's announcement to the ASX on 4 June 2024 entitled "Update on the proposed acquisition of Genex by J-POWER – status of conditions relating to options and performance rights".

(B) disclose, provide or make available to a Third Party any Non-public Information,

with a view to obtaining, or which would reasonably be expected to, lead to the making of, or be used by (or assist) the Third Party in formulating, developing or finalising, an actual, proposed or potential Competing Proposal.

(v) **Notification obligation:** during the Exclusivity Period, Genex must notify J-POWER in writing:

(A) within one Business Day if it receives a request or proposal (whether in writing or otherwise) from a Third Party for Genex to take any action that would breach its 'no talk' or 'no due diligence' obligations (or would breach such obligations if it were not for the Fiduciary Exception); and

(B) within two Business Days if Genex receives a Competing Proposal (whether in writing or otherwise), such notice to set out the identity of the Third Party that made the Competing Proposal and, to the extent known by the Genex IBC, the material terms of the Competing Proposal (including the offered or proposed price, form of consideration, break or reimbursement fee (if any), proposed timing and material conditions precedent (if any)).

(vi) **Fiduciary Exception:** Genex's 'no talk' and 'no due diligence' obligations described above do not restrict Genex (or any of its Restricted Representatives) from taking, or omitting (or failing or refusing) to take, any action with respect to or in relation to an actual, proposed or potential Competing Proposal if:

(A) the Competing Proposal was solicited, invited, encouraged or initiated due to a breach by Genex's obligations under Genex's 'no shop' obligations; and

(B) the Genex IBC having determined in good faith after:

(1) having consulted with its Financial Adviser, that such Competing Proposal is bona fide and is, or may reasonably be expected to lead to or become, a Superior Proposal; and

(2) having received written advice from its external Australian legal advisers, that omitting (or failing or refusing) to take the action, or taking the action (as applicable) in relation to the actual, proposed or potential Competing Proposal would, or would be reasonably likely to, constitute a breach of the fiduciary or statutory duties of the Genex IBC Members,

(the **Fiduciary Exception**).

(vii) **J-POWER's matching right:** Genex must:

(A) not, and must procure that each Genex Group Member does not, enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which one or more of a Third Party, Genex or any Genex Group Member proposes or propose to undertake, implement or give effect to a Competing Proposal; and

(B) subject to any change, withdrawal, modification or qualification of a Genex IBC Member's recommendation of, or their voting or acceptance intention statement in respect of, the Scheme or Takeover Offer that is permitted under clause 9.2 of the Transaction Implementation Deed, use its reasonable endeavours to ensure that no Genex IBC Member, in connection with a Competing Proposal, publicly withdraws, adversely changes, adversely modifies or adversely qualifies their recommendation of, or their voting or acceptance intention statement in respect of, the Scheme or Takeover Offer, recommends or endorses the Competing Proposal or recommends against either Transaction (or make any public statement to the effect that they may do so at a future point),

unless:

(C) the Genex IBC has, after complying with its obligations under clause 10.5 of the Transaction Implementation Deed (as described in Section 11.11(b)(vi)), determined in good faith that the Competing Proposal is a Superior Proposal;

(D) Genex has provided J-POWER with a notice setting out the material terms of the Competing Proposal (to the extent known by Genex);

(E) Genex has given J-POWER at least three Business Days after the date of the provision of the notice referred to in sub-paragraph (D) above (**J-POWER Counterproposal Deadline**) to announce or otherwise propose or provide to Genex a counterproposal to the Competing Proposal (**J-POWER Counterproposal**); and

11 Additional information continued

11.11 Key terms of Transaction Implementation Deed continued

(F) either J-POWER has not announced or otherwise proposed or provided to Genex a J-POWER Counterproposal before the J-POWER Counterproposal Deadline or, if it has announced or otherwise proposed or provided to Genex a J-POWER Counterproposal before the J-POWER Counterproposal Deadline:

- (1) the Genex IBC has determined (in accordance with sub-paragraph (G) below) that the J-POWER Counterproposal is not a Superior J-POWER Counterproposal (as such term is defined below); and
- (2) having complied with the process set out in sub-paragraph (H) below (if applicable), Genex has notified J-POWER that the Genex IBC's determination is that the J-POWER Counterproposal is not a Superior J-POWER Counterproposal (as such term is defined below).

If J-POWER announces or otherwise proposes or provides to Genex a J-POWER Counterproposal before the J-POWER Counterproposal Deadline:

(G) Genex must procure that the Genex IBC considers the J-POWER Counterproposal and, determines, acting in good faith, after consulting with its Financial Advisers and external Australian legal advisers, whether the J-POWER Counterproposal would provide an outcome that is no less favourable, or more favourable, for Genex Shareholders (other than Excluded Genex Shareholders) as a whole than the Competing Proposal, taking into account the matters set out in clause 10.7(b) of the Transaction Implementation Deed (**Superior J-POWER Counterproposal**), such determination to be made within five Business Days of receipt of the J-POWER Counterproposal and notified by Genex to J-POWER in writing within one Business Day (**Genex IBC Determination Notice**); and

(H) if the determination of the Genex IBC is that the J-POWER Counterproposal is:

- (1) a Superior J-POWER Counterproposal, as soon as reasonably practicable, Genex and J-POWER must use their best endeavours to agree and enter into the amended transaction documents necessary to reflect the J-POWER Counterproposal and Genex must use its reasonable endeavours to ensure that the Genex IBC recommends the J-POWER Counterproposal to Genex Shareholders (other than Excluded Genex Shareholders) and does not recommend the applicable Competing Proposal; or
- (2) not a Superior J-POWER Counterproposal, then Genex must allow J-POWER a further two Business Days after the date that the Genex IBC Determination Notice was given to J-POWER to announce or otherwise propose or provide a revised, alternative or new J-POWER Counterproposal (**Revised J-POWER Counterproposal**) and, if J-POWER does so, then the process in sub-paragraphs (G) and (H)(1) will apply to the Revised J-POWER Counterproposal as if it was the 'J-POWER Counterproposal' for the purposes of those paragraphs.

(c) Break Fee payable by Genex

Genex has agreed to pay J-POWER a break fee of \$3,515,014 (excluding GST, if any) (**Break Fee**) in the circumstances set out below:

- (i) **change in recommendation:** if any Genex IBC Member:
 - (A) fails to recommend that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme and accept the Takeover Offer, or fails to make an intention statement that they will vote all Genex Shares held or controlled by them in favour of the Scheme Resolution and accept the Takeover Offer;
 - (B) publicly withdraws or adversely changes, adversely modifies or adversely qualifies, or otherwise makes a public statement that is inconsistent with, their recommendation or their intention statement (as described above) in respect of the Scheme or Takeover Offer;
 - (C) makes a public statement endorsing or recommending a Competing Proposal or to the effect that they no longer support the Scheme or the Takeover Offer (or to the effect that they may do so at a future point); or
 - (D) votes any Genex Shares held by or on behalf of, or Controlled, by that Genex IBC Member or any Genex Shares in which they otherwise have a Relevant Interest and the power to exercise, or control the exercise of, the voting rights attached to such Genex Shares, or such Genex Shares are voted, in favour of a Competing Proposal or otherwise publicly states an intention to accept or vote in favour of a Competing Proposal in respect of such Genex Shares, or those Genex Shares are accepted into the Competing Proposal,

and J-POWER has terminated the Transaction Implementation Deed in accordance with clause 15.3 of the Transaction Implementation Deed (summarised in Section 11.11(e)(ii)(C) below), in each case other than where:

(E) in the case of:

- (1) the Scheme, the Independent Expert concludes that the Scheme is not in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) or is not fair and/or not reasonable to, but is in the best interests of, Genex Shareholders (other than Excluded Genex Shareholders); or
- (2) the Takeover Offer, the Independent Expert concludes that the Takeover Offer is not fair and/or not reasonable,

other than where the reason for that opinion or conclusion is due wholly or partly to the existence or announcement of a Competing Proposal or a Superior Proposal; or

(F) where the failure to make the recommendation or intention statement, or the adverse change, withdrawal, adverse modification or adverse qualification of the recommendation or intention statement is because of (and only to the extent of) a requirement of a court of competent jurisdiction, ASIC or the Takeovers Panel that the relevant Genex IBC Member abstains from making the applicable recommendation or voting intention; or

(G) in circumstances where Genex is entitled to terminate the Transaction Implementation Deed for a material breach of the Transaction Implementation Deed by J-POWER (described in Sections 11.11(e)(i)(B) and 11.11(e)(iii)(A));

(ii) **Competing Proposal announced and subsequently completed:** if a Competing Proposal is publicly announced before the end of the Exclusivity Period and, within 12 months of that occurring, the person that made the Competing Proposal (either alone or together with one or more of its Associates):

(A) acquires a Relevant Interest in more than 20% of the aggregate number of Genex Shares on issue, other than where such acquisition:

- (1) has occurred solely as a result of a substantial shareholder of Genex acquiring the Relevant Interest in Genex Shares in reliance on section 611, item 9 of the Corporations Act (that is, the 'creep' provisions in the Corporations Act that, in summary, allow a person to acquire an additional 3% of Voting Power in a company every 6 months from a starting point of Voting Power in the company of at least 19%) without: (I) an issue of new Genex Shares to that person (and/or its Associates) under the Competing Proposal; or (II) the Genex IBC supporting, recommending or endorsing, or Genex assisting, that person (and/or its Associates) in respect of the Competing Proposal; or
- (2) has occurred as a result of the transaction the subject of the Competing Proposal being a takeover bid under Chapter 6 of the Corporations Act provided that (I) such takeover bid is not declared, or otherwise does not become, unconditional during that 12-month period; and (II) the Competing Bidder (and/or its Associates) has (or have) not, and the Competing Proposal has not, been supported, recommended or endorsed by the Genex IBC or Genex;

(B) acquires an interest in, or Controls, all or more than 20% of the business conducted by, or assets of, the Genex Group (taken as a whole);

(C) acquires Control of Genex;

(D) merges or is stapled with Genex; or

(E) otherwise unconditionally acquires a Relevant Interest in, or becomes the holder of, or otherwise acquires, more than 50% of Genex Shares; or

(iii) **material breach:** J-POWER terminates the Transaction Implementation Deed due to:

(A) a breach by Genex of a Target Representation and Warranty that is, alone or together with any other such breaches that have occurred, material in the context of the Scheme or Takeover Offer (in each case, taken as a whole) and is not remedied within 10 Business Days of notification of the breach by J-POWER;

(B) a Target Regulated Event occurring that is, alone or together with any other Target Regulated Events that have occurred, material in the context of the Scheme or Takeover Offer (in each case, taken as a whole) and is not remedied within 10 Business Days of notification of the breach by J-POWER; or

11 Additional information continued

11.11 Key terms of Transaction Implementation Deed continued

(C) a material breach by Genex of any other provision of the Transaction Implementation Deed that is, alone or together with any other such breaches that have occurred, material in the context of the Scheme or Takeover Offer (in each case, taken as a whole) and is not remedied within 10 Business Days of notification of the breach by J-POWER.

However, the Break Fee is not payable if:

- (iv) the Scheme becomes Effective or if J-POWER Nominee becomes the holder of a Relevant Interest of at least 50.1% of the Genex Shares and the Takeover Offer has been declared or otherwise becomes unconditional;
- (v) at the time the Break Fee becomes payable, Genex is entitled to terminate, and has given notice to J-POWER terminating, the Transaction Implementation Deed in certain circumstances; or
- (vi) at the time the Break Fee becomes payable, either party has terminated the Transaction Implementation Deed as a result of a breach or non-fulfilment by the End Date of the FIRB Scheme Condition (or the FIRB Scheme Condition becoming incapable of being satisfied or fulfilled).

The Break Fee is set out in clause 11 of the Transaction Implementation Deed.

(d) Reverse Break Fee payable by J-POWER

J-POWER has agreed to pay Genex a break fee of \$3,515,014 (excluding GST, if any) (**Reverse Break Fee**) in the circumstances set out below:

- (i) **material breach:** Genex terminates the Transaction Implementation Deed due to:
 - (A) a breach by J-POWER of a Bidder Representation and Warranty that is, alone or together with any other such breaches that have occurred, material in the context of the Scheme or Takeover Offer (in each case, taken as a whole) and is not remedied within 10 Business Days of notification of the breach by Genex; or
 - (B) a material breach by J-POWER of any other provision of the Transaction Implementation Deed that is, alone or together with any other such breaches that have occurred, material in the context of the Scheme or Takeover Offer (in each case, taken as a whole) and is not remedied within 10 Business Days of notification of the breach by Genex; or
- (ii) **failure to pay consideration:** either:
 - (A) the Scheme becomes Effective, but J-POWER Nominee does not pay the Scheme Consideration in accordance with its obligations under the Transaction Implementation Deed, the Scheme and the Scheme Deed Poll; or
 - (B) the Takeover Offer has been declared or has otherwise become unconditional and J-POWER Nominee does not provide the Takeover Consideration to Genex Shareholders that have accepted the Takeover Offer in accordance with the terms of the Takeover Offer (set out in Section 6 (**Overview and terms of the Takeover Offer**)).

The Reverse Break Fee is set out in clause 12 of the Transaction Implementation Deed.

(e) Termination rights

The termination rights of Genex and J-POWER are set out in clause 15 of the Transaction Implementation Deed and are summarised below:

- (i) either Genex or J-POWER may terminate the Transaction Implementation Deed if:
 - (A) a Scheme Condition of which it has the benefit (as stated in the Transaction Implementation Deed) has not been satisfied or, if applicable, waived by the earlier of the End Date and the date specified in the Transaction Implementation Deed for satisfaction of that Scheme Condition, or the Scheme has not become Effective by the End Date, and Genex and J-POWER are, in certain circumstances, unable to agree on a course of action (after complying with their respective obligations in this respect under the Transaction Implementation Deed);

- (B) if the other party materially breaches the Transaction Implementation Deed (other than a breach of a Target Representation and Warranty or Bidder Representation and Warranty, or a breach in respect of a Target Regulated Event (which are dealt with separately)) where that breach is, alone or together with any other such breaches that have occurred, material in the context of the Scheme or Takeover Offer (in each case, taken as a whole) and is not remedied within 10 Business Days of notification of the breach by the other party (except where the Court Approval Scheme Condition has been satisfied or fulfilled or where the Scheme has become Effective); or
- (C) if there is a breach or non-fulfilment of the Genex Shareholder Approval Scheme Condition or the Court Approval Scheme Condition, or either of those Scheme Conditions becomes incapable of being fulfilled before the End Date (and no party entitled to require consultation between the parties to consult on a course of action) and either J-POWER Nominee withdraws the Takeover Offer (or publicly states an intention to do so) or the Takeover Offer lapses, or by the end of the Takeover Offer Period (where extended to a date later than the End Date) or, in any other circumstance, by the earlier of the End Date and the End of Takeover Offer Period, J-POWER Nominee has not acquired a Relevant Interest in 50.1% or more of the Genex Shares and the Takeover Offer has not been declared or has not otherwise become unconditional;
- (ii) J-POWER may, at any time before the later to occur of the Delivery Time and the close of the Takeover Offer Period, terminate the Transaction Implementation Deed if:
- (A) Genex breaches a Target Representation and Warranty that is, alone or together with any other such breaches that have occurred, material in the context of the Scheme or Takeover Offer (in each case, taken as a whole) and is not remedied within 10 Business Days of notification of the breach by J-POWER (except where the Court Approval Scheme Condition has been satisfied or fulfilled or where the Scheme has become Effective); or
- (B) a Target Regulated Event occurs that is, alone or together with any other Target Regulated Events that have occurred, material in the context of the Scheme or Takeover Offer (in each case, taken as a whole) and is not remedied within 10 Business Days of notification of the breach by J-POWER (except where the Court Approval Scheme Condition has been satisfied or fulfilled or where the Scheme has become Effective); or
- (C) any Genex IBC Member:
- (1) fails to recommend that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme and accept the Takeover Offer, or fails to make an intention statement that they will vote all Genex Shares held or controlled by them in favour of the Scheme Resolution and accept the Takeover Offer;
 - (2) publicly withdraws or adversely changes, adversely modifies or adversely qualifies, or otherwise makes a public statement that is inconsistent with, their recommendation or their intention statement (as described above) in respect of the Scheme or Takeover Offer;
 - (3) makes a public statement supporting, endorsing or recommending a Competing Proposal or to the effect that they no longer support the Scheme or the Takeover Offer (or to the effect that they may do so at a future point); or
 - (4) votes any Genex Shares held by or on behalf of, or Controlled, by that Genex IBC Member or any Genex Shares in which they otherwise have a Relevant Interest and the power to exercise, or control the exercise of, the voting rights attached to such Genex Shares, in favour of a Competing Proposal or otherwise publicly states an intention to accept or vote in favour of a Competing Proposal in respect of such Genex Shares,
- in each case other than:
- (5) a statement made by Genex, the Genex IBC or any Genex IBC Member to the effect that no action should be taken by Genex Shareholders pending the assessment of a Competing Proposal by the Genex IBC or a statement otherwise permitted in the circumstances described at Section 11.11(b) (vii) above; or
 - (6) where the failure to make the recommendation or intention statement, or the adverse change, withdrawal, adverse modification or adverse qualification of the recommendation or intention statement is because of (and only to the extent of) a requirement of a court of competent jurisdiction, ASIC or the Takeovers Panel that the relevant Genex IBC Member abstains from making the applicable recommendation or voting intention;

11 Additional information continued

11.11 Key terms of Transaction Implementation Deed continued

(iii) Genex may, at any time before the later to occur of the Delivery Time and the close of the Takeover Offer Period, terminate the Transaction Implementation Deed if:

(A) J-POWER breaches a Bidder Representation and Warranty that is, alone or together with any other such breaches that have occurred, material in the context of the Scheme or Takeover Offer (in each case, taken as a whole) and is not remedied within 10 Business Days of notification of the breach by Genex (except where the Court Approval Scheme Condition has been satisfied or fulfilled or where the Scheme has become Effective); or

(B) the Genex IBC or a majority of the Genex IBC Members:

- (1) fails to recommend that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme and accept the Takeover Offer, or fails to make an intention statement that they will vote all Genex Shares held or controlled by them in favour of the Scheme Resolution and accept the Takeover Offer;
- (2) publicly withdraws or adversely changes, adversely modifies or adversely qualifies, or otherwise makes a public statement that is inconsistent with, their recommendation or their intention statement (as described above) in respect of the Scheme or Takeover Offer;
- (3) makes a public statement supporting, endorsing or recommending a Competing Proposal or to the effect that they no longer support the Scheme,

in each case following either:

- (4) receipt by Genex of a Competing Proposal (other than as a result of Genex's 'no shop', 'no talk' and 'no due diligence' obligations) and the Genex IBC having determined in accordance with the process described in Section 11.11(b)(vi) or Section 11.11(b)(vii) that the Competing Proposal is a Superior Proposal; or
- (5) the Independent Expert concluding that the Scheme is not in the best interests of Genex Shareholders (other than Excluded Genex Shareholders) or is not fair and/or not reasonable to, but is in the best interests of, Genex Shareholders (other than Excluded Genex Shareholders) or the Takeover Offer is not fair and/or not reasonable,

and subject to the Court Approval Scheme Condition not having been satisfied or fulfilled and the Scheme not being Effective, and (if applicable) to Genex having paid the Break Fee if J-POWER has made a valid written demand for payment of the Break Fee.

11.12 Status of Scheme Conditions and Takeover Conditions

The Transaction is subject to a number of conditions precedent set out in Section 5.3 (in the case of the Scheme Conditions) and Section 6.8 (in the case of the Takeover Conditions).

In the case of the Takeover Conditions, the date for giving the notice on the status of the Takeover Conditions required by section 630(1) of the Corporations Act is Tuesday, 6 August 2024 (subject to extension in accordance with section 630(2) of the Corporations Act if the Takeover Offer Period is extended).

As at the date of this Transaction Booklet, none of the Genex IBC Members is aware of any events or circumstances which would cause any Scheme Condition or Takeover Condition not to be satisfied.

The Scheme will not proceed unless all of the Scheme Conditions are satisfied or waived (as applicable) in accordance with the Transaction Implementation Deed and the Scheme.

The Takeover Offer will not proceed if the Scheme becomes Effective and unless all of the other Takeover Conditions are satisfied or waived (as applicable) in accordance with the Transaction Implementation Deed and the terms of the Takeover Offer. If, at the end of the Takeover Offer Period (or, in the case of the No Genex Prescribed Occurrences Takeover Condition, at the end of the third business day (as defined in the Corporations Act) after the end of the Takeover Offer Period), the Takeover Conditions have not been fulfilled and J-POWER Nominee has not declared the Takeover Offer (or it has not become) free from those Takeover Conditions, all contracts resulting from the acceptance of the Takeover Offer will be automatically void.

A summary of the status of each Scheme Condition and Takeover Condition the satisfaction of which depends upon the performance of an action by a Third Party (other than the Genex Shareholder Approval Scheme Condition, the Court Approval Scheme Condition, the Scheme Fails Takeover Condition and the 50.1% Minimum Acceptance Condition) as at the date of this Transaction Booklet is as follows:

(a) FIRB Scheme Condition and FIRB Takeover Condition

J-POWER Nominee is a “foreign person” for the purposes of the FATA. Accordingly, the Scheme and Takeover Offer and any contract formed on acceptance of the Takeover Offer are conditional on J-POWER Nominee having received written notice by or on behalf of the Treasurer advising that the Commonwealth Government has no objections to the Transaction (or the Treasurer ceases to become entitled to make an order prohibiting the implementation of the Transaction under FATA) – this is commonly known as “FIRB approval”. FIRB approval will not be given for the Transaction if the Treasurer, acting on advice from FIRB, considers that the result of the Transaction will be contrary to Australia’s national interest.

J-POWER submitted a notification of the Transaction to FIRB under the FATA on 8 March 2024 and has provided FIRB with a detailed submission relating to the Transaction. As at the date of this Transaction Booklet, the Treasurer has not yet provided notice that the Commonwealth Government has no objection to the Transaction under FATA, and the FIRB Scheme Condition and the FIRB Takeover Condition remain unsatisfied.

As at the date of this Transaction Booklet, neither J-POWER nor J-POWER Nominee is aware of any reason why FIRB approval for the Transaction will not be obtained.

(b) Identified Contracts Scheme Condition and Identified Contracts Takeover Condition

The Scheme and the Takeover Offer are conditional upon each relevant counterparty to an Identified Contract having provided (as applicable in respect of the relevant Identified Contract) its written consent, waiver, approval or other relevant confirmation in respect of the Genex Change of Control, or written confirmation that it will not exercise, or a written waiver of the right to exercise, a right to terminate the relevant Identified Contract as a result of the Genex Change of Control, and such consent, waiver, approval or confirmation is not withdrawn, cancelled, revoked or adversely modified (see Section 5.3(k) for a summary of the Identified Contracts Scheme Condition and Section 6.8(i) for the Identified Contracts Takeover Condition).

Genex has sought (or, in the case of the Solar Facility Agreement (which, as disclosed in Section 7.7(b) is currently in the process of being refinanced), will seek as part of that refinancing process) the relevant consents, waivers, approvals and/or confirmations from the counterparties to the Identified Contracts. As at the date of this Transaction Booklet, the requested consents, waivers, approvals and/or confirmations (as applicable) have:

- (i) been received from the counterparty to the K3W Power Purchase Agreement described in paragraph (b) of the definition of ‘K3W Power Purchase Agreements’ in the Glossary; and
- (ii) not yet been received by Genex in respect of any other Identified Contract.

As at the date of this Transaction Booklet, none of the Genex IBC Members are aware of any reason why the relevant consents, waivers, approvals or confirmations that it has sought from the counterparties to the Identified Contracts will not be obtained.

(c) Scheme Condition and Takeover Condition relating to Genex Options and Genex Option Cancellation Deeds

As stated in Section 11.4(a), Genex has entered into a Genex Option Cancellation Deed with each Genex Optionholder and ASX has granted a waiver from the requirements of ASX Listing Rule 6.23.2 to enable Genex to cancel the 14,500,000 Genex Options on issue under the Genex Option Cancellation Deeds for the Genex Option Cancellation Consideration (as further described in Section 11.4(a)).

Subject to:

- (i) Genex not doing anything that is expressed under the terms of any of the Genex Option Cancellation Deeds to require J-POWER’s prior written consent without that prior written consent;
- (ii) ASX not adversely amending in any material respect, withdrawing or revoking the waiver from the requirements of ASX Listing Rule 6.23.2 described above;

11 Additional information continued

11.12 Status of Scheme Conditions and Takeover Conditions continued

- (iii) no Genex Group Member issuing or transferring any Genex Shares or other securities (as that expression is defined in section 92 of the Corporations Act) to any person as a result of the vesting, exercise, conversion or cancellation of any Genex Option; and
- (iv) other than in the excepted circumstances set out in the relevant Scheme Condition or Takeover Condition (as the case may be), no Genex Group Member becoming obligated to issue any Genex Share or any such securities on or as a result or in satisfaction of the vesting, exercise, conversion, lapsing, extinguishment or cancellation of any Genex Option,

before the Delivery Time or the end of the Takeover Offer Period (as applicable), the Scheme Condition summarised at Section 5.3(j) and the Takeover Condition at Section 6.8(c) (which relate to Genex Options and Genex Option Cancellation Deeds) will be satisfied.

(d) Scheme Condition and Takeover Condition relating to Genex Performance Rights and Genex Performance Right Deeds

As stated in Section 11.4(b), Genex has entered into a Genex Performance Right Deed with each Genex Performance Right Holder and ASX has granted a waiver from the requirements of ASX Listing Rule 6.23.2 to enable Genex to cancel the 4,830,296 TSR Genex Performance Rights on issue under the Genex Performance Right Deeds for the Genex Performance Right Cancellation Consideration (as further described in Section 11.4(b)).

Subject to:

- (i) Genex not doing anything that is expressed under the terms of any of the Genex Performance Right Deeds to require J-POWER's prior written consent without that prior written consent;
- (ii) ASX not adversely amending in any material respect, withdrawing or revoking the waiver from the requirements of ASX Listing Rule 6.23.2 described above;
- (iii) no Genex Group Member issuing or transferring any Genex Shares or other securities (as that expression is defined in section 92 of the Corporations Act) to any person as a result of the vesting, exercise, conversion or cancellation of any Genex Performance Right; and
- (iv) other than in the excepted circumstances set out in the relevant Scheme Condition or Takeover Condition (as the case may be), no Genex Group Member becoming obligated to issue any Genex Share or any such securities on or as a result or in satisfaction of the vesting, exercise, conversion, lapsing, extinguishment or cancellation of any Genex Performance Right,

before the Delivery Time or the end of the Takeover Offer Period (as applicable), the Scheme Condition summarised at Section 5.3(i) and the Takeover Condition at Section 6.8(b) (which relate to Genex Performance Rights and Genex Performance Right Deeds) will be satisfied.

In addition, as at the date of this Transaction Booklet, none of the Genex IBC Members are aware of any Genex Prescribed Occurrence or Genex Material Adverse Change having occurred.

11.13 Transaction costs

Each of the persons named in Section 11.16(a) below as performing a function in a professional, advisory or other capacity with the preparation of this Transaction Booklet for Genex will be entitled to receive professional fees for those professional, advisory or other services (as applicable). If the Scheme is implemented or the Takeover Offer becomes unconditional, Genex expects to pay in aggregate approximately \$14.9 million (excluding GST) in transaction costs in connection with the Transaction, which includes:

- (a) fees and expenses for professional services paid or payable to:
 - (i) Goldman Sachs for acting as financial adviser to Genex;
 - (ii) Gilbert + Tobin for acting as legal adviser to Genex;
 - (iii) Deloitte for acting as taxation adviser to Genex;
 - (iv) Grant Thornton for acting as Independent Expert; and
 - (v) Boardroom for acting as the Genex Share Registry; and
- (b) other fees and expenses associated with the Court proceedings, Transaction Booklet design, printing and distribution, convening and holding the Scheme Meeting, shareholder engagement services and other general and administrative expenses relating to the Transaction,

but excludes the premium that Genex expects to pay for the entry into D&O Run-off Policy, any cash payments that may be made to Genex Optionholders and Genex Performance Right Holders as a result of the cancellation of their Genex Options or Genex Performance Rights, as applicable (as described in Sections 11.4(a) above and 11.4(b)), the Special Exertion Fees and the Genex Chairman Special Exertion Payment.

J-POWER and Genex have entered into an agreement under which J-POWER has irrevocably (subject to termination in the circumstances set out below) undertaken to pay or reimburse (or procure that one or more other J-POWER Group Members pays or reimburses) Genex's transaction costs in connection with the Transaction (up to a maximum of \$14.66 million (plus GST)), subject to either:

- the Scheme becoming Effective; or
- the Takeover Offer being declared, or otherwise becoming, unconditional (and the applicable transaction costs becoming due and payable),

(Transaction Cost Undertaking)

If the Scheme becomes Effective, J-POWER may (in its sole discretion) determine that part or all of the amount paid or reimbursed by J-POWER (or any other J-POWER Group Member) under the Transaction Cost Undertaking will take the form of a subscription for Genex Shares, provided that the issue of the relevant Genex Shares occurs after the Scheme Implementation Date.

J-POWER's obligations and undertakings under the Transaction Cost Undertaking terminate and immediately cease to apply on the first to occur of:

- the termination of the Transaction Implementation Deed by Genex in accordance with its terms, or by J-POWER under clause 15.1(b), clause 15.2(a) or clause 15.3(b) of the Transaction Implementation Deed; and
- 1 December 2024, if as at that date the Scheme has not become Effective and the Takeover Offer has not been declared, and has not otherwise become, unconditional.

If the Scheme is not implemented and the Takeover Offer does not become unconditional, Genex expects to pay in aggregate approximately \$2.3 million (excluding GST) in transaction costs in connection with the Transaction, being costs that have already been incurred as at the date of this Transaction Booklet or are expected to be incurred even if the Transaction is not implemented (but excluding any Break Fee that may be payable by Genex – see Section 11.11(c) for information on the circumstances in which a Break Fee may be payable by Genex).

11 Additional information continued

11.14 Institutional Acceptance Facility

(a) Overview

J-POWER Nominee has established an institutional acceptance facility open to investors that hold or beneficially own at least 925,926 Genex Shares (**Eligible Institutional Genex Shareholders**) (approximately \$250,000 worth based on the Takeover Consideration) in order to facilitate receipt of acceptances of the Takeover Offer (**Institutional Acceptance Facility**). Genex Shareholders who are not Eligible Institutional Genex Shareholders cannot participate in the Institutional Acceptance Facility.

The Institutional Acceptance Facility has been established to enable Eligible Institutional Genex Shareholders to indicate their intention to accept the Takeover Offer, on the basis that some Eligible Institutional Genex Shareholders may be unwilling or unable to accept the Takeover Offer (for example, by reason of their investment mandates) until the Takeover Offer is declared or otherwise becomes unconditional.

The Institutional Acceptance Facility is operated by Computershare Clearing Pty Limited (ACN 063 826 228) (**IAF Agent**). The Institutional Acceptance Facility will be operated by the IAF Agent in accordance with the Institutional Acceptance Facility terms of appointment (**IAF Terms of Appointment**).

To ensure that J-POWER Nominee is able to fulfil or waive the 50.1% Minimum Acceptance Takeover Condition, and so put itself in a position to (if the Scheme Fails Takeover Condition is fulfilled) potentially declare the Takeover Offer unconditional and therefore pay to accepting Genex Shareholders the Takeover Consideration, J-POWER Nominee strongly encourages Genex Shareholders to accept the Takeover Offer or, if they are Eligible Institutional Genex Shareholders, to provide IAF Acceptance Instructions (as described in Section 11.14(b)) in relation to the Institutional Acceptance Facility to the IAF Agent as soon as possible.²³

(b) Operation of the Institutional Acceptance Facility

The Institutional Acceptance Facility will operate as follows:

- (i) Eligible Institutional Genex Shareholders may demonstrate their intention to accept the Takeover Offer, and participate in the Institutional Acceptance Facility, by providing to the IAF Agent a duly completed appointment of IAF Agent form (**IAF Agent Appointment Form**), together with:
 - (A) if the Eligible Institutional Genex Shareholder is the registered holder of its Genex Shares, a duly completed Takeover Acceptance Form; or
 - (B) if the Eligible Institutional Genex Shareholder's Genex Shares are held by a custodian (such as a nominee) (**Custodian**), a duly completed and executed direction to its Custodian to accept the Takeover Offer in respect of its Genex Shares (**Custodian Direction**),
 (collectively, the **IAF Acceptance Instructions**).
- (ii) The IAF Agent will hold the completed Takeover Acceptance Form and/or Custodian Direction in accordance with the terms set out in the IAF Agent Appointment Form.
- (iii) J-POWER Nominee may deliver a written notice to the IAF Agent confirming that:
 - (A) the Genex Shares in which J-POWER Nominee and its associates have a Relevant Interest, together with the Genex Shares that are then the subject of the Institutional Acceptance Facility, are at least 40% of the Genex Shares on issue; and
 - (B) no later than the time that all acceptances in relation to the Institutional Acceptance Facility are processed, J-POWER Nominee has declared the Takeover Offer unconditional, or stated that it will declare the Takeover Offer unconditional,
 (**Confirmation Notice**).

²³ See Section 6.9(d)(ii) regarding the circumstances in which J-POWER Nominee may waive the 50.1% Minimum Acceptance Takeover Condition.

- (iv) J-POWER Nominee will only deliver a Confirmation Notice to the IAF Agent in circumstances where:
- (A) the Scheme Fails Takeover Condition has been fulfilled, J-POWER Nominee has waived the Scheme Fails Takeover Condition in accordance with Section 6.9(d)(i), or J-POWER Nominee is entitled to waive the Scheme Fails Takeover Condition in accordance with Section 6.9(d)(i); and
 - (B) the 50.1% Minimum Acceptance Takeover Condition has been fulfilled, J-POWER has waived the 50.1% Minimum Acceptance Takeover Condition in accordance with Section 6.9(d)(ii), or J-POWER is entitled to waive the 50.1% Minimum Acceptance Takeover Condition in accordance with Section 6.9(d)(ii).
- (v) Upon the IAF Agent receiving the Confirmation Notice from J-POWER Nominee, the IAF Agent will, as soon as is reasonably practicable, deliver (as appropriate):
- (A) the Takeover Acceptance Form to Boardroom (in the case of Genex Shares registered on Genex's issuer sponsored sub-register) or to the relevant Controlling Participant (in the case of Genex Shares registered in a CHESS holding); or
 - (B) the Custodian Direction to the relevant Custodian(s).
- (vi) Eligible Institutional Genex Shareholders who participate in the Institutional Acceptance Facility will retain all rights and control over their Genex Shares the subject of the Institutional Acceptance Facility (until and unless J-POWER Nominee delivers the Confirmation Notice to the IAF Agent in accordance with Sections 11.14(b)(iii) and 11.14(b)(iv)) and, in particular, may withdraw their IAF Acceptance Instruction by submitting a withdrawal notice to the IAF Agent in writing (including by email) (**IAF Withdrawal Notice**). The IAF Agent must return an Eligible Institutional Genex Shareholder's IAF Acceptance Instructions to that Eligible Institutional Genex Shareholder promptly upon:
- (A) receipt of a written request (by email) from that Eligible Institutional Genex Shareholder at any time prior to the IAF Agent receiving the Confirmation Notice from J-POWER Nominee; or
 - (B) J-POWER Nominee terminating its arrangements with the IAF Agent in respect of the Institutional Acceptance Facility.

For the avoidance of doubt, if an Eligible Institutional Genex Shareholder decides to participate in the Institutional Acceptance Facility (and comply with the steps contemplated in Section 11.14(b)(i)) after the time at which J-POWER Nominee has delivered the Confirmation Notice to the IAF Agent, the Eligible Institutional Genex Shareholder will have no right to withdraw its IAF Acceptance Instruction.

The IAF Agent will receive fees from J-POWER Nominee for acting as facility agent in respect of, and operating, the Institutional Acceptance Facility, and will not charge Genex Shareholders any fees for acting as facility agent.

(c) Disclosure

The IAF Agent will on a regular basis notify J-POWER Nominee of the number of Genex Shares in respect of which IAF Acceptance Instructions have been received on each Trading Day during the Takeover Offer Period.

Following receipt of this information from the IAF Agent, J-POWER Nominee will disclose this information to the ASX and Genex Shareholders by 9:30am on the next Trading Day following a movement of at least 1% in the aggregate level of:

- (i) J-POWER Nominee's Voting Power; and
- (ii) the Genex Shares the subject of IAF Acceptance Instructions under the Institutional Acceptance Facility, and a breakdown between those two categories.

11 Additional information continued

11.14 Institutional Acceptance Facility continued

(d) Participating in the Institutional Acceptance Facility

A copy of the IAF Agent Appointment Form, IAF Terms of Appointment, Custodian Directions and IAF Withdrawal Notice will be provided to Eligible Institutional Genex Shareholders upon request. Any Eligible Institutional Genex Shareholder may request a copy of any of these documents from the IAF Agent by email at acceptance.facility@computershare.com.au.

If an Eligible Institutional Genex Shareholder wishes to participate in the Institutional Acceptance Facility, it should provide to the IAF Agent:

- (i) a completed and executed IAF Agent Appointment Form; and
- (ii) a completed and executed:
 - (A) Takeover Acceptance Form; or
 - (B) in respect of Genex Shares held by a custodian, Custodian Directions (one copy for J-POWER Nominee and one copy for the Custodian).

Eligible Institutional Genex Shareholders can provide their IAF Agent Appointment Form, together with their Takeover Acceptance Form or Custodian Direction, to the IAF Agent by post or email. If these forms are provided to the IAF Agent by email, please also courier the IAF Acceptance Facility Agent immediately upon sending the email. The IAF Agent reserves the right to act on documents emailed to it.

11.15 Regulatory relief, confirmations and waivers

(a) ASX waiver

Genex has applied for, and ASX has granted, a waiver from the requirements of ASX Listing Rule 6.23.2 to enable Genex to:

- (i) cancel the 14,500,000 Genex Options on issue as at the date of this Transaction Booklet for the Genex Option Cancellation Consideration; and
- (ii) cancel the 4,830,296 TSR Genex Performance Rights on issue at the date of this Transaction Booklet for the Genex Performance Rights Cancellation Consideration,

subject to:

- (iii) in the case of the cancellation of Genex Options and Genex Performance Rights in connection with the Scheme:
 - (A) the Scheme being approved by Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting and by the Court; and
 - (B) the Scheme becoming Effective; or
- (iv) in the case of the cancellation of Genex Options and Genex Performance Rights in connection with the Takeover Offer:
 - (A) the Scheme not becoming Effective;
 - (B) the Takeover Offer being declared, or otherwise becoming, unconditional; and
 - (C) J-POWER acquiring Voting Power in Genex of at least 50.1%,

in each case in accordance with the Genex Option Cancellation Deeds, as described in Section 11.4(a) above, or the Genex Performance Right Deeds described in Section 11.4(b) above (as the case may be) without Genex Shareholder approval.

In addition, the ASX has confirmed to Genex that Genex does not require with a waiver of the requirements of ASX Listing Rule 6.23 from the ASX to give effect to the amendments to the terms of issue of the Project Genex Performance Rights described in Section 11.4(b).

(b) ASIC relief**(i) Knowledge of J-POWER's representative and nominee to the Genex Board**

Section 638(1) of the Corporations Act requires the Target's Statement (which is included in this Transaction Booklet) to include all of the information that Genex Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Takeover Offer. Under sub-section 638(1A) the Target's Statement must only contain that information to the extent that it is reasonable for investors and their professional advisers to expect to find the information in the Target's Statement and only if the information is known to any of the Genex Directors.

Similarly, sub-regulation 5.1.01(1)(b) of the Corporations Regulations (together with sub-paragraph 8302(i) of Part 3 of Schedule 8 of the Corporations Regulations) requires the Scheme Booklet (which is included in this Transaction Booklet) to include (in addition to other information prescribed by the Corporations Regulations) any other information material to the making of a decision in relation to the Scheme, being information that is within the knowledge of, amongst others, Genex Directors, that has not previously been disclosed to Genex Shareholders, unless ASIC otherwise allows.

As described in this Transaction Booklet (including in Section 11.7(d)), on the basis that Mr Kenichi Seshimo is J-POWER's representative and nominee to the Genex Board (and, therefore, the Genex IBC does not consider Mr Seshimo to be an independent Genex Director for the purposes of the Transaction), Mr Seshimo:

- (A) has recused himself from (and has not participated in any) Genex Board meetings or other discussions relating to the Transaction (or the Genex Board's consideration of it or the Initial Indicative Proposal or the subsequent Indicative Proposal); and
- (B) abstains from giving a recommendation to Genex Shareholders in respect of the Transaction.

ASIC has granted Genex relief from the requirements of paragraph 8302(i) of Part 3 of Schedule 8 of the Corporations Regulations (in respect of the Scheme Booklet) and an exemption from the requirements of section 638 of the Corporations Act (in respect of the Target's Statement) so that the Scheme Booklet and the Target's Statement (as the case may be) do not need to contain the information required by those provisions to the extent that it is known only to Mr Kenichi Seshimo. ASIC granted this relief and exemption on the basis that Mr Seshimo is J-POWER's representative and nominee to the Genex Board and an employee of a J-POWER Group Member and Mr Seshimo has not at any time been involved in making decisions by or on behalf of Genex in relation to, or the consideration of Genex's response to, the Transaction.

(ii) Payments and benefits to Relevant Persons

Paragraph 8302(d) of Part 3 of Schedule 8 of the Corporations Regulations requires this Transaction Booklet to set out particulars of any payment or benefit proposed to be made or given to any director, secretary or executive officer of Genex or a Related Body Corporate (each, a **Relevant Person**) as compensation for loss of office in Genex or a Related Body Corporate or as compensation for or in connection with his or her retirement from office in Genex or a Related Body Corporate.

ASIC has granted Genex relief from this requirement such that Genex is not required to set out in this Transaction Booklet the particulars of any payments or benefits which may be made or given to a Relevant Person in relation to their loss of office, or retirement from office, unless:

- (A) the Relevant Person will lose office or retire from office as a consequence of, or in connection with, the Scheme; or
- (B) the amount of any payment or benefit which may be made to the Relevant Person upon their loss of office or retirement from office may be materially affected by the Scheme.

In accordance with ASIC's relief, Genex may also describe the particulars of any such payments or benefits to Relevant Persons on an aggregated (rather than individual) basis and, unless the Relevant Person is a Genex Director, Genex is not required to disclose the identity of any Relevant Person who will lose office or retire from office in connection with the Scheme.

11 Additional information continued

(iii) Disclosure of material changes to the financial position of Genex

Paragraph 8302(h) of Part 3 of Schedule 8 of the Corporations Regulations requires this Transaction Booklet to set out whether, within the knowledge of the Genex Directors, the financial position of Genex has materially changed since the date of the last balance sheet laid before Genex Shareholders in accordance with sections 314 or 317 of the Corporations Act, being 30 June 2023. ASIC has granted Genex relief from this requirement so that this Transaction Booklet only needs to set out whether, within the knowledge of the Genex Directors, the material changes to Genex's financial position occurring after 31 December 2023 (being the last date of the period to which the H1 FY24 Financial Statements (being the latest financial statements that Genex has released to the ASX) relate), subject to Genex disclosing to the ASX any material changes to its financial position within the knowledge of the Genex Directors that occur after the date of this Transaction Booklet and before the Scheme being approved by the Court.

(iv) Time for despatch of Bidder's Statement

Section 631 of the Corporations Act requires a takeover offer to open within two months of the public proposal of the takeover bid. As the Transaction Booklet contains the Bidder's Statement for the Takeover Offer (which contains the offers made to Genex Shareholders under the Takeover Offer), as Genex announced to the ASX on 21 May 2024, ASIC has granted J-POWER relief from this requirement so that the Transaction Booklet can be despatched, and the Takeover Offer can open, within two months and 21 days of the Takeover Offer being announced (which occurred when Genex announced to the ASX that Genex and J-POWER had entered into the Transaction Implementation Deed (on 12 April 2024)).

(c) ASIC modifications

ASIC has published various instruments providing for modifications and exemptions that generally apply to all persons, including J-POWER Nominee, in relation to the operation of Chapter 6 of the Corporations Act.

Amongst others, J-POWER Nominee has relied on the modification to section 636(3) of the Corporations Act set out in paragraph 6(e) of ASIC Corporations (Takeover Bids) Instrument 2023/683, and Genex has relied on the modification to section 638(5) of the Corporations Act set out in paragraph 638(5) of ASIC Corporations (Takeover Bids) Instrument 2023/683, in each case to include references to certain statements which are made or based on statements made in documents lodged with ASIC or ASX. Pursuant to ASIC Corporations (Takeover Bids) Instrument 2023/683, the consent of the relevant person is not required for the inclusion of such statements in this Transaction Booklet. As required by ASIC Corporations (Takeover Bids) Instrument 2023/683, J-POWER Nominee or Genex (as the case may be) will make available (within two Business Days of request) a copy of these documents (or of relevant extracts from these documents), free of charge, to you and other Genex Shareholders who request it during the Takeover Offer Period. To obtain a copy of these documents (or the relevant extracts), you may telephone the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time).

11.16 Consents provided in relation to information in this Transaction Booklet

- (a) The following parties have given, and have not withdrawn before the date of this Transaction Booklet, their written consent to be named in this Transaction Booklet in the form and context in which they are named:
- (i) Goldman Sachs as financial adviser to Genex;
 - (ii) Macquarie as financial adviser to J-POWER and J-POWER Nominee;
 - (iii) Gilbert + Tobin as legal adviser to Genex;
 - (iv) MinterEllison as legal adviser to J-POWER and J-POWER Nominee;
 - (v) Deloitte as the preparer of Section 10 (Tax implications) of this Transaction Booklet;
 - (vi) Grant Thornton as the Independent Expert;
 - (vii) Boardroom as the manager of the Genex Share Registry and as the J-POWER Share Registry; and
 - (viii) Computershare Clearing Pty Limited (ACN 063 826 228) as the operator of the Institutional Acceptance Facility.

The Independent Expert has also given, and has not withdrawn before the date of this Transaction Booklet, its written consent to inclusion of the Independent Expert's Report in this Transaction Booklet in the form and context in which it is included and to all references to the Independent Expert's Report in this Transaction Booklet in the form and context in which they appear.

Each of J-POWER and J-POWER Nominee has given and has not withdrawn its consent to be named in this Transaction Booklet, and has given and has not withdrawn its consent to the inclusion of the J-POWER Information in this Transaction Booklet, in the form and context in which that information is included.

(b) No person named in Section 11.16(a) above:

(i) has authorised or caused the issue of this Transaction Booklet;

(ii) makes, or purports to make, any statement in this Transaction Booklet or any statement on which a statement in this Transaction Booklet is based, other than:

(A) J-POWER and J-POWER Nominee in respect of the J-POWER Information (on the basis stated in the '*Responsibility for information*' subsection of the '*Important notices*' section at the beginning of the Transaction Booklet);

(B) Deloitte in respect of Section 10 (**Tax implications**) of this Transaction Booklet (on the basis stated in the '*Responsibility for information*' subsection of the '*Important notices*' section at the beginning of the Transaction Booklet);

(C) Grant Thornton in respect of the Independent Expert's Report (on the basis stated in the '*Responsibility for information*' subsection of the '*Important notices*' section at the beginning of the Transaction Booklet); and

(D) any other statement to the extent that the person has provided its consent to the inclusion of that statement in the Transaction Booklet, as referred to in Section 11.16(a) above.

(c) To the maximum extent permitted by law, each person referred to in Section 11.16(a) above expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Transaction Booklet, other than as described in Section 11.16(b) above.

(d) There are a number of persons referred to elsewhere in this Transaction Booklet who are not experts and who have not made statements included in this Transaction Booklet nor are there any statements made in this Transaction Booklet on the basis of any statements made by those persons. These persons did not consent to being named in the Transaction Booklet and did not authorise or cause the issue of the Transaction Booklet.

This Transaction Booklet includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of ASIC Corporations (Takeover Bids) Instrument 2023/683, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Transaction Booklet. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements (free of charge), during the bid period, please contact the Genex Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia). For legal reasons, calls to this number will be recorded.

As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Transaction Booklet may include or be accompanied by certain statements:

(i) which fairly represent what purports to be a statement by an official person;

(ii) which are a correct and fair copy of, or extract from, what purports to be a public official document; or

(iii) which are a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication.

11 Additional information continued

11.17 Documents available

An electronic version of this Transaction Booklet including the Independent Expert's Report and the Transaction Implementation Deed are available for viewing and downloading online at Genex's dedicated Transaction website at www.genexscheme.com.

11.18 Supplementary information

If Genex becomes aware of any of the following between (and including) the date of lodgement of this Transaction Booklet for registration with ASIC and the Court Approval Date:

- a material statement in this Transaction Booklet is false or misleading;
- a material omission from this Transaction Booklet;
- a significant change affecting a matter in this Transaction Booklet; or
- a significant new matter has arisen and it would have been required to be included in this Transaction Booklet if known about at the date of lodgement with ASIC,

Genex may make available supplementary information to Genex Shareholders. Genex intends to make available any such supplementary information by:

- making an announcement to ASX; and
- providing it on Genex's dedicated Transaction website at www.genexscheme.com,

and, depending on the nature and timing of the information or changed circumstances (as applicable), and subject to Genex obtaining the relevant approvals, Genex may also send such supplementary information to Genex Shareholders.

11.19 Other

(a) Lodgement and registration of Transaction Booklet with ASIC

This Transaction Booklet was lodged and registered with ASIC on 6 June 2024 in accordance with:

- (i) section 411(2)(b) of the Corporations Act;
- (ii) section 633(1), Item 2 of the Corporations Act; and
- (iii) section 633(1), Item 13 of the Corporations Act.

(b) Other material information

Except as set out in this Transaction Booklet, including the Independent Expert's Report and the information that is contained in the Attachments to this Transaction Booklet:

- (i) there is no other information that is material to the making of a decision by a Genex Shareholder (other than an Excluded Genex Shareholder) in relation to the Scheme (including whether or not to vote in favour of the Scheme Resolution at the Scheme Meeting), that is known to any Genex IBC Member and which has not previously been disclosed to Genex Shareholders; and
- (ii) there is no other information that Genex Shareholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Takeover Offer, that is reasonable for investors and their professional advisers to expect to find in this Transaction Booklet that is known to any Genex IBC Member and has not been previously disclosed to Genex Shareholders; and
- (iii) there is no information that is material to the making of a decision by a Genex Shareholder whether to accept the Takeover Offer that is known to J-POWER or J-POWER Nominee and has not been previously disclosed to Genex Shareholders.

Approval of Bidder's Statement

An aerial photograph of a solar farm, showing rows of solar panels in a field. The image is overlaid with a semi-transparent green filter. A large, bold, green number '12' is positioned in the bottom right corner of the image.

12

12 Approval of Bidder’s Statement

The J-POWER Information in this Transaction Booklet has been approved by a resolution of the J-POWER Nominee Directors.

This Transaction Booklet (to the extent it comprises the Bidder’s Statement) has been approved by a resolution of the J-POWER Nominee Directors in accordance with section 637(1)(a)(i) of the Corporations Act.

Date: 6 June 2024

Signed for and on behalf of **JPGA Partners Pty Ltd (ACN 643 855 618)**.



Yasuhiro Koide
Director
JPGA Partners Pty Ltd

Approval of Target's Statement



13

13 Approval of Target’s Statement

The Genex Information in this Transaction Booklet has been approved by a resolution of the Genex IBC. All Genex IBC Members voted in favour of that resolution.

This Transaction Booklet (to the extent it comprises the Target’s Statement) has been approved by a resolution of the Genex IBC in accordance with section 639(1)(a) of the Corporations Act. All Genex IBC Members voted in favour of that resolution.

Date: 6 June 2024

Signed for and on behalf of **Genex Power Limited (ACN 152 098 854)**



Dr Ralph Craven
Independent, Non-executive Chairman
Genex Power Limited

Glossary



14

14. Glossary

In this Transaction Booklet unless the context otherwise requires:

\$ means Australian dollars, unless otherwise stated.

50.1% Minimum Acceptance Takeover Condition means the Takeover Condition in Section 6.8(g).

Accounting Standards has the meaning given to that term in the Transaction Implementation Deed.

Adviser means, in relation to an entity, any expert adviser or consultant who provides advisory services in a professional capacity to the market in general and who has been engaged by that entity in connection with the Transaction.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in section 12 of the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market operated by it known as the “Australian Securities Exchange”.

ASX Listing Rules means the official listing rules of ASX from time to time, as modified by any express written waiver or exemption given by ASX.

ASX Settlement means ASX Settlement Pty Ltd (ACN 008 504 532) or the clearing and settlement facility operated it (as the context requires).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

ATO means the Australian Taxation Office.

BCP Management Committee has the meaning given to that term in Section 11.10(e).

BCS ProjectCo means BCS Project Co. Pty Ltd (ACN 665 592 085) (a Genex Group Member) in its capacity as trustee for the BCS Project Trust.

BESS has the meaning given to that term in the Section of this Transaction Booklet entitled ‘*Letter from the Chairman of the Genex IBC*’.

Bidder Representation and Warranty has the meaning given to that term in the Transaction Implementation Deed.

Bidder’s Statement has the meaning given to that term in the ‘*Nature of this Transaction Booklet*’ subsection of the ‘*Important notices*’ section of this Transaction Booklet.

Boardroom means Boardroom Pty Limited (ACN 003 209 836).

Break Fee has the meaning given to that term in Section 11.11(c).

Bulli Creek HoldCo means Bulli Creek Hold Co. Pty Ltd (ACN 639 496 987), a Genex Group Member.

Bulli Creek Joint Development Agreement has the meaning given to that term in Section 11.10(e).

Bulli Creek Solar and Battery Project means the Genex Group's up to 2GW multi-stage solar and battery project in Queensland, Australia.

Business Day means a day that is a Trading Day and is not a Saturday, Sunday or public holiday in New South Wales, Australia or Tokyo, Japan.

CGT means capital gains tax.

CHESS means the Clearing House Electronic Subregister System, which provides for electronic security transfers in Australia.

CHESS Holding means a holding of Genex Shares on the CHESS subregister of Genex (usually a CHESS Holding will be through a Controlling Participant).

Competing Proposal means any offer, expression of interest, proposal (including a non-binding, indicative proposal or offer), transaction, agreement or arrangement that, if entered into or completed in accordance with its terms, would mean a Third Party (either alone or with any Associate(s)):

- (a) would acquire a Relevant Interest in more than 20% of the aggregate number of Genex Shares on issue;
- (b) would directly or indirectly acquire or become the holder of any legal, beneficial or economic interest in, or Control of, all or more than 20% of the business conducted by, or assets of, the Genex Group (taken as a whole);
- (c) would acquire Control of Genex;
- (d) would merge or be stapled with Genex; or
- (e) would cause or require Genex to abandon, or otherwise not, or fail to, proceed with, the Transaction,

whether by way of takeover bid, members' or creditors' scheme of arrangement, capital reduction, buy-back or sale or purchase of assets, sale of securities, strategic alliance, dual listed company structure (or other synthetic merger), joint venture, partnership, any proposal by Genex to implement any reorganisation of capital or debt for equity arrangement, recapitalisation, refinancing or any other transaction or arrangement, and on the basis that each successive material modification or variation of any proposal, offer, arrangement, expression of interest, agreement or transaction in respect of a Competing Proposal will constitute a new Competing Proposal. For the avoidance of doubt, any of the transactions, agreements or arrangements set out in limbs (a) to (e) of this definition of Competing Proposal, if undertaken, offered or proposed, or if the subject of an expression of interest, by Skip Capital or Skip Enterprises Pty Ltd (ACN 108 337 113) as trustee of the Farquhar Trust (together, the **Skip Entities**) or a Related Entity, or any one or more, of the Skip Entities, after 3 March 2024 would constitute a Competing Proposal.

Compulsory Acquisition means the compulsory acquisition process in respect of the Genex Shares held by Genex Shareholders that do not accept the Takeover Offer under Part 6A.1 of the Corporations Act (as described in Section 9.5(d) of this Transaction Booklet).

Confidentiality and Exclusivity Deed means the confidentiality and exclusivity deed between Genex and J-POWER in relation to the Transaction, dated 3 March 2024, as amended from time to time (and referred to in Section 3.1(e) of this Transaction Booklet).

Confirmation Notice has the meaning given to that term in Section 11.14(b)(iii).

Control has the meaning given under section 50AA of the Corporations Act and **Controlled** and **Controller** have corresponding meanings.

14. Glossary continued

Controlled Entity means, in relation to an entity, another entity that is a Subsidiary of it, or that is Controlled (within the meaning of section 50AA of the Corporations Act, but read as though section 50AA(4) were omitted) by it but:

- (a) a trust may be a Subsidiary if that trust would have been a Subsidiary if it were a corporation, for the purposes of which a unit or other beneficial interest will be regarded as a share;
- (b) an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation; and
- (c) each fund or limited partnership managed or advised by J-POWER or a Related Entity of J-POWER is a Controlled Entity of J-POWER.

Controlling Participant, in relation to your Genex Shares, has the same meaning as in the ASX Settlement Operating Rules. Usually, your Controlling Participant is a person, such as a stockbroker, with whom you have a sponsorship agreement (within the meaning of the ASX Settlement Operating Rules).

Corporations Act means the *Corporations Act 2001* (Cth), as amended from time to time, and as modified or varied by any applicable ASIC instrument from time to time.

Corporations Regulations means the *Corporations Regulations 2001* (Cth), as amended from time to time.

Court means the Supreme Court of New South Wales or any other court of competent jurisdiction under the Corporations Act agreed to in writing by Genex and J-POWER.

Court Approval Date means the date on which the Court makes orders approving the Scheme under section 411(4) of the Corporations Act.

Court Approval Scheme Condition means the Scheme Condition described at Section 5.3(b).

Custodian has the meaning given to that term in Section 11.14(b)(i)(B).

Custodian Direction has the meaning given to that term in Section 11.14(b)(i)(B).

D&O Deeds has the meaning given to that term in Section 11.7(e).

D&O Run-off Policy has the meaning given to that term in Section 11.7(e).

Deed of Variation means the document titled “Deed of variation of Transaction Implementation Deed” dated 4 June 2024 between Genex and J-POWER, a copy of which was released to the ASX by Genex on 4 June 2024 and is also available on Genex’s dedicated Transaction website (www.genexscheme.com).

Delivery Time means, in relation to the Second Court Date, two hours before the commencement of the Second Court Hearing (or, if the commencement of the Second Court Hearing is adjourned, two hours before the commencement of the adjourned Second Court Hearing).

Deloitte means Deloitte Tax Services Pty Ltd (ACN 092 223 240).

Disclosure Letter means the letter identified as such provided by Genex to J-POWER on or before the date of the Transaction Implementation Deed (being 12 April 2024) and countersigned by J-POWER.

Disclosure Materials means the information in relation to the Genex Group disclosed in writing by or on behalf of Genex to J-POWER and J-POWER's Representatives prior to the date of the Transaction Implementation Deed (being 12 April 2024) in:

- (a) the Online Data Room as at 11:59pm (Sydney time) on 5 April 2024 (a copy of which was provided by Genex's Representatives to J-POWER's Representatives on a USB drive or other agreed format before the date of the Transaction Implementation Deed (being 12 April 2024));
 - (b) any written responses to questions or requests for further information made by the J-POWER Group and its Representatives, as contained in the Online Data Room as at 11:59pm (Sydney time) on 5 April 2024 (a copy of which was provided by Genex's Representatives to J-POWER's Representatives on a USB drive or other agreed format before the date of the Transaction Implementation Deed (being 12 April 2024));
 - (c) the Disclosure Letter; and
 - (d) the Genex Incentive Securities Disclosure Letter.
-

Effective means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective, which is currently expected to be Monday, 22 July 2024.

Eligible Institutional Genex Shareholders has the meaning given to that term in Section 11.14(a).

Encumbrance means a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set-off or any other security agreement or arrangement in favour of any person, whether registered or unregistered, including any security interest within the meaning given in section 12 of the PPS Act.

End Date means 5:00pm (Sydney time) on 30 November 2024, or such later date as J-POWER and Genex agree in writing.

Excluded Genex Shareholder means any Genex Shareholder that:

- (a) is a J-POWER Group Member; or
- (b) holds any Genex Shares on behalf of, or for the benefit of, any J-POWER Group Member and does not hold Genex Shares on behalf of, or for the benefit of, any other person,

in each case, at the applicable time, and, for the avoidance of doubt, such a Genex Shareholder at the Scheme Record Date will not be a Scheme Shareholder.

14. Glossary continued

Exclusivity Period means the period commencing on 12 April 2024 (being the date of the Transaction Implementation Deed) and ending at the earliest to occur of:

- (a) the valid termination of the Transaction Implementation Deed under clause 15 of the Transaction Implementation Deed;
- (b) the Effective Date;
- (c) the first date on which both:
 - (i) the Takeover Offer has been declared or otherwise becomes unconditional; and
 - (ii) J-POWER has acquired a Relevant Interest in at least 50.1% of the Genex Shares on issue; and
- (d) either:
 - (i) if J-POWER has complied with its obligations under clause 2.3(b)(ii)(B) of the Transaction Implementation Deed and the end of the Takeover Offer Period has been extended to a date that is after the End Date, the end of the Takeover Offer Period; or
 - (ii) otherwise, the End Date.

Existing J-POWER Agreement means an agreement or deed (other than the Transaction Implementation Deed and the Confidentiality and Exclusivity Deed) the parties to which include one or more Genex Group Members and one or more of J-POWER and its Controlled Entities (including, for the avoidance of doubt, the J-POWER Subscription Agreement), and any agreement or deed under or in connection with such agreement entered into by one or more Genex Group Members for the benefit of (among other persons) one or more of J-POWER and its Controlled Entities.

Fairly Disclosed means, in relation to a fact, matter, circumstance, event or information, or an action that a Genex Group Member or a Representative of a Genex Group Member will or proposes to take on or after the date of the Transaction Implementation Deed (being 12 April 2024), such fact, matter, circumstance, event, information or action being disclosed to a sufficient extent and in sufficient detail and context to enable a reasonable and sophisticated person that is experienced in transactions that are similar to the Transaction to identify the nature, scope and significance of that fact, matter, circumstance, event, information or action and reach a reasonably informed view of whether such fact, matter, circumstance, event, information or action is material in the context of the Genex Group.

FATA means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

Fiduciary Exception has the meaning given to that term in Section 11.11(b)(vi).

Financial Adviser means a financial adviser engaged by a Genex Group Member to provide financial or strategic advice to Genex or the Genex IBC on the Transaction.

Financial Indebtedness means any debt or other monetary liability (whether actual or contingent), together with all interest, fees and penalties accrued thereon, in respect of moneys borrowed or raised or any financial accommodation including under or in respect of any:

- (a) bill, bond, debenture, note or similar instrument;
- (b) acceptance, endorsement or discounting arrangement;
- (c) guarantee or letter of credit;
- (d) finance or capital lease;
- (e) swap, option, hedge, forward, futures or similar transaction;
- (f) redeemable share or security;
- (g) obligation to deliver assets or services paid for in advance by a financier, or any guarantee of the obligations of another person with respect to the foregoing;

- (h) deferral of a purchase price or other payment in relation to the acquisition of any financier;
- (i) all interest and non-interest bearing loans or other financing liabilities or obligations, including overdrafts and any other liabilities in the nature of borrowed money (whether secured or unsecured); or
- (j) liabilities arising from any transaction relating to the securitisation or assignment of receivables for financing purposes to a Third Party, including factoring agreements and similar agreements executed for the purpose of obtaining financing and amounts raised pursuant to any such agreements or arrangements (whether or not recognised on a balance sheet).

FIRB means the Australian Foreign Investment Review Board.

FIRB Scheme Condition means the Scheme Condition described at Section 5.3(g).

FIRB Standard Tax Conditions has the meaning given to that term in Section 6.8(a)(i)(A).

FIRB Takeover Condition means the Takeover Condition at Section 6.8(a).

FY24 Half Yearly Report has the meaning given to that term in Section 7.6.

Genex means Genex Power Limited (ACN 152 098 854).

Genex Board means the board of directors of Genex.

Genex Bulli Creek means Genex (Bulli Creek) Pty Limited (ACN 660 920 052), a Genex Group Member.

Genex Chairman Special Exertion Payment has the meaning given to that term in Section 11.7(c).

Genex Change of Control has the meaning given to that term in Section 5.3(k)(i).

Genex Director means a member of the Genex Board as at the date of this Transaction Booklet.

Genex Group means, collectively, Genex and each of its Controlled Entities, and **Genex Group Member** means any one of them.

Genex IBC means the independent committee of the Genex Board (from time to time) that was established to (among other related matters) consider and evaluate the Initial Indicative Proposal, the Indicative Proposal and the proposed Transaction (which, as at the date of this Transaction Booklet, comprises Dr Ralph Craven (Non-executive Genex Director and Chairman of the Genex Board), Ms Teresa Dyson (Non-executive Genex Director), Mr Ben Guo (Non-executive Genex Director) and Mr Simon Kidston (Non-executive Genex Director)), and **Genex IBC Member** means a member of the Genex IBC.

Genex IBC Member Share means, in respect of a Genex IBC Member, any Genex Share:

- (a) held by or on behalf of, or Controlled by, that Genex IBC Member; or
- (b) in which that Genex IBC Member otherwise has a Relevant Interest and in respect of which the Genex IBC Member has the power to exercise, or control the exercise of, the voting rights attached to that Genex Share.

Genex Incentive Securities means Genex Options and Genex Performance Rights.

14. Glossary continued

Genex Incentive Securities Disclosure Letter means the letter identified as the ‘Target Incentive Securities Disclosure Letter’ provided by Genex to J-POWER on or before the date of the Transaction Implementation Deed (being 12 April 2024) and countersigned by J-POWER.

Genex Information means all information included in this Transaction Booklet, other than:

- (a) the J-POWER Information;
 - (b) Section 10 (**Tax implications**) and the “*What are the taxation implications of the Transaction for Genex Shareholders?*” subsection of Section 4 (**Frequently asked questions**); and
 - (c) the Independent Expert’s Report.
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Genex Kidston Wind means Genex (Kidston Wind) Pty Ltd (ACN 646 420 448), a Genex Group Member.

Genex Material Adverse Change means an event, change in condition, matter, occurrence or circumstance (including, for the avoidance of doubt, a one-off or non-recurring event, and any matter or event involving or relating to a geotechnical issue or water ingress) that individually, or when aggregated with all such events, changes, matters, occurrences or circumstances that have occurred, has had, or would be reasonably likely to have, the effect (whether now or in the future) of a diminution in the consolidated net assets of the Genex Group (taken as a whole) by an amount equal to \$19,150,000 or more compared to what the consolidated net assets of the Genex Group (taken as a whole) would otherwise have been or have reasonably been expected to have been, but for such event, change, matter, occurrence or circumstance (determined after excluding the impact of the relevant event, change, matter, occurrence or circumstance to the extent that any loss incurred by the Genex Group in connection with that relevant event, change, matter, occurrence or circumstance is recovered, or is reasonably expected to be recoverable, under a Genex Group Member’s (or a Genex Group) insurance policy), other than those events, changes in condition, matters, occurrences or circumstances:

- (a) which are expressly required or expressly permitted to be done or not done by a Genex Group Member (including any action expressly required or expressly permitted to not be taken) by the Transaction Implementation Deed, the Scheme Transaction, the Takeover Transaction or the transactions contemplated by any of these;
- (b) which have, and only to the extent they have, been Fairly Disclosed in:
 - (i) the Disclosure Materials;
 - (ii) any written documents, written communications or other written materials provided by or on behalf of a Genex Group Member to a J-POWER Group Member (or a Representative of a J-POWER Group Member) under an Existing J-POWER Agreement in the 12-month period ending on the date of the Transaction Implementation Deed (being 12 April 2024);
 - (iii) any announcement made by Genex to ASX in the 24-month period ending on the date of the Transaction Implementation Deed (being 12 April 2024); or
 - (iv) a publicly available document lodged with ASIC by or on behalf of Genex or another Genex Group Member (which would be disclosed in a search, conducted on 5 April 2024, of ASIC’s records that are open to public inspection) in the 24-month period ending on 5 April 2024;
- (c) which are, and only to the extent that they are, within the knowledge of J-POWER as at the date of the Transaction Implementation Deed (being 12 April 2024) (for this purpose, the knowledge that there is a risk of an event, change, matter, occurrence or circumstance occurring does not constitute knowledge that the event, change, matter, occurrence or circumstance will in fact occur);
- (d) have been expressly agreed to in writing by J-POWER or specifically requested by J-POWER in writing;
- (e) which are, and only to the extent they are, the result of a J-POWER Group Member that is party to an Existing J-POWER Agreement taking an action, or omitting to take an action, that breaches an obligation of that J-POWER Group Member under the relevant Existing J-POWER Agreement (provided that, for the avoidance of doubt, this will not include any action taken by a J-POWER Group Member to validly exercise, enforce or defend any of its rights (including any security interests) under an Existing J-POWER Agreement, provided the relevant action does not breach an obligation of that J-POWER Group Member under the relevant Existing J-POWER Agreement);

- (f) which are, and only to the extent they are, required by an actual change in any applicable law, binding regulation or the Accounting Standards, or by a binding order or binding direction of a Government Agency;
- (g) which arise, and only to the extent that they arise:
- (i) from any determinations, announcements or rulings made by:
 - (A) the Australian Energy Regulator, the Australian Energy Market Commission, the Australian Energy Market Operator or the Energy Security Board; or
 - (B) any other Government Agency, to the extent that the determination, announcement or ruling affects regulated energy (including electricity) networks (or the operation of a renewable energy generation and/or energy storage business to a material extent),
 in each case, other than such determinations, announcements or rulings that specifically apply to the Genex Group to the exclusion of, or have a disproportionate effect on the Genex Group compared to, other entities that operate renewable energy generation and/or energy storage businesses in Australia; or
 - (ii) as a result of a change, deterioration, or disruption to:
 - (A) or condition of, financial, commodity or energy markets or economic, industry, political, market or business conditions; or
 - (B) rates or prices (including, but not limited to, interest rates, exchange rates, energy prices, and/or commodity prices),
 and which, in each case, do not affect the Genex Group disproportionately compared to other entities that operate renewable energy generation and/or energy storage businesses in Australia; or
- (h) which arise, and only to the extent that they arise:
- (i) from:
 - (A) any act of terrorism, outbreak or escalation of war (whether or not declared) or major hostilities (including, but not limited to, the conflict and hostilities in Ukraine, Palestine, Yemen and the Red Sea that persisted on the date of the Transaction Implementation Deed (being 12 April 2024));
 - (B) an act of God, lightning, storm, flood, fire, earthquake or explosion, cyclone, tidal wave, landslide, drought or other natural disaster; or
 - (C) changes in the levels of solar irradiance or wind from time to time; or
 - (ii) from a disease epidemic or pandemic, including the outbreak, escalation or any impact of, or recovery from, the Coronavirus or Covid-19 pandemic (or any mutation, variation or derivative of the Covid-19 pandemic), including the outbreak, escalation or any impact of, or recovery from, the Covid-19 pandemic (or any mutation, variation or derivative of the Covid-19 pandemic).

Genex Option means an option in respect of a Genex Share.

Genex Option Cancellation Consideration has the meaning given in Section 11.4(a).

Genex Option Cancellation Deed has the meaning given in Section 11.4(a).

Genex Optionholder has the meaning given in Section 11.4(a).

Genex Performance Right means a performance right (or other right issued under the Genex Performance Rights Plan), which entitles the holder to receive a Genex Share if the applicable vesting conditions are satisfied (or, if applicable, waived) in accordance with its terms of issue and/or the Genex Performance Rights Plan.

14. Glossary continued

Genex Performance Right Cancellation Consideration has the meaning given to that term in Section 11.4(b).

Genex Performance Right Deed has the meaning given to that term in Section 11.4(b).

Genex Performance Right Holder has the meaning given to that term in Section 11.4(b).

Genex Performance Rights Plan means Genex's employee securities incentive plan, which was approved by Genex Shareholders on 30 November 2022, a copy of which was attached as Annexure A to Genex's notice of annual general meeting for the financial year ended 30 June 2022 which was released to the ASX on 28 October 2022.

Genex Prescribed Occurrence means the occurrence of any of the following circumstances, events or matters:

- (a) Genex converting all or any of its securities (including the Genex Shares) into a larger or smaller number of securities;
- (b) any Genex Group Member resolving to reduce its share capital in any way;
- (c) any Genex Group Member entering into a buy-back agreement in respect of Genex Shares or resolving to approve the terms of a buy-back agreement under subsections 257C(1) or 257D(1) of the Corporations Act;
- (d) any Genex Group Member issuing shares (including, in respect of Genex, Genex Shares), or options over its shares (including, in respect of Genex, Genex Shares), or agreeing to make such an issue or grant such an option, other than (except in the case of Genex Shares) to another Genex Group Member that is directly or indirectly wholly-owned by Genex;
- (e) any Genex Group Member issuing, or agreeing to issue, convertible notes or any other security convertible into shares (including, in respect of Genex, Genex Shares), other than (except in the case of Genex Shares) to another Genex Group Member that is directly or indirectly wholly-owned by Genex;
- (f) Genex announcing, declaring, making, paying or distributing any dividend or other distribution (whether cash or in specie) to Genex Shareholders, or incurring a liability or requirement to make or pay any such dividend or other distribution;
- (g) any Genex Group Member disposing, or agreeing to dispose, of all, or a substantial part, of its business;
- (h) any Genex Group Member granting or agreeing to grant an Encumbrance over all, or a substantial part, of its business or property, other than a Permitted Encumbrance;
- (i) an Insolvency Event occurring in respect of a Genex Group Member,

other than those occurrences, circumstances, events, actions or matters (provided they do not breach Genex's obligations under clause 7.4(k) of the Transaction Implementation Deed to ensure that no Genex Shares or other securities (as that expression is defined in section 92 of the Corporations Act) in a Genex Group Member are issued, transferred or granted to any person: (i) under, or pursuant to, the Genex Performance Rights Plan or a Genex Performance Right; or (ii) as a result or in satisfaction of the vesting, exercise, conversion, lapsing, extinguishment or cancellation of any Genex Performance Right or Genex Option, including in the case of both sub-paragraphs (i) and (ii) as a consequence of Genex amending, waiving or exercising any discretion in connection with the Genex Performance Rights Plan, any Genex Performance Right or any Genex Option) which:
- (j) are expressly required or expressly permitted to be done by a Genex Group Member (including any action expressly required or expressly permitted to not be taken) by the Transaction Implementation Deed, the Scheme Transaction, the Takeover Transaction or the transactions contemplated by any of these;

- (k) have, and only to the extent they have, been Fairly Disclosed in:
- (i) the Disclosure Materials;
 - (ii) any written documents, written communications or other written materials provided by or on behalf of a Genex Group Member to a J-POWER Group Member (or a Representative of a J-POWER Group Member) under an Existing J-POWER Agreement in the 12-month period ending on the date of the Transaction Implementation Deed (being 12 April 2024);
 - (iii) any announcement made by Genex to ASX in the 24-month period ending on the date of the Transaction Implementation Deed (being 12 April 2024); or
 - (iv) a publicly available document lodged with ASIC by or on behalf of Genex or another Genex Group Member (which would be disclosed in a search, conducted on 5 April 2024, of ASIC's records that are open to public inspection) in the 24-month period ending on 5 April 2024;
- (l) are, and only to the extent they are, within the knowledge of J-POWER as at the date of the Transaction Implementation Deed (being 12 April 2024) (for this purpose, the knowledge that there is a risk of an occurrence, circumstance, event, action or matter occurring does not constitute knowledge that the occurrence, circumstance, event, action or matter will in fact occur);
- (m) have been expressly agreed to in writing by J-POWER (in its absolute discretion) or specifically requested by J-POWER in writing; or
- (n) are required by any applicable law, order of a court, binding regulation or binding order or binding direction of a Government Agency.

Genex Share means a fully paid ordinary share issued in the capital of Genex.

Genex Shareholder means a person or entity that is registered in the Genex Share Register as the holder of one or more Genex Shares.

Genex Shareholder Approval Scheme Condition means the Scheme Condition described at Section 5.3(a).

Genex Shareholder Information Line means the information line that Genex Shareholders can call if they have any questions or require further information about this Transaction Booklet or the Transaction – the telephone number is 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9:00am and 5:00pm (Sydney time).

Genex Share Register means the register of Genex Shareholders maintained in accordance with the Corporations Act.

Genex Share Registry means Boardroom in its capacity as provider of registry services in respect of the Genex Share Register.

Goldman Sachs means Goldman Sachs Australia Pty Ltd (ABN 21 006 797 897).

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal, statutory or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian. It also includes any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions (including FIRB, ASIC, the ASX and the Takeovers Panel).

Grant Thornton means Grant Thornton Corporate Finance Pty Ltd (ACN 003 265 987).

14. Glossary *continued*

GST means goods and services tax or similar value added tax levied or imposed under the GST Law.

GST Law has the meaning given to it in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

H1 FY24 Financial Statements has the meaning given to that term in Section 7.6.

Headcount Test has the meaning given to that term in Section 5.4(c)(i)(A).

IAF Acceptance Instructions has the meaning given to that term in Section 11.14(b)(i).

IAF Agent has the meaning given to that term in Section 11.14(a).

IAF Agent Appointment Form has the meaning given to that term in Section 11.14(b)(i).

IAF Terms of Appointment has the meaning given to that term in Section 11.14(a).

IAF Withdrawal Notice has the meaning given to that term in Section 11.14(b)(vi).

Identified Contract means each of the:

- (a) K3W Power Purchase Agreements;
 - (b) NAIF Facility Agreement;
 - (c) Powerlink Specific Security Deed; and
 - (d) Solar Facility Agreement.
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Identified Contracts Scheme Condition means the Scheme Condition described at Section 5.3(k).

Identified Contracts Takeover Condition means the Takeover Condition at Section 6.8(i).

Independent Expert means the expert appointed by Genex to prepare the Independent Expert's Report, being Grant Thornton.

Independent Expert's Report means the report prepared by the Independent Expert, a copy of which is set out in Attachment A to this Transaction Booklet.

Indicative Proposal means the revised non-binding, indicative and conditional proposal from J-POWER to acquire all of the Genex Shares that J-POWER (together with the Excluded Genex Shareholders) did not already own, as announced by Genex to the ASX on 4 March 2024 in its announcement titled "*Genex receives non-binding, indicative and conditional proposal from J-POWER*".

Initial Indicative Proposal means the non-binding, indicative and conditional proposal from J-POWER to acquire all of the Genex Shares that J-POWER (together with the Excluded Genex Shareholders) did not already own, received by Genex from J-POWER on 5 February 2024 and announced by Genex to the ASX on 4 March 2024 in its announcement titled "*Genex receives non-binding, indicative and conditional proposal from J-POWER*".

Infradebt Facility Agreement means the document titled “Syndicated Secured Facility Agreement” between Genex (Kidston) Pty Limited (ACN 163 750 507), Infradebt Holdings #1 Pty Ltd (ACN 652 294 614) in its capacity as trustee of the Infradebt Holdings #1 Trust, Infradebt Pty Ltd (ACN 162 814 495) and Infradebt Security Holdings Pty Ltd (ACN 622 508 481) in its capacity as the trustee for the Genex Solar Holdco Security Trust (as amended from time to time) dated 30 June 2022, as announced by Genex to the ASX on 1 July 2022 in its announcement entitled “*Refinancing of Subordinated Debt Facility and Market Update*”.

Insolvency Event means, in relation to any entity:

- (a) the entity resolving that it be wound up or a court making an order for the winding up or dissolution of the entity;
 - (b) a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official being appointed to the entity or in relation to the whole, or a substantial part, of its assets;
 - (c) the entity executing a deed of company arrangement;
 - (d) the entity ceasing, or threatening to cease, carrying on substantially all the businesses conducted by it as at the date of the Transaction Implementation Deed (being 12 April 2024);
 - (e) the entity is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act (or, if appropriate, legislation of its place of incorporation) or is otherwise presumed to be insolvent under the Corporations Act (or, if appropriate, legislation of its place of incorporation), unless the entity has committed financial support from its parent entity such that it is able to pay its debts; or
 - (f) the entity being deregistered as a company or otherwise dissolved.
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Institutional Acceptance Facility has the meaning given to that term in Section 11.14(a).

ITAA 1936 means *Income Tax Assessment Act 1936* (Cth).

ITAA 1997 means *Income Tax Assessment Act 1997* (Cth).

JPBC Development means JPBC Development Co Pty Ltd (ACN 668 631 338).

JPBC Solar means JPBC Solar Pty Ltd (ACN 668 631 669).

JP Generation Australia means JP Generation Australia Pty Ltd (ACN 643 853 650).

J-POWER means Electric Power Development Co., Ltd. of 15-1, Ginza 6-Chome, Chuo-ku, Tokyo 104-8165, Japan.

J-POWER Corporate Loan Facility means the document titled “Loan Agreement” between Genex (as borrower) and J-POWER Nominee (as lender) dated 30 June 2023 as announced by Genex to the ASX on 30 June 2023 in its announcement entitled “*Funding Package and JDA Agreed with J-POWER*” (as amended from time to time, including the amendment on 12 May 2024, announced by Genex to the ASX on 13 May 2024).

14. Glossary continued

J-POWER FAQs means the answers to the following questions in Section 4 (**Frequently asked questions**):

- (a) 'Who is J-POWER Nominee and J-POWER?';
- (b) 'How is J-POWER funding the Scheme Consideration and the Takeover Consideration?';
- (c) 'Does J-POWER currently hold any Genex Shares?';
- (d) 'What are J-POWER's and J-POWER Nominee's intentions if the Scheme is implemented?';
- (e) 'Are there any regulatory approvals required for the Scheme to become Effective?' to the extent that it relates to the FIRB Scheme Condition;
- (f) 'What happens if J-POWER receives acceptances under the Takeover Offer such that it has become the holder of 90% or more of Genex Shares?';
- (g) 'What happens if J-POWER receives acceptances under the Takeover Offer such that it has become the holder of more than 50%, but less than 90%, of Genex Shares?'; and
- (h) 'What happens if J-POWER receives acceptances under the Takeover Offer such that it has become the holder of less than 50% of Genex Shares?'.

J-POWER Genex Shares has the meaning given to that term in Section 1.3(b) of this Transaction Booklet.

J-POWER Group means, collectively, J-POWER and each of its Related Entities (other than a Genex Group Member, even if that Genex Group Member is a Controlled Entity of J-POWER at the relevant time), and **J-POWER Group Member** means any one of them.

J-POWER Information means the information regarding the J-POWER Group prepared by J-POWER and J-POWER Nominee for inclusion in this Transaction Booklet and for which J-POWER and J-POWER Nominee are responsible (as set out in the 'Responsibility for information' subsection of the 'Important notices' section of this Transaction Booklet, being the information in the following sections (or parts of sections) of this Transaction Booklet:

- (a) the second paragraph in the 'Responsibility for information' subsection of the 'Important notices' section of this Transaction Booklet and any other statement in that subsection regarding the assumption of responsibility for information in the Transaction Booklet by J-POWER, J-POWER Nominee, another J-POWER Group Member, the J-POWER Group, or a Representative of J-POWER or J-POWER Nominee (including statements that the relevant person does not assume responsibility for such information);
- (b) the Section of this Transaction Booklet entitled 'Letter from J-POWER';
- (c) the J-POWER FAQs;
- (d) Section 6 (**Overview and terms of the Takeover Offer**) and the Takeover Acceptance Form;
- (e) Section 8 (**Information on J-POWER**);
- (f) Section 11.12(a);
- (g) Section 11.14;
- (h) Sections 11.15(b)(iv) and 11.15(c);
- (i) Section 11.19(b)(iii);
- (j) Section 12 (**Approval of Bidder's Statement**); and
- (k) the definitions of JP Generation Australia, JPBC Development, J-POWER Nominee Board, J-POWER Nominee Director, J-POWER Share Registry, JPBC Solar, Macquarie and Takeover Register Date in this Section 14 (**Glossary**).

J-POWER Nominee means JPGA Partners Pty Ltd (ACN 643 855 618).

J-POWER Nominee Board means the board of directors of J-POWER Nominee.

J-POWER Nominee Director means a member of the J-POWER Nominee Board as at the date of this Transaction Booklet.

J-POWER Share Registry means Boardroom in its capacity as provider of registry services in respect of the Takeover Offer.

J-POWER Subscription Agreement means the document titled “Subscription Agreement” between J-POWER and Genex dated 3 August 2020, as announced by Genex to the ASX on 3 August 2020 in its announcement entitled “*Genex executes \$25m Share Subscription Agreement with J-POWER*” (as amended from time to time, including the amendments announced by Genex to the ASX on 22 December 2020, 25 February 2021 and 24 March 2021).

J-POWER Technical Services Agreement means the document titled “Technical Services Agreement” between J-POWER and Genex dated 3 August 2020, as announced by Genex to the ASX on 3 August 2020 in its announcement entitled “*Genex executes \$25m Share Subscription Agreement with J-POWER*” (as amended from time to time).

K3W Joint Development Agreement has the meaning given to that term in Section 11.10(c).

K3W Management Committee has the meaning given to that term in Section 11.10(c).

K3W Power Purchase Agreements means the:

- (a) “Power Purchase Agreement – Kidston Stage-3 Wind Facility” between K3W Project Co and Energy Australia Pty Ltd (ACN 052 840 810) dated 19 October 2023, as announced by Genex to the ASX on 20 October 2023 in its announcement entitled “*Genex secures offtake with EnergyAustralia for 258MW Kidston Wind Project*”; and
 - (b) “Power Purchase Agreement – Kidston Stage-3 Wind Facility” between K3W Project Co and Stanwell Corporation Limited (ACN 078 848 674) dated 7 December 2023, as announced by Genex to the ASX on 8 December 2023 in its announcement entitled “*Genex secures long-term offtake with Stanwell for 258MW Kidston Wind Project*”.
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K3W Project Co means K3W Project Co. Pty Ltd (ACN 664 467 092) (a Genex Group Member) in its capacity as trustee for K3W Project Trust.

Kidston Wind Project means the Genex Group’s up to 258MW wind project located at Kidston, Queensland, Australia, which is under development as at the date of this Transaction Booklet.

Kidston Pumped Storage Hydro Project means the Genex Group’s 250MW pumped storage hydro project located at Kidston, Queensland, Australia, which is under construction as at the date of this Transaction Booklet.

Last Practicable Trading Date means Monday, 3 June 2024, being the last practicable Trading Day before the date of this Transaction Booklet.

14. Glossary continued

Last Undisturbed Trading Date has the meaning given to that term in the Section of this Transaction Booklet entitled ‘*Letter from the Chairman of the Genex IBC*’.

LGC has the meaning given to that term in Section 9.3(i).

Macquarie means Macquarie Capital (Australia) Limited (ACN 123 199 548).

NAIF Facility Agreement means the “Facility Agreement – Kidston Stage 2 – 250 MWAC Pumped Storage Project” between Kidston Hydro Project Co Pty Ltd (ACN 633 290 490) (a Genex Group Member) in its personal capacity and as trustee of the Kidston Hydro Project Trust and The State of Queensland (amongst others) dated 15 April 2021, as announced by Genex to the ASX on 15 April 2021 in its announcement entitled “*Genex Reaches Finance Document Contractual Close for Kidston Pumped Storage Hydro Project*”.

No Genex Prescribed Occurrences Takeover Condition means the Takeover Condition at Section 6.8(d).

No Material Adverse Change Scheme Condition means the Scheme Condition at Section 5.3(f).

Non-executive Genex Directors means each of Dr Ralph Craven, Ms Teresa Dyson, Mr Ben Guo and Mr Simon Kidston, and **Non-executive Genex Director** means any one of them.

Notice of Scheme Meeting means the notice convening the Scheme Meeting, a copy of which is set out in Attachment B to this Transaction Booklet.

Official List means the Official List of the ASX.

Official Quotation means the quotation of securities on the Official List and **Officially Quoted** has a corresponding meaning.

Online Data Room means the documents and information (including, for the avoidance of doubt, information and responses to questions or requests for information from J-POWER and its Representatives provided by Genex or its Representatives via the “Q&A” function) contained in the online data room operated by Ansarada and entitled “Project Copperfield” to which J-POWER and its Representatives were given access prior to the date of the Transaction Implementation Deed (being 12 April 2024), an electronic copy of the index of which was provided to J-POWER by Genex or its Representatives on or before the date of the Transaction Implementation Deed (being 12 April 2024).

Online Scheme Meeting Platform has the meaning given to that term in Section 2.1.

Participant means an entity admitted to participate in CHES under Rules 4.3.1 and 4.4.1 of the ASX Settlement Operating Rules.

Permitted Encumbrance means:

- (a) a charge or lien arising in favour of a Government Agency by operation of statute in the ordinary course of the business of the Genex Group, where such charge or lien secures amounts payable to a Government Agency that are not yet due;
- (b) any mechanic's, workmen's or other like lien arising in the ordinary course of the business of the Genex Group;
- (c) any retention of title arrangement or purchase money security interest (including arising from any lease of goods or consignment arrangement), in each case, arising in favour of a trade supplier to the business of the Genex Group in the ordinary course of that business;
- (d) a PPS Lease (as defined in the PPS Act);
- (e) any security interest which would be an Encumbrance only by virtue of the operation of section 12(3) of the PPS Act;
- (f) any Encumbrance registered by J-POWER;
- (g) any Encumbrance created in the ordinary course of business (and substantially consistent with the past practice of the Genex Group) after the date of execution of the Transaction Implementation Date (being 12 April 2024) that:
 - (i) secures amounts not yet due; and
 - (ii) does not secure the payment of any Financial Indebtedness;
- (h) any Encumbrance approved in writing by J-POWER;
- (i) any Encumbrance granted under or in connection with an Existing J-POWER Agreement or which otherwise directly relates to a project being developed by one or more Genex Group Members under an Existing J-POWER Agreement;
- (j) any Encumbrance relating to any specific Financial Indebtedness that is agreed in writing between J-POWER and Genex prior to the date of the Transaction Implementation Deed (being 12 April 2024) as not being paid out in connection with implementation of the Scheme or the Takeover Offer; and
- (k) a lien securing an obligation that is not yet due which arises by operation of law or legislation.

Potential Project Sell-downs has the meaning given to that term in Section 9.3(t).

Powerlink Specific Security Deed means the "Specific Security Deed (Share Security over shares in GKHPL and GKPL held by Genex)" between Genex and Queensland Electricity Transmission Corporation Limited trading as Powerlink Queensland dated 31 March 2021.

PPS Act means the *Personal Property Securities Act 2009* (Cth).

Project Genex Performance Rights has the meaning given to that term in Section 11.4(b).

Q3 FY24 Quarterly Activities Report has the meaning given to that term in Section 7.1(d).

Related Body Corporate has the meaning given to that term in the Corporations Act.

14. Glossary continued

Related Entity means, in relation to an entity (the first entity):

- (a) a Controlled Entity of the first entity;
 - (b) an entity of which the first entity is a Controlled Entity; or
 - (c) a Controlled Entity of another entity of which the first entity is also a Controlled Entity,
- provided that, in respect of Genex only, no Genex Shareholder or any Related Entity of a Genex Shareholder shall be deemed to be a Related Entity of Genex.
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Relevant Interest has the meaning given to that term in the Corporations Act.

Representative means, in relation to an entity:

- (a) a Related Entity, or Adviser of that entity or of a Related Entity of that entity; or
 - (b) a director, officer, employee, consultant, partner, agent, investment committee member or advisory board member of that entity or of a Related Entity of that entity or Adviser of that entity.
-

Requisite Majorities in relation to the Scheme Resolution to be put to Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting, the resolution being passed by:

- (a) a majority in number (more than 50%) of eligible Genex Shareholders (other than Excluded Genex Shareholders) who are present (either by being physically present at the Scheme Meeting venue or attending via the Online Scheme Meeting Platform) and voting at the Scheme Meeting (either in person or by proxy, by attorney or, in the case of corporate Genex Shareholders, by a corporate representative); and
 - (b) at least 75% of the votes cast on the Scheme Resolution at the Scheme Meeting by Genex Shareholders (other than Excluded Genex Shareholders).
-

Restricted Representative means, in relation to Genex:

- (a) a Controlled Entity of Genex;
 - (b) a Genex IBC Member;
 - (c) an employee of Genex or a Controlled Entity of Genex; or
 - (d) a professional third-party adviser engaged by a Genex Group Member to provide advice to one or more Genex Group Members or the Genex IBC on or in relation to the Transaction (including a Financial Adviser) or an actual, proposed or potential Competing Proposal.
-

Reverse Break Fee has the meaning given to that term in Section 11.11(d).

Rights means all rights or benefits attaching to, or arising from, Genex Shares directly or indirectly after the date of the Transaction Implementation Deed (being 12 April 2024), including but not limited to, all dividends or other distributions, other than voting rights attaching to Genex Shares during the period commencing on the date of the Transaction Implementation Deed (being 12 April 2024) and expiring at the later of the end of the Scheme Meeting and the day after the date on which all of the Takeover Conditions have been fulfilled or waived.

Scheme means a members' scheme of arrangement under Part 5.1 of the Corporations Act between Genex and the Scheme Shareholders under which all of the Scheme Shares will be transferred to J-POWER Nominee and the Scheme Shareholders will be entitled to receive the Scheme Consideration, in the form of Attachment D, together with any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by Genex and J-POWER.

Scheme Booklet has the meaning given to that term in the *'Nature of this Transaction Booklet'* subsection of the *'Important notices'* section of this Transaction Booklet.

Scheme Conditions means the conditions precedent to the Scheme becoming Effective, as summarised in Section 5.3 and set out in full in clause 3.1 of the Transaction Implementation Deed.

Scheme Consideration means, in respect of each Genex Share held by a Scheme Shareholder at the Scheme Record Date, A\$0.275.

Scheme Deed Poll means the deed poll at Attachment E to this Transaction Booklet, which has been executed by J-POWER and J-POWER Nominee in favour of Scheme Shareholders (the key terms of which are summarised in Section 5.1(b)).

Scheme Fails Takeover Condition means the Takeover Condition at Section 6.8(f).

Scheme Implementation Date means the date on which the Scheme is implemented, being the date that is five Business Days after the Scheme Record Date or such other date as Genex and J-POWER may agree in writing or ordered by the Court (and, as at the date of this Transaction Booklet, is expected to be Wednesday, 31 July 2024).

Scheme Meeting means the meeting of Genex Shareholders (other than Excluded Genex Shareholders) ordered by the Court to be convened under section 411(1) of the Corporations Act to consider the Scheme Resolution, and includes any adjournment of that meeting.

Scheme Meeting Online Guide means the document attached to this Transaction Booklet at Attachment C, which contains details about the Online Scheme Meeting Platform, including a step-by-step guide to log in and navigate the Online Scheme Meeting Platform.

Scheme Meeting Proxy Form means the proxy form for the Scheme Meeting, a hard copy of which is set out in Attachment F to this Transaction Booklet.

Scheme Record Date means the time and date for determining entitlements to receive the Scheme Consideration, being 7:00pm (Sydney time) on the second Business Day after the Effective Date, or such other date after the Effective Date as:

- (a) Genex and J-POWER may agree in writing;
- (b) may be ordered by the Court; or
- (c) may be required by the ASX,

and, as at the date of this Transaction Booklet, is expected to be 7:00pm (Sydney time) on Wednesday, 24 July 2024.

Scheme Resolution means the resolution to approve the Scheme to be considered by Genex Shareholders (other than Excluded Genex Shareholders), the form of which is set out in the Notice of Scheme Meeting in Attachment B to this Transaction Booklet.

Scheme Share means a Genex Share held by a Scheme Shareholder as at the Scheme Record Date (but, for the avoidance of doubt, does not include a Genex Share held by an Excluded Genex Shareholder).

14. Glossary continued

Scheme Shareholder means a Genex Shareholder as at the Scheme Record Date (other than an Excluded Genex Shareholder).

Scheme Transaction means the acquisition of all of the Scheme Shares by J-POWER Nominee, in accordance with the terms and conditions of the Transaction Implementation Deed, by means of the Scheme.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard (or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **Second Court Hearing**.

Section means a section of this Transaction Booklet.

Skip Capital means Skip EIF Enterprises Pty Ltd (ACN 660 952 465) as trustee for the Skip EIF Trust.

Solar Facility Agreement means the “Syndicated facility agreement in relation to the Kidston Solar Project and the Jemalong Solar Project” between, amongst others, Kidston Solar Finance Co Pty Ltd (ACN 614 273 120) and Westpac Banking Corporation (ACN 007 457 141) dated 13 December 2019 (as amended from time to time), as announced by Genex to the ASX on 18 December 2019, in its announcement entitled “*Genex Achieves Financial Close for the 50MW Jemalong Solar Project & the Refinancing of the 50MW Kidston Solar One Project*”.

Special Exertion Fees has the meaning given to that term in Section 11.7(b).

Subsidiary has the meaning given to that term in section 46 of the Corporations Act.

Superior Proposal means a bona fide Competing Proposal which in the determination of the Genex IBC, acting in good faith and, in order to satisfy what the Genex IBC Members consider to be their fiduciary or statutory duties, after having received advice from their external Australian legal advisers specialising in the area of corporate law and, if the Genex IBC considers it appropriate to do so in the circumstances, advice from its Financial Adviser:

- (a) is reasonably capable of being completed substantially in accordance with its terms, taking into account all of the relevant terms, conditions and other aspects of the Competing Proposal, including the matters set out in paragraph (b)(i) below; and
 - (b) would, if completed substantially in accordance with its terms, result or be reasonably likely to result, in a transaction that is more favourable to Genex Shareholders (other than Excluded Genex Shareholders) as a whole than the Transaction, taking into account all of the relevant terms and conditions and other aspects of:
 - (i) the Competing Proposal, including consideration, conditionality, funding, certainty and timing, the capability of the Third Party that made the Competing Proposal to complete the transaction(s) contemplated by the Competing Proposal, the views of Genex Shareholders (other than Excluded Genex Shareholders and the Third Party that made the Competing Proposal or any Associate of such Third Party) in relation to the Competing Proposal compared to the Transaction, and any other legal, financial, regulatory and other matters that the Genex IBC determines to be relevant in the circumstances; and
 - (ii) the Transaction (including the matters described in sub-paragraph (i) above in respect of the Transaction).
-

TAA means *Taxation Administration Act 1952* (Cth).

Takeover Acceptance Facility has the meaning given to that term in Section 6.9(d)(ii)(A).

Takeover Acceptance Form means the acceptance form enclosed with this Transaction Booklet or, if applicable, any replacement or substitute acceptance form provided by or on behalf of J-POWER Nominee.

Takeover Conditions means the conditions to the Takeover Offer set out in Section 6.8.

Takeover Consideration means A\$0.270 per Genex Share.

Takeover Offer means:

- (a) the offer for Genex Shares by J-POWER Nominee under an off-market takeover bid under Chapter 6 of the Corporations Act on the terms and conditions set out in Section 6 (**Overview and terms of the Takeover Offer**); or
 - (b) the off-market takeover bid under Chapter 6 of the Corporations Act constituted by the despatch of the offers for Genex Shares by J-POWER Nominee referred to in paragraph (a),
- as the context requires in this Transaction Booklet.
-

Takeover Offer Period means the period during which the Takeover Offer is open for acceptance in accordance with this Transaction Booklet and the Corporations Act.

Takeover Register Date means the date set by J-POWER Nominee under section 633(2) of the Corporations Act, being 7:00pm (Sydney time) on 6 June 2024.

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

Takeover Transaction means the acquisition of Genex Shares by J-POWER Nominee under the Takeover Offer.

Target Regulated Event has the meaning given to that term in the Transaction Implementation Deed.

Target Representation and Warranty has the meaning given to that term in the Transaction Implementation Deed.

Target's Statement has the meaning given to that term in the '*Nature of this Transaction Booklet*' subsection of the '*Important notices*' section of this Transaction Booklet.

Third Party means any person other than:

- (a) Genex or J-POWER (or a Related Entity or Representative of Genex or J-POWER); or
 - (b) a consortium, partnership, limited partnership, syndicate or other group formed for the purpose of acquiring a Relevant Interest in Genex Shares or a legal, beneficial or economic interest in the business or assets of the Genex Group in which J-POWER or any of its Related Entities is a participant.
-

Trading Day has the meaning given in the ASX Listing Rules.

14. Glossary continued

Transaction means the Scheme and the Takeover Offer, and either the Scheme or the Takeover Offer (as the context requires).

Transaction Booklet means this Transaction Booklet in relation to the Transaction, which comprises the documents described in the *'Nature of this Transaction Booklet'* subsection of the *'Important notices'* section of this Transaction Booklet.

Transaction Implementation Deed means the transaction implementation deed dated 12 April 2024 between Genex and J-POWER, a copy of which was released to the ASX by Genex on 12 April 2024 and is also available on Genex's dedicated Transaction website (www.genexscheme.com), as varied by the Deed of Variation.

Treasurer means the Treasurer of the Commonwealth of Australia or their delegate.

TSR Genex Performance Rights has the meaning given to that term in Section 11.4(b).

Voting Power has the meaning given to it in the Corporations Act.

VWAP means the volume weighted average price of the relevant shares traded on ASX during the relevant period but does not include any trades which Genex determines to be outside the ordinary course of trading, which may include any "Crossing" transacted outside the "Open Session State" or any "Special Crossing" transacted at any time, each as defined in the ASX Settlement Operating Rules, or any overseas trades or trades pursuant to the exercise of options over such share.

your Genex Shares, when used in Section 6 (**Overview and terms of the Takeover Offer**), means the Genex Shares in respect of which the Takeover Offer is made (in accordance with and subject to Section 6.2) that are held by the relevant Genex Shareholder to which the Takeover Offer has been made (in accordance with and subject to Section 6.2) at the applicable time.

Attachment A: Independent Expert's Report



Attachment A: Independent Expert's Report



Genex Power Limited

Independent Expert's Report and Financial Services Guide

6 June 2024



Genex IBC
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6 June 2024

Dear Genex IBC Members

Introduction

Genex Power Limited (“Genex” or “the Company”) is an ASX-listed company with a portfolio of renewable energy generation and storage projects in Queensland (“QLD”) and New South Wales (“NSW”) as summarised below:

- The flagship Kidston Clean Energy Hub in North QLD comprising the operating and 100% owned 50 Megawatt (“MW”) Stage 1 Solar Project (“KS1”), the 250MW pumped storage hydro project (“K2H”) currently under construction (100% owned) and plans to add up to c. 258MW stage 3 wind project (“K3W”) in a 50/50 joint venture with Electric Power Development Co. Ltd (“J-Power”).
- The 50MW operating Jemalong Solar Project (“JSP”) in NSW (100% owned).
- The 50MW operating Bouldercombe Battery Project (“BBP”) in central QLD (100% owned), plus additional expansion opportunity for further 50MW (“BBP 2”).
- Development rights for the Bulli Creek Project (“BCP”) which comprises an initial Stage 1 Solar Project of up to 775MW (“BCS”), Stage 1 Battery Project of up to 400 MW (“BCB”) both in 50/50 joint ventures with J-Power plus additional development opportunities totalling 2,000MW¹.

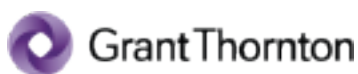
¹ Including BCS and BCB.

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Attachment A: Independent Expert’s Report continued



After having announced the receipt of a non-binding indicative and conditional proposal from J-Power on 4 March 2024 (“Indicative Proposal”)², Genex announced on 12 April 2024 that it had entered a binding Transaction Implementation Deed (“TID”) with J-Power, under which J-Power has agreed to (either directly, or indirectly through a nominated wholly-owned subsidiary³):

- Acquire all of the ordinary shares on issue in Genex (“Shares” or “Genex Shares”) that J-Power does not directly or indirectly already own⁴ for a cash consideration of A\$0.275 per Genex Share (“Scheme Consideration”) to be implemented by way of a scheme of arrangement (“Scheme”); and
- Simultaneously with the Scheme, make an off-market takeover offer (“Takeover Offer” or “Takeover”) for all Genex Shares that it does not already own for a cash consideration of A\$0.270 (“Offer Price”), which will be conditional on, among other things, the Scheme not being approved by Genex shareholders (“Genex Shareholders”) or by the Supreme Court of New South Wales (“Court”).

Together, the Scheme and the Takeover are referred to as the “Transaction”.

The TID contains customary exclusivity provisions, including no shop and no talk restrictions, and a matching counterproposal right for J-Power in the event that Genex receives a Superior Proposal (as defined in the TID). The TID also details circumstances in which Genex or J-Power may be required to pay to the other a break-fee or a reverse break-fee (as applicable) of approximately A\$3.5 million.

While the structure for the implementation of the Transaction is complex, the commercial terms being offered by J-Power are in each case substantially similar, being a cash consideration of A\$0.275 per Genex Share to acquire 100% of the issued capital via the Scheme or A\$0.270 to acquire a controlling interest of at least 50.1%⁵ via the Takeover.

In order to consider the Transaction, the board of directors of Genex (“Genex Board”) established an independent board committee comprised of all members of Genex Board, other than J-Power’s representative and nominee to the Genex Board, Mr Kenichi Seshimo (“Genex IBC”).

The Genex IBC unanimously recommends that:

- Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to an Independent Expert concluding, and continuing to conclude, that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders). Subject to the same qualifications, each Genex IBC Member intends to vote, or cause to be voted, all Genex Shares held by them in favour of the Scheme at the Scheme Meeting.
- Genex Shareholders accept the Takeover Offer, in the absence of a Superior Proposal and subject to an Independent Expert concluding, and continuing to conclude, that the Takeover is fair and

² The Indicative Proposal followed an earlier non-binding indicative and conditional proposal for A\$0.240 under a potential scheme and A\$0.235 under a potential takeover.

³ In accordance with the TID, J-Power nominated its wholly-owned subsidiary, JPGA Partners Pty Ltd (ACN 643 855 618) (“J-POWER Nominee”), to perform certain of J-Power’s obligations under the TID, including to acquire all of the applicable Genex Shares under the Scheme and make the Takeover Offer.

⁴ J-Power and its associates have a relevant interest of 7.72% of the Genex Shares as at the date of this IER.

⁵ Noting that J-Power can elect to waive the 50.1% minimum acceptance condition (refer to the Transaction Booklet for further details).



reasonable. Subject to the same qualifications, each Genex IBC Member intends to accept or procure the acceptance of the Takeover Offer in respect of all of that Genex Shares held by them.

Purpose of the report

The Genex IBC has requested Grant Thornton Corporate Finance to prepare an IER stating whether, in Grant Thornton Corporate Finance's opinion:

- The Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than the Excluded Genex Shareholders⁶).
- The Takeover Offer is fair and reasonable to Genex Shareholders (other than the Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-Power Nominee).

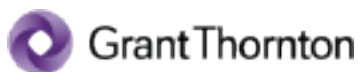
We have set out below a summary of the approach adopted:

- The valuation approach and test required to form an opinion if the Scheme or the Takeover are fair to Genex Shareholders is exactly the same and it requires a comparison between the fair market value of Genex Shares on a 100% ownership and control basis with the Scheme Consideration and with the Offer Price (as applicable). Accordingly, we have undertaken one fair market value assessment for comparison to both the Scheme and the Takeover.
- There is substantial overlap between the reasonableness considerations of the Scheme and of the Takeover. Accordingly, we have considered them together and we have noted by exception if any of those considerations only apply to the Scheme or the Takeover.

When preparing this IER, Grant Thornton Corporate Finance has had regard to the Australian Securities Investment Commission's ("ASIC") Regulatory Guide 111 *Contents of expert reports* ("RG 111") and Regulatory Guide 112 *Independence of experts* ("RG 112"). The IER also includes other information and disclosures as required by ASIC.

⁶ Excluded Genex Shareholders is defined in the Transaction Booklet and, broadly refers to J-Power and its subsidiaries.

Attachment A: Independent Expert's Report continued



Summary of opinion

Grant Thornton Corporate Finance has concluded that:

- The Scheme is **FAIR AND REASONABLE** and hence in the **BEST INTERESTS** of Genex Shareholders (other than Excluded Genex Shareholders) in the absence of a superior alternative proposal emerging.
- The Takeover Offer is **FAIR AND REASONABLE** to Genex Shareholders (other than Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-Power Nominee) in the absence of a superior alternative proposal emerging.

Fairness Assessment of the Transaction

Grant Thornton Corporate Finance has compared the fair market value per Genex Share before the Scheme and Takeover on a 100% basis with the Scheme Consideration of A\$0.275 per Genex Share, and the Offer Price of A\$0.270 per Genex Share.

The following table summarises our fairness assessment.

Fairness assessment A\$ per share	Section Reference	Scheme		Takeover	
		Low	High	Low	High
Fair market value of GNX Shares before the Transaction	6.1	0.223	0.290	0.223	0.290
Scheme/Takeover Consideration	1	0.275	0.275	0.270	0.270
Premium/(discount)		0.05	(0.01)	0.05	(0.02)
Premium/(discount) (%)		23.1%	(5.0%)	20.8%	(6.7%)
FAIRNESS ASSESSMENT		FAIR		FAIR	

Source: GTCF analysis

The Scheme Consideration and the Offer Price are within our valuation range of a Genex Share on a 100% and fully diluted basis. Accordingly, we conclude that the Scheme and the Takeover are **FAIR** to Genex Shareholders (other than, in the case of the Scheme, Excluded Genex Shareholders and, in the case of the Takeover, Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-Power Nominee).

Genex Shareholders should be aware that our assessment of the value per Genex Share should not be considered to reflect the price at which Genex Shares will trade if the Transaction is not implemented. The price at which Genex Shares will ultimately trade depends on a range of factors, including: the liquidity of Genex Shares; macro-economic conditions; interest rates; and the performance of Genex's business.

We have assessed the fair market value of Genex Shares on a control basis adopting the Sum of the Parts ("SOP") approach, which is cross checked with the Megawatt Multiple Method (MW Multiple Method)⁷, and the Quoted Security Price Method.

⁷ This is the enterprise value of the company or transaction divided by the MW of operating and construction stage assets.



SOP approach

Grant Thornton Corporate Finance has selected the market value of net assets as the primary method to assess Genex's equity value. The market value of net assets is based on the sum of the parts of Genex's operational, construction and development assets, and other assets and liabilities as reported in the reviewed balance sheet as at 31 December 2023 and the unaudited balance sheet as at 31 March 2024.

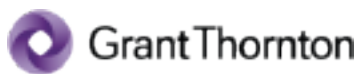
The market value of the operating and construction stage assets is assessed based on the net present value of the cash flows to equity holders prepared by Genex Management ("Management"), which consists of three separate project finance cash flow models (collectively referred to as the "Internal Models"). In our assessment of the operating and construction assets of Genex based on the DCF Method, we have considered the following:

- *KS1 and JSP Model* — Management has prepared a model with the cash flow forecasts until 30 June 2051. For the purpose of our DCF, and given the finite asset lives, we have not assumed a terminal value.
- *K2H Model* — K2H has entered into an Energy Storage Services Agreement ("ESSA") with EnergyAustralia ("EA") which provides full dispatch rights of the plant to EA, which therefore assumes full operating responsibility, and Genex will receive a fixed monthly payment with escalation features. The ESSA has an initial term of 10 years from completion ("Initial Term") and two 10-year extension options at EA's election under substantially similar terms as the Initial Term. Assuming EA exercises these options, it has a further option to acquire Genex's equity stake in K2H at a price equal to the depreciated book value at year 30. Management has prepared a model with the cash flow forecasts until 2065. For the purpose of our valuation of K2H, we have considered two scenarios:
 - In our first scenario, we have assumed EA exercises all of its options to extend the ESSA and it acquires the equity in K2H ("EA Exercise Scenario"); and
 - In our second scenario, EA does not exercise its extension option after the Initial Term at which point we have assumed that Genex enters into an offtake agreement with another party on substantially similar terms as the ESSA (but without the option to acquire K2H) and Genex continues to own the asset into perpetuity. The plant has a useful life in excess of 80 years and the land is owned by Genex on a freehold basis and leased to K2H ("EA Non-Exercise Scenario").
- *BBP Model* — The valuation is based on the cash flows until 30 June 2049. Due to the nature of this asset and its finite life, we have not included a terminal value.

Given the operating and construction stage of the above projects and that they are all project financed with debt, we have used free cash flows to equity when applying the DCF Method in order to capture the impact of the interest expense on the debt and debt repayments on the principal. To estimate the discount rate (cost of equity) applicable to the individual projects, we have first estimated a base cost of equity for a low risk renewable energy project with a long term Power Purchase Agreement ("PPA") in place in the range of 7.6% to 8.2% and then we have applied a specific risk premium for each project to consider their specific circumstances:

- KS1 is underpinned by a 20-year Queensland Government Revenue Support Deed ("KS1 Revenue Support Deed") which provides a fixed floor price of A\$88/Megawatt hour ("MWh") with limitations for when generation occurs during negative pricing periods, with any upside in pricing being retained by

Attachment A: Independent Expert's Report continued



Genex. All Large-scale Generation Certificates ("LGC") are surrendered to the Queensland Government. Genex does not bear any Marginal Loss Factor⁸ ("MLF") or Distribution Loss Factor⁹ ("DLF") risk and all operations and maintenance is outsourced, so we consider KS1 a very low risk project. On the flip side, JSP sells 100% of the electricity generated at merchant prices and hence it is exposed to pricing risk and volatility. KS1 and JSP are project financed together with security ring-fenced and hence we have valued them together. Considering the exposure to merchant prices of JSP and low risk operations of KS1, we have applied a specific risk premium between 0.25% and 0.50% to the market cost of equity.

- BBP has an Autobidder Offtake Agreement with Tesla which guarantees a revenue floor (for less than 50% of the revenue) with a profit sharing of net revenues in accordance with a predetermined ratio for the first eight years of operations. The balance of the revenue is exposed to merchant prices. Tesla is expected to use its Autobidder technology to maximise revenue in arbitrage over an eight year term to take advantage of temporary shocks in the system, which have historically caused significant spikes in the electricity prices. However, it is challenging to estimate the future revenue benefits for BBP associated with this market arbitrage. Considering the exposure to merchant prices and revenue uncertainty, we have applied a specific risk premium between 0.75% and 1.00% to the market cost of equity.
- K2H has entered into an availability payment style arrangement with EA under the ESSA with EA taking full operating responsibility for the plant, including taking on MLF risk versus the payment of a fixed fee with escalation features. Genex has also entered into an O&M agreement with ANDRITZ Hydro for the full operation and maintenance of the underground plant, maintenance of the assets subject to the D&C contract and other specific items. Once construction is completed, Genex will effectively receive an availability payment from EA, which carries very low risks and the availability of the plant is guaranteed by ANDRITZ. The project also benefits from subsidised funding provided by Northern Australia Infrastructure Facility ("NAIF") at a fixed interest rate for the first 15 years. In order to account for the relatively low risk associated with completing construction and commissioning of the plant and the non-traditional annuity style revenue stream¹⁰ for K2H, we have applied a specific risk premium of 0.25% the market cost of equity.

We have set out below a summary of our valuation of the equity value¹¹ of the operating and in construction projects.

Equity Value by asset category A\$000	Section reference	Valuation		Capacity ¹ (MW)	Value Range of GNX's %	
		Methodology	Discount Rate		Low	High
Operational and in-construction assets						
KS1 & JSP (Solar)	6.1.1.1	DCF	7.8% - 8.7%	50	46,942	51,500
BBP (Battery)	6.1.1.2	DCF	8.3% - 9.2%	50	75,497	103,088
K2H (Hydro)	6.1.1.3	DCF	7.8% - 8.5%	250	123,020	136,826
Total equity value of operating and in-construction assets (control basis)				350	245,459	291,414

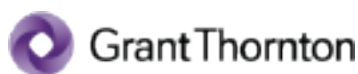
Source: GTCF Analysis; Note (1): The capacity of each project is on 100% basis.

⁸ In an electricity system, as electricity flows through transmission and distribution networks towards end customers, a portion of that electricity is 'lost' due to physical factors such as electrical resistance. Margin Loss Factors reflect the impact of electricity losses along the network and are applied to market settlements in the National Electricity Market, and so affect generator revenues.

⁹ Distribution Loss Factors notionally describe the average energy losses for electricity transmitted on a distribution network between a distribution network connection point and a transmission network connection point or virtual transmission node.

¹⁰ The project represents the first ever re-purpose of a former gold mine for an energy storage site, and the first pumped hydro project in the NEM in over 40 years.

¹¹ The values shown in the below table are the equity values attributable to Genex based on Genex's interest in the respective projects accordingly.



Genex also has a portfolio of development assets which we have valued based on a combination of DCF approach (for those ones more advanced such as K3W and BCS) and the MW Multiple method. Our valuation assessment is summarised in the table below.

Equity Value by asset category A\$'000	Section reference	Valuation			Capacity ¹ (MW)	Value Range of GNX's %	
		Methodology	Discount Rate	MW Multiple		Low	High
Development assets							
K3W (Wind)	6.1.2.1	DCF & MW Multiple	8.6% - 9.2%	na	258	33,152	44,303
BCS (Solar)	6.1.2.2	DCF & MW Multiple	8.6% - 9.2%	na	775	50,721	71,719
BCB (Battery)	6.1.2.2	MW Multiple	na	0.05 - 0.075	400	10,000	15,000
Subsequent stages of BCP	6.1.2.3	MW Multiple	na	0.05 - 0.075	825	20,625	30,938
Expansion for BBP	6.1.2.3	MW Multiple	na	0.05 - 0.075	50	2,500	3,750
Total equity value of development portfolio and platform (control basis)					2,308	116,998	165,710

Source: GTCF analysis

Note (1): The capacity of each project is on 100% basis.

In our valuation assessment, we have also considered the net present value of the corporate costs (net of costs savings) as these are not captured into the operating model, the existing and future tax losses, the corporate debt not included in the project finance models and any surplus cash. Our valuation assessment is summarised below.

SOP Method - Valuation Summary A\$'000 (except where stated otherwise)	Section Reference	Scheme / Takeover	
		Low	High
Operational and in-construction projects	6.1.1	245,459	291,414
Development portfolio and development platform	6.1.2	116,998	165,710
Less: NPV of Corporate Overheads (incl cost savings)	6.1.3	(34,468)	(38,270)
Add: NPV of existing accumulated Tax Losses ¹	6.1.3	10,979	11,642
Less: J-Power Corporate Loan	6.1.4	(34,503)	(34,503)
Add: Surplus Cash	6.1.4	5,073	5,073
Total Equity Value (control basis)		309,538	401,065
Number of outstanding shares ('000s)		1,385,177	1,385,177
Value per share (control basis) (A\$ per share)		0.223	0.290

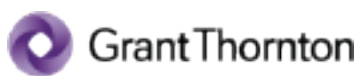
Source: GTCF analysis; Note (1): The future tax losses for each project are included in the individual projects' valuations.

MW Multiple approach

Under this approach we have benchmarked the MW Multiple implied in the SOP approach with the MW Multiple of comparable companies and transactions. We have relied on the MW Multiple implied by comparable transactions instead of the trading peers due to their limited comparability as with the exception of Genex, there are no pure renewable energy companies listed on the ASX.

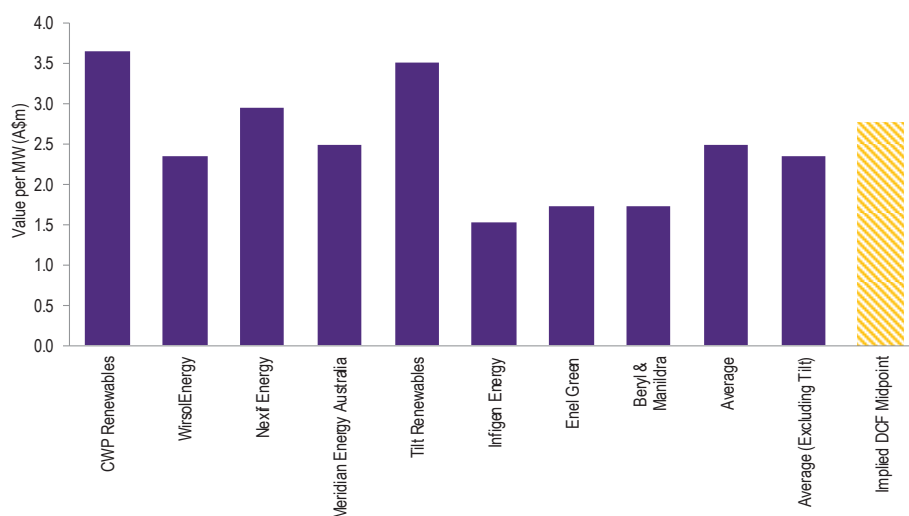
In our benchmark analysis, we have placed reliance on the platform transactions for renewable projects as in our opinion they better represent the value that may be attributed to Genex by a pool of potential purchasers. Genex has a well-established strategy to grow the business via brownfield and greenfield developments and it has in place a strong and experienced team focussed on development opportunities (platform value). In our opinion, a pool of potential purchasers will attribute some value to the platform/goodwill that Genex is able to create via future developments. However, we note that the price that a potential purchaser may be prepared to pay for the platform value needs to be balanced against the cost

Attachment A: Independent Expert’s Report continued



to re-create it. This equilibrium fails if it becomes more cost effective for a purchaser to replicate/buy the development team from another market participant rather than reflect the value into the purchase price.

Operating and Construction MW Multiples implied in comparable transactions and GT valuation



Source: GTCF analysis

Notes: (1) MW figures are based on publicly available information of assets operating and in construction at the time of the transaction where available.

We are of the opinion that the MW multiple of the construction and development assets implied in the SOP approach is reasonable and supported by the platform transactions outlined above. In assessing the reasonableness of our range, we had particular regard to the Nexif and Infigen transactions due to their exposure to multiple electricity generation sources, similar level of MW capacity and similar geographical exposure.

Quoted Security Price Method

As a valuation cross check, we have also considered the quoted security prices. Before relying on the trading prices for the purpose of our cross check, we have undertaken the following:

- Test the liquidity for Genex Shares before Genex’s announcement of the Indicative Proposal and based on the analysis undertaken, we conclude that the liquidity is low to moderate.
- We have also considered the movements in the trading prices of Genex Shares over the 12 months before the Indicative Proposal and compared them with a Peer Index¹² as well as the ESG Environment, Social and Governance (“ESG”) Index¹³, to determine whether the movements in Genex’s trading price are principally driven by industry and company specific events or by movements in the broader market. We find that the trading price of Genex Shares before the announcement of the

¹² The Peer Index includes all Australian and New Zealand listed comparable companies. We have calculated the Peer Index based on capitalisation weighted share price.

¹³ Morgan Stanley Capital International (“MSCI”) Asia Pacific ESG Index is a capitalisation weighted index consisting of companies across developed and developing country in the Asia Pacific Region. It includes companies with high Environmental, Social and Governance performance relative to their sector peers. Utilities, Energy and General industrial companies weight circa 17% in this index. In terms of geographical focus, Australian companies weight c. 11.4% in this index.



Indicative Proposal was largely consistent with the movement in the prices of market comparables with particular movements a result of firm specific events.

In section 6.3.2 we consider the control premium applicable to the minority parcel trading prices for Genex Shares. We find that transaction premia for control of listed industry participants of c. 40% is at the upper end of those observed in the market generally. The Transaction premia are between 49% and 46% to the trading price the day before the Indicative Proposal and 60% and 66% to the trading price 20 days before the Indicative Proposal. We attribute the higher premium payable under the Transaction compared with the previous transactions to the concentration of risk in a small number of projects in Genex, the significant gearing of the business and future potential dilution for existing Genex Shareholders in conjunction with the advancement of the development pipeline. These factors may have weighted negatively on the trading prices before the announcement of the Indicative Proposal and hence the higher than average premium for control.

In our opinion this cross-check supports our primary valuation using the SOP approach and our conclusions.

Reasonableness Assessment of the Transaction

Under RG 111, the Transaction is reasonable if it is fair. Notwithstanding the above, we have summarised below the advantages, disadvantages and other factors which we have determined to be relevant in assessing the reasonableness of the Scheme and the Takeover. As discussed earlier, given there is substantial overlap between the reasonableness considerations of the Scheme and of the Takeover, we have considered them together below. However, we have noted by exception if any of the reasonableness considerations are not pertinent to the Transaction as a whole but only relevant for the Scheme or the Takeover.

Advantages of the Transaction

Premium for control

A premium for control is applicable when the acquisition of control of a company or business would give rise to benefits such as the ability to realise synergies, access cash flows, access tax benefits and control of the board of Directors of the company.

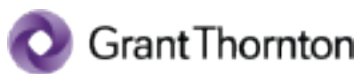
The Scheme Consideration of A\$0.275 per Genex share represents a premium of:

- 49% to the closing share price of Genex Shares immediately before the announcement of the Indicative Proposal on 4 March 2024.
- 56% to the one-month VWAP of the day prior to 4 March 2024.
- 58% to the three-month VWAP of the day prior to 4 March 2024.

The Offer Price of A\$0.27 per Genex Share represents a premium of:

- 46% to the closing share price of Genex Shares immediately before the announcement of the Indicative Proposal on 4 March 2024.

Attachment A: Independent Expert’s Report continued



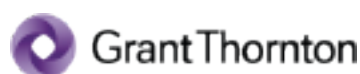
- 53% to the one-month VWAP of the day prior to 4 March 2024.
- 56% to the three-month VWAP of the day prior to 4 March 2024.

This premium for control is unlikely to be available to Genex Shareholders in the absence of the Transaction, or a superior or alternative control transaction proposal.

Certainty of the Scheme Consideration or of the Offer Price

Genex Shareholders have the opportunity to receive the Scheme Consideration or the Offer Price at a premium to the price that Genex Shares may trade in the absence of the Transaction or an alternative proposal, at least in the short term. If the Transaction is implemented, Genex Shareholders (other than, in the case of the Takeover, Genex Shareholders that did not accept the Takeover and retained their Genex Shares) will no longer be exposed to the ongoing risks associated with holding an investment in Genex, which are summarised below in a non-exhaustive manner.

- *Construction and commissioning of K2H* – K2H accounts for approximately 250MW of future operational capacity and is currently under construction with the energisation of the plant in the first quarter of 2025. While the project has been largely de-risked from a funding, revenue and operating cost perspective, there remain risks related to the successful completion of the construction and commissioning of the plant. The project is also a complex, multi-disciplinary infrastructure project and as with projects typical of its nature, there is risk associated with potential contractual disputes between Genex and its contractors which may ultimately result in further funding being required by Genex. We note for example that on 24 September 2022, underground tunnelling at K2H was temporarily disrupted due to an unexpected geological incident which resulted in substantial water ingress and a temporary pause on tunnelling activities. This led to some delay to underground works and the requirement to alter the tunnelling design which resulted in an extension of the excavation program. Further, the K2H project is the first ever re-purpose of a former gold mine for an energy storage site, and the first pumped hydro project in the National Electricity Market (“NEM”) in over 40 years, so it is not a conventional renewable energy project and there are some additional risks associated with it.
- *Concentration of risk* – Genex is highly geared across its existing portfolio of operating and construction assets. The degree of financing risk combined with the fixed operating cost structure results in Genex being particularly exposed to unexpected changes in project construction costs and subsequent operating revenues. This landscape of risk has the effect of making it difficult for Genex to expand its portfolio to ameliorate the effects of individual unexpected events. These difficulties manifest in various forms as set out below:
 - the risk of obtaining commitment from lenders to develop projects that can service commercial costs of borrowings (i.e. non-subsidised debt packages);
 - the risk of obtaining refinancing for maturing borrowings at the time of this report being written;
 - the ability of being able to secure all of the components required for each development project to convert into operational projects such as securing the required approvals, undertaking the construction, attracting new off take arrangements, and sourcing the requisite financing; and



- the risk of attracting additional equity into the Company and the potential dilution of existing shareholder's equity interests due to the need to reduce lenders' exposure to total risk of development projects and make them "bankable" on commercial terms.
- *Risk associated with pre-committed transmission at Kidston Clean Energy Hub* – The transmission line being built by Powerlink Queensland ("Powerlink") to connect the K2H project to the grid includes a greater capacity allowance for the K3W project, which is yet to reach FID. Genex bears the potential risk of significantly increased costs for the overall Kidston Clean Energy Hub if it is not able to bring online with K3W project in a reasonable period of time or at all.
- *Price and performance volatility* – The electricity produced by a number of projects is sold directly into the wholesale electricity market from commencement of the operation (JSP project), or at the end of the various offtake agreements. The volatility in the spot wholesale electricity prices may adversely affect the operations of the business.
- *Forecast generation* – In our valuation assessment of KS1 and JSP, we have assumed the projects to achieve net generation at a P50 level of confidence of c. 138,000MWh and c. 120,700MWh from FY25 respectively. However, this is in excess of the generation achieved in FY22 and FY23 and it represents a risk for the projections.
- *Policy changes* – Australia's energy transition is a primary focus of policy makers in the Australian Government and any changes to the policy framework, energy market operations or design could result in an adverse impact on Genex's existing portfolio.
- *Competition* – QLD and NSW governments have plans to increase the electricity generation from renewable energy sources in the medium to long term. As the number of renewable generation projects increases, there could be an increased competition for electricity network or energy arbitrage and grid services.

Gearing level in the absence of the Transaction

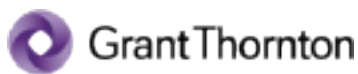
The Company currently has in place total gross debt facilities of A\$881 million, including senior project finance facilities of A\$830 million, a subordinated facility of A\$16 million and corporate debt of A\$35 million, which, at 31 March 2024, have been drawn upon as summarised in the table below.

Total Debt A\$'000	30-Jun-21 Audited	30-Jun-22 Audited	30-Jun-23 Audited	31-Dec-23 Reviewed	31-Mar-24 Unaudited
KS1 and JSP senior debt	168,293	160,254	151,182	147,188	145,305
KS1 and JSP subordinated debt	21,456	17,180	11,934	10,918	10,917
K2H senior debt	-	198,350	412,778	491,778	516,023
BBP senior debt	-	9,429	41,280	40,918	39,754
J-POWER corporate loan	-	-	-	34,503	34,503
Interest-bearing loans and borrowings	189,750	385,214	617,175	725,304	746,502

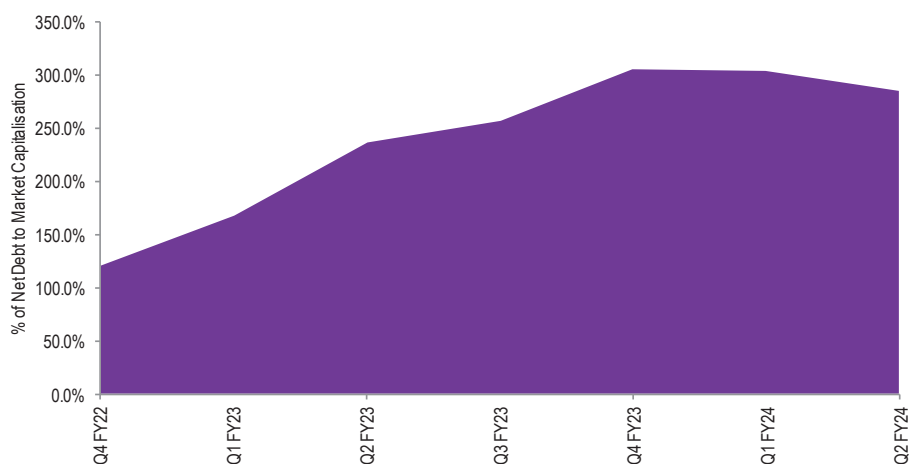
Source: Genex Annual Reports

As shown in the chart below, the relative size of debt capital compared to market capitalisation of equity capital has been growing over time as the Company's projects come into operation and the borrowing load increases. The amount of finance risk in the operating portfolio is therefore significant and likely to continue to increase as more projects are developed.

Attachment A: Independent Expert’s Report continued



Quarterly ratio of net debt to market capitalisation since 30 June 2022



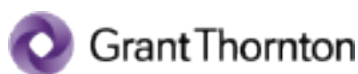
Source: S&P Global, ASX announcements & GTCF analysis

Litigation risks

Genex may be exposed to litigation, claims and disputes in the ordinary course of its business operations, including contractual disputes. As disclosed in Section 9.3(a) of the Transaction Booklet, Genex is presently engaged in continuing and incomplete negotiations with the K2H Engineers, Procurement and Construction (“EPC”) contractor with respect to a number of unresolved claims (“K2H EPC Claims”). The aggregate amount that the K2H EPC Contractor has claimed under the K2H EPC Claims is A\$225.4 million. We understand that a significant number of the K2H EPC Claims have been rejected by Genex, however the negotiations are ongoing and the parties are seeking a commercial settlement.

Contractual disputes between principals and contractors are common in connection with the construction of projects, including projects of the nature of the K2H. As at the date of this Report, the commercial negotiations between Genex and the K2H EPC Contractor in respect of a potential commercial settlement of the K2H EPC Claims are incomplete and ongoing, and there is currently no certainty that such a commercial settlement will be reached or the terms of the potential settlement.

As at the date of this Report, Genex has assessed that the aggregate amount that the K2H EPC Contractor is entitled to in respect of the K2H EPC Claims is within the budgeted contingency and hence we have not reflected any additional risks in our valuation assessment. If the Transaction is implemented, Genex Shareholders (other than, in the case of the Takeover, Genex Shareholders that did not accept the Takeover and retained their Genex Shares) will avoid any downside potential from the K2H EPC Claims which could be material.



Removed exposure to volatile financial markets

The Australian economy is forecast to grow at steadily increasing rates out to 2026 having endured declining growth rates from this time last year. Gross Domestic Product (“GDP”) is expected to grow from 1.6% for the six months to June 2024, to 2.0% over FY25, and 2.4% in FY26. The improvement in economic growth is being driven by declining inflation which is expected to reach the Reserve Bank of Australia (“RBA”) target range between 2% and 3% in FY26. Globally, the story is similar with many of the world’s largest economies also seeing lower inflation brought about by rising interest rates and an easing of supply chain disruptions and slower economic activity. This has led to significant falls in consumer and business confidence as cost of living pressures increase and disposable incomes and real wages fall.

These factors could negatively affect Genex’s business performance, limit the availability of finance to develop its pipeline of projects and ultimately weigh on its trading price creating further dilution in the event of future capital raisings.

2022 NBIO

In July 2022, Genex received a non-binding indicative and conditional offer (“2022 NBIO”) from a Consortium¹⁴ to acquire 100% of the issued capital for a cash consideration of A\$0.230 per share. Then, in August 2022, Genex provided non-exclusive access to due diligence to the Consortium after having received a revised non-binding indicative offer¹⁵ (“2022 Revised NBIO”) to acquire all Genex Shares for a cash consideration of A\$0.25 per share. However, following an extensive period of due diligence, Genex announced on 28 December 2022 that the Consortium had ceased to pursue the 2022 Revised NBIO and all discussion halted.

The Scheme Consideration and the Offer Price are at premium to the 2022 NBIO and 2022 Revised NBIO notwithstanding that since the 2022 NBIO, the cash rate, which forms the basis of most of the debt financing, has increased from 0.85% on 30 June 2022 to 4.35% on 30 April 2024. This has a material impact on highly geared businesses like Genex, even if we acknowledge that the debt package on some of the projects, like for example K2H, is subsidised by the Government with below market interest rates.

No brokerage costs

If the Scheme is implemented or their Genex Shares are acquired under the Takeover Offer, Genex Shareholders will be able to realise their investment in Genex without incurring any brokerage costs.

Disadvantages of the Transaction

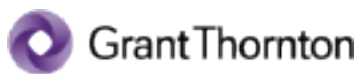
Shareholders will not be able to participate in the future upside of Genex

If the Transaction is implemented, Genex Shareholders (other than, in the case of the Takeover, Genex Shareholders that did not accept the Takeover and retained their Genex Shares) will forego the opportunity to participate in the future upside potential of the Company and any future uplift in current market conditions. Genex has a development pipeline of up to 2.3GW¹⁶, across multiple technologies and aligned

¹⁴ Skip Essential Infrastructure Fund (“Skip”) and Stonepeak Partners LLC (“Stonepeak” and together with Skip referred to as the “Consortium”).

¹⁶ Including announced and unannounced projects and reflective of the project’s name-plate capacity made up of: 1,433MW of development projects, and 875MW of further pipeline projects.

Attachment A: Independent Expert’s Report continued



with the existing portfolio. The current capacity in operation is 150MW which is soon to be increased to 400MW in the second half of FY25 when the 250MW K2H project is energised.

The pipeline has the potential to provide significant upside for Genex Shareholders, as the business capitalises on Australia’s energy transition and the demand for renewable energy assets. Genex has demonstrated its proven capability to develop these assets and has developed a platform against which it can leverage to grow the portfolio.

Specifically, in the near term, Genex’s construction stage project (K2H) is de-risked and will begin to move into the operational phase. This de-risking of the near-term assets could lead to a re-rating of Genex’s share price in the absence of the Transaction.

The value accretion for Genex Shareholders as a result of the successful development of its construction stage project and its development pipeline may be greater than what is considered in our overall value range.

Scarcity of renewable energy investment opportunities

The Australian Federal Government has pledged to cut Australia’s 2005-level greenhouse gas emissions by 43% by 2030, projecting renewables to reach an 83% share of NEM energy generation by 2030-31, with the aim of net zero emissions by 2050¹⁷. Genex is currently the only pure-play renewable energy operating and development company listed on the ASX and therefore provides investors with the opportunity to participate in a sector experiencing significant transition and growing demand. Furthermore, investors are seeking opportunities to consolidate renewable energy platforms as a means by which to diversify portfolios and seek opportunities to efficiently leverage funding.

If the Transaction is implemented, Genex Shareholders (other than, in the case of the Takeover, Genex Shareholders that did not accept the Takeover and retained their Genex Shares) will forego the opportunity for value accretion as a consequence of favourable market conditions generating demand for renewable energy platforms.

Other factors

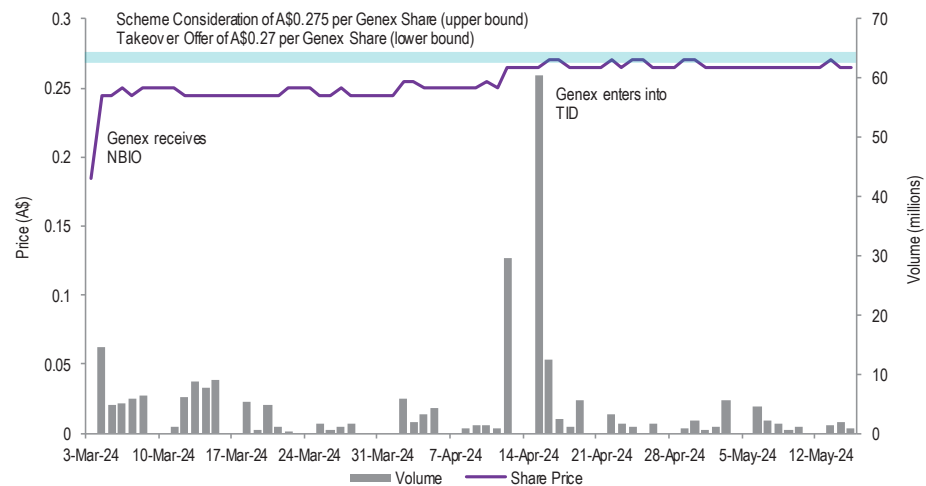
Share price after the announcement

The graph below illustrates the Genex’s share price after the announcement of the Indicative Proposal compared with the Scheme Consideration.

¹⁷ Source: Labour’s Powering Australia Plan 2021.



Trading price and traded volume between 3 March 2024 to 14 May 2024



Source: S&P Global, GTCF analysis

As set out above, upon the announcement of the Indicative Proposal on 4 March 2024, the Genex share price increased by 35.1% to A\$0.25 per share and traded consistently below the Scheme Consideration and the Offer Price in the range of A\$0.245 per share and A\$0.255 per Genex Share until the Company announced it entered into a binding TID on 12 April 2024. Since then, Genex Shares traded substantially in line with the Scheme Consideration/Offer Price which seems to indicate good support from investors, a perceived low risk of the Transaction not being implemented and limited expectations for a superior proposal.

Prospects of a superior offer

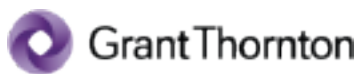
To date no superior proposal to the Transaction has emerged. Whilst Genex has agreed not to solicit any competing proposals or, subject to a fiduciary exception, to participate in discussions or negotiations in relation to any competing proposals, there are no material impediments to an alternative proposal being submitted by potentially interested parties.

The Transaction process may act as a catalyst for other interested parties, and it will provide significant additional information in the Transaction Booklet and Independent Expert's Report to enable such potential acquirers to assess the merits of potential alternative transactions. If a superior proposal emerges during the exclusivity period under the TID, J-Power has the right to make a counterproposal, the Scheme Meeting ("Scheme Meeting") may be adjourned or Genex Shareholders may vote against it¹⁸ or not accept the Takeover.

However, we note that given J-Power's 7.72% interest in Genex and Skip's 19.99% interest, it is unlikely that a superior proposal in the form of a control transaction to be given effect to by way of scheme of arrangement will be implemented without their support.

¹⁸ We note that if one or more Genex IBC Members withdraw their recommendation in respect of the Scheme or Takeover in the event of a superior proposal, Genex will be required to pay a break fee.

Attachment A: Independent Expert's Report continued



Value of Genex for J-Power (Scheme only)

If the Scheme is implemented, Genex will be delisted from the ASX and J-Power will realise direct synergies in relation to cost savings on listing fees, ASX compliance costs and Directors' fees. These cost savings are embedded into our valuation assessment of Genex on a control basis. We do not consider that J-Power will receive any material specific special value as a result of the Scheme notwithstanding it achieving 100% control of the joint venture projects given that our assessment is already on 100% basis without taking into account the 50/50 interest of the parties. However, given J-Power's capital availability, it is likely to be able to better leverage off Genex's development capabilities and accelerate the development pipeline, and potentially enjoy an operational freedom in decision making in relation to what were joint venture projects.

We further note, however, that under certain circumstances whereby J-Power had received sufficient acceptances such that it was entitled to a compulsory acquisition of Genex at the end of the Takeover Offer Period, the abovementioned delisting of Genex from the ASX would still occur.

Likelihood to receive a premium for control in the future (Takeover only)

If the Offer becomes unconditional and J-Power obtains more than 50% of the Genex Shares such that it controls Genex, J-Power will be able to restructure the board of Directors which will potentially allow it to vary the strategic objectives of the business which may not necessarily be in line with the other remaining Genex Shareholders.

J-Power is a global business and it will become a strategic investor in Genex focussed on accelerating its development pipeline and construction projects. The presence of J-Power as such a significant shareholder on the share register is likely to deter other market participants and interested parties in a takeover of the Company.

J-Power provides greater options for future funding (Takeover only)

If the Offer becomes unconditional but J-Power acquires a relevant interest in less than 90% of the issued capital, Genex will be able to tap into J-Power's global operations, profitability and cash resources to fund the business and accelerate future developments (subject to the legal obligations of the Genex Board and the requirements of the Corporations Act and ASX Listing Rules relating to transactions between related parties). Conversely, if the Transaction does not proceed, the Company may be required to raise capital or sell down interest in the projects to fund future developments.

Acquisition of more than 50% interest in Genex (Takeover only)

J-Power's current intentions if it acquires a relevant interest in more than 50%¹⁹ but less than 90% of Genex's Shares are to amongst other things review and decide whether to reconstitute the Board of

¹⁹ If the Scheme is not successful, then the Takeover Offer will become relevant. The Takeover is subject to the 50.1% Minimum Acceptance Condition (but J-Power Nominee may waive this condition without the consent of Genex in certain circumstances, as described in detail in the Transaction Booklet). If J-Power Nominee acquires Genex Shares under the Takeover Offer such that it has a Relevant Interest in more than 50% but less than 90% of the Genex Shares, then J-Power Nominee will acquire a majority shareholding in Genex but will not be entitled to compulsorily acquire the outstanding Genex Shares. In this situation, Genex Shareholders who do not accept the Takeover Offer will become minority shareholders in Genex. This has a number of possible implications (which are set out in Section 9.5 of the Transaction Booklet), including that J-Power Nominee will be in a position to cast (or otherwise control) the majority of votes at a general meeting of Genex. J-Power's intentions in relation to Genex in these circumstances are set out in Section 8, and the risks of a Genex Shareholder remaining a minority shareholder in Genex are set out in Section 9.5, of the Transaction Booklet.



Directors and to consider, among other things, the advantages and disadvantages of Genex continuing to remain listed on the ASX depending on the relevant interest held by Genex.

If the Takeover becomes unconditional and J-Power holds at least 75% of Genex Shares, J-Power has indicated that it will not be supportive of Genex remaining listed on the ASX after the close of the Takeover Offer, having regard to the requirements of the Listing Rules and the additional corporate and compliance costs, and J-Power will request that the Board review the benefits and suitability of Genex remaining listed on ASX after the close of the Takeover Offer.

Genex Shareholders should carefully monitor how the relevant interest of J-Power in Genex Shares evolves during the Offer period (if the Scheme is not implemented) and should consider the risk of remaining as minority Shareholders in a listed Genex controlled by J-Power due to the following:

- The liquidity of Genex Shares may decrease materially and their ability to sell shares at fair market value could be adversely affected.
- J-Power may vary the strategic objectives of the business which may not necessarily be in line with the other minority Shareholders or how the business is currently run.
- Having regard to the requirements of the Listing Rules, J-Power will seek to pursue a delisting of Genex from the ASX.

Compulsory acquisition (Takeover only)

If J-Power acquires a relevant interest in 90% or more of Genex's Shares pursuant to the Takeover Offers and is entitled to proceed to compulsory acquisition of the outstanding Genex Shares under the Corporations Act, it intends to give notices to Genex Shareholders that did not accept the Takeover and retained their Genex Shares to compulsorily acquire any outstanding Genex Shares in accordance with Part 6A.1 of the Corporations Act. If J-Power compulsorily acquires the remaining Genex Shares under this avenue, the applicable Genex Shareholders will receive the Offer Price. Under these circumstances, Genex Shareholders will be better off to accept the Offer before the end of the Offer period so that they can receive the consideration sooner.

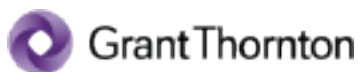
Implications if the Transaction is not implemented

If the Transaction is not implemented, it is the Genex IBC Members' current intention to continue operating Genex in line with its stated strategy and objectives. However, in the absence of the Scheme, Takeover, or an alternative transaction, all other things being equal, it is likely that Genex Shares will trade at prices below the Scheme Consideration and the Offer Price, at least in the short term. In our opinion, the prospect of Genex shares trading above the Scheme Consideration and the Offer Price in the short term, based on the current market conditions, is limited.

Tax implications

Implementation of the Scheme or acceptance of the Takeover Offer may crystallise a capital gains tax liability for Genex Shareholders, however the taxation consequences for Genex Shareholders will vary according to their individual circumstances and will be impacted by various factors. Genex Shareholders should read the overview of tax implications of the Scheme and Takeover Offer set out in Section 10 of the Transaction Booklet and also seek independent financial and tax advice.

Attachment A: Independent Expert’s Report continued



Reasonableness conclusion

Based on the qualitative factors identified above, it is our opinion that the Scheme and the Takeover are **FAIR AND REASONABLE**

Overall conclusion on the Transaction

After considering the abovementioned quantitative and qualitative factors, Grant Thornton Corporate Finance has concluded that:

- The Scheme is **FAIR AND REASONABLE** and hence in the **BEST INTERESTS** of the Genex Shareholders (other than Excluded Genex Shareholders) in the absence of a superior alternative proposal emerging.
- The Takeover is **FAIR AND REASONABLE** to the Genex Shareholders (other than Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-Power Nominee) in the absence of a superior alternative proposal emerging.

Other matters

Grant Thornton Corporate Finance has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is set out in the following section.

The decision of whether or not to vote in favour of the Scheme or accept the Takeover Offer is a matter for each Genex Shareholder to decide based on their own views of the value of Genex and expectations about future market conditions, Genex’s performance, risk profile and investment strategy. If Genex Shareholders are in doubt about the action they should take in relation to the Scheme and the Takeover Offer, they should seek their own professional advice.

Yours faithfully

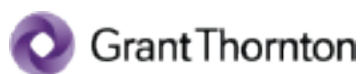
GRANT THORNTON CORPORATE FINANCE PTY LTD

Handwritten signature of Andrea De Cian in black ink.

ANDREA DE CIAN
Director

Handwritten signature of Mark H. Butterfield in black ink.

MARK H. BUTTERFIELD
Director



6 June 2024

Financial Services Guide

1 Grant Thornton Corporate Finance Pty Ltd

Grant Thornton Corporate Finance carries on a business, and has a registered office, at Level 17, 383 Kent Street, Sydney NSW 2000. Grant Thornton Corporate Finance holds Australian Financial Services Licence No 247140 authorising it to provide financial product advice in relation to securities and superannuation funds to wholesale and retail clients.

Grant Thornton Corporate Finance has been engaged by Genex to provide general financial product advice in the form of an independent expert's report in relation to the Scheme and the Takeover.

2 Financial Services Guide

This Financial Services Guide ("FSG") has been prepared in accordance with the *Corporations Act, 2001 (Cth)* and provides important information to help retail clients make a decision as to their use of general financial product advice in a report, the services we offer, information about us, our dispute resolution process and how we are remunerated.

3 General financial product advice

In our report we provide general financial product advice. The advice in a report does not take into account your personal objectives, financial situation or needs.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

4 Remuneration

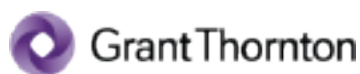
When providing the Report, Grant Thornton Corporate Finance's client is the Company. Grant Thornton Corporate Finance receives its remuneration from the Company. In respect of the Report, Grant Thornton Corporate Finance will receive from Genex a fee of A\$170,000 (plus GST) which is based on commercial rates, plus reimbursement of out-of-pocket expenses for the preparation of the report. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Except for the fees referred to above, no related body corporate of Grant Thornton Corporate Finance, or any of the directors or employees of Grant Thornton Corporate Finance or any of those related bodies or any associate receives any other remuneration or other benefit attributable to the preparation of and provision of this report.

5 Independence

Grant Thornton Corporate Finance is required to be independent of Genex in order to provide this report. The guidelines for independence in the preparation of independent expert's reports are set out in RG 112

Attachment A: Independent Expert’s Report continued



Independence of expert issued by ASIC. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

“Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with Genex (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation the Scheme and the Takeover.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Scheme and the Takeover, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the Scheme and the Takeover. Grant Thornton Corporate Finance’s out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

Grant Thornton was engaged by Genex to provide modelling services in relation to Genex’s budgeting processes and month end accounting processes in March 2021 and to provide an Independent Expert Report for the potential Scheme with the Consortium in 2022 subsequently aborted before the parties could reach binding legal agreements.

Grant Thornton Corporate Finance considers itself to be independent in terms of RG 112 “Independence of expert” issued by the ASIC.”

6 Complaint’s process

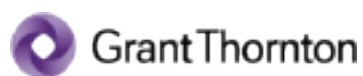
Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Complaints Authority. All complaints must be in writing and addressed to the Chief Executive Officer at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Australian Financial Complaints Authority who can be contacted at:

Australian Financial Complaints Authority Limited
GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 931 678

Grant Thornton Corporate Finance is only responsible for this report and FSG. Complaints or questions about the Scheme Meeting or Takeover should not be directed to Grant Thornton Corporate Finance. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

7 Compensation arrangements

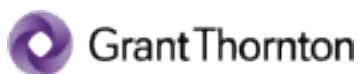
Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the *Corporations Act, 2001 (Cth)*.



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Attachment A: Independent Expert's Report continued



1. Outline of the Transaction

1.1. Background to the Transaction and structure of the Transaction

The Transaction involves a simultaneous Scheme and Takeover Offer, under which Genex Shareholders (other than, in respect of the Scheme, Excluded Genex Shareholders and, in respect of the Takeover Offer, J-Power Nominee) will be entitled to receive:

- the Scheme Consideration of A\$0.275 cash if the Scheme is approved by Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting and by the Court; or
- the Takeover Consideration of \$0.270 for each Genex Share accepted into the Takeover Offer if the Scheme is not approved by Genex Shareholders (other than Excluded Genex Shareholders) or the Court and the Takeover Offer is declared, or otherwise becomes, unconditional.

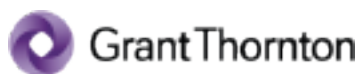
The two alternative and concurrent transactions proposed by J-Power (being the simultaneous Scheme and Takeover Offer) each involve different approval or acceptance (as applicable) requirements, thresholds and commercial terms, as described below (and in detail in the Transaction Booklet). While there are two alternative transaction structures for the purposes of implementing the acquisition of Genex by J-Power Nominee, only one of these alternatives (either the Scheme or the Takeover Offer) can proceed to completion.

The Transaction has been structured as a Scheme, with a simultaneous Takeover as an alternative to provide greater ability for Genex Shareholders to sell their Genex Shares to J-Power Nominee at a price that is close to the Scheme Consideration (should they choose to do so), should the Scheme not be implemented, and should the Takeover become unconditional. For the Scheme to be implemented, it requires approval by at least 75% of votes cast by eligible Genex Shareholders (other than Excluded Genex Shareholders) on the resolution to approve the Scheme at the Scheme Meeting and a majority in number of those eligible Genex Shareholders (other than Excluded Genex Shareholders) who vote on the Scheme. This threshold may be difficult to achieve if Skip Capital votes all of its Genex Shares (which, as at the date of this report, represent 19.99% of the Genex Shares on issue) against the Scheme at the Scheme Meeting. At the date of this Report, Skip Capital has not publicly stated whether or not it intends to vote in favour of the Scheme. The Takeover has a minimum acceptance condition which requires J-Power Nominee to have a Relevant Interest in only 50.1% of the Genex Shares (the "50.1% Minimum Acceptance Condition")²⁰, which is a lower approval/acceptance threshold.

As at the date of this report, J-Power Nominee holds 7.72% of the Genex Shares. Under the terms of the Scheme, those Genex Shares will not be acquired by J-Power Nominee and J-Power Nominee (and any other Excluded Genex Shareholder) will not participate in the Scheme. As a result, the Scheme must be approved by the requisite majorities of Genex Shareholders, excluding J-Power Nominee and any other Excluded Genex Shareholders, and J-Power Nominee and any other Excluded Genex Shareholders will not be entitled to vote on the Scheme at the Scheme Meeting.

While the structure of the Transaction is complex, the commercial terms being offered by J-Power are in each case substantially the same, being A\$0.275 under the Scheme (under which, if implemented, J-Power Nominee would become the holder of 100% of the Genex Shares on issue) or A\$0.270 per Genex Share

²⁰ J-Power is also entitled to waive this minimum acceptance condition without Genex's consent in certain circumstances, which are described in detail in the Transaction Booklet.



under the Takeover (under which, if it became unconditional and the 50.1% Minimum Acceptance Condition was satisfied, J-Power Nominee would become the holder of between 50.1% and 100% of the Genex Shares on issue – that is, it would have a controlling interest in Genex).

1.2. Key terms of the Scheme

We have set out below some key terms of the Scheme (which are set out in detail in the Transaction Booklet):

- *Scheme Consideration* – A\$0.275 per Genex Share.
- *Conditions precedent* – the TID includes, but is not limited to, the following conditions precedent to the Scheme becoming effective:
 - Approval by Genex Shareholders (other than Excluded Genex Shareholders) and by the Court in accordance with Section 411 of the Corporations Act.
 - Approval by FIRB.
 - The Independent Expert concludes and continues to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).
 - No Genex prescribed occurrences and no material adverse changes.
 - Genex has 14.5 million options issued to Genex Directors with an exercise price of A\$0.34 and an expiry date of 10 September 2024 (“Genex Options”). Under the Option Cancellation Deeds, subject to the Scheme being implemented, the Genex Options will be cancelled for a cash consideration of c. A\$0.52 million (A\$0.49 million under the Takeover). The TID includes a condition precedent to the Scheme becoming effective relating to the cancellation of the Genex Options and Genex’s compliance with its obligations under the TID in relation to that cancellation. Details relating to this condition precedent and the treatment of the Genex Options as part of the Transaction are outlined in the Transaction Booklet.
 - Genex has 9,660,586 performance rights issued on 10 May 2023 with nil exercise price (“Genex Performance Rights”). Genex has executed agreements with the holders of Genex Performance Rights²¹ under which, Genex will:
 - Cancel approximately 50% of the Genex Performance Rights, which are subject to vesting conditions measured against total shareholder return hurdles, for cash consideration of c. A\$1.3 million (substantially the same for the Scheme and the Takeover).
 - Amend the terms of issue of the remaining Genex Performance Rights, the vesting of which is subject to the satisfaction of certain conditions related to the delivery of certain underlying projects within Genex’s portfolio to provide for, among other things, cash settlement on vesting for an amount equal to the Scheme Consideration or Takeover Consideration (as applicable) for each Genex Performance Right. The TID includes a condition precedent to the

²¹ A performance or other right in respect of a Genex Share issued under the Performance Rights Plan on issue as set out in Schedule 3 of the TID.

Attachment A: Independent Expert’s Report continued



Scheme being implemented relating to this treatment of the Genex Performance Rights and Genex’s compliance with its obligations under the TID in relation to that treatment. This condition precedent and the treatment of the Genex Performance Rights as part of the Transaction are discussed in detail in the Transaction Booklet.

- The receipt of certain consents and approvals from Genex’s contractual counterparties related to the change of control in Genex that will occur on implementation of the Scheme.
- Other conditions precedent customary for a transaction of this type (refer to section 3.1 of the TID for more details).
- **Break Fee** – a break fee of A\$3,515,014 equal to 1% of the aggregate Scheme Consideration may, subject to certain exceptions, become payable by Genex to J-Power if among other things:
 - A competing proposal is publicly announced before the expiry of the exclusivity period²² and within 12 months thereafter, and the competing bidder either completes a transaction outlined in the definition of a competing proposal or directly or indirectly acquires more than 50% of Genex Shares.
 - Before the effective date²³, or (subject to certain qualifications) at the end of the Takeover Offer if any member of the Genex IBC fails to recommend the Scheme or Takeover Offer in the agreed form, withdraws or changes their recommendation, endorses a competing proposal, votes for or accepts a competing proposal, or makes public statements inconsistent with the scheme or takeover bid recommendations, except under specific circumstances outlined in the TID.
 - J-Power terminates the TID due to an unremedied material breach of the TID by Genex.
- **Reverse Break Fee** – a reverse break fee of A\$3,515,014 equal to 1% of the Scheme Consideration may become payable by J-Power to Genex, subject to certain limited exemptions, if among other things:
 - Genex has terminated the TID due to an unremedied material breach of the TID by Genex .
 - J-Power does not pay the Scheme Consideration in accordance with its obligations defined in the TID after the Scheme becomes effective; or
 - the Takeover Offer has been declared or has otherwise become unconditional and J-Power does not provide the Takeover Consideration to Genex Shareholders that have accepted the Offer.
- **Others** – other terms common for a transaction of this nature, including customary exclusivity arrangements such as “no shop”, “no talk”, and “no due diligence” and a right for J-Power to be notified of and to match any competing proposals.

²² The period commencing on the execution of the TID and ending at the earliest to occur of the valid termination of the TID, the effective date of the Scheme, the first date the Takeover Offer has been declared or otherwise becomes unconditional and J-Power has acquired at least 50.1% of the Genex Shares on issue, and 30 November 2024.

²³ The date the Scheme becomes effective.



1.3. Key terms of the Takeover Offer

The key terms of the Takeover Offer (which are set out in detail in the Transaction Booklet) are outlined below:

- *Takeover Consideration* – A\$0.270 per Genex Share.
- *Takeover Offer Period* – The Takeover Offer is open for acceptance from the date of the Takeover Offer and closes after at least 20 business days after the day of the Scheme Meeting unless the Offer Period is extended or withdrawn by J-Power in accordance with the Corporations Act and the TID.
- *Conditions precedent* – It is subject to the following conditions precedent (which are set out in detail in section 6 of the Transaction Booklet):
 - 50.1% minimum acceptance condition.
 - FIRB approval.
 - The Scheme is not approved by Genex Shareholders or by the Court.
 - Certain of Genex’s contractual counterparties not exercising (or stating an intention to exercise) certain contractual rights related to a change of control in Genex that arise or will arise as a result of J-Power acquiring a relevant interest in Genex Shares under the Takeover Offer (except where the relevant counterparty has provided the required consent, waiver or approval under the relevant contract).
 - Equivalent conditions to the conditions precedent in relation to the treatment of Genex Options and Genex Performance Rights in respect of the Scheme described above, and other conditions precedent typical for a transaction of this type (including that no Genex material adverse change occurs).

Attachment A: Independent Expert's Report continued



2. Purpose and scope of the report

2.1. Purpose

Section 411 of the Corporations Act

Section 411 of the Corporations Act 2001 regulates schemes of arrangement between companies and their members. Part 3 of Schedule 8 of the Corporations Regulations 2001 prescribes information to be sent to shareholders and creditors in relation to members' and creditors' schemes of arrangement pursuant to Section 411 of the Corporations Act.

Part 3 of Schedule 8 of the Corporations Regulations requires an independent expert's report in relation to a scheme to be prepared when a party to that scheme has a shareholding of 30% or more in the company subject to the scheme, or where any of its directors are also directors of the company subject to the scheme. In those circumstances, the independent expert's report must state whether a scheme is in the best interests of shareholders and state reasons for that opinion. Even where there is no requirement for an independent expert's report, documentation for a scheme of arrangement typically includes an independent expert's report.

The Genex IBC has requested that Grant Thornton Corporate Finance prepare an independent expert's report to express an opinion as to whether the Scheme is fair and reasonable, and hence in the best interests of Genex Shareholders (other than the Excluded Genex Shareholders).

Takeover under Chapter 6 of the Corporations Act

Section 640 of the Corporations Act requires that a target's statement made in response to a takeover offer for securities in an Australian publicly listed company must be accompanied by an independent expert's report if:

- the bidder's voting power in the target is 30% or more; and
- for a bidder who is or includes an individual – is a director of the target company; or
- for a bidder who is or includes a body corporate – a director of the bidder is a director of the target company.

The independent expert's report must state whether, in the opinion of the independent expert, the takeover offer is fair and reasonable to the target company's shareholders and provide the reasons for forming that opinion.

The Genex IBC has requested Grant Thornton Corporate Finance to prepare an independent expert's report that states whether, in Grant Thornton Corporate Finance's opinion, the Takeover is fair and reasonable to Genex Shareholders (other than Excluded Genex Shareholders and any other Genex Shareholders that are Associates of J-Power Nominee).



2.2. Basis of assessment

In forming our opinion and preparing this report, Grant Thornton Corporate Finance has had regard to relevant Regulatory Guides issued by the ASIC, including RG 111, Regulatory Guide 60 Schemes of arrangement (“RG60”) and RG 112. This report also includes information and disclosures required by those ASIC Regulatory Guides. In relation to our opinion in respect of the Scheme, we note that neither the Corporations Act nor the Corporations Regulations define the term “in the best interests of members”..

RG 111 establishes certain guidelines in respect of independent expert’s reports prepared for the purposes of the Corporations Act. RG111 is framed largely in relation to reports prepared pursuant to Section 640 of the Corporations Act and comments on the meaning of “fair and reasonable” in the context of a takeover offer. RG111 requires an independent expert report prepared for a change of control transaction implemented by way of scheme of arrangement (as an alternative to a takeover bid to achieve substantially the same outcome) to undertake an analysis substantially the same as for a takeover bid. However, the opinion of the expert should be whether or not the proposed scheme is “in the best interests of the members of the company”. RG111 states that if an expert were to conclude that a proposal was “fair and reasonable” if it was in the form of a takeover bid, it will also conclude that the proposed scheme is “in the best interests of the members of the company”.

Pursuant to RG111, an offer is “fair” if the value of the offer price or consideration is equal to or greater than the value of the securities that are subject of the offer. A comparison must be made assuming 100% ownership of the target company. That is, RG 111 provides that the value of the target company should be assessed as if the bidder was acquiring 100% of the issued equity in the target (i.e. on a control basis). RG111 considers an offer to be “reasonable” if it is fair. An offer may also be reasonable if, despite not being “fair” but after considering other significant factors, the expert believes that there are sufficient reasons for the shareholders to accept the offer in the absence of any higher bid before the close of the offer.

Accordingly, for the purpose of forming our opinion on the Scheme and the Takeover, we have undertaken the same analysis to assess if the Scheme and the Takeover Offer are fair and reasonable to the applicable Genex Shareholders.

In our opinion, the most appropriate way to evaluate the fairness of the Scheme and of the Takeover is to compare the fair market value of Genex on a control basis with the Scheme Consideration and the Takeover Consideration.

In considering whether the Scheme and the Takeover are reasonable to Genex Shareholders, we have considered a number of factors, including (as applicable to the Scheme or the Takeover, or both):

- Whether the Scheme/Takeover are fair.
- The implications to Genex shareholders if the Transaction is not implemented.
- Other likely advantages and disadvantages associated with the Scheme and the Takeover.
- Other costs and risks associated with the Transaction that could potentially affect Genex Shareholders.

Attachment A: Independent Expert's Report continued



- Implication for Genex Shareholders if J-Power acquires a relevant interest in Genex greater than 50.1% but less than 90% (Takeover only).

2.3. Independence

Prior to accepting this engagement, Grant Thornton Corporate Finance (a 100% subsidiary of Grant Thornton Australia Limited) considered its independence with respect to the Scheme with reference to RG 112 issued by ASIC.

Grant Thornton Corporate Finance has no involvement with, or interest in, the outcome of the approval of the Scheme other than that of an independent expert. Grant Thornton Corporate Finance is entitled to receive a fee based on commercial rates and including reimbursement of out-of-pocket expenses for the preparation of this report.

Except for these fees, Grant Thornton Corporate Finance will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the issuing of this report. The payment of this fee is in no way contingent upon the success or failure of the Scheme.

Grant Thornton was engaged by Genex to provide financial modelling services in relation to Genex's budgeting processes and month end accounting processes in March 2021 and *Grant Thornton Corporate Finance was engaged* to provide an Independent Expert's Report for the potential scheme under which a consortium comprising Skip Capital and Stonepeak Partners LLC ("Consortium") proposed to acquire all of the Genex Shares (other than those held by Skip Capital) in 2022, which was subsequently abandoned (when the Consortium withdrew its non-binding, indicative proposal) before the parties could enter into a binding implementation agreement (or Grant Thornton Corporate Finance completed the preparation of its Independent Expert's Report).

In our opinion, Grant Thornton Corporate Finance is independent of Genex and its Directors, and all other relevant parties in respect of the Transaction.

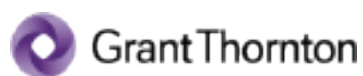
2.4. Consent and other matters

Our report is to be read in conjunction with the Transaction Booklet dated on or around 6 June 2024 in which this report is included and is prepared for the exclusive purpose of assisting Genex Shareholders in their consideration of the Transaction. This report should not be used for any other purpose.

Grant Thornton Corporate Finance consents to the issue of this report in its form and context and consents to its inclusion in the Transaction Booklet.

This report constitutes general financial product advice only and in undertaking our assessment, we have considered the likely impact of the Transaction on the relevant Genex Shareholders as a whole. We have not considered the potential impact of the Transaction on individual Genex Shareholders. Individual Genex Shareholders have different financial circumstances, and it is neither practicable nor possible to consider the implications of the Transaction on individual Genex Shareholders.

The decision of whether or not to vote in favour of the Scheme or accept the Takeover is a matter for each Genex Shareholder based on, among other things, their views on the value of Genex and expectations about future market conditions, together with Genex's performance, risk profile and investment strategy. If



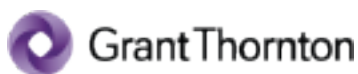
Genex Shareholders are in doubt about the action they should take in relation to the Transaction, they should seek their own professional advice.

2.5. Compliance with APES 225 Valuation Services

This report has been prepared in accordance with the requirements of the professional standard APES 225 Valuation Services (“APES 225”) as issued by the Accounting Professional & Ethical Standards (“APES”) Board. In accordance with the requirements of APES 225, we advise that this assignment is a Valuation Engagement as defined by that standard as follows:

“An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time.”

Attachment A: Independent Expert’s Report continued



3. Industry overview

3.1. Australian Electricity Industry

3.1.1. Introduction

There are four major electricity supply networks in Australia:

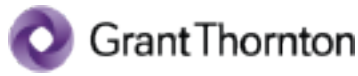
- NEM: Geographically the largest interconnected power system in the world, NEM is a wholesale electricity market that spans across five interconnected states: Queensland, New South Wales (including the Australian Capital Territory), Victoria, South Australia, and Tasmania.
- South-West Interconnected System (“SWIS”): SWIS services the South-West region of Western Australia through a wholesale energy and capacity market where electricity is traded via bilateral contracts.
- North-West Interconnected System (“NWIS”): NWIS services the Pilbara region of Western Australia, trading energy via bilateral contracts through an unregulated, privately-owned transmission network.
- Territory Generation: A government-owned corporation in the Northern Territory that operates eight power stations across five networks.

Approximately 98% of the population have access to a major electricity grid, which is supplied through a range of transmission and distribution power lines to consumers’ premises. All of Genex’s operational assets are part of the NEM. The NEM generates more than 200 terawatt hours of electricity per year and supplies approximately 80% of Australia’s electricity consumption²⁴.

Generated electricity is sold on a wholesale spot market, regulated by the Australian Electricity Market Operator (“AEMO”), where retailers bid for energy to then on-sell to consumers. Both the wholesale and retail markets are competitive, with additional measures being enforced by the Australian Energy Market Commission (“AEMC”) to ensure a fair outcome for energy consumers. To sell energy on the wholesale market, electricity generators require a license from AEMO, to ensure the integrity and security of the networks. The majority of Australian consumers and businesses purchase their energy from retailers, with certain large electricity consumers having the option to purchase directly from the wholesale market.

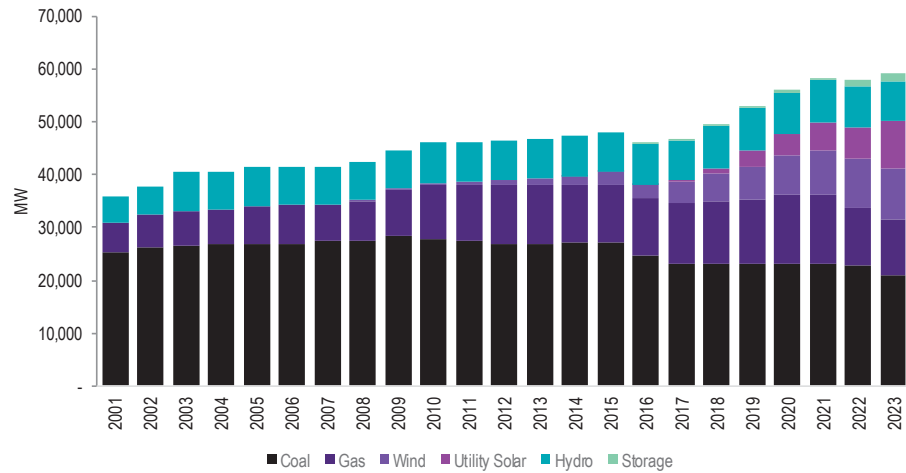
Australia’s electricity market is currently undergoing a transformation as the generation mix is shifting from predominantly fossil fuel generation towards renewable generation. Over the last 20 years, coal generation has been declining at a compounded annual growth rate (“CAGR”) of 0.4% whereas renewable generation has increased at a CAGR of 7.6% over the same period. In 2023, c. 60% of the total electricity was generated by fossil fuels, the largest portion being coal followed by gas and 39.4% was generated from renewables, specifically, solar, wind, and hydro. Whilst coal is currently the main generation source, there has been no new coal-fired power plants built in Australia since the mid-2000s, and coal’s share of electricity generation has declined from c.83% in 2000.

²⁴ Source: AEMC.



The following graph presents the generation sources from 2001 to 2023:

NEM Historical Capacity by Fuel Type

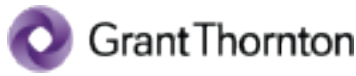


Source: Australian Energy Market Commission: NEM generation capacity (installed megawatts) by fuel type 2001-2019, Annual Market Performance Review 2021-2022 data and Australian Energy Council NEM generation profile 2022-23

The NEM capacity forecast is expected to grow at a CAGR of c.4.5% over the next 30 years. Coal generation in some scenarios is expected to cease by year 2038 whereas renewable generation will continue to increase at a CAGR of 7.7% over the next 30 years. Currently, wind and solar are the lowest cost resources for electricity generation and storage in Australia, with wind and solar generation to grow to approximately 32.4% and 32.3% of the total NEM capacity forecast respectively by 2051²⁵.

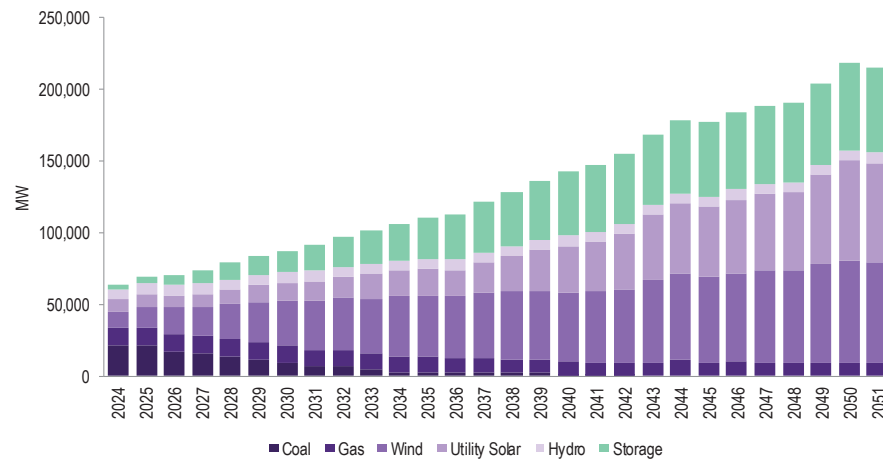
²⁵ Source: AEMO – 2022 Integrated System Plan, 2022 Final ISP results workbook - Step Change - Updated Inputs.

Attachment A: Independent Expert’s Report continued



The following graph presents the capacity forecasts from 2024 to 2051 within the AEMO’s Step Change Scenario²⁶:

NEM Capacity Forecast by Fuel Type



Source: AEMO – Integrated System Plan (Step Change Scenario) 2022

It is expected that the economic benefits of replacing coal with renewable generation would significantly outweigh the costs in the longer term. However, this transition to renewables can be expensive as there is also a need for a large increase of energy storage to be able to completely replace the baseload electricity generated from coal.

3.2. Australian Renewable Energy Industry

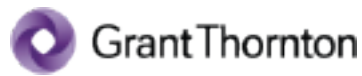
3.2.1. Introduction

The Federal Government has pledged to cut Australia’s 2005-level greenhouse gas emissions by 43% by 2030, projecting renewables to reach an 83% share of NEM energy generation by 2030-31 and keeping Australia on track for net zero emissions by 2050²⁷. The Australian renewable energy industry accounted for 39.4% of Australia’s total energy generation in 2023, a 3.5% increase from 35.9% in 2022. Factors driving the energy transition to renewables in Australia include some coal-fired power stations having brought forward their planned exits, wind generation gaining momentum, investors becoming increasingly focused on climate and environmental, social and governance considerations, government support, and technological advances.

Renewable energy penetration by state

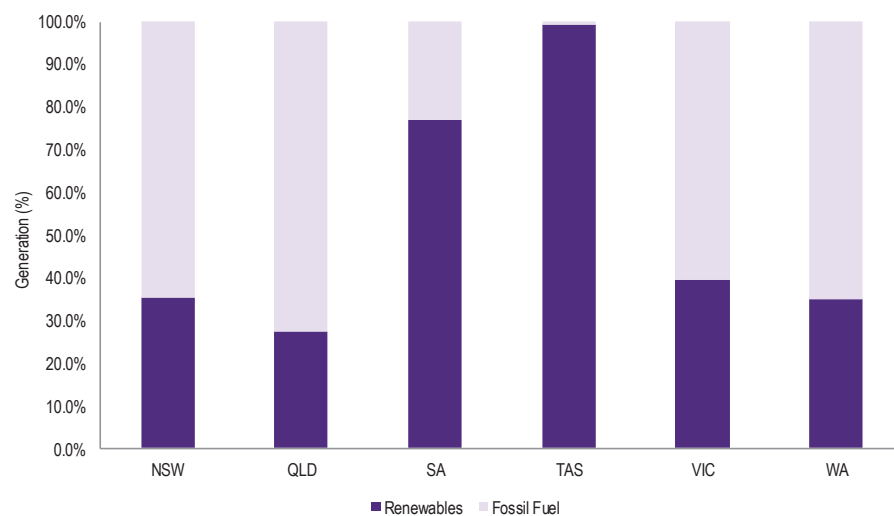
Tasmania, and South Australia currently have significantly higher renewable generation penetration than the rest of the states. Genex’s projects and assets are primarily located in New South Wales and

²⁶ The Step Change Scenario is one of several cases by the AEMO and involves a rapid initial transition to renewable energy.
²⁷ Source: Labour’s *Powering Australia* Plan 2021.



Queensland which currently have the country's lowest renewable generation. The chart below shows the renewable energy penetration by state in 2023.

Renewable Energy Penetration by State 2023



Source: Clean Energy Council – Clean Energy Australia Report 2023

Types of renewable energy sources

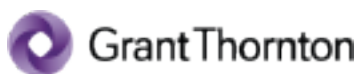
Renewable energy generation and storage types range from common technologies such as solar, wind power and hydropower (including conventional hydro and pumped storage hydro energy systems) to grid strengthening technologies (battery storage and smart technology), and energy harnessing technologies (geothermal energy, bioenergy and ocean energy)²⁸. Genex is involved in the following renewable types:

- Solar** –The Solar Electricity Generation industry supplies electricity to wholesale markets, using large-scale photovoltaic or thermal systems. The industry in Australia has expanded significantly at a CAGR of 60.1% over the past five years driven in part by the development of large-scale solar farms. This industry has received a high level of assistance from various state and federal governments, particularly the Renewable Energy Target (“RET”) and cost-effective debt funding from the Australian Renewable Energy Agency (“ARENA”) and the Clean Energy Finance Corporation (“CEFC”). Over the next five years through 2027-28, industry revenue is forecast to grow at a slower rate of 3.6% per annum²⁹.
- Hydro** – Industry operators in the hydro-electricity generation industry supply electricity to wholesale markets through hydropower generation assets. Currently, Hydro Tasmania and Snowy Hydro, being state-owned operators, dominate the industry. Broadly, there are three main hydro-electric energy technologies: storage systems, pumped storage systems, and run-of-river systems. The former two systems use gravity or the natural flow of rivers to drive turbines and generate electricity, whereas

²⁸ Source: ARENA – *What is Renewable Energy* webpage.

²⁹ Source: IBISWorld – Solar Electricity Generation in Australia Industry Report dated August 2023.

Attachment A: Independent Expert’s Report continued



pumped hydro takes excess water dams and pumps it to a higher storage point so that it can power turbines to generate electricity³⁰.

Large-scale storage can be provided through pumped hydroelectric projects and an advantage of pumped hydro systems is the ability to store energy for later use during peak periods, which is particularly useful in combination with the intermittent nature of solar and wind power generation. Price arbitrage and the increase in negative prices when demand is low in the middle of the day may help pumped hydroelectric projects to become more profitable.

In September 2022, the Queensland government announced the state’s new renewables target of building two new pumped hydro facilities at Borumba Dam and Pioneer-Burdekin pumped hydro project, in addition to the Wivenhoe pumped storage hydroelectric power station and Kidston pumped storage hydro project which is still under construction. Notably, there are three operational pumped hydro schemes in Australia these being Shoalhaven, Tumut-3 and Wivenhoe, as well as two in construction being Snowy 2.0 and K2H.

- **Wind** – Wind industry operators generate electricity converted from wind turbines. Investment in wind farms has increased over the last five years as wind power is one of the cheapest forms of renewable energy to roll out on a large scale in Australia due to the maturity of the technology involved³¹.

One of the key criteria influencing the volume of electricity generated by wind farms is the capacity factor. A capacity factor measures the ratio of actual electricity energy output to the maximum possible output over a given period of time. Typical capacity factors for onshore wind turbines range between 30% to 50% in Australia, with more recent projects operating at approximately 40%. As turbine development advances, capacity factors have improved for the same wind resource profile.

- **Battery** – Batteries are an energy storage technology that can provide flexibility as they respond faster to changes in demand than other energy storage or generation technologies, which can help maintain grid stability by turning on and off in fractions of a second. Advancements in battery capability can significantly improve the reliability of output for wind and solar generation. Batteries can help to balance the intermittency of renewable generation or facilitate the ability for large scale adoption of solar and electric vehicles³².

Battery use in the Australian electricity industry is expected to continue to trend upwards due to technological advances, declining costs, and government schemes that are available for Australian energy producers and users.

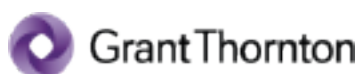
3.2.2. Regulatory Environment

Australia is currently transforming its electricity generation system, replacing legacy coal-fired power stations with low-cost renewables, adding energy storage and other new forms of firming capacity, and reconfiguring the grid to support two-way energy flow. This renewable growth is supported by various federal and state government policies, including the following:

³⁰ Source: NSW Government, NSW Climate and Energy Action – *Hydro Energy webpage*.

³¹ Source: IBISWorld – Wind and Other Electricity Generation in Australia Industry Report dated August 2023.

³² Source: IBISWorld – Wind and Other Electricity Generation in Australia Industry Report dated February 2022.



- *Rewiring the Nation* policy – Introduced by the Federal Government to enable and support the delivery of the renewable transformation³³.
- *The Paris Agreement* – Australia is participating in the Paris agreement which came in effect in 2016. Under this agreement, the Federal Government has committed to reducing Australia's carbon emissions by 43% by 2030, and to net zero emissions by 2050. This in turn, supports the development of a low-carbon economy.
- *Net Zero Emissions by 2050* – In September 2022, a government legislation was passed to pledge Australia's commitment towards a "net zero emissions" target by 2050. The passage of the climate change legislation is intended to increase transparency in the clean energy industry in its goal to reduce carbon emissions and increase the use of renewable energy.
- *Closure of coal plants* – Whilst there is currently no national roadmap for coal closures, some of Australia's largest power and electricity companies have brought forward the retirement of their coal-fired power stations. In February 2022, Origin Energy announced that it will close its Eraring coal power station, the biggest coal-fired power plant in Australia, in 2025 being seven years earlier than originally planned. Other coal-fired power plants are also expected to bring forward their retirement from the market, with 60% of capacity expected to withdraw by 2030³⁴.
- *RET* – This is a renewable scheme administered by the Clean Energy Regulator ("CER") to reduce emissions of greenhouse gases in the electricity sector and promote additional generation of electricity from sustainable and renewable sources³⁵. The RET consists of two main schemes: the Large-scale Renewable Energy Target ("LRET") and the Small-scale Renewable Energy Scheme ("SRES"). These schemes allow both large-scale and small-scale power station owners and operators to create LGCs and small-scale technology certificates for every megawatt hour of power they generate. Such certificates can then be purchased by electricity retailers (who in turn supply electricity to residential and commercial consumers) and submitted to the CER to meet the retailers' legal obligations under the RET. This system creates a market which provides financial incentives to both large-scale and small-scale renewable energy power station owners.
- *Queensland's 10-year Energy Plan* – As at 29 February 2024, 27% of electricity used in Queensland is produced from renewable energy sources. In September 2022, the Queensland government announced that the state plans to use 80% renewable energy by 2035³⁶ and unveiled the 10-year energy plan comprising the state's new renewables target of building two new pumped hydro facilities at Borumba Dam³⁷ and Pioneer-Burdekin pumped hydro project³⁸, in addition to the Wivenhoe pumped storage hydroelectric power station and the Kidston pumped storage hydro project which is still under construction. The state would also reduce its electricity sector emissions from 2005 levels by 50% by 2030 and 90% by 2035-36.

³³ Source: AEMO 2022 Integrated System Plan.

³⁴ Source: AEMO – 2022 Integrated System Plan.

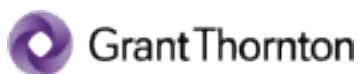
³⁵ Source: CER – *About the Renewable Energy Target* website.

³⁶ Source: Queensland government – Queensland Energy and Jobs Plan Report dated September 2022.

³⁷ The Borumba pumped hydro plant is located in south-east Queensland west of Gympie and is set to be completed by 2030 and will be able to store 2GW of power.

³⁸ The Pioneer-Burdekin pumped hydro project is situated 70km west of Mackay and is expected to be completed in 2032, with final stage operational by 2035.

Attachment A: Independent Expert’s Report continued



- *Electricity Infrastructure Roadmap* – NSW currently has approximately 13,500MW of renewable energy generation capacity in the state from renewable sources including large-scale and rooftop solar, hydro power stations, wind power stations and biomass power stations³⁹. Over the past five years, the share of wind and solar in the NSW electricity generation mix has more than tripled, driven by the strategic plan to transform NSW’s electricity system into a cheap, clean and reliable one.
- *Renewable Energy Zones (“REZ”)* – This is one of the NSW Government’s initiatives to connect renewable energy generators within the same zone to reduce costs and enable generators to provide cheaper and more reliable electricity⁴⁰.
- *Pumped Hydro Roadmap* – Another one of the NSW Government’s initiatives to encourage the private sector to invest in the development of pumped hydro energy projects, which can help deliver the energy storage capacity NSW needs⁴¹.

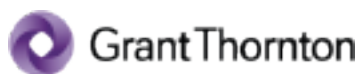
Additionally, a number of initiatives were announced or re-announced in the May 2024 Federal Budget, including a A\$22.7 billion Future Made in Australia package and other projects including:

- A\$5.1 billion to the ARENA including:
 - *Solar SunShot Program* – Up to A\$1 billion in funding to further Australia’s solar photovoltaic manufacturing capabilities.
 - *Battery Breakthrough Initiative* – Over A\$500 million across 7 years to grow Australia’s battery manufacturing capabilities.
 - A\$1.7 billion to the Future Made in Australia Innovation Fund for priority sectors such as green metals, batteries, and low-carbon liquid fuels.
 - A\$1.9 billion of funding to support the development, commercialisation, manufacturing and deploying new renewable energy technologies.
- *Hydrogen Initiatives* – Hydrogen production tax incentive, a A\$2 incentive per kilogram of renewable hydrogen produced for up to ten years per project, between 2027–28 and 2039–40 for projects that reach final investment decisions by 2030, to further the completion of Australia’s hydrogen projects. Additionally, the expansion of the hydrogen headstart program by A\$1.3 billion.
- *Clean Energy Workforce* – A\$91 million to boost the clean energy workforce across occupations across wind, solar, pumped hydro, large-scale battery, electricity networks, hydrogen and more.
- *Approval Process Support* – Several initiatives to ensure expedited decision making in the approval process, including A\$134.2 million to better prioritise approvals for renewable energy projects of national significance, A\$20.7 million to improve engagement with communities impacted by the energy transition, and A\$15.7 million to strengthen scrutiny of high-risk foreign investment proposals.

³⁹ Source: NSW government – *Electricity Infrastructure Roadmap* website.

⁴⁰ Source: NSW government – *Renewable Energy Zones* website.

⁴¹ Source: NSW Government – *Pumped Hydro Roadmap* website.



- **Net Zero Support** – Additional funding to ensure that net zero greenhouse gas emissions by 2050 is reached, including A\$63.8 million to support emissions reduction efforts in the agriculture and land sector, and A\$399 million to establish the Net Zero Economy Authority.

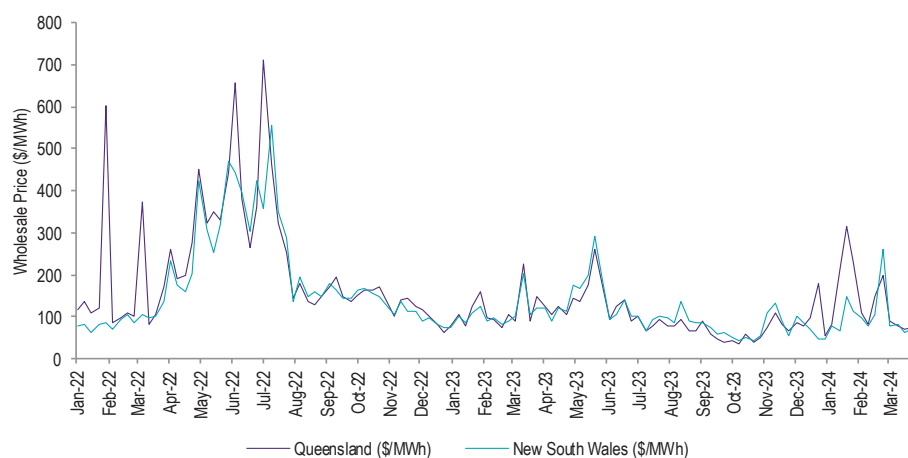
3.2.3. Key Revenue Streams

Electricity generated is traded through the NEM whereby power generators sell electricity into the wholesale market with AEMO matching the lowest priced generation supply to meet demand. As such, wholesale prices directly affect the industry revenue. In addition, the RET provides a secondary source of revenue stream for industry operators by mandating that electricity retailers must buy LGCs equivalent to a given percentage of their total electricity sales each year⁴².

Wholesale prices

Wholesale prices are typically volatile as they respond to supply and demand conditions. The following graph shows the movement of wholesale prices in NSW and QLD over the period from January 2022 to March 2024.

Wholesale Spot Prices in NSW and QLD



Source: Australian Energy Regulator ("AER") – Weekly VWA spot prices by region data

In relation to the wholesale prices in NSW and QLD, we note the following:

- Average prices in QLD spiked in the first three months of 2022 due to demand reaching record highs in QLD, as plant outages in QLD and NSW reduced supply. Network constraints during that period limited the ability to import electricity from neighbouring regions, and the situation was exacerbated by the increasing international coal and gas prices⁴³.

⁴² Source: IBISWorld – Solar Electricity Generation in Australia, Industry Report dated August 2022.

⁴³ Source: AER - State of the energy market 2022 report.

Attachment A: Independent Expert’s Report continued



- From April to June 2022, wholesale prices continued to rise as supply-side pressures on wholesale prices intensified, coupled with other compounding factors including ongoing coal plant outages which reduced coal generation causing the market to rely on more expensive gas and hydro generation to meet demand as well as an increase in demand due to an earlier and colder winter than expected.
- In June 2022, in response to spiking prices and concerns over the reliability of electricity supply, AEMO suspended the wholesale electricity markets for a week. During the suspension period, AEMO set the spot prices and market participants were able to apply for compensation if those prices did not cover their actual costs. As the market capacity stabilised, AEMO removed the price cap and lifted the market suspension⁴⁴. Consequently, electricity prices declined significantly in August 2022⁴⁵.
- In the first quarter of 2023 wholesale electricity prices dropped slightly across most regions resulting largely from high-price events due to heatwaves offsetting downward pressures. NEM demand increased from record lows in Q4 2022 and were broadly in line with Q1 2022 levels, whilst large-scale solar generation reached record levels of output in the quarter.
- Leading into the second quarter of 2023 spot electricity prices would increase with the onset of winter, though prices would remain well below Q2 2022 prices. New South Wales and Queensland would see spikes due to planned electricity network outages causing lower planned baseload capacity. Additionally, available capacity was reduced largely due to technical reasons.
- The first quarter of 2024 saw a spike in prices with heat and humidity causing higher demand across all regions especially in Queensland in which record maximum electricity demand was reached.

Large-Scale Generation Certificates

Following the implementation of the RET Scheme by the Federal Government, a large-scale generation certificate is received for each megawatt hour of renewable energy produced. The sale of LGCs to electricity retailers provides a secondary source of revenue for the renewable energy operators, and these certificates can be traded to other entities. Retailers needing to fulfil certain environmental obligations set out by the RET Scheme generally purchase these LGCs for a price determined by supply and demand.

The LGC price has fluctuated considerably over the last five years. The RET’s large-scale target of sourcing 33,000GWh of Australia’s electricity usage from the renewable sources by 2030 has been achieved, and this target will be held constant until 2030. The price of LGCs is anticipated to decline over the next five years⁴⁶ as renewable supply continues to grow.

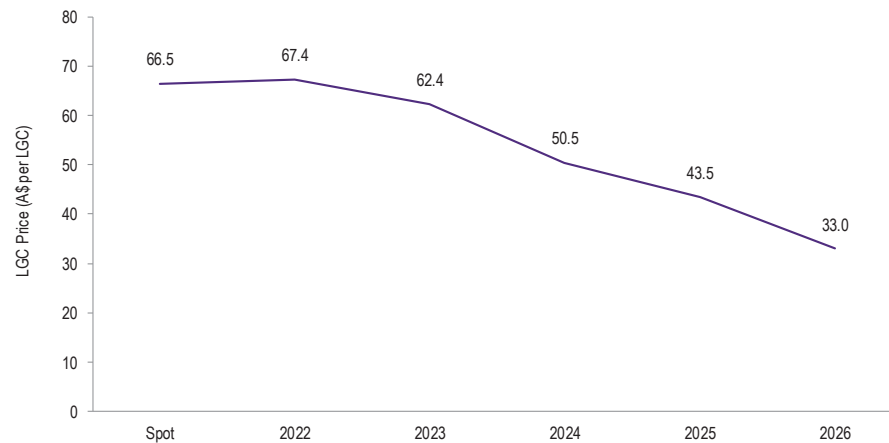
⁴⁴ Source: IBISWorld – Solar Electricity Generation in Australia, Industry Report dated August 2022.

⁴⁵ Source: AER – State of the energy market 2022 report.

⁴⁶ Source: IBISWorld – Solar Electricity Generation in Australia, Industry Report dated August 2022.



Forecast LGC Prices



Source: CEFC - Graph extracted from "The Generator Operations Series Report Four: Forecasts vs actual from the LSS projects – Solar resource, generation, and spot price" report dated April 2022

Power Purchase Agreements

A PPA is a long-term agreement between a buyer (often known as offtaker) and a renewable generator for the purchase of clean energy at a predetermined price. The benefits of a PPA include securing long-term electricity prices, increasing the certainty of power generators' revenue streams and the reduction of risks associated with electricity, sales and purchases.

Battery Storage Pricing

Battery pricing takes advantage of variations in the spot price, typically charging when prices are low (often during the middle of the day) and dispatching electricity when prices are high (typically in the morning and evening when demand is high). The difference between these two prices represents the revenue the battery will make in the spot market. The increase in negative spot prices will make storage loads more profitable. There are several different battery storage revenue arrangements, such as energy storage tolling agreements⁴⁷, the NSW Government's Long-Term Energy Service Agreements⁴⁸, and Frequency Control Ancillary Services ("FCAS")⁴⁹ based revenue.

⁴⁷ Contract between a toller and an offtaker in which a toller owns and operates the power generation unit while the offtaker pays an agreed-upon fee and supplies fuel to convert it into electricity, in which the energy in the system then belongs to the offtaker.

⁴⁸ This agreement provides generators with the option to sell their electricity at an agreed minimum fixed price to a Scheme Financial Vehicle that will be appointed by the NSW Government.

⁴⁹ FCAS is a process used by AEMO to maintain the frequency of the power system within the normal operating band to prevent blackouts and power failures.

Attachment A: Independent Expert’s Report continued



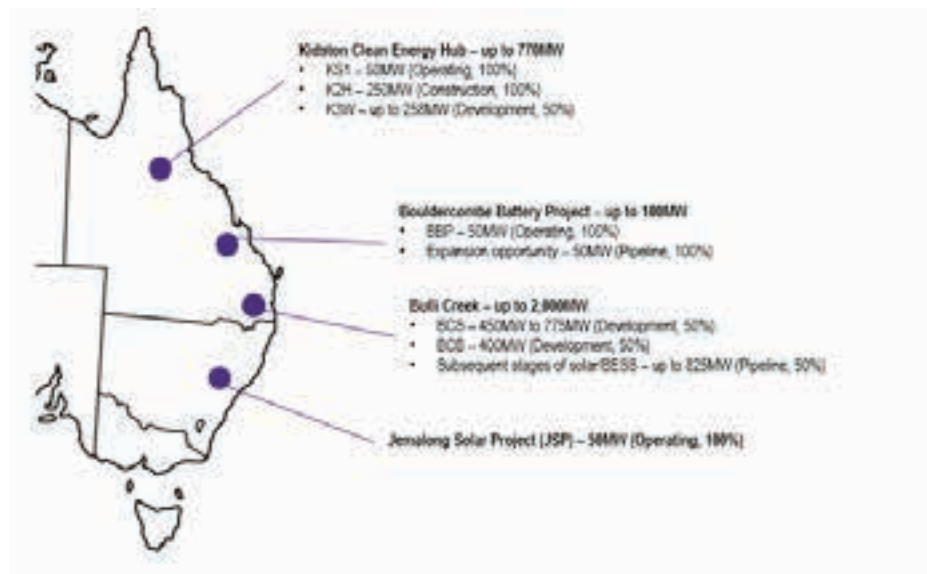
4. Profile of Genex

4.1. Introduction

Genex is an ASX-listed renewable energy company with a portfolio of renewable energy generation and storage projects in QLD and NSW. Genex has a diverse portfolio of assets including:

- The flagship Kidston Clean Energy Hub in North Queensland comprises of KS1, K2H and K3W.
- The 50MW JSP in NSW currently in operations.
- The 50MW Battery Energy Storage Project (“BESS”) called the BBP in central QLD, which is operating from November 2023. Plus, the additional expansion opportunity for a further 50MW at BBP 2.
- BCP represents a multi-stage battery and solar photovoltaic development of up to 2,000MW in south-east Queensland in a 50/50 JV with J-Power. The BCS with up to 775MW capacity is the first stage of the development which will be followed by the BCB with 400MW capacity.

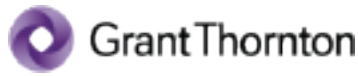
Overview of Genex’s portfolio of assets



Source: Genex FY23 Annual Report

4.2. Overview of Assets

The table below summarises the current operational and in-construction projects, as well as development and pipeline projects:

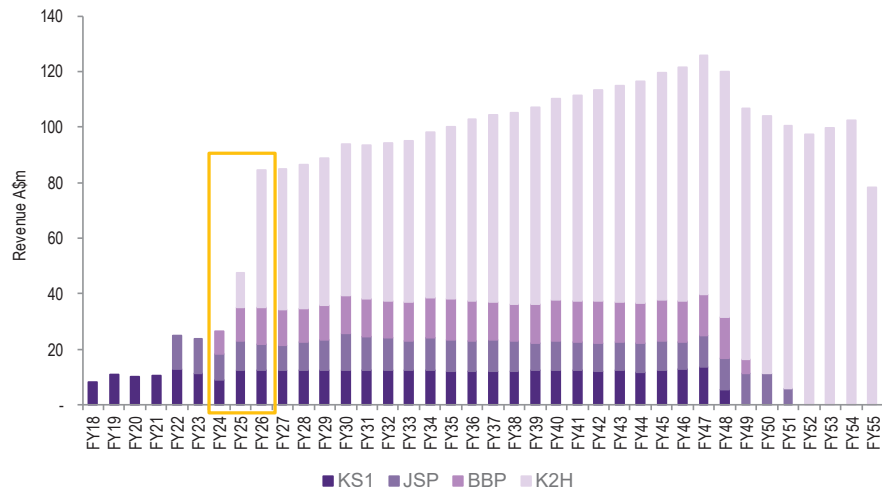


Portfolio of Projects						
	Type	Location	GNX's interest	Capacity	Status	
Operational and in-construction						
KS1 - Kidston Stage 1 Solar	Solar	QLD	100%	50MW	Operational (since Dec-17)	
JSP - Jemalong Solar Project	Solar	NSW	100%	50MW	Operational (since Jul-21)	
BBP - Bouldercombe Battery Project	Battery	QLD	100%	50MW	Operational (since Nov-23)	
K2H - Kidston Pumped Storage Hydro	Hydro	QLD	100%	250MW	Construction (Energisation Q1 CY2025)	
Development						
K3W - Kidston Stage 3 Wind	Wind	QLD	50%	Up to 258MW	Development	
BCS - Bulli Creek Stage 1 Solar	Solar	QLD	50%	450 to 775MW	Development	
BCB - Bulli Creek Stage 1 BESS	Battery	QLD	50%	400MW	Development	
Pipeline						
Expansion for BBP	Battery	QLD	100%	50MW	Pipeline	
Subsequent stages of Bulli Creek Solar/BE: Battery + Solar	Battery + Solar	QLD	50%	up to 825MW	Pipeline	

Source: Genex Management

Genex projects significant growth in generation capacity and revenue over the next three years as K2H is expected to complete construction and commissioning. Below we have set out the revenue outlook presented in Genex's latest investor presentation.

Revenue Outlook for operating and in-construction projects



Source: Genex March 2024 Investor Presentation, GTCF Analysis
 Note (1): Revenue for FY18-FY23 based on audited annual reports.
 Note (2): FY24 revenue based upon YTD actual revenue and forecast for the last quarter.
 Note (3): K2H revenue outlook based upon Energy Storage Services Agreement with EnergyAustralia, including option to acquire K2H for depreciated book value in 2055.
 Note (4): KS1 revenue based on 20-year Revenue Support Deed with Queensland Government.
 Note (5): Merchant revenue forecasts (BBP and JSP) based upon Q2-2022 consultant market models.

Attachment A: Independent Expert's Report continued



4.2.1. Kidston Stage 1 Solar and Jemalong Solar Project

KS1 is a 50MW solar project located on the rehabilitated tailings storage facility of the former Kidston Gold Mine in Northern Queensland and is the first of three projects comprising the Kidston Clean Energy Hub. Co-located with K2H, the site is in Australia's highest solar radiation zone.

KS1 commenced operating in December 2017, with a total capital expenditure of A\$128 million, comprising 540,000 single axis tracking solar panels. KS1 is underpinned by a 20-year Revenue Support Deed which is part of the Queensland Government's initiative to support large-scale solar investment in the state. The KS1 Revenue Support Deed comprises a fixed floor price of A\$88/MWh. All LGCs are surrendered to the Queensland Government as consideration for providing the guaranteed floor price. As a result of these arrangements, Genex does not bear any Marginal Loss Factor⁵⁰ or Distribution Loss Factor⁵¹ risk. Over the course of FY23, KS1 generated A\$11.27 million of total revenue from net generation of 115,175MWh, although performance was affected by the La Niña weather conditions. As of March 2024, KS1 has generated a year-to-date ("YTD") revenue of A\$6.18 million from net generation of 83,699 MWh. The revenue of this project was impacted by seasonal intraday volatility on dispatch of generation and pricing of electricity generated.

The operations of KS1 are supported by an Operations and Maintenance ("O&M") Agreement with Solarig Australia Pty Ltd ("Solarig"), which is over a five-year term from February 2021. The O&M agreement includes a guarantee that the project will be available to generate electricity at least 99% of the time.

JSP is a 50MW solar project located near Forbes in central NSW with c. 152,000 single axis tracking solar panels. Operating since July 2021, JSP sells electricity directly into the spot electricity market and therefore is exposed to the variability of wholesale pricing. JSP has a 30-year project life and an estimated P50 generation of 128,000MWh per annum. JSP produced net generation of 103,365MWh and total revenues of A\$12.72 million in FY23, primarily from electricity sales into the NEM on a merchant basis (A\$7.84m), and LGCs (A\$4.88m). JSP revenue totaled A\$7.29 million from net generation of 91,073MWh for the first three quarters of FY24, comprised of A\$3.87 million from electricity sales and A\$3.42 million from LGCs. Similar to KS1, performance has been affected by low irradiance due to weather events and seasonal intraday volatility.

The operations of JSP are supported by an O&M Agreement with Beon Energy Solutions Pty Ltd over a five-year term from February 2021. The O&M agreement also includes guaranteed availability level of 98%. If the project availability is above 99%, Genex is liable to pay a bonus based on any energy produced above this level.

KS1 and JSP have been financed on a portfolio basis as outlined below:

- A\$175 million senior debt (Nord/LB, Westpac, DZ Bank), of which A\$145 million was drawn down and outstanding as at 31 March 2024. The facility is due to mature in December 2024 and bears an interest rate at the BBSW plus a margin of 1.65%. A refinancing arrangement of the senior debt is actively being negotiating and expected to be completed in the short term.

⁵⁰ In an electricity system, as electricity flows through transmission and distribution networks towards end customers, a portion of that electricity is 'lost' due to physical factors such as electrical resistance. Margin Loss Factors reflect the impact of electricity losses along the network and are applied to market settlements in the National Electricity Market, and so affect generator revenues.

⁵¹ Distribution Loss Factors notionally describe the average energy losses for electricity transmitted on a distribution network between a distribution network connection point and a transmission network connection point or virtual transmission node.



- A\$16 million subordinated debt facility secured with Infradebt Pty Ltd (“Infradebt”) in August 2022, of which A\$11 million was drawn down and outstanding as at 31 March 2024. Genex pays fixed interest rate on this facility of 8.25%.
- Genex has established interest rate swap contracts as hedges for the base interest rates of the financing facilities of KS1 and JSP, with a designated hedge ratio of 1:1. Effectively, Genex will continue to pay a fixed interest rate on the senior debt until the expiration of the hedge facility.

4.2.2. Bouldercombe Battery Project

Located at Powerlink’s Bouldercombe Substation, BBP is the Company’s first large-scale (50MW/100MWh) Battery Energy Storage System project and it commenced operation in November 2023.

Tesla Motors Australia Pty Ltd (“Tesla”) provided and commissioned 40 Tesla Megapack 2.0 battery modules at a fixed lump sum price, including a warranty for 20 years.

BBP has an Autobidder Offtake Arrangement with Tesla based on a fixed and floating revenue share arrangement. Tesla is expected to use its Autobidder technology to maximise revenue in arbitrage and FCAS markets over an eight year term. For a certain portion of the revenue, the contract has a guaranteed revenue floor with a profit sharing of net revenues in accordance with a predetermined ratio. Tesla is also party to the O&M agreement based on a 20-year fixed price arrangement with availability guarantee.

Other contracts underpinning the BBP project include a 30-year Powerlink connection agreement and a 30-year lease for the lot within the Bouldercombe Substation.

For the funding of the project, Genex drew down a loan from Infradebt via a senior facility over a tenor extending 12 years from the commencement of operations, amortising over the term.

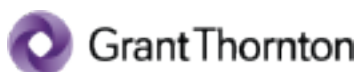
Since it commenced operating in November 2023, BBP dispatched 10,373MWh (before accounting for energy consumption for charging), which provided revenue of A\$5.45 million as of March 2024.

4.2.3. Kidston Pumped Storage Hydro

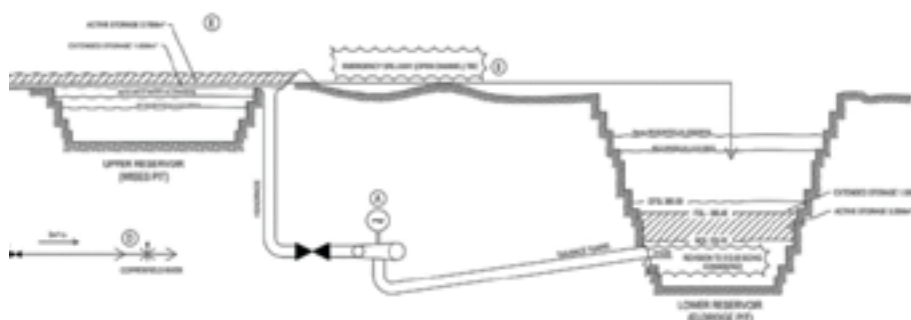
K2H is a 250MW/2,000MWh closed loop pumped storage hydro project located at the former Kidston Gold Mine and is part of the Kidston clean energy hub. The project represents the first ever re-purpose of a former gold mine for an energy storage site, and the first pumped hydro project in the NEM in over 40 years.

It aims to generate power to supply to the NEM when the price of power is high (typically mornings, afternoon and evenings). It does this by allowing water from the upper reservoir (Wises Pit) to pass through two 125MW turbines housed in an underground cavern and into the lower reservoir (Eldridge pit). When electricity prices are lower (during the day and overnight) the plant consumes power and pumps water from the lower reservoir to the upper reservoir. The project will have the equivalent of eight hours of energy storage. The K2H project is targeting energisation in the first quarter of 2025 and has an expected project life in excess of 60 years. A simple schematic of K2H is presented below:

Attachment A: Independent Expert’s Report continued



Schematic of the K2H Project



Source: Kidston Pumped Storage Hydro Project Financial Close Report

K2H commenced construction in April 2021 and the project is and is due to be energised in the first quarter of 2025 . The construction project comprises four significant multidisciplinary projects:

- Hydro Plant** – This involves the underground excavation, construction and installation of the electromechanical equipment. The principal electromechanical equipment consists of two turbines and a pump coupled to a generator, transformer and control room (“Electromechanical Equipment”). The Electromechanical Equipment will be located underground in a powerhouse cavern which is 85 meters long, 20 meters wide and 50 meters high at its deepest point (at its deepest point) (“Powerhouse”). Two concrete lined pressure tunnels (vertical drop of 251 meters) will connect the upper reservoir with the Powerhouse and two concrete lined horizontal pressure tunnels will connect the Powerhouse with the lower reservoir. Other major works include cable and ventilation shafts and a 1.9km long access tunnel.
- Wises Pit Dam and Eldridge Pit** – The Wises Pit (upper reservoir) is a shallow but broad body of water as it has been filled with waste rock from mining out the Eldridge Pit. The design for the Wises Pit is focused on broadening and reinforcing the walls to create a large and relatively shallow dam (35 meters high at its deepest point) to house the water volume. As the dam progressed toward completion, water was pumped from Eldridge Pit to the new Wises Dam and a limited scope of works will be required to prepare the Eldridge Pit for the project.
- Surface Electrical Connection** – This consists of a 275kV switching station that receives the high voltage cables from underground, a new 275kV substation (“Kidston Substation”) to receive the 275kV transmission line from Powerlink, connecting 275kV infrastructure between the switching station and the Kidston Substation, and a 22kV ancillary power supply and transformer from the existing Ergon Energy substation to the underground power station.
- Transmission Line** – K2H requires a new 275kV connection to the NEM which will be undertaken by Powerlink. This includes construction of a new 275kV substation on the main Powerlink transmission network (“Mt Fox Substation”) and a 185 km 275kV transmission line from the Kidston Substation to the Mt Fox Substation. The transmission line will have excess capacity above that required for K2H, which will allow for further developments, for K3W at Kidston and underpin the Clean Energy Hub.

The above K2H works are being performed under three major construction contracts as set out below:



- EPC Contract** – the EPC contract is a fully-wrapped⁵² EPC covering A\$478.2 million of the total project development cost of A\$775 million (c. 62%) and is a contract between Genex and the McConnell Dowell and John Holland joint venture (“MDJH JV”). The price is a fixed lump sum amount paid over the c. 4-year construction program. Under the EPC, the MDJH JV is responsible for the delivery of all underground civil and power plant works, the Wises Pit dam construction, and works to ready Eldridge Pit. It also includes a high voltage cable to the top of the cable shaft and surface works including access roads and fencing. The MDJH JV has subcontracted ANDRITZ Hydro as the supplier of the Electromechanical Equipment. The Company has recently announced completion of the Powerhouse Cavern excavation works and commencement of the underground fit-out works. The bulk earthworks and linear placement at Wises Dam are also substantially completed for the full 6 km circumference. The dewatering work has continued with the water level in the Wises Dam approaching the final construction level.
- Design & construct contract (“D&C”)** – the D&C contract is with Beon Energy Solutions and covers the Surface Electrical Connection assets, with the exception of the Kidston Substation, which is part of the Powerlink scope of works.
- Powerlink Generator Connection and Access Agreement (“GCAA”)** – the necessary infrastructure to connect the project to the NEM will be built owned and operated by Powerlink. This consists of the newly constructed Mt Fox Substation (practical completion achieved in late 2023), a 185km transmission line between the Mt Fox Substation and the Kidston Substation, and the Kidston Substation. Under the GCAA, Genex paid A\$117 million to Powerlink as financial security for the construction of the infrastructure, with the Queensland Government, through Powerlink, co-funding A\$147 million of the transmission line. The A\$117 million paid by Genex is effectively a prepayment of its annual access fees. Furthermore, under the GCAA, Genex is required to pay ongoing O&M charges, subject to escalation. Part of the O&M charges are being underwritten by Genex until the new Kidston Clean Energy Hub Projects come online (K3W).

A breakdown of the development costs of K2H is provided below:

Development costs for K2H		
Category	Price (A\$m)	Percentage
EPC Price	478.2	62%
Transmission	110.9	14%
Connection Assets	25.9	3%
Other Costs	79.1	10%
Contingency and Finance Costs	81.4	10%
Total Project cost	775.5	100%

Source: Kidston Pumped Storage Hydro Project Financial Close Report

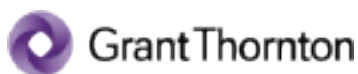
Note: Total costs were announced to have increased to approximately A\$790m following the water ingress event in 2022.

K2H has entered into an availability payment style arrangement with EA under the ESSA. The ESSA comprises full dispatch rights, with EA taking full operating responsibility for the plant, including taking on MLF risk and acting as the Financial Responsible Market Participant⁵³. The ESSA has an initial 10-year term once the plant is operational and pays a fixed fee to Genex, escalating at a fixed/floating rate linked to

⁵² A fully-wrapped EPC is a contract structure in which the plant owner tasks the EPC contractor with handling every aspect of engineering, procurement and construction.

⁵³ Each customer in the NEM has one “Financially Responsible Market Participant”, generally called a retailer. The retailer is responsible for all market settlements with their customers.

Attachment A: Independent Expert’s Report continued



the Consumer Price Index (“CPI”). There are also two 10-year extension options at EA’s election. EA also has the option to acquire Genex’s equity stake in K2H, exercisable at year 30, subject to the extension options being exercised, based on a fixed price representing the depreciated book value at that point in time.

Genex has entered into an O&M agreement with ANDRITZ Hydro for the full operation and maintenance of the underground plant, maintenance of the assets subject to the D&C contract and other specific items.

While ANDRITZ is responsible for the daily maintenance of the project, EA, as the offtaker, will be responsible for dispatching into the NEM by performing the remote operation of the project in accordance with AEMO’s requirements and the limits of the OEM’s technical parameters which will be monitored by ANDRITZ. ANDRITZ is ultimately responsible for ensuring the plant is available for dispatch in accordance with its availability guarantee, while EA will receive the available plant capacity (following scheduled and unscheduled maintenance) and commit the necessary capacity to the market.

The project is being funded from a number of sources as detailed in the table below:

Funding of Development Costs		
Category	Facility Amount (A\$m)	Percentage
Equity contribution from Genex	118.5	15%
NAIF long term debt facility ¹	610.0	79%
ARENA non recoupable grant	47.0	6%
Total Project cost	775.5	100%

Source: Kidston Pumped Storage Hydro Project Financial Close Report; Genex FY2022 Annual Report.

Notes: (1) As at 31 March 2024, Genex had drawn A\$521.8 million of the NAIF Facility. (2) Equity contribution from Genex refers to equity contributed from the J-Power corporate facility.

As detailed above, the project funding consists of the following:

- **A\$118.5 million equity contribution from Genex** – this was raised through a A\$115 million fully underwritten capital raise comprising a c. A\$90 million fully underwritten placement and entitlement offer and a A\$25 million equity investment by J-Power. The offer price was A\$0.20 per share and was at a 27.3% discount to the last close price of A\$0.275 per share on 23 March 2021 and a 15.0% discount to the Theoretical Ex Rights Price (“TERP”) of A\$0.235.
- **A\$610 million NAIF long term debt facility** – the Queensland Government (on behalf of NAIF has entered into a facility agreement with a debt amount of up to A\$610 million over a term of 15 years from financial close. As at 31 March 2024, c. A\$521.8 million of the facility has been drawn down.
- **A\$47 million ARENA non - recoupable grant** – ARENA has provided a non-recoupable A\$47 million grant comprising A\$27 million paid directly to MDJH JV and A\$20 million paid to K2H in the fourth year of construction.

Genex was able to achieve a high level of gearing for the project as a result of: 1) the operating structure which is akin to an availability payment infrastructure project, as Genex receives a fixed fee (escalated by inflation) from EA, the offtaker, based on plant availability which is guaranteed by ANDRITZ; 2) the subsidised funding provided by NAIF.



4.2.4. Development pipeline

Other projects in the Genex development pipeline include:

- **258MW wind development at Kidston (K3W)** – Genex has signed a Joint Development Agreement with its joint venture partner, J-Power on a 50:50 JV basis to develop this project. This 258MW⁵⁴ wind development will connect into the new transmission line being delivered for K2H. The project is expected to reach Final Investment Decision (“FID”) by the end of CY2024 with operations commencing in early 2027. The development of K3W project has achieved significant milestones throughout 2023, as Genex signed a 15-year offtake agreement with Stanwell Corporation for 50% of the output of wind energy and LGCs at a fixed price, with CPI escalation and a 10-year offtake agreement with EA for 30% of the output of wind energy and LGCs at a fixed price, with CPI escalation.

A number of key development activities continued to help the project reach a more advanced stage, including required site investigations for planning and environmental approval purposes, layout design and optimisation with Goldwind Australia, as well as other key studies required to finalise the connection application process with PowerLink Queensland. Management expects capital expenditures for the construction of the plant to amount to c. A\$750 - A\$800 million.

- **Bulli Creek** – In August 2022, Genex announced that it had acquired 100% of the development rights for BCP which is expected to generate up to 2GW of renewable energy (on a 100% basis) via BESS and solar PV from the originating developer of the project, Solar Choice. As consideration, Genex paid a total of up to A\$5 million to Solar Choice⁵⁵ plus a development fee at financial close for each stage of the Project for development services already provided⁵⁶. The project is located close to the Powerlink Queensland Bulli Creek substation, which is the where the Queensland-NSW interconnector connects on the Queensland side of the border, and has development approvals, environmental protection and biodiversity conservation approvals.

In June 2023, Genex entered a joint development agreement with J-Power for 50% interest in the BCP by way of an upfront funding of A\$8.5 million to fast track the development of the project.

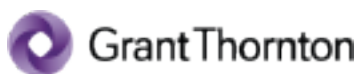
The first stage of the development is the Bulli Creek Solar Project (BCS) which has an expected capacity of 775MW which would make it the largest grid connected solar plant in Australia. The project has recently achieved some significant development milestones such as the appointment of PCL Constructors Pty Ltd (“PCL”) as EPC contractor. Further, on 9 October 2023, Genex entered a 25-year offtake agreement with Fortescue for 337.5MW capacity of BCS, which Fortescue plans to utilise to operate the green hydrogen and green ammonia facility as part of their Gibson Island project. This PPA agreement is contingent to certain condition precedents being satisfied, including Fortescue achieving a Final Investment Decision on the Gibson Island project by 31 March 2024 and Genex achieving financial close for the BCS project by 30 April 2025. Whilst Fortescue has not achieved the required FID by 31 March 2024, which triggers termination rights, the PPA remains in place in accordance with its terms. Furthermore, we note discussions are continuing to increase stage 1 offtake up to its 775MW capacity.

⁵⁴ 43 Goldwind Australia 6.0MW wind turbine generators to be installed.

⁵⁵ A\$2.5 million payable on completion and A\$2.5 million payable upon the earlier of Genex securing a joint development partner for the project or the 12-month anniversary of the transaction documents (Source: ASX Announcement dated 11 August 2022).

⁵⁶ A\$12,500 per MWh of installed battery energy storage system capacity and A\$32,500 per MW_{DC} of installed solar PV capacity.

Attachment A: Independent Expert's Report continued



The second stage of the project will be the delivery of a 400MW/1,600MWh battery project with FID expected in 2025. The grid connection process has commenced with Powerlink and Genex is holding discussions with potential offtakes with the tendering process for the batteries which has also commenced. Genex targets FID in 2025.

4.3. Financial Information

4.3.1. Financial Performance

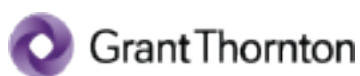
The table below illustrates the Company's audited consolidated statements of comprehensive income for FY21, FY22, FY23 and reviewed half year financial statements for H1 FY24.

Consolidated statements of financial performance	FY21	FY22	FY23	H1 FY24
A\$'000s	Audited	Audited	Audited	Reviewed
Revenue				
Sale of electricity and environmental products and lease income	10,630	24,801	23,759	9,317
Other income	11,020	2,392	889	1,089
Total Revenue	21,650	27,193	24,649	10,406
Expenses				
Project site costs	(1,231)	(4,297)	(3,779)	(2,918)
Project consulting costs	(351)	(279)	(219)	-
Employment expenses	(5,139)	(5,573)	(4,774)	(2,218)
Share-based payments	(80)	-	(58)	(210)
Administrative expenses	(4,912)	(3,225)	(4,660)	(2,261)
Depreciation	(6,253)	(10,146)	(9,468)	(4,648)
Impairment charges	(16,500)	-	-	-
Net (gain)/loss on financial instruments at fair value through profit or loss	(253)	-	-	-
Operating gain/(loss)	(13,069)	3,673	1,691	(1,850)
Finance costs	(5,711)	(7,826)	(4,426)	(3,613)
Finance income	54	90	1,708	1,617
Share of profit joint ventures	-	-	-	675
Profit before tax	(18,726)	(4,063)	(1,028)	(3,170)
Tax expense	-	-	-	-
Net profit / (loss)	(18,726)	(4,063)	(1,028)	(3,170)
Key operational metrics:				
EBITDA	9,684	13,819	11,158	2,798
EBITDA margin	44.7%	50.8%	45.3%	26.9%
EBIT	3,431	3,673	1,691	(1,850)
EBIT margin	15.8%	13.5%	6.9%	-17.8%

Source: Genex Annual and Half Year Reports

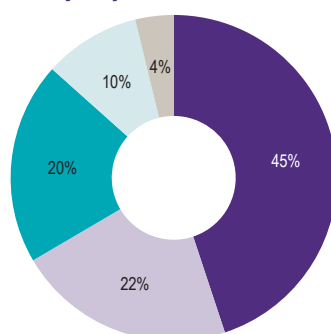
With regard to the financial performance, we note the following:

- Revenue decreased by 9% in FY23 compared to FY22, due to lower electricity prices and seasonal volatility in the wholesale electricity markets. Wholesale electricity prices were elevated in FY22 due to increased demand from the NSW and QLD flooding, as well as rising gas and coal prices resulting from the Russia-Ukraine conflict. This followed into H1 FY24, with revenue down 24% vs Previous



Corresponding Period (“pcp”). The table shows a breakdown of the H1 FY24 operating revenues by project.

H1 FY24 Operating Revenues by Project



■ KS1 lease revenue ■ JSP generation revenue ■ JSP LGCs ■ BBP arbitrage revenue ■ BBP FCAS revenue

Source: Genex Financial Reports

- Other income comprises of the ARENA government grant and liquidated damages by EPC contractors for construction defects relating to the KS1 and JSP projects. Other income in FY21 also included a A\$7.9 million of debt forgiveness of the convertible note from ARENA⁵⁷. In FY22, Beon Energy Solutions paid A\$875k for delays to practical completion of the JSP project⁵⁸.
- The Company recognised a non-cash impairment charge of A\$16.5 million in FY21, due to a decrease in the wholesale electricity prices for JSP.
- No income tax expenses were recognised from FY20 to FY23. As at 30 June 2023, Genex recognised an accumulated tax loss balance of A\$63.6 million that is available indefinitely for offsetting against future taxable profits of the consolidated group in which the losses arose. In addition, there are \$39.2 million of transferred tax losses that can be utilised subject to the available fraction⁵⁹.

⁵⁷ Source: Genex FY21 Annual Report – During FY21, Genex and ARENA agreed under the Deed of Mutual Termination (“Deed”), Cancellation and Release dated 15 April 2021 that the convertible notes would be terminated in their entirety. As such, the convertible notes were cancelled by ARENA.

⁵⁸ Source: Genex FY22 Annual Report and ASX announcement dated 20 October 2021.

⁵⁹ Source: Tax losses balances extracted from Genex FY22 Annual Report.

Attachment A: Independent Expert's Report continued



4.3.2. Financial Position

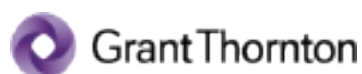
The consolidated statement of financial position of Genex as at 30 June 2021, 30 June 2022, 30 June 2023 and 31 December 2023 is summarised in the table below:

Consolidated statements of financial position	30-Jun-21	30-Jun-22	30-Jun-23	31-Dec-23
A\$'000s	Audited	Audited	Audited	Reviewed
Assets				
Cash and cash equivalents	45,447	62,855	49,589	75,425
Trade and other receivables	1,200	3,307	3,726	4,849
Inventory	-	173	234	507
Prepayments	2,747	3,210	2,595	2,817
Total current assets	49,394	69,544	56,144	83,598
Bond, deposits and bank guarantee	5,031	71,943	128,296	124,355
Property, plant and equipment	296,234	452,015	637,369	713,709
Right of use assets	-	-	3,937	4,127
Investment in joint ventures	-	-	3,135	6,292
Other non-current financial assets	-	17,310	17,605	13,885
Other assets	9,084	6,377	2,877	2,170
Total non-current assets	310,348	547,645	793,220	864,538
Total assets	359,742	617,189	849,364	948,136
Liabilities				
Trade and other payables	11,920	13,634	15,770	13,496
Interest-bearing loans and borrowings	7,736	26,462	15,261	162,275
Short term interest accrued	1,160	1,466	1,089	2,512
Government grant	443	443	444	444
Provisions - Current	519	2,239	2,426	609
Current lease liabilities	504	483	771	788
Total current liabilities	22,281	44,726	35,761	180,124
Interest-bearing loans and borrowings	182,014	358,752	601,915	563,029
Government grant	6,859	6,417	5,973	5,750
Non-current lease liabilities	3,614	3,034	3,556	3,758
Rehabilitation and restoration provision	3,804	3,804	3,804	3,804
Other non-current liabilities	388	140	214	210
Total non-current liabilities	203,168	372,148	615,462	576,551
Total liabilities	225,449	416,874	651,223	756,676
Net assets	134,293	200,315	198,141	191,460

Source: Genex Annual Reports

We note the following in relation to Genex's financial position:

- Cash and cash equivalents decreased in FY23 compared to FY22 due to significant outflows of cash spent on advancing K2H and other projects and higher payments to suppliers. The cash balance increased in H1 FY24 driven by net positive financing cash flows. The cash balance reduced to c. A\$56.4 million as at 31 March 2024.
- The increase in the Property, Plant and Equipment ("PPE") over the last few periods is primarily due to the construction progress of the K2H project. The flagship asset has progressed on multiple milestones



and is forecasting energisation of the project early in 2025. Additionally, the PPE value of the BBP project has increased by A\$47.3 million from 30 June 2022 to 31 December 2023 in conjunction with the commencement of the operations at the end of 2023.

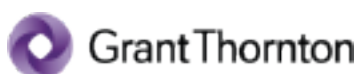
- Bonds, deposits and bank guarantee balance increased significantly due to the cash amounts paid to, and held by, Powerlink Queensland as financial securities for the K2H which totalled A\$117 million at 30 June 2023 as financial security for the construction of the transmission infrastructure under GCAA. The Company also had BBP financial security of A\$10.3 million at the same date which relates to construction security for the connection interface works constructed by Powerlink Queensland under the Bi-directional Service Provider Connection and Access Agreement.
- Other non-current financial assets relate to interest rate swap contracts to hedge against long-term loan financing for the construction of JSP and refinancing of the KS1 portfolio facility.
- Investment in joint ventures refer to the K3W and the BCP 50/50 joint ventures with J-Power.
- We have set out below a breakdown of the statutory net debt of Genex:

Total Debt A\$'000	30-Jun-21 Audited	30-Jun-22 Audited	30-Jun-23 Audited	31-Dec-23 Reviewed	31-Mar-24 Unaudited
KS1 and JSP senior debt	168,293	160,254	151,182	147,188	145,305
KS1 and JSP subordinated debt	21,456	17,180	11,934	10,918	10,917
K2H senior debt	-	198,350	412,778	491,778	516,023
BBP senior debt	-	9,429	41,280	40,918	39,754
J-POWER corporate loan	-	-	-	34,503	34,503
Interest-bearing loans and borrowings	189,750	385,214	617,175	725,304	746,502
Lease liabilities	4,118	3,518	4,326	4,546	na
Short term and long term interest accrued	1,160	1,466	1,089	2,512	na
Less: Cash and cash equivalents	(45,447)	(62,855)	(49,589)	(75,425)	(56,429)
Net Debt	149,581	327,342	573,001	656,937	690,073

Source: Genex Annual Reports

- A\$175 million senior debt (Nord/LB, Westpac, DZ Bank), of which A\$145 million was drawn down and outstanding as at 31 March 2024. The facility is due to mature in December 2024 and bears an interest rate at the BBSW plus a margin of 1.65%. A refinancing arrangement of the senior debt is actively being negotiated and is expected to be completed in the short term.
- KS1 and JSP subordinated facility of A\$16 million with Infradebt is A\$11 million drawn down and outstanding as at 31 March 2024. The subordinated facility has the same maturity as KS1 and JSP senior debt, being on 17 December 2024, and Genex is seeking to consolidate it into the KS1 and JSP senior facility in the planned refinancing event.
- K2H senior debt is a NAIF facility granted by the State of Queensland. The facility amount is A\$610 million, of which A\$516 million is the total outstanding balance of the combined facility as 31 March 2024. The repayments commencing from 15 June 2025 and the facility is set to mature on 19 May 2036.

Attachment A: Independent Expert's Report continued



- BBP debt comprises a A\$35 million senior facility plus an additional letter of credit facility of A\$10.32 million from Infradebt. The maturity of the BBP facility is on 30 September 2035 and total outstanding balance is c. A\$40 million as at 31 March 2024.
- J-Power corporate loan of A\$35 million is secured against the underlying assets comprising Genex's interests in K3W and BCP. The outstanding balance is c. A\$35 million as at 31 March 2024 and the facility is due to mature on 31 December 2026. On 13 May 2024, Genex announced that J-Power agreed to extend this facility for a further A\$10 million on the same term as the original A\$35 million facility which remains undrawn at the date of this report.

4.3.3. Cash Flow Statement

The audited cash flow statements for FY21, FY22, FY23 and reviewed half year financial statements for H1 FY24 are set out below:

Consolidated statements of cash flow A\$'000	FY21 Audited	FY22 Audited	FY23 Audited	1H FY24 Reviewed
Cash flows from operating activities				
Receipts from customers	15,621	27,230	28,509	9,317
Payments to suppliers	(9,830)	(9,987)	(13,131)	(7,112)
Payments to employees	(5,433)	(4,937)	(4,744)	(3,073)
Interest received	54	90	1,708	1,617
Interest and other costs of finance paid	(5,606)	(6,293)	(8,086)	(4,586)
Government grants and tax incentives	-	627	24	25
Net cash inflow from operating activities	(5,194)	6,729	4,280	(3,812)
Cash flows from investing activities				
Payments for property, plant and equipment	(153,129)	(234,724)	(240,847)	(71,819)
Funds invested into term deposit / bank guarantee	(313)	(103)	(353)	-
Proceeds from disposal of term deposit / bank guarantee	-	4,458	-	-
Development expenditures	-	(2,754)	-	-
Investment in joint ventures	-	-	(2,865)	(2,752)
Cash flows from loans to other entities	-	-	-	451
Net cash outflow from investing activities	(153,442)	(233,122)	(244,065)	(74,120)
Cash flow from financing activities				
Proceeds from issues of shares	139,407	47,005	-	-
Transaction costs related to issues of shares	(6,163)	(2,440)	-	-
Proceeds from borrowings	9,969	212,779	254,820	111,552
Repayment of borrowings	(4,539)	(13,886)	(27,980)	(7,083)
Transaction costs related to loans and borrowings	(79)	(906)	(320)	(700)
Proceeds from joint development agreements	-	1,250	-	-
Net cash (outflow)/inflow from financing activities	138,595	243,801	226,520	103,769
Net increase / (decrease) in cash and cash equivalents	(20,041)	17,408	(13,265)	25,836
Cash and cash equivalents at the beginning of the financial year	65,488	45,447	62,855	49,589
Cash and cash equivalents at year end	45,447	62,855	49,589	75,425

Source: Genex Financial Reports



We note the following in relation to Genex's cash flows statements:

- Receipts from customers was down c. 40% in H1 FY24 compared to H1 FY23, driven by a 24% decrease in revenue attributable to lower pricing in the electricity wholesale markets. Payments to suppliers have gone up c. 23% in H1 FY24 from H1 FY23, and interest and other costs of finance paid have by c. 20% for the same period to increased project costs from the BCP and higher interest rate repayments from increase loans and borrowings.
- Purchase of property, plant and equipment increased by c. 57% over the last two years to FY23, reflecting the 100% acquisition of the BCP completed on 10 August 2022 and significant investment that Genex has made in progressing the K2H project.
- The increase in the proceeds from borrowings mainly relates to the debt draw down for the construction of the K2H and BBP projects.
- The Company has historically undertaken the following capital raisings:
 - In August 2020, the Company raised c. A\$21.3 million via the issue of 96,712,552 new fully paid ordinary shares at an issue price of A\$0.22 per share, with an addition A\$2.9 million raised under a Share Purchase Plan. The proceeds supported development costs at the BBP, costs associated with the K2H project and working capital.
 - In March 2021, Genex raised c. A\$90 million, comprising A\$34 million in an institutional entitlement offer via the issue of c. 170,075,043 million new fully paid ordinary shares and \$56.3 million retail entitlement offer via the issue of 268,041,952 million new shares through a 11 for 20 non renounceable entitlement offer at an issue price of A\$0.20 per new share. The proceeds contributed to the construction and operation of the K2H project, with the Company retaining 100% ownership.
 - In February 2022, Genex raised A\$47 million comprising A\$40 million via the issue of 266,666,667 ordinary shares at an issue price of A\$0.15 and A\$7 million by the issue of 48,610,428 ordinary shares at an issue price of A\$0.14 under the share purchase plan. The proceeds of the raise contributed towards the construction costs for the BBP project, repayment of the existing facility associated with the Clean Energy Finance Corporation and working capital.

4.4. Capital structure

As at the date of this Report, the capital structure of Genex comprised the following securities:

- 1,385,177,140 ordinary shares on issue.
- 14,500,000 options exercisable at 34.0 cents per share expiring 10 September 2024.

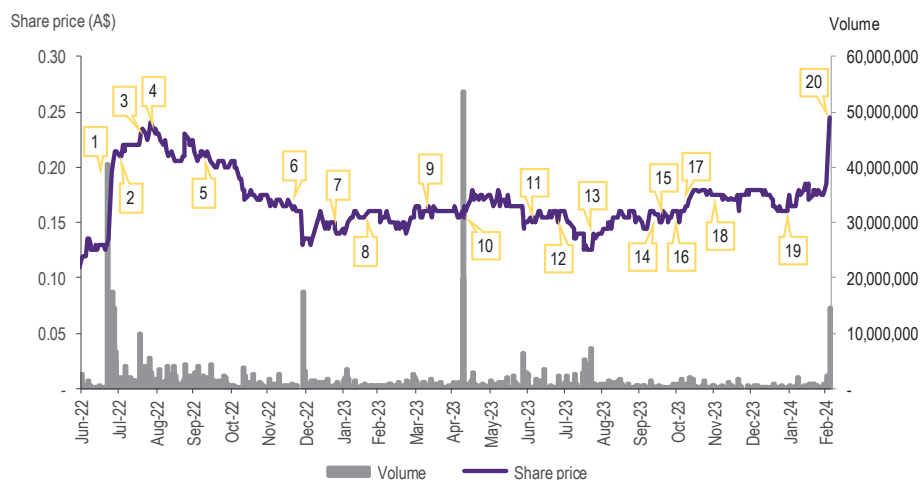
Attachment A: Independent Expert’s Report continued



- 9,660,586 Performance Rights comprising two tranches:
 - Corporate tranche of 7,097,494 held by 7 holders, which are scheduled to vest on 10 May 2026 subject to the below conditions:
 - o 50% will vest based on certain Total Shareholder Return (“TSR”) thresholds.
 - o The remaining 50% will vest upon the FID for new projects.
 - K2H tranche of 2,563,092 held by 3 holders, half of which will vest upon the provisional acceptance of K2H, and the remaining 50% will vest on 10 May 2026, subject to achieving certain TSR thresholds in relation to the project.

4.4.1. Share price and market analysis

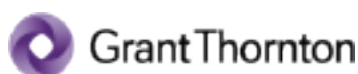
Our analysis of the daily movements in Genex’s trading share prices and volume for the period from 30 June 2022 to 4 March 2024 (the date the Indicative Proposal was announced by Genex) is set out below:



Sources: S&P Global, GTCF analysis

The following table describes the key events which may have impacted the share price volume movements shown above.

Event	Date	Comment
1	25-Jul-22	Genex received a conditional, non-binding indicative proposal from the Consortium to acquire all of the ordinary shares on issue in Genex by way of scheme of arrangement. The indicative proposal price payable to Genex shareholders was cash consideration of A\$0.23 per share. In addition, Genex announced its quarterly activities report for the quarter ended 30 June 2022. The Company reported revenue for the quarter of A\$8.6 million reflecting higher electricity and large-scale generate certificate prices. This led to full year FY22 revenue from solar farms of A\$26.1 million and net operating cash flow of A\$4.0 million, the first full year of positive operating cash flow in the history of the Company. The Company further reported cash balance of A\$62.9 million as at 30 June 2022.



Event	Date	Comment
2	01-Aug-22	Genex announced that the Board had considered the non-binding indicative proposal from the Consortium and unanimously concluded that it undervalued Genex and therefore was not in the best interest of Genex shareholders.
3	17-Aug-22	Genex received a revised conditional, non-binding indicative proposal from the Consortium to acquire all of the ordinary shares on issue in Genex by way of a scheme of arrangement via cash consideration of A\$0.25 per Share.
4	29-Aug-22	Genex released the annual report for FY22, reporting: <ul style="list-style-type: none"> Revenue of A\$27.2 million, up 26% on the pcp. Net loss after tax of A\$4.1 million, an improvement from a loss of A\$18.7 million in the pcp. Total comprehensive gain attributable to the owners of Genex of A\$19.7 million, compared to FY21 loss of A\$10.4 million, driven by movements in the valuation of cash flow hedges during the period. Positive net cash flows provided by operating activities of A\$4.0 million, up from negative A\$5.2 million in the pcp. Cash position of A\$62.9 million as at 30 June 2022.
5	14-Oct-22	Genex announced its quarterly activities report for the quarter ended 30 September 2022. During the quarter, the Company recorded revenue of A\$7.2 million and acquired a 100% interest in the development rights for the multi-stage Bulli Creek Clean Energy Project. Further, construction at the Kidston Pumped Storage Hydro Project was partly disrupted due to an unexpected geological feature but remains on schedule for energisation. The Company reported cash balance of A\$72.5 million as at 30 September 2022.
6	28-Dec-22	Genex announced that the Consortium have advised the Company that they will cease to pursue its conditional, non-binding indicative proposal to acquire all of the ordinary shares on issue in Genex by way of a scheme of arrangement for A\$0.25 per Share.
7	30-Jan-23	Genex announced its quarterly activities report for the quarter ended 31 December 2022. During the quarter, the Company recorded revenue of A\$6.2 million and reported a cash position of A\$65.3 million as at 31 December 2022.
8	20-Feb-23	Genex released the financial report for the first half of FY23 ("H1FY23"), reporting: <ul style="list-style-type: none"> Total generation of 109,891MWh, down 4% on the pcp. Nonetheless, revenue was A\$13.6 million and up 14% against the pcp, reflecting the increased generation volumes from Kidston Stage 1 and elevated pricing for wholesale electricity and large-scale generation certificates. Underlying Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") of A\$7.7 million, up 52% on the pcp principally due to the stronger revenue received from the solar projects and greater cost control during the period. Positive net profit after tax of A\$1.1 million, the first time in the history of the Company. Positive net cash flows provided by operating activities of A\$3.3 million, up from positive A\$1.2 million in the pcp. Cash position of A\$65.3 million as at 31 December 2022.
9	20-Apr-23	Genex announced its quarterly activities report for the quarter ended 31 March 2023. During the quarter, the Company generated total revenue of A\$6.0 million, taking year-to-date revenues to A\$19.4 million. Further, the Company announced that it remains on schedule for energisation at the K2H in the second half of 2024. The Company reported cash balance of A\$64.1 million as at 31 March 2023.
10	10-May-23	Genex announced the appointment of Craig Francis as the Company's new Chief Executive Officer, effective from 1 September 2023, following the retirement of James Harding on 31 August 2023. At the date of announcement, Mr Francis was Genex's Chief Financial Officer.
11	30-Jun-23	Genex announced it entered into a series of arrangements with Electric Power Development Co., Ltd and one of its subsidiaries, for a total funding package of A\$44.5 million. The funds will be applied to replenishment of the contingency for the Kidston Pumped Storage Hydro Project, the development of the multi-stage up to 2GW Bulli Creek Solar and Battery Project and general working capital.
12	26-Jul-23	Genex announced its quarterly activities report for the quarter ended 30 June 2023. During the quarter, the Company generated total revenue of A\$4.8million, taking year-to-date revenues to A\$24.2 million from the solar portfolio. The Company reported cash balance of A\$49.7 million as at 30 June 2023.
13	25-Aug-23	Genex released the annual report for FY23, reporting: <ul style="list-style-type: none"> Revenue of A\$24.6 million, down 9% on the pcp, largely driven by a return to stability in pricing in wholesale electricity markets and one-off items in FY22. EBITDA of A\$11.2 million, down 19% on the pcp. Net loss after tax of A\$1.0 million, compared to the net loss of A\$4.1 million in the pcp, up 75%. Positive net cash flows provided by operating activities of A\$4.3 million, down from A\$6.7 million in the pcp. Cash position of A\$46.9 million as at 30 June 2023.
14	09-Oct-23	Genex announced that is wholly owned subsidiary entered into a 25-year solar power purchase agreement for up to 2GW Bulli Creek Solar and Battery Project with a wholly owned subsidiary of Fortescue Metals Group Limited.

Attachment A: Independent Expert’s Report continued



Event	Date	Comment
15	20-Oct-23	Genex announced that its wholly owned subsidiary entered into a 10-year power purchase agreement with EnergyAustralia Pty Ltd for the 258MW Kidston Stage 3 Wind Project.
16	25-Oct-23	Genex announced its quarterly activities report for the quarter ended 30 September 2023. During the quarter, the Company generated total revenue of A\$4.5million from renewable energy and reported cash balance of A\$87.5 million as at 30 September 2023.
17	10-Nov-23	Genex announced that it had completed the facility commissioning for the Bouldercombe Battery Project, enabling the immediate commencement of operations.
18	8-Dec-23	Genex announced that its wholly owned subsidiary entered into a 15-year power purchase agreement with Stanwell Corporation Limited for the 258MW Kidston Stage 3 Wind Project.
19	30-Jan-24	Genex announced its quarterly activities report for the quarter ended 31 December 2023. During the quarter, the Company generated total revenue of A\$5.3 million and reported cash balance of A\$75.4 million as at 31 December 2023.
20	26-Feb-24	Genex released the financial report for the first half of FY24 ("H1FY24"), reporting: <ul style="list-style-type: none"> • Revenue and other income of A\$10.4 million, down 24% compared to the pcp, reflecting intraday price volatility and abnormally high pricing in the pcp. • Underlying EBITDA of A\$2.8 million, down from A\$7.7 million in the pcp. • Net loss of A\$3.2 million, down from a net profit of A\$1.1 million in the pcp. • Cash position of A\$75.4 million as at 31 December 2023.
21	04-Mar-24	Genex announced that it had received a non-binding, indicative and conditional proposal from Electric Power Development Co., Ltd to acquire all the ordinary shares in Genex that it did not already own for a cash consideration of A\$0.275 per Genex Share to acquire 100% of the issued capital via Scheme or A\$0.270 to acquire a controlling interest of at least 50.1% via Takeover.

Source: ASX announcements, GTCF analysis



The closing price of Genex Shares on the day before the announcement of the Indicative Proposal on 4 March 2024 was A\$0.185. The monthly share price performance of Genex from February 2023 to February 2024 and the weekly share price performance of Genex over the 16 weeks immediately prior to 4 March 2024 is summarised below:

Genex Power Limited	Share Price			Average weekly volume 000'
	High \$	Low \$	Close \$	
Month ended				
Feb 2023	0.165	0.140	0.160	3,880
Mar 2023	0.165	0.140	0.165	3,851
Apr 2023	0.170	0.155	0.160	2,658
May 2023	0.180	0.155	0.175	19,546
Jun 2023	0.180	0.140	0.150	5,692
Jul 2023	0.160	0.147	0.160	3,560
Aug 2023	0.160	0.120	0.145	7,708
Sep 2023	0.165	0.140	0.155	2,689
Oct 2023	0.160	0.145	0.160	1,836
Nov 2023	0.185	0.150	0.175	3,088
Dec 2023	0.180	0.160	0.180	1,810
Jan 2024	0.180	0.155	0.175	1,531
Feb 2024	0.185	0.160	0.180	2,758
Week ended				
17 Nov 2023	0.180	0.175	0.178	2,737
24 Nov 2023	0.185	0.175	0.175	2,504
1 Dec 2023	0.180	0.170	0.175	1,886
8 Dec 2023	0.180	0.170	0.175	1,356
15 Dec 2023	0.175	0.170	0.170	1,974
22 Dec 2023	0.175	0.160	0.175	3,011
29 Dec 2023	0.180	0.172	0.180	1,198
5 Jan 2024	0.180	0.175	0.180	1,396
12 Jan 2024	0.180	0.175	0.175	959
19 Jan 2024	0.180	0.160	0.165	1,971
26 Jan 2024	0.170	0.155	0.160	1,172
2 Feb 2024	0.175	0.155	0.165	1,698
9 Feb 2024	0.185	0.162	0.175	4,302
16 Feb 2024	0.185	0.170	0.170	2,605
23 Feb 2024	0.185	0.170	0.180	2,564
1 Mar 2024	0.185	0.167	0.185	3,848

Sources: S&P Global, GTCF analysis

We have considered the recent trading share prices of Genex for the purpose of our valuation. Refer to Section 6.3.1 for further details and analysis on the trading price of Genex.

Attachment A: Independent Expert's Report continued



4.4.2. Top 5 shareholders

We have set out below the top 5 shareholders of Genex as at 14 August 2023.

Top 5 shareholders as at 14 August 2023			
Rank	Name	No. of shares	Interest (%)
1	Skip EIF Enterprises Pty Ltd	276,896,318	19.99%
2	JPGA Partners Pty Ltd	106,990,005	7.72%
3	J P Morgan Nominees Australia Pty Limited	95,574,398	6.90%
4	Citicorp Nominees Pty Limited	82,371,074	5.95%
5	BNP Paribas Noms Pty Ltd	66,457,820	4.80%
Top 5 shareholders total		628,289,615	45.36%
Remaining shareholders		756,887,525	54.64%
Total ordinary shares outstanding		1,385,177,140	100.00%

Source: Genex FY23 Financial Report.



5. Valuation methodologies

5.1. Introduction

As discussed in Section 2, our fairness assessment involves comparing the Scheme Consideration of A\$0.275 and the Offer Price of A\$0.270 to the fair market value of Genex Shares on a control basis.

Grant Thornton Corporate Finance has assessed the value of Genex using the concept of fair market value. Fair market value is commonly defined as:

“the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm’s length.”

Fair market value excludes any special value. Special value is the value that may accrue to a particular purchaser. In a competitive bidding situation, potential purchasers may be prepared to pay part, or all, of the special value that they expect to realise from the acquisition to the seller.

5.2. Valuation methodologies

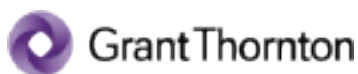
RG 111 outlines the appropriate methodologies that a valuer should generally consider when valuing assets or securities for the purposes of, amongst other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers and prospectuses. These include:

- Discounted cash flow and the estimated realisable value of any surplus assets (“DCF Method”).
- Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets (“FME Method”).
- Amount available for distribution to security holders on an orderly realisation of assets (“NAV Method”).
- Quoted price for listed securities, when there is a liquid and active market (“Quoted Security Price Method”).
- Any recent genuine offers received by the target for any business units or assets as a basis for valuation of those business units or assets.

Further details on these methodologies are set out in Appendix A to this report. Each of these methodologies is appropriate in certain circumstances.

RG111 does not prescribe any above methodologies as the method(s) that an expert should use in preparing their report. The decision as to which methodology to use lies with the expert based on the expert’s skill and judgement and after considering the unique circumstances of the entity or asset being valued. In general, an expert would have regard to valuation theory, the accepted and most common market practice in valuing the entity or asset in question and the availability of relevant information.

Attachment A: Independent Expert's Report continued



5.3. Selected valuation methods

In our assessment of the fair market value of Genex, Grant Thornton Corporate Finance has relied on a number of valuation methodologies as outlined below.

5.3.1. SOP approach

Grant Thornton Corporate Finance has selected the NAV Method as the primary method to assess Genex's equity value. The market value of net assets is based on the sum of the parts of Genex's operational, construction and development assets, and other assets and liabilities as reported in the reviewed balance sheet as at 31 December 2023 and the unaudited balance sheet as at 31 March 2024.

Operating and construction stage assets

Genex's operating and construction stage assets consist of K2H, KS1, JSP and BBP. The market value of the operating and construction stage assets was assessed based on the DCF Method having regard to the net present value of the cash flows to equity holders prepared by management in the Internal Models.

We believe the DCF Method is appropriate to value the operating and construction stage assets due to the following:

- The revenue streams are supported by long term contracts. With the exception of JSP, which is operated as a merchant generator, KS1, K2H and BBP all have long term off-take agreements.
- Capital expenditure requirements are directly tied to forecasted growth, and hence known and able to be modelled in a robust way. In relation to the commissioning of K2H, all major construction works are being completed under fixed-price contracts.
- The DCF Method is one of the most commonly used methodologies for the valuation of companies operating with finite life projects and contracts.

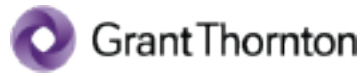
Development assets and platform

Genex has a portfolio of pre-construction assets at various stages of development. K3W and BCS projects have projected revenue streams supported by long-term contracts and capital expenditure tied to forecasted growth, therefore are able to be modelled in a robust way. We have valued K3W and BCS based on the DCF method.

We have valued Genex's development assets and platform without signed offtake agreements, therefore bear a greater degree of uncertainties, based on the MW Multiple method for assets at similar stage.

5.3.2. Cross check valuation methodologies

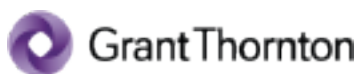
- **MW Multiple Method:** We have cross-checked our valuation assessment based on the SOP approach having regard to the MW Multiple implied in our valuation assessment, which we have compared with listed peers and comparable transactions. The MW Multiple is a frequently used metric to assess the value of a power generation company as it is not affected by differences in earnings caused by varying capital structures and depreciation and amortisation policies. Further, a significant portion of the



Company's value is related to its construction and development projects, in particular K2H, which are yet to commence operations and generate positive earnings.

- *Quoted Security Price Method:* We have also had regard to the Quoted Security Price Method which is based on the Efficient Market Hypothesis which assumes that the share price at any point in time reflects all publicly available information and will change when new information becomes publicly available. We note that in the absence of a takeover or other share offers, the trading share price represents the value at which minority shareholders could realise their portfolio investment.

Attachment A: Independent Expert’s Report continued



6. Valuation Assessment of Genex Shares

6.1. SOP approach

For the purpose of our valuation assessment of Genex utilising the SOP approach, Grant Thornton Corporate Finance has critically reviewed and considered the following:

- Historical financial performance of Genex.
- Management’s long-term projections contained in the Internal Models, which is based on a “bottom-up” forecast for each asset, the underlying offtake agreements and contracts, funding structure and the expected useful life of the assets.
- Market updates from investment analysts who provide coverage of Genex and other market participants, including the historical and expected financial and operating performance, and that of the industry as a whole.
- Key industry risks, growth prospects and general economic outlook.

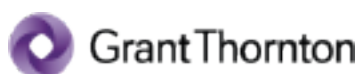
In accordance with the requirement of RG111, we have undertaken a critical analysis of the forecasts contained in the Internal Models before relying on them for the purpose of our valuation assessment. Specifically, we have performed the following analysis:

- Conducted high level checks, including limited procedures in relation to the mathematical accuracy of the Internal Models.
- Performed a broad review, critical analysis and benchmarking with the historical performance of Genex and current trends in the industry.
- Held discussions and interviews with Management of the Company and its advisor to discuss the Internal Models and the key underlying assumptions.

Whilst Grant Thornton Corporate Finance believes that the assumptions underlying the Internal Models are reasonable and appropriate to be adopted for the purpose of our valuation, we have not disclosed them in our IER as they contain commercially sensitive information and they do not meet the requirements for presentation of prospective financial information as set out in ASIC Regulatory Guide 170 “*Prospective Financial Information*”. The assumptions adopted by Grant Thornton Corporate Finance do not represent projections by Grant Thornton Corporate Finance but are intended to reflect the assumptions that could reasonably be adopted by industry participants in their pricing of similar businesses. We note that the assumptions are inherently subject to considerable uncertainty and there is significant scope for differences of opinion. It should be noted that the value of Genex could vary materially based on changes to certain key assumptions.

6.1.1. Operating and construction stage assets

We have set out in the table below a summary of the valuation methodologies adopted for the operating and under construction assets, the value range and other information.



Equity Value by asset category A\$000	Section reference	Valuation		Capacity ¹ (MW)	Value Range of GNX's %	
		Methodology	Discount Rate		Low	High
Operational and in-construction assets						
KS1 & JSP (Solar)	6.1.1.1	DCF	7.8% - 8.7%	50	46,942	51,500
BBP (Battery)	6.1.1.2	DCF	8.3% - 9.2%	50	75,497	103,088
K2H (Hydro)	6.1.1.3	DCF	7.8% - 8.5%	250	123,020	136,826
Total equity value of operating and in-construction assets (control basis)				350	245,459	291,414

Source: GTCF Analysis

Note (1): the capacity of each project is on 100% basis.

Given the operating and construction stage projects are all project financed with debt, we have used free cash flows to equity when applying the DCF Method in order to capture the impact of the interest expense on the debt and debt repayments on the principal. Accordingly, we have used the cost of equity as the discount rate. We have set out below the detailed assumptions for each of the projects.

6.1.1.1. Kidston Stage 1 Solar and Jemalong Solar Project

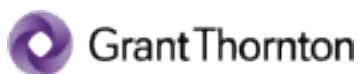
We have valued KS1 and JSP together given these two projects have been portfolio financed under a single senior and subordinated debt facility structure. We have outlined below the key assumptions which we have adopted for the purpose of our valuation assessment:

- KS1 Revenue** – Genex has a long-term 20-year price guarantee arrangement with the Queensland Government for power produced at KS1 with 14 years remaining on this contract. Under the terms of the agreement, Genex is provided a price floor for all energy produced and retains the upside if wholesale prices are higher, but all LGCs are surrendered to the State. Further, under the Revenue Support Deed, Genex does not carry any MLF or DLF risk in relation to KS1, so the revenue structure for the project bears limited/no risk for Genex. Wholesale pricing is based on a market consultant site-specific solar reference case curve as at Q3 2023 with escalation. The offtake arrangement has limitations for when generation occurs during negative price periods and therefore to take this risk into account, in our valuation, we have assumed that KS1 receives a more conservative price than the minimum floor price of A\$88/MWh.
- JSP Revenue** – Power generation at JSP is uncontracted and therefore forecast revenues are based on the wholesale electricity price for power generation prepared by Baringa⁶⁰ in Q3 2023 for the Jemalong site specific assets under their reference case. The LGCs are forecast based on Mercari forward price curve⁶¹.
- Generation** – KS1 is assumed to achieve net generation at a P50 level of confidence of c. 138,000MWh in FY25, gradually reducing to c. 126,200MWh in CY47 based on the expected degradation of the solar panels over their useful life. We note the historical performance has been impacted by low irradiance due to the La Niña weather patterns and seasonal intraday volatility of energy dispatchment, generating a total of 83,699MWh of renewable energy in first three quarters in FY24, c. 3% lower compared to same period of FY23. Prior to FY24, KS1 achieved net generation of c. 118,841MWh, 116,521MWh, 115,957MWh and 115,175MWh in FY20, FY21, FY22 and FY23, respectively.

⁶⁰ Baringa is considered a reputable expert in the sector and, as such, we did not perform any adjustment to the data provided.

⁶¹ Mercari operates an Australian regulated financial derivatives exchange offering a broad range of products including energy, commodity, environmental, interest rate and foreign exchange derivatives.

Attachment A: Independent Expert's Report continued



JSP is expected to produce net generation at a P50 level of confidence of c. 120,700MWh in FY25, gradually declining to 109,200MWh at the end of its useful life in CY50. Following becoming fully operational in Q4 FY21, JSP generated a total of 107,561MWh and 103,365MWh of renewable energy in FY22 and FY23, which is lower than its P50 estimate of 120,700MWh, however we note the performance was materially affected by significant rain caused by the prolonged La Nina weather conditions. The net generation of JSP in the first three quarters in FY24 was 91,073MWh, which is 8% higher than the same period of last financial year. Genex carries the MLF and DLF risk in relation to JSP.

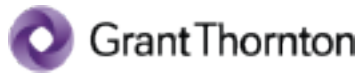
- **Operating Expenses** – Operating and maintenance services for KS1 and JSP are provided under a long term O&M agreement for a fixed fee escalated in line with inflation. Other operating expenses include registrations, site communications, asset management fees, grid connection fees, insurance and these expenses have been estimated in line with historical expenditure.
- **Funding** – KS1 is portfolio financed with JSP with A\$145.3⁶² million of senior debt from a consortium of three banks. Interest is charged based on Bank Bill Swap Rate (“BBSY”) plus a margin. The debt is assumed to be refinanced before 30 June 2024 at DSCR of 1.25x on contracted revenue and of 1.80x on uncontracted revenue. The senior debt facility is fully interest rate hedged and the hedging facility is expected to roll forward into the new facility. In addition to the senior debt, there is a subordinated facility provided by Infradebt with a balance of A\$10.9 million as at 31 March 2024, maturing in December 2024. The subordinated debt is forecast to be consolidated into the senior debt as part of the refinancing.
- **Terminal value** – We have not included a terminal value for KS1 or JSP as the assets are expected to have a useful life of 30 years. Furthermore, we have not considered a repowering of the assets at the end of their useful lives due to the significant uncertainty regarding the costs or revenues associated with any repowering.
- **Discount rate** – Cost of equity between 7.8% and 8.7%. Please refer to Appendix E for details.

6.1.1.2. Bouldercombe Battery Project

- **BBP Offtake Agreement** – The Autobidder Offtake Agreement sets out a revenue guarantee for Genex (“Fixed Toll”) and upside sharing mechanism between Genex and Tesla for a component of revenue (less than 50%). For this proportion of the electricity production, the agreement covers the first eight years of the BBP operations with reducing Fixed Toll over the life of the contract and an increasing revenue share for Genex of market revenues. After the Autobidder Offtake Agreement concludes, revenues are assumed to be entirely at risk and based on merchant pricing as discussed below.
- **Pricing** – Pricing assumptions are based on Market Consultants price curves over the life of the asset for generation and charging and prices for LGCs. The market revenues are driven by the spread between the charging price as the battery pulls energy from the grid when prices are low and when it dispatches energy when prices are higher. The price spread between the generation and charging price and the difference between the amount of energy used to charge the battery and the amount dispatched is what determines the net market revenue. Decisions on when the battery charges and dispatches is based on Tesla’s Autobidder service⁶³ that provides analysis and algorithms to anticipate

⁶² Calculated on an effective interest rate basis.

⁶³ Only for that component of revenue covered by the Autobidder Offtake Agreement.



future load and supply positions in the NEM, determine spot market trends and optimise the market bidding strategy.

- *Volatility events* – The forecast wholesale electricity prices underpinning the BBP model do not account for periodic volatility events caused by temporary shocks (e.g., heatwaves and energy system failures, amongst others). These types of events have historically led to a spike in prices that BBP will be able to profit from. Based on discussions with Management and a review of the information available, we have adopted a range between A\$2.0 million and A\$3.0 million in additional revenue every six months to account for these periodic volatility events. Since operations commenced, volatility events have generated revenue upside for Genex in excess of Management’s expectations and not inconsistent with the assumptions adopted in our valuation assessment. Whilst it is not feasible to estimate the frequency of these events and the upside for the Company, we note below recent events which have caused significant volatility in prices which occurred in a short period of time:
 - In February 2024, the wholesale electricity price in Victoria reached the price cap of 16,600/MWh 24 times in just under three hours as a result of a damage caused by a storm which brought down several transmission lines and caused a major coal fired power station to disconnect from the NEM; and
 - At the beginning of May 2024, a combination of cold weather, low renewable energy output and scheduled and unscheduled maintenance at several large coal fired power stations resulted in substantial volatility in wholesale electricity prices in NSW with spikes above 10,000/MWh in Queensland ancillary services markets due to flows and resulting constraints on the Queensland-NSW interconnector, which persisted at abnormally high levels for a number of days thereafter.
- *Operating expenses* – Genex has a 20-year O&M agreement with Tesla, structured with fixed fees that increase in line with inflation and incorporates an availability guarantee. After 8 years and upon the conclusion of the Autodibber Offtake Agreement, Genex will enter into a license agreement with Tesla to operate Autobidder on the project at a fixed licensing fees escalated at inflation. Genex also has transmission expenses associated with a 30-year connection agreement with Powerlink for an annual charge escalated at CPI, as well as expenses associated with asset management, rent and data fees.
- *Terminal value* – We have not included a terminal value for BBP as the project is expected to have a useful life of 25 years.
- *Discount rate* – Cost of equity between 8.3% and 9.2%. Please refer to Appendix E for details.

6.1.1.3. Kidston Pumped Storage Hydro Project

We have outlined below the key assumptions which we have adopted for the purpose of our valuation assessment for K2H:

- *ESSA with EA* – Under the ESSA with EA, Genex does not bear any pricing and volume risks and it only receives a fixed fee per annum for the first 10 years escalated based on a factor that is partly fixed and partly floating in line with CPI. EA has two 10-year extension options at EA’s election under substantially similar terms as the initial term (fixed fee escalated at CPI). If EA exercises the two extension options, it will have the opportunity to acquire Genex’s equity stake in K2H at a price equal

Attachment A: Independent Expert's Report continued



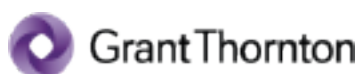
to the depreciated book value at year 30. Given the optionality involved, in our valuation assessment, we have considered two scenarios, one where EA exercises the extension options and acquires K2H at year 30 and one where EA does not exercise its extension option after the Initial Term. Under these circumstances, we have assumed that Genex enters into an offtake agreement on substantially the same terms as the ESSA and we have assessed a terminal value into perpetuity given that the plant has a useful life in excess of 80 years and the land is owned by Genex on a freehold basis and leased to K2H.

Under the ESSA, we note Genex is not entitled to any LGCs, which have been pre-sold to fund the initial construction of the project and are therefore not recorded as a component of future revenue.

- **Construction costs** – Construction of the project is under a fixed-price lump sum full wrap EPC contract with energisation expected in Q1 2025. The contract contains a performance liquidated damages cap linked to the contract value as well as a delay liquidated damages rate (as revenue replacement of the ESSA) with a cap linked to the contract value. While the majority of the construction cost is under the EPC, Genex is responsible for a number of principal supplied items including the construction camp, power at the construction site, the airstrip and communications infrastructure. The Company originally allowed for a contingency during construction, which was replenished by A\$25 million in July 2023. Based on discussions with Management and a review of the historical contract performance, we have assumed that 100% of the contingency will be utilised. As of April 2024, most of the excavation works have been completed and the plant is expected to be energised by early 2025.
- **Operating Expenses** – Genex has entered into a 12-year fixed term O&M agreement with ANDRITZ Hydro for a fixed fee per annum escalated in line with CPI for the operations of K2H. Other operating expenses include fixed transmission expenses under the GCAA with Powerlink. Genex has also agreed to pre-pay c. A\$117 million in annual access fees to Powerlink under the GCAA, which is effectively a prepayment of Genex's access fees to the transmission line.
- **Maintenance expenses** – Maintenance costs include a major overhaul of the generator and turbine after 25 years as well as amounts for updating control systems, dewatering and isolation devices. Maintenance expenses are indexed in line with CPI and are the same for both the EA Exercise Scenario and EA Non-Exercise Scenario given there would be no difference to the maintenance requirements under the different scenarios.
- **Funding** – Funding is provided by the A\$610 million NAIF facility at a fixed rate for the 15-year term of the facility (which includes the construction period). The NAIF facility repayment profile is assumed to match the schedule in the NAIF Facility Agreement.
- **Discount rate** – Cost of equity between 7.8% and 8.5%. Please refer to Appendix E for details.

6.1.2. Development portfolio and development platform

Genex has a residual pipeline of development opportunities at various stages of advancement which we have valued as summarised in the table below.



Equity Value by asset category A\$000	Section reference	Valuation			Capacity ¹ (MW)	Value Range of GNX's %	
		Methodology	Discount Rate	MW Multiple		Low	High
Development assets							
Early Stage Pipeline							
K3W (Wind)	6.1.2.1	DCF & MW Multiple	8.6% - 9.2%	na	258	33,152	44,303
BCS (Solar)	6.1.2.2	DCF & MW Multiple	8.6% - 9.2%	na	775	50,721	71,719
BCB (Battery)	6.1.2.2	MW Multiple	na	0.05 - 0.075	400	10,000	15,000
Subsequent stages of BCP	6.1.2.3	MW Multiple	na	0.05 - 0.075	825	20,625	30,938
Expansion for BBP	6.1.2.3	MW Multiple	na	0.05 - 0.075	50	2,500	3,750
Total equity value of development portfolio and platform (control basis)					2,308	116,998	165,710

Source: GTCF analysis

Note (1): the capacity of each project is on 100% basis.

For the development projects at a more advanced stage, namely K3W and BCS, we have considered a DCF approach in conjunction with the MW Multiple whereas for the other development pipeline projects, we have just relied on the MW Multiple.

6.1.2.1. K3 Wind

K3 Wind is a c. 258MW wind development project at the Kidston site, which is being developed in a 50/50 joint venture with J-Power. The project will connect into the new transmission line being delivered for K2H and is expected to reach FID at the end of 2024.

In assessing the value for the K3W project, we relied on the DCF approach, which we have cross checked with the MW Multiple given the early stage nature of the project.

DCF approach

In assessing the DCF, we relied on the financial model provided by Management, noting the following:

- **K3W Revenue** – Genex has secured offtake agreements for 50% of the 258MW capacity for the first 15 years with Stanwell for a fixed price plus escalation and a further 30% of the output with EA for the first 10 years of operations for a fixed price plus escalation. Management expect the wind farm to be operational from late 2026 and have a useful life of c. 36 years. We have considered the 3 models prepared by Management, which rely on different pricing assumptions derived by leading pricing providers in the industry, including 2 banking cases and 1 equity case. The equity case better reflects the volatile nature and short term shocks of energy prices observed historically. Based on our discussions with Management regarding the feasibility of each scenario, we have placed a greater weighting on the equity case scenario in assessing our concluded value of K3W.
- **Generation** – K3W is assumed to achieve a generation of 258MW with a capacity factor of 36.4% based on the average efficiency observed historically for wind farms in NSW.
- **Operating Expenses** – Operating and maintenance services for K3W are assumed to be largely fixed (underpinned by long term contracts) escalated in line with inflation. These largely related to O&M costs, grid connection, asset management and rent.
- **Funding** – Whilst we understand that there are currently no formal agreements to finalise the financing of the project, Management expect to achieve a Final Investment Decision by the end of 2024. Based

Attachment A: Independent Expert’s Report continued



on the current projections, capital expenditures are expected to amount to A\$750 million to A\$800 million, with most of the construction expected to be completed by FY27. The project is forecast to be financed via 75% debt and the balance from equity.

- **Terminal value** – We have not included a terminal value for K3W as the asset is expected to have a useful life of 36 years. Furthermore, we have not considered a repowering of the assets at the end of their useful lives due to the significant uncertainty regarding the costs or revenues associated with any re-powering.
- **Discount rate** – Cost of equity between 8.6% and 9.2%. Please refer to Appendix E for details.

Based on the assumptions above, we have assessed the fair market value of the K3W project between A\$66.3 million and A\$88.6 million on a 100% basis or between A\$33.2 million and A\$44.3 million for Genex’s proportional 50% interest.

MW Multiple approach

In our MW Multiple approach, we have adopted a multiple of A\$m for MW between 0.20 and 0.30 based on the multiples observed in our selected transactions having regard to the type of asset, stage of development, capacity and geographic location (refer to Appendix D for details). A summary of our valuation assessment is outlined below.

K3W Value		
MW Multiple Approach	Low	High
MW	258	258
Price Per MW A\$m	0.20	0.30
Total Enterprise Value (A\$'000) (control basis)	51,600	77,400

Source: GTCF Analysis

6.1.2.2. Bulli Creek Solar Stage 1 Project

In assessing the value for the BCS project, we relied on the DCF approach, which we have cross checked with the MW Multiple given the early stage nature of the project.

DCF approach

We have relied on the financial model provided by Management, noting the following:

- **BCS Revenue** – On 9 October 2023, Genex entered a 25-year offtake agreement with Fortescue for 337.5MW capacity out of the total 775MW capacity of BCS. This PPA agreement is contingent, upon other things, on Fortescue achieving a FID on the Gibson Island project by 31 March 2024. Whilst Fortescue has not achieved the required FID by 31 March 2024, which triggers termination rights, the PPA remains in place in accordance with its terms. We also note that Genex is in advanced discussions with other external parties for offtake which remain commercial in confidence, however these scenarios were also considered for a total contracted capacity of 675MW. In our valuation, we considered two pricing scenarios from leading market consultants in the industry, being 1 banking case and 1 equity case, which reflects the volatile nature of energy prices observed historically.



- *Construction* – The project has recently achieved some significant development milestones such as the appointment of PCL Constructors Pty Ltd (“PCL”) as EPC contractor.
- *Generation* – BCS is assumed to achieve a generation of 775MW with a capacity factor of 33.1% based on P50 capacity factor. BCS is also exposed to the seasonality effect, with peak performance occurring in summer when the capacity factor is estimated to be around 34.4%. The net generation further reflects an economic curtailment factor based on leading market consultants forecasts as of April 2024.
- *Funding* – Whilst we understand that there are currently no formal agreements to finalise the financing of the project, Management expect to reach FID by the end of 2024. Based on the current projections, capital expenditures are expected to amount to c. A\$1.3 billion with the full construction expected to be completed by early 2027. The project is forecast to be financed with 25% equity and 75% debt.
- *Discount rate* – Cost of equity between 8.6% and 9.2%. Please refer to Appendix E for details.

Based on the assumptions above, we have assessed the fair market value of the BCS project between A\$101.4 million and A\$143.4 million on a 100% basis or between A\$50.7 million and A\$71.7 million for Genex’s proportional 50% interest.

MW Multiple approach

In our MW Multiple approach, we have adopted a multiple between 0.15 and 0.25 based on the multiples observed in our selected transactions having regard to the type of asset, stage of development, capacity and geographic location (refer to Appendix D for details). A summary of our valuation assessment is outlined below.

BCS Value		
MW Multiple approach	Low	High
MW	775	775
Price Per MW A\$m	0.15	0.25
Total Enterprise Value (A\$'000) - on 100% basis	116,250	193,750

Source: GTCF Analysis

Attachment A: Independent Expert's Report continued



6.1.2.3. Pipeline of further extension projects

We have assessed the value of Genex's early-stage development portfolio on a MW Multiple basis, which applies a dollar per MW Multiple to the expected capacity of the projects. These multiples are typically at a significant discount to those observed for operating and more advanced pipeline projects reflecting the uncertainty in relation to development timeframes, uncontracted revenue and funding requirements (refer to the 25th percentile of the comparable transactions in Appendix D).

Below is a summary of Genex's early-stage development and pipeline portfolio.

Equity Value by asset category A\$000	Section reference	Valuation			Capacity ¹ (MW)	Value Range of GNX's %	
		Methodology	Discount Rate	MW Multiple		Low	High
Early Stage Pipeline							
BCB (Battery)	6.1.2.2	MW Multiple	na	0.05 - 0.075	400	10,000	15,000
Subsequent stages of BCP	6.1.2.3	MW Multiple	na	0.05 - 0.075	825	20,625	30,938
Expansion for BBP	6.1.2.3	MW Multiple	na	0.05 - 0.075	50	2,500	3,750
Total equity value of development portfolio and platform (Genex's proportional interest)					2,308	116,998	165,710

Source: GTCF Analysis

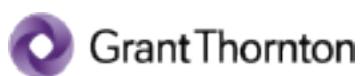
6.1.3. Other assumptions

In our valuation assessment we have also considered the following:

- **CPI** – We have selected CPI in-line with the RBA's forecasts in the near-term, which has inflation at around 3.5% in CY24, sliding to 3.0% in CY25 and returning to the RBA's inflation target range of 2.0% to 3.0% in CY26.
- **Corporate costs** – The net present value of the future cash flows included in the Internal Models does not include the corporate costs which we have considered separately. In our assessment of the corporate costs, we have assumed that a pool of potential purchasers will be able to obtain synergies and savings by owning 100% of the business equivalent to c. 50% of the cost currently incurred. These synergies and cost savings are associated with ASIC and ASX listing fees, directors costs, duplicate centralised functions, audit, insurance and Management.
- **Tax rate** – We have applied a tax rate for the operating projects from FY24 onwards in line with the statutory Australian corporate tax rate of 30%.
- **Tax losses** – Genex has c. A\$61.6 million of accumulated tax losses as well as A\$39.2 million in transferred tax losses available for use but subject to fractioning as at 30 June 2023. Genex formed a single tax consolidated group effectively from 1 July 2023. We have included our estimates of the fair market value of the tax losses in our valuation assessment.

6.1.4. Cash balance and other assets and liabilities

Genex has c. A\$56.4 million of cash on its balance sheet as at 31 March 2024. For the purpose of our valuation assessment, we have excluded from the surplus cash the committed or locked-up amount that is related to projects in construction and in development or held in Debt Service Reserve Account ("DSRA"). We have also reduced the surplus cash balance for the payment for the Options and Genex Performance



Right cancellation consideration. We have set out the surplus cash balance of Genex under the Scheme and the Takeover in the table below:

Surplus Cash of Genex as at 31 March 2024	
A\$'000	Scheme / Takeover
Cash and cash equivalent	56,429
Less:	
Committed cash	(49,507)
Options payout	(521)
Performance rights payout	(1,328)
Surplus Cash as at 31 March 2024	5,073

Source: Management, GTCF Analysis

6.1.5. Valuation summary based on the SOP approach

We have set out below a summary of our valuation for Genex operating portfolio and development pipeline.

SOP Method - Valuation Summary A\$'000 (except where stated otherwise)	Section Reference	Scheme / Takeover	
		Low	High
Operational and in-construction projects	6.1.1	245,459	291,414
Development portfolio and development platform	6.1.2	116,998	165,710
Less: NPV of Corporate Overheads (incl cost savings)	6.1.3	(34,468)	(38,270)
Add: NPV of existing accumulated Tax Losses ¹	6.1.3	10,979	11,642
Less: J-Power Corporate Loan	6.1.4	(34,503)	(34,503)
Add: Surplus Cash	6.1.4	5,073	5,073
Total Equity Value (control basis)		309,538	401,065
Number of outstanding shares ('000s)		1,385,177	1,385,177
Value per share (control basis) (A\$ per share)		0.223	0.290

Source: GTCF Analysis; Note (1): The future tax losses for each project are included in the individual projects' valuations.

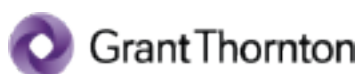
We have assessed the value per share under the DCF approach to be between A\$0.223 and A\$0.290 on a control basis.

6.1.6. Sensitivity Analysis

It should be noted that the enterprise value of Genex could vary materially based on changes in certain key assumptions. Accordingly, we have conducted a sensitivity analysis below to highlight the impact on the value of Genex's equity value caused by movements in certain key assumptions. The following table summarises our results.

Attachment A: Independent Expert's Report continued

Sensitivity analysis			Low	High
A\$ per share	Low	High	% change	% change
GT Assessed value per GNX share	0.223	0.290		
Discount rate - Cost of Equity				
+ 0.5%	0.197	0.243	(12.0%)	(16.1%)
- 0.5%	0.253	0.309	13.3%	6.6%
KS1 & JSP _ Energy Generation				
KS1 - P90	0.219	0.285	(1.8%)	(1.5%)
JSP - P90	0.218	0.284	(2.6%)	(2.1%)
KS1&JSP - P90	0.213	0.279	(4.6%)	(3.7%)
BBP - Contingent Revenue				
A\$4m every 6 moths	0.252	0.305	12.6%	5.3%
A\$1m every 6 months	0.209	0.259	(6.4%)	(10.7%)



6.2. Cross Check – MW Multiple Method

6.2.1. Implied Value Per MW

In the table below we set out the value per MW implied in our valuation of Genex Shares based on our SOP approach. We have presented the multiples based on both the operating and construction MWs and the operating and construction and pipeline MWs.

Implied Value per MW Analysis A\$'000 (except where stated otherwise)	Section Reference	Low	High
Total Equity Value (control basis)	6.1	309,538	401,065
Net Debt ¹	4.3.2 & 6.1.4	741,429	741,429
Total Enterprise Value (control basis)		1,050,967	1,142,494
MW			
KS1 & JSP (Solar)	6.1.1.1	100	100
BBP (Battery)	6.1.1.2	50	50
K2H (Hydro)	6.1.1.3	250	250
Total Operational and Construction MW		400	400
MW Multiple (Operational and Construction) - A\$m		2.63x	2.86x
Pipeline			
K3W (Wind) ²	6.1.2.1	129	129
BCS (Solar) ²	6.1.2.2	388	388
BCB (Battery) ²	6.1.2.2	200	200
BCP solar/BESS further expansion ²	6.1.2.3	413	413
BBP further expansion	6.1.2.3	50	50
Total MW		1,579	1,579
MW Multiple (Total) - A\$m		0.67x	0.72x

Sources: S&P Global, Management, GTCF analysis

Notes: (1) Gross debt of A\$746.5 million (section 4.3.2) less surplus cash of A\$5.1 million (section 6.1.4). (2) Genex owns 50% of these projects and 100% of other projects.

Genex's operational and in-construction assets have a total generation capacity of 400MW. In addition, Genex has up to a further up to c. 2.3GW⁶⁴ of projects in its development pipeline that are at various stages of advancement, of which the majority belongs to BCP (a multistage project of up to 2GW).

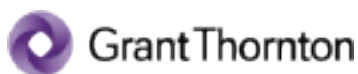
6.2.2. MW Multiple of Comparable Transactions and Listed Peers

The selection of the appropriate \$ per MW multiple to apply is a matter of professional judgement and involves consideration of several factors including the mix of assets, their stage of operations, the financial structure of the company and gearing levels, future prospects of the business, and the nature of the industry.

For the purpose of our benchmarking analysis, we have put greater reliance on the values per MW implied by comparable transactions instead of the values of the trading peers due to the limited comparability of the trading peers. In the last three years, several trading companies have been acquired in Australia, reducing

⁶⁴ Including announced and unannounced projects and reflective of the project's name-plate capacity made up of: 1,433MW of development projects, and 875MW of further pipeline projects.

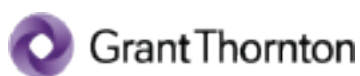
Attachment A: Independent Expert's Report continued



the basket of listed peers. In the following table we set out the pool of comparable transactions considered in our valuation assessment. A brief description of each of the target companies is provided in Appendix B.

Date	Target Company	Country	Bidder Company	Stake	Implied EV A\$m	Capacity MW	% of MW in Development & Pipeline	Operating & Construction	Total
								Price Per MW A\$m	Price per MW A\$m
Various Generation Types									
Apr-24	European Energy	Denmark	Mitsubishi HC Capital	20%	7,883	40,954	95%	4.0	0.2
Mar-24	Encavis AG	Germany	KKR and Viessman Group GmbH	100%	7,167	7,000	51%	2.1	1.0
Jul-23	Enel Green Power Australia	Australia	Inpex Corporation	50%	694	479	16%	1.7	1.4
Dec-22	CWP Renewables	Australia	Squadron Energy	100%	4,133	2,400	46%	3.2	1.7
Aug-22	Nexif Energy portfolio	Australia	RATCH Group Plc	100%	1,442	2,670	81%	2.9	0.5
Nov-21	Meridian Energy Australia Pty. Ltd.	Australia	ERM Power Limited ; Infrastructure Capital Group Ltd	100%	729	428	30%	2.4	1.7
Mar-21	Tilt Renewables Limited	New Zealand	Powering Australian Renewables	100%	3,040	5,916	86%	3.5	0.5
Jun-20	Infigen Energy Limited	Australia	Iberdrola Renewables Australia Pty Ltd	100%	1,412	1,472	36%	1.5	1.0
Jul-19	Pacific Energy Limited	Australia	QIC Private Capital Pty Ltd	100%	538	367	0%	1.5	1.5
Battery									
Jan-24	Kyon Energy Solutions GmbH	Germany	TotalEnergies SE	100%	149	2,770	83%	0.3	0.1
Wind									
Apr-24	Yanco Delta wind development in NSW	Australia	Origin Energy	100%	125	1,500	100%	n/a	0.1
Oct-20	The John Laing Portfolio Of Wind Farm Assets	Australia	First Sentier Investors (Australia) IM Ltd	100%	285	209	0%	1.4	1.4
Dec-19	Snowtown 2 Wind Farm	Australia	Aware Super Pty Ltd ; Palisade Investment Partners Limited	100%	1,066	270	0%	3.9	3.9
Oct-19	Macarthur Wind Farm	Australia	AMP Capital	50%	1,760	420	0%	4.2	4.2
Hydro									
Mar-18	Snowy Hydro Limited	Australia	The Federal Government of Australia	87%	7,800	7,500	27%	1.4	1.0
Solar									
May-22	Lakeland Solar & Storage Pty Limited	Australia	MPower Group Limited	100%	8	12	0%	0.7	0.7
Dec-21	Photovoltaic Site in Queensland	Australia	VH Global Sustainable Energy Opportunities plc	100%	11	11	0%	1.0	1.0
Jul-21	Beryl and Manildra Solar Farms	Australia	Banpu Energy Australia Pty Ltd	100%	288	168	0%	1.7	1.7
Average								2.2	1.3
Median								1.7	1.0

Sources: S&P Global, GTCF analysis



The implied transaction prices may incorporate various levels of control premium and special value paid by acquirers. In particular, the multiples may reflect synergies paid which are unique to the acquirers. Further, economic and market factors may be materially different at the respective transaction dates from those that are at the valuation date. These factors may influence the amounts paid by the acquirers for these businesses.

We have set out below a summary of transactions from the table that we consider most informative for application in our cross check for the fair market value of Genex Shares.

Enel Green Power Australia Pty Ltd

In July 2023 it was announced that Enel S.p.A. ("Enel"), acting through its fully owned subsidiary Enel Green Power S.p.A. ("EGP"), had signed an agreement with INPEX Corporation ("INPEX"), for the sale of 50% of Enel Group's activities in Australia ("EGPA"). EGPA at the time operated 3 solar plants totalling 310MW of installed capacity, with an additional 76MW wind project under construction and a 93MW solar project in execution. EGPA was also developing a portfolio of wind, solar, storage and hybrid projects, across Australia, alongside expanding its activities in innovative solutions within its retail and trading operations.

We consider this transaction broadly comparable noting operations exclusively located in Australia, with installed and under construction capacity spread across multiple generation methods. However, limited information was released on the development pipeline and hence we have placed greater reliance on the operational and construction MW multiple.

Nexif Energy

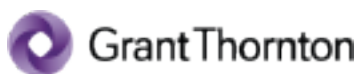
In August 2022 it was announced that Denham Capital and Nexif Energy ("Nexif") had agreed to sell Nexif's energy portfolio to RATCH Group PLC ("Ratch"). Nexif's portfolio included a total capacity of c. 2.7GW of which c. 500MW was operational or under-construction at the time, expected to increase to c. 1.3GW operational or under-construction by 2023, and a further c. 1.4GW at various stages of development. The sale included 12 onshore and offshore wind projects, 3 hydropower projects, 3 solar power projects, 2 combined cycle power projects and 4 battery energy storage projects.

The implied EV of c. A\$1.4 billion implies a total MW multiple of c. A\$0.5m/MW multiple compared to our implied total MW multiple of A\$0.7m/MW (mid-point) for Genex. As such we consider this transaction somewhat comparable and our implied total MW Multiple to be reasonable, noting that Nexif has a larger exposure to development projects, as well as exposure to projects in Thailand, Vietnam, the Philippines, and Australia, whilst Genex exclusively operates within Australia.

Yanco Delta Wind Farm

In April 2024 Origin Energy entered into an agreement to acquire Yanco Delta Wind Farm ("Yanco Delta") from Virya Energy. The Yanco Delta project is 10-40km north-west of Jerilderie, NSW with up to 208 wind turbines and a total generation capacity of 1.5GW, with special significance being the first wind farm approved in NSW in 2.5 years. The project is in development having received both NSW government development approval in December 2023 and Environment Protection and Biodiversity Conservation approval in February 2024. The expected timeline is for the FID and construction in 2025 – 2026 and commercial operations in 2027 – 2029. The strategic rationale for this acquisition by Origin is to advance

Attachment A: Independent Expert's Report continued



their renewable energy generation and storage within their portfolio, noting this acquisition grows their exposure materially.

The upfront consideration of A\$125 million implies a c. A\$0.1m/ total MW Multiple and if the additional deferred payment of up to A\$175 million is included in our calculation, the implied multiple increases to c. A\$0.2m/MW, though this variable payment is contingent on achieving unknown specific development milestones.

Based on the above, we consider the multiple implied by the Yanco Delta Wind Farm transaction to be relevant to the development stage projects of Genex in light of their estimated capacity and geographic location.

The John Laing Portfolio of Wind Farm Assets

This portfolio of four Australian wind farms are those previously acquired by the John Laing Group. It consists of varying stakes in the Cherry Tree, Granville Harbour, Hornsdale and Kiata wind farms, with a total net capacity of 209MW. All wind farms were under long term contracts at the time of the acquisition. A controlling stake was taken in two of the wind farms and a minority stake in the other two (contributing 129MW of the acquired capacity).

The implied total MW multiple of A\$1.4m/MW reflects the operating nature of the assets and a weighted average maturity of 12 years for its offtake agreements. However, as the size and location of this portfolio is not dissimilar to Genex's, and therefore we consider that this implied multiple supports our implied multiple of Genex, particularly the assets in operation.

Meridian Energy Australia Pty Ltd

Meridian Energy Australia Pty Ltd ("Meridian Australia") was a subsidiary of Meridian Energy, a NZX-listed renewable energy company. Meridian Australia generates electricity from two wind farms (201MW) and three hydro power stations (99MW). The company also acquired energy under power purchase agreements and sold the generated and acquired energy into the Australian wholesale electricity market. Meridian Australia also had an electricity and gas retail business through its Powershop brand in Australia with approximately 185,000 customers as at 30 June 2021.

Meridian Australia was also developing a 108MW wind farm and a 20MW BESS to be installed alongside a hydroelectric power station. As part of the acquisition, Shell Energy agreed to purchase all the power generated by the assets via PPAs as well as the Powershop retail business with Infrastructure Capital Group ("ICG") taking ownership of the renewable energy assets. The terms between Shell and ICG were not disclosed.

Meridian is heavily wind and hydroelectric power focussed whereas Genex is mainly focussed on pumped hydro and solar. The Meridian Australia transaction is somewhat comparable, considering a greater portion of the assets were operational at the time of the transaction and the value attributed to the energy retail business operations (but no associated MW) may impact the implied multiple.



Infigen Energy Limited

Infigen Energy held a portfolio of renewable energy assets before being acquired by Iberdrola Renewables. This portfolio consisted of 670MW of owned wind powered generation facilities, as well as 268MW of firming assets⁶⁵ consisting of battery storage systems and gas turbines. Infigen also contracted 246MW of capacity under PPAs and had a development pipeline of wind and solar assets. 75% of Infigen Energy's assets were under long-term contracts at the time of the transaction.

We note that Infigen is broadly comparable to Genex given its relatively comparable generation size and high proportion of contracted revenues. However, we note the timing of the deal within a few months following the COVID-19 outbreak and relatively limited development pipeline may have led to a reduction in the implied total MW multiple to A\$1.0m/MW. This would be somewhat offset by Infigen's higher proportion of assets in operation relative to Genex. Overall, we note the implied multiple for Infigen supports our implied multiple of Genex.

Beryl and Manildra Solar Farms

The Beryl and Manildra solar farms were acquired in July 2021 for A\$288 million. Beryl Solar Farm commenced operations in June 2019 and has a capacity of 111MW, 83% of which is under a long-term PPA contract. Manildra Solar Farm began operating in December 2018 and has a capacity of 56MW, fully contracted under a 10-year PPA expiring in 2028. The transaction resulted in an implied total MW multiple of c. A\$1.7m/MW.

The transaction involved the acquisition of two operating solar farms in New South Wales without any associated development pipeline which supports a higher multiple.

Snowy Hydro Limited

In March 2018, the Federal Government reached an agreement with the NSW and Victorian Governments to acquire Snowy Hydro at a fair market value of A\$7.8 billion. Snowy Hydro had an operating capacity of 5.5GW consisting of 4.1GW of hydro power, with the remainder being made up of gas and diesel assets. This deal included a 2.0GW pumped hydro development project, as well as a retail business with over 1 million customers.

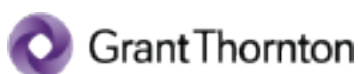
Whilst its operating capacity is significantly larger than Genex, which would support a higher multiple, the asset is much older than Genex's assets at approximately 73 years old, has limited pumped hydro capacity and a proportion of non-renewable capacity.

Tilt Renewables Limited

At the time of acquisition, the business owned nine wind farms across Australia and New Zealand, with an operating capacity of 836MW. Additionally, Tilt had a development pipeline with an expected capacity of 5GW across Australia and New Zealand. This pipeline consisted of wind, solar and battery assets, with over half of this capacity in the late stages of development. At the time of the transaction, Tilt's New Zealand assets were fully contracted and roughly 73% of the Australian assets were contracted, with the remainder exposed to market prices. We consider this transaction to be comparable to Genex.

⁶⁵ Assets that aid in maintaining output when variable power sources (e.g. wind or solar) are utilised.

Attachment A: Independent Expert's Report continued



Other Transactions

The remaining transactions are largely for standalone renewable generation assets as opposed to a portfolio of assets. They are of limited comparability to Genex individually but highlight the price per MW observed for different generation types. When viewed as a group, they give a view of the general value per MW observed for renewable energy assets in Australia.

6.2.3. MW Multiple of Listed Peers

In the selection of the listed peers, we have considered comparable companies in the renewable energy generation industry. We have placed limited reliance on the values per MW implied by these companies as most of them are significantly larger than Genex with more established and diverse asset portfolios, as well as being located in foreign jurisdictions. Recent acquisitions of renewable energy companies in the Australian market have reduced the number of directly comparable trading companies.

Summarised below are the values per MW of the selected listed companies. A brief description of the selected comparable companies is set out in Appendix C.

Company	Country	Market Cap ⁽¹⁾	Enterprise Value	Capacity	Value per MW
		A\$m	A\$m	MW	A\$m/MW
Meridian Energy Limited	New Zealand	14,037	21,089	7,469	2.6
Mercury NZ Limited	New Zealand	8,846	14,472	4,302	3.1
Contact Energy Limited	New Zealand	6,263	10,495	2,267	3.3
Genesis Energy Limited	New Zealand	2,424	4,734	1,945	2.0
Manawa Energy Limited	New Zealand	1,307	2,279	1,457	1.4
Frontier Energy Limited	Australia	152	187	360	0.5
NZ Windfarms Limited	New Zealand	47	61	176	0.3
Average - ANZ peers					1.9
Median - ANZ peers					2.0
Borex Inc.	Canada	3,331	6,858	8,521	0.8
Volitalia SA	France	1,421	2,825	4,098	1.1
Scatec ASA	Norway	1,623	28,635	7,641	0.5
Innergex Renewable Energy Inc.	Canada	1,844	8,371	13,560	0.7
China Yangtze Power Co., Ltd.	China	129,550	1,106,174	71,695	3.3
Northland Power Inc.	Canada	6,398	13,400	12,809	1.2
NextEra Energy Partners, LP	United States	4,315	18,170	10,243	2.7
Neoen S.A.	France	6,590	8,156	37,808	0.4
Clearway Energy, Inc.	United States	4,054	14,067	37,127	0.6
Average - international peers					1.2
Median - international peers					0.8

Source: S&P Global, GTCF analysis

Notes: (1) Market Capitalisation as of 31 March 2024 and includes a premium for control; (2) MW Capacity refers to disclosed operational, construction, development and pipeline assets as per the respective businesses websites and disclosed presentations.

- **ANZ Peers** – The majority of the companies in this group are much larger and diversified than Genex, limiting their comparability. Many of these companies have an operational capacity well over 1,000MW, with large pipelines. Several also have retail operations, selling electricity directly to consumers. While Frontier Energy is listed in Australia, its assets are completely in development. The remaining



companies are all based in New Zealand. The political landscapes, including energy and climate policies, are different in the two countries with the market in New Zealand considered to be more stable. As a result, it is difficult to reliably compare the implied values per MW of these companies with Genex.

- *International Peers* – These are all established businesses with well diversified portfolios, all of which have operating capacities above 1,000MW. The companies and their assets are scattered in various countries over North America and Europe with different policies, prices and market conditions.

6.2.4. MW Multiple Conclusion

Refer to the executive summary.

6.3. Cross Check - Quoted Security Pricing Method

In our assessment of the fair market value of Genex shares, we have also had regard to the trading price of the listed securities on the ASX in the period prior to 4 March 2024, being the last trading day prior to the announcement of the Indicative Proposal.

In accordance with the requirements of RG111, we have analysed the liquidity of Genex Shares before relying on them for the purpose of our valuation assessment. We have set out below the monthly trading volume of Genex shares since March 2023 as a percentage of the total shares outstanding as well as free float shares outstanding⁶⁶.

Genex Power Limited - Liquidity Analysis				Cumulative		Cumulative	
Month end	Volume traded ('000)	Monthly VWAP (\$)	Total value of shares traded (\$'000)	Volume traded as % of total shares	Volume traded as % of total shares	Volume traded as % of free float shares	Volume traded as % of free float shares
Mar 2023	17,714	0.1529	2,709	1.3%	1.3%	2.0%	2.0%
Apr 2023	10,632	0.1616	1,718	0.8%	2.0%	1.2%	3.2%
May 2023	89,913	0.1692	15,212	6.5%	8.5%	10.1%	13.2%
Jun 2023	25,046	0.1592	3,987	1.8%	10.3%	2.8%	16.0%
Jul 2023	14,954	0.1541	2,305	1.1%	11.4%	1.7%	17.7%
Aug 2023	35,457	0.1334	4,729	2.6%	14.0%	4.0%	21.7%
Sep 2023	11,293	0.1534	1,733	0.8%	14.8%	1.3%	22.9%
Oct 2023	8,079	0.1536	1,241	0.6%	15.4%	0.9%	23.8%
Nov 2023	13,589	0.1707	2,320	1.0%	16.4%	1.5%	25.4%
Dec 2023	7,600	0.1715	1,303	0.5%	16.9%	0.9%	26.2%
Jan 2024	6,738	0.1702	1,147	0.5%	17.4%	0.8%	27.0%
Feb 2024	11,585	0.1762	2,041	0.8%	18.2%	1.3%	28.3%
Min				0.49%		0.75%	
Average				1.52%		2.36%	
Median				0.91%		1.41%	
Max				6.49%		10.06%	

Source: S&P Global, GTCF analysis; Note: The analysis is based on the period prior to 4 March 2024, when the company announced the Indicative Proposal.

⁶⁶ Free float shares exclude those owned by Company employees, individual insiders, related parties and other strategic investors.

Attachment A: Independent Expert’s Report continued

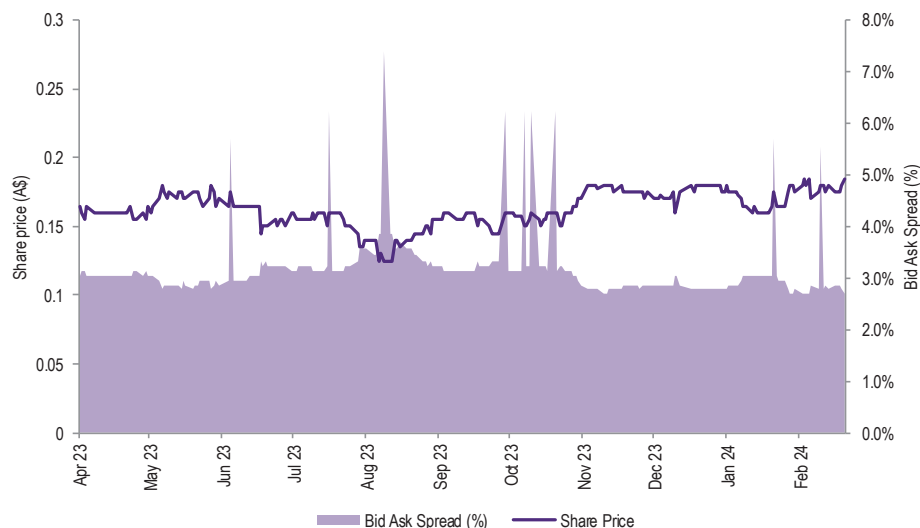


We make the following observations in relation to the table above:

- The level of the free float of Genex shares is c. 64.52%⁶⁷. From March 2023 to February 2024, approximately 28.3% of the free float shares were traded with an average monthly volume of 2.362% of the total free float shares. This indicates that the level of liquidity is limited.
- Trading volumes of Genex shares were higher where top shareholders were disposing / acquiring shares.
- The Company is currently covered by two investments’ analysts who provide updates to the market on a regular basis. In the absence of a takeover or other transactions, the trading price represents the value at which minority shareholders could realise their portfolio investment.
- Genex complies with the full disclosure regime required by the ASX. The Company provides updates to the market on a regular basis with information regarding its investment strategy and performance.

In addition to the above, where a company’s stock is not heavily traded or relatively illiquid, the market typically observes a sizeable difference between the ‘bid’ and ‘ask’ price for the stock as there may be a difference in opinion between the buyer and seller on the value of the stock. As set out in the graph below, we note that the average bid-ask spread has been 3.1% in the 12 months prior to the Company announcing the Indicative Proposal.

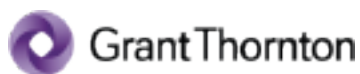
Genex Spread between Bid and Ask Price



Source: S&P Global, GTCF analysis

Based on the above analysis, we conclude that the liquidity in Genex Shares is low to moderate.

⁶⁷ This comprises of the total shares outstanding 1,385,177,140 less the shares held by company employees and strategic corporate investors.

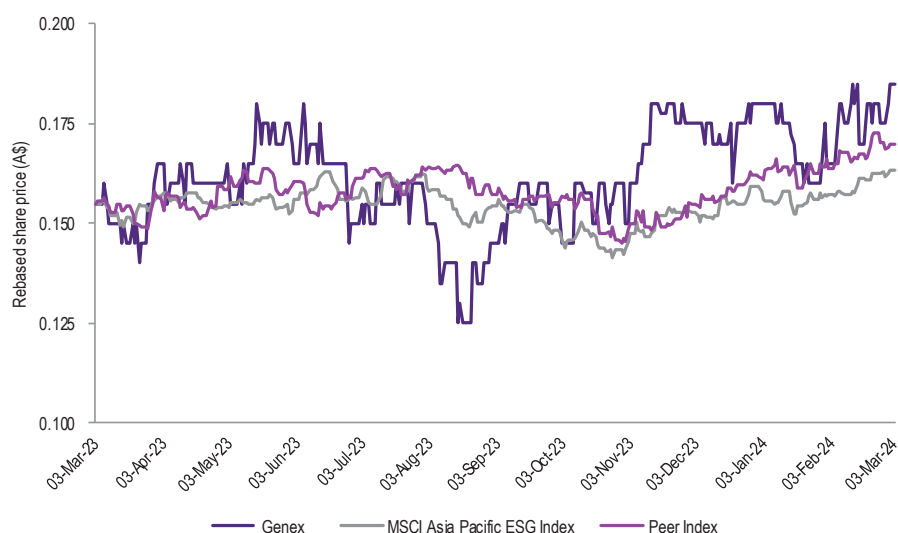


6.3.1. Review of Genex trading prices

Based on the limitations above as well as the additional discussions and analysis that follows, we have considered the trading prices of Genex as a cross check only.

As part of our valuation procedures based on the trading prices, we have analysed the historical performance of Genex's trading price over the 12-month period prior to the announcement of the Indicative Proposal on 4 March 2024. Furthermore, in order to gather further insights, we have benchmarked it against the peer's index⁶⁸ as well as the ESG Index⁶⁹, to determine whether the movements in Genex's trading price are largely driven by industry and company specific events or simply by movements in broader market.

Trading price performance (rebased to the Company's share price) in the 12 months prior to the announcement of the Indicative Proposal



Source: S&P Global, GTCF analysis

As set out in the graph above, Genex's trading price has performed broadly in line with both the MSCI Asia Pacific ESG Index and the Peer Index over the last 12 months since March 2023. Over the period, Genex's trading prices were within a maximum of A\$0.19 and a minimum of A\$0.13.

We note that the shares have been thinly traded, the liquidity is limited, and that the beta of Genex has a very low correlation coefficient (as do the peers) which implies that the returns of the industry are not particularly related to general market conditions, but largely the result of company specific events and risks. Accordingly, this analysis should be considered with caution. Notwithstanding this, we note the following

⁶⁸ The Peer Index includes all Australian and New Zealand listed comparable companies. We have calculated the Peer Index based on capitalisation weighted share price.

⁶⁹ MSCI Asia Pacific ESG Index is capitalisation weighted index consisting of companies across developed and developing country in Asia Pacific Region. It includes companies with high Environmental, Social and Governance performance relative to their sector peers. Utilities, Energy and General industrial companies weight circa 17% in this index. In terms of geographical focus, Australian companies weight c. 11.4% in this index.

Attachment A: Independent Expert’s Report continued

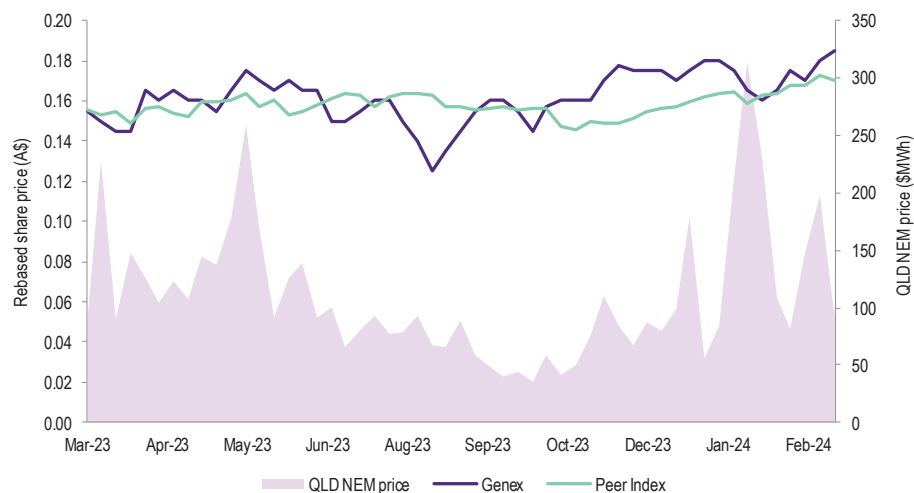


factors which may have affected the trading price and at times led to movements which may be considered to diverge from the above indexes during this period:

- Significant project progression* – In November 2023 Genex made two significant positive announcements regarding construction activities at K2H and BBP which are likely to have materially increased the share price. On 3 November 2023 Genex announced that excavation of the main access tunnel, the permanent access point to the power station cavern had been completed, a significant update in congruence with the fact that following the water ingress event in September 2022 the Company redesigned the tunnel, which would in turn require an additional length of 436 meters. On 10 November 2023 Management announced the completion of commissioning for BBP with approvals obtained for generation and load at full capacity of 50MW, noting that the project experienced a fire incident in September 2023. Notably, this would allow Genex to realise upside from higher wholesale electricity prices increasing the company’s total operational MW by 50%. We note that the share price increased c. 20% across the two weeks following the 1st of November, likely attributable to these announcements and a key example of the impact that positive project progression can have in the market.
- Significance of contracted revenue* – As a portion of Genex’s revenue can be contracted through PPAs which allow for long-term revenue visibility, announcements to the market of these agreements potentially have a positive effect on the trading prices. Being an idiosyncratic factor and thus reflected in Genex’s share price but not throughout the peer groups, it is likely to showcase a differential in share price movement, as observed above. For example, on 9 October 2023 Genex announced that it had secured a long-term 337.5MW offtake agreement with Fortescue Metals Group (“Fortescue”) for BCP, providing a 75% contracted revenue stream for a minimum 400MW and up to 775MW solar farm and noting a c. 10.3% rise in share price.
- Exposure to electricity pricing* – Many of the businesses within the Peer Index are much larger with operations that have been in place for an extended period of time with potentially long-term PPAs in combination with lessened exposure to revenue generated from energy generation and spot prices. As such, it can be argued that Genex’s share price may be more exposed to fluctuations in the wholesale prices. Although these reactions are unlikely to be noted concurrently, extreme pricing swings are likely to impact Genex’s realisation, and in turn potentially reported revenue, as such the market may account for this when considering the share price value. Below we have outlined NEM wholesale prices as well Genex’s share price and and the Peer Index rebased.



NEM prices and Trading price performance (rebased to the Company’s share price)



Source: S&P Global, AER – Weekly VWA spot prices by region data, GTCF analysis

Based on the analysis above, we conclude that the trading price of Genex Shares before the announcement of the Indicative Proposal was largely consistent with the market comparables with particular movements a result of firm specific events.

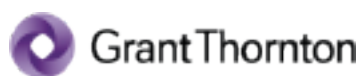
6.3.2. Premium for control

Evidence from studies suggests that successful takeovers in Australia have completed based on a premium for control in the range of 20% to 40% (see Appendix F).

In addition, we have considered the premium for control paid by acquirers in the Australian and New Zealand renewable energy industry. We have considered transactions from comparable Australian and New Zealand energy generation companies, and hence consider that these transactions provide good directional evidence of the premium for control paid in the renewable energy industry.

The implied premiums observed from comparable transactions for renewable energy businesses are at the upper end of the range of general market premiums with an average premium of 40% and a median premium of 37% over the share price 20 days before the announcement of the relevant transactions as shown in the following table.

Attachment A: Independent Expert's Report continued



Control premium analysis				Control premium	
Date	Target company	Bidder company	Stake (%)	1-day price	20-day price
Sep-21	AusNet Services	Brookfield Asset Management	100%	33.8%	37.0%
Jul-21	Spark Infrastructure Group	KKR & Co. Inc	100%	25.5%	31.8%
Jul-20	Zenith Energy Limited	Pacific Equity Partners; Apex Opportunities Trus	100%	45.3%	34.7%
Jan-20	Windlab Limited	Squadron Wind Energy Development Pty Ltd	81%	38.9%	40.8%
Aug-19	Pacific Energy Limited	QIC Private Capital Pty Ltd	100%	48.6%	57.4%
Jul-19	ERM Power Limited	Shell Energy Australia Pty Ltd	100%	43.3%	35.4%
Dec-16	DUET Group	Power Assets Holdings Limited; Cheung Kong Infrastructure Holdings Limited; Cheung Kong Property Holdings Limited	100%	28.9%	40.3%
Average				37.8%	39.6%
Median				38.9%	37.0%

Source: S&P Global, GTCF analysis

The premium for control implied in the Transaction is in excess of the average premium for control historically paid for deals in the renewable energy sector. In our opinion this cross-check supports our opinion and valuation conclusions.



7. Sources of information, disclaimer and consents

7.1. Sources of information

In preparing this report Grant Thornton Corporate Finance has used various sources of information, including:

- Transaction Booklet.
- Annual reports / consolidated accounts of Genex for FY20 to FY23.
- Internal Models.
- Management Presentation and Projections.
- Press releases and announcements by Genex on the ASX.
- S&P Global / Capital IQ.
- Various industry and broker reports.
- Other publicly available information.

In preparing this report, Grant Thornton Corporate Finance has also held discussions with, and obtained information from, Management of Genex and its advisers.

7.2. Limitations and reliance on information

This report and opinion is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

Grant Thornton Corporate Finance has prepared this report on the basis of financial and other information provided by the Company, and publicly available information. Grant Thornton Corporate Finance has considered and relied upon this information. Grant Thornton Corporate Finance has no reason to believe that any information supplied was false or that any material information has been withheld. Grant Thornton Corporate Finance has evaluated the information provided by the Company through inquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable grounds upon which to base our report. Nothing in this report should be taken to imply that Grant Thornton Corporate Finance has audited any information supplied to us, or has in any way carried out an audit on the books of accounts or other records of the Company.

This report has been prepared to provide an independent opinion on the Transaction. This report should not be used for any other purpose. In particular, it is not intended that this report should be used for any purpose other than as an expression of Grant Thornton Corporate Finance's opinion in relation to the Transaction.

Genex has indemnified Grant Thornton Corporate Finance, its affiliated companies and their respective officers and employees, who may be involved in or in any way associated with the performance of services

Attachment A: Independent Expert’s Report continued



contemplated by our engagement letter, against any and all losses, claims, damages and liabilities arising out of or related to the performance of those services whether by reason of their negligence or otherwise, excepting gross negligence and wilful misconduct, and which arise from reliance on information provided by the Company, which the Company knew or should have known to be false and/or reliance on information, which was material information the Company had in its possession and which the Company knew or should have known to be material and which did not provide to Grant Thornton Corporate Finance. The Company will reimburse any indemnified party for all expenses (including without limitation, legal expenses) on a full indemnity basis as they are incurred.

7.3. Consents

Grant Thornton Corporate Finance consents to the issuing of this report in the form and context in which it is included in the Transaction Booklet to be sent to Genex shareholders. Neither the whole nor part of this report nor any reference thereto may be included in or with or attached to any other document, resolution, letter or statement without the prior written consent of Grant Thornton Corporate Finance as to the form and context in which it appears.



Appendix A – Valuation methodologies

Capitalisation of future maintainable earnings

The capitalisation of future maintainable earnings multiplied by appropriate earnings multiple is a suitable valuation method for businesses that are expected to trade profitably into the foreseeable future. Maintainable earnings are the assessed sustainable profits that can be derived by a company's business and excludes any abnormal or "one off" profits or losses.

This approach involves a review of the multiples at which shares in listed companies in the same industry sector trade on the share market. These multiples give an indication of the price payable by portfolio investors for the acquisition of a parcel shareholding in the company.

Discounted future cash flows

An analysis of the net present value of forecast cash flows or DCF is a valuation technique based on the premise that the value of the business is the present value of its future cash flows. This technique is particularly suited to a business with a finite life. In applying this method, the expected level of future cash flows are discounted by an appropriate discount rate based on the weighted average cost of capital. The cost of equity capital, being a component of the WACC, is estimated using the Capital Asset Pricing Model.

Predicting future cash flows is a complex exercise requiring assumptions as to the future direction of the company, growth rates, operating and capital expenditure and numerous other factors. An application of this method generally requires cash flow forecasts for a minimum of five years.

Orderly realisation of assets

The amount that would be distributed to shareholders on an orderly realisation of assets is based on the assumption that a company is liquidated with the funds realised from the sale of its assets, after payment of all liabilities, including realisation costs and taxation charges that arise, being distributed to shareholders.

Market value of quoted securities

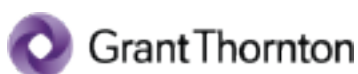
Market value is the price per issued share as quoted on the ASX or other recognised securities exchange. The share market price would, prima facie, constitute the market value of the shares of a publicly traded company, although such market price usually reflects the price paid for a minority holding or small parcel of shares, and does not reflect the market value offering control to the acquirer.

Comparable market transactions

The comparable transactions method is the value of similar assets established through comparative transactions to which is added the realisable value of surplus assets. The comparable transactions method uses similar or comparative transactions to establish a value for the current transaction.

Comparable transactions methodology involves applying multiples extracted from the market transaction price of similar assets to the equivalent assets and earnings of the company. The risk attached to this valuation methodology is that in many cases, the relevant transactions contain features that are unique to that transaction and it is often difficult to establish sufficient detail of all the material factors that contributed to the transaction price.

Attachment A: Independent Expert's Report continued



Appendix B – Comparable transaction target company descriptions

Comparable Transactions	
Company Name	Business Description
Encavis AG	Encavis AG, an independent power producer, acquires and operates solar and onshore wind parks in Germany, Italy, Spain, France, Denmark, the Netherlands, the United Kingdom, Finland, Sweden, Ireland, and Lithuania. It operates through PV Parks, Service, Wind Parks, and Asset Management segments. The company's renewable energy plant portfolio includes 230 solar parks and 90 wind farms with a capacity of approximately 3.5 gigawatts. It also provides advisory and asset management services to institutional investors in the renewable energy sector; and technical operation and maintenance services for PV parks. Encavis AG is headquartered in Hamburg, Germany.
Enel Green Power S.p.A	Enel Green Power S.p.A. generates electricity from renewable resources in Europe, the Americas, Asia, and Africa. The company engages in the generation of electricity from wind, solar, hydroelectric, geothermal, and biomass power plants. As of December 31, 2015, it operated 713 plants with an installed capacity of 10,470 megawatts. The company was founded in 2008 and is based in Rome, Italy. Enel Green Power S.p.A. operates as a subsidiary of Enel SpA.
CWP Renewables Pty Ltd.	As of December 31, 2022, CWP Renewables Pty Ltd. was acquired by Squadron Energy Pty. Ltd. CWP Renewables Pty Ltd. operates as an integrated renewable energy development and asset management company. The company develops wind and solar PV projects across Australia. Its services encompasses the management of various aspects of projects throughout construction, commissioning, and operations that include site safe management, financial compliance, performance optimization, electricity and LGC market settlement, asset value protection, and reporting. CWP Renewables Pty Ltd. was formerly known as Wind Prospect CWP Pty Ltd. The company was incorporated in 2007 and is based in Newcastle, Australia.
Meridian Energy Limited	Meridian Energy Limited engages in the generation, trading, and retailing of electricity to residential, business, and industrial customers in New Zealand, Australia, and the United Kingdom. It generates electricity through 7 hydro stations that has a capacity of 2,353 MW; 5 wind farms that has a capacity of 416 MW; and grid-scale solar array, as well as offers solar installation services. It sells electricity under the Meridian Energy and Powershop brands. The company was formerly known as Hydro Energy Limited. Meridian Energy Limited was incorporated in 1998 and is based in Christchurch, New Zealand.
Infigen Energy Limited	Infigen Energy Limited generates renewable energy through its portfolio of contracted wind farms.
Pacific Energy Limited	Pacific Energy Limited, together with its subsidiaries, develops, builds, operates, and manages electricity generation facilities in Australia. It owns and operates approximately 40 power stations with a total power generation capacity of 400 MW utilizing gas, diesel, dual fuel, or water. The company is based in Landsdale, Australia.
The John Laing Portfolio Of Wind Farm Assets	The portfolio consists of 6 wind farm assets comprised of a 100% stake in 58MW Cherry Tree Wind Farm, 72% stake in 31MW Kiata Wind Farm, 49.8% stake in 112MW Granville Harbour Wind Farm, and a 30%, 20% and 20% stake in stage one, stage 2 and stage 3 of Hornsdale Wind Farm respectively.
Snowtown 2 Wind Farm	270 MW Snowtown 2 Wind Farm Of Tilt Renewables Limited comprises a wind farm and is located in Australia.
Macarthur Wind Farm Pty Ltd	Macarthur Wind Farm Pty Ltd operates wind farms to generate renewable electricity. The company was incorporated in 2003 and is based in Macarthur, Australia. Macarthur Wind Farm Pty Ltd operates as a subsidiary of AGL Energy Limited.
Snowy Hydro Limited	Snowy Hydro Limited generates and markets renewable electrical energy in Australia. The company owns, manages, and maintains the Snowy Mountains hydroelectric scheme, gas-fired power stations, gas-fired generators, and diesel-fueled power stations. It operates 16 power stations with a generation capacity of approximately 5500 megawatts across New South Wales, Victoria, and South Australia. The company is also involved in the provision of products and services related to the scheme's capacity and energy, ancillary services, and other related electricity products; and the storage and diversion of bulk water to the Murray and Murrumbidgee Rivers. It retails electricity and gas to retail customers, small to medium enterprises, and commercial and industrial customers. Snowy Hydro Limited was formerly known as Snowy Mountains Hydro-electric Authority and changed its name to Snowy Hydro Limited in June 2002. The company was founded in 1949 and is based in Cooma, Australia. Snowy Hydro Limited operates as a subsidiary of Commonwealth Government.

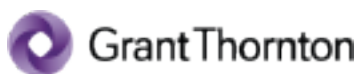
Source: S&P Global, GTCF analysis



Comparable Transactions	
Company Name	Business Description
Lakeland Solar & Storage Pty Limited	Lakeland Solar & Storage Pty Limited builds and operates solar photovoltaic (PV) plant and lithium-ion battery storage system to supply electricity. Lakeland Solar & Storage Pty Limited was formerly known as Lisppv0615 Pty Ltd and changed its name to Lakeland Solar & Storage Pty Limited in July 2016. The company was incorporated in 2015 and is based in Brisbane, Australia. As of August 12, 2022, Lakeland Solar & Storage Pty Limited operates as a subsidiary of MPower Group Limited.
10.9MW Solar Photovoltaic Site in Queensland	10.9MW Solar Photovoltaic Site in Queensland comprises a solar photovoltaic site. The asset is located in Australia.
Beryl and Manildra Solar Farms	Beryl Solar farm is a 111MW solar farm located central west of NSW and supplies clean, green energy to power the Sydney Metro Northwest Rail Link. Manildra Solar Farm is a 56MW solar farm and supplies green energy to Energy Australia.
European Energy A/S	European Energy A/S, together with its subsidiaries, engages in the generation and sale of electricity by operating wind and solar farms in Denmark and internationally. It operates through Sale of Energy Parks and Projects; Sale of Energy; and Asset Management and Other fees. The company also sells green hydrogen, E-methanol, heat, and other energy. European Energy A/S was formerly known as European Energy Systems A/S. The company was incorporated in 1995 and is headquartered in Søborg, Denmark. European Energy A/S operates as a subsidiary of European Energy Holding ApS.
Nexif Energy Management Pte. Ltd.	Nexif Energy Management Pte. Ltd. offers independent power production. It also develops hybrid power solutions combining renewable and gas-fired thermal generation technologies. Nexif Energy Management Pte. Ltd. was incorporated in 2015 and is headquartered in Singapore with additional locations in Australia, Viet Nam, Indonesia, Thailand, and the Philippines. Nexif Energy Management Pte. Ltd. operates as a subsidiary of Nexif Pte. Ltd.
Tilt Renewables Limited	Tilt Renewables Limited, together with its subsidiaries, engages in the development, ownership, and operation of electricity generation facilities. The company operates through Australian Generation and New Zealand Generation segments. It generates electricity from renewable energy sources, such as wind and solar energy. It also provides financial services; and trades in electricity and associated products from renewable energy sources. As of March 31, 2021, the company operated 170MW of wind generation assets in Australia and 329MW of wind generation assets in New Zealand. It has strategic partnership with Genesis Energy. The company was incorporated in 2002 is based in Auckland, New Zealand. Tilt Renewables Limited is a subsidiary of Infratil 2018 Limited. As of August 3, 2021, Tilt Renewables Limited operates as a subsidiary of Powering Australian Renewables.
Kyon Energy Solutions GmbH	Kyon Energy Solutions GmbH operates as a renewable energy semiconductor manufacturing firm that develops and operates renewable energy infrastructure to generate electricity. The company was founded in 2021 and is based in Munich, Germany.
Yanco Delta wind development in NSW	Yanco Delta wind project is an energy infrastructure initiative that is the largest on-shore wind and energy storage in Australia.

Source: S&P Global, GTCF analysis

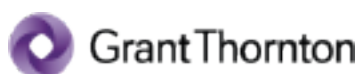
Attachment A: Independent Expert's Report continued



Appendix C – Comparable trading company descriptions

Comparable Company	
Company Name	Business Description
Meridian Energy Limited	Meridian Energy Limited engages in the generation, trading, and retailing of electricity to residential, business, and industrial customers in New Zealand, Australia, and the United Kingdom. It generates electricity through 7 hydro stations that has a capacity of 2,353 MW; 5 wind farms that has a capacity of 416 MW; and grid-scale solar array, as well as offers solar installation services. It sells electricity under the Meridian Energy and Powershop brands. The company was formerly known as Hydro Energy Limited. Meridian Energy Limited was incorporated in 1998 and is based in Christchurch, New Zealand.
Mercury NZ Limited	Mercury NZ Limited, together with its subsidiaries, engages in the production, trading, and sale of electricity and related activities in New Zealand. The company operates through Generation/Wholesale, Retail, and Other segments. It operates 9 hydro generation stations on the Waikato River; 6 wind plants; and 5 geothermal generation stations in the central North Island. The company sells electricity to residential, commercial, industrial, and spot market customers under the GLOBUG, Trustpower, and Mercury brands. It also provides piped natural gas; broadband and telecommunication; mobile services; and other products. The company was formerly known as Mighty River Power Limited and changed its name to Mercury NZ Limited in July 2016. The company was incorporated in 1998 and is based in Auckland, New Zealand.
Contact Energy Limited	Contact Energy Limited generates and sells electricity and natural gas in New Zealand. It operates through two segments, Wholesale and Retail. The Wholesale segment sells electricity to the wholesale electricity market, and commercial and industrial customers. The Retail segment delivers electricity, natural gas, broadband, and other products and services to mass market customers. The company offers electricity, natural gas, and bottled gas generated through its 11 hydro, geothermal, and thermal power stations. It serves approximately 580,000 customers. The company was incorporated in 1995 and is based in Wellington, New Zealand.
Genesis Energy, L.P.	Genesis Energy, L.P. provides integrated suite of midstream services in crude oil and natural gas industry in the United States. It operates through Offshore Pipeline Transportation, Soda and Sulfur Services, Marine Transportation, and Onshore Facilities and Transportation segments. The Offshore Pipeline Transportation segment engages in offshore crude oil and natural gas pipeline transportation and handling operations, as well as deep water pipeline servicing. This segment also owns interests in offshore crude oil and natural gas pipeline systems, platforms, and related infrastructure. The Soda and Sulfur Services segment produces, markets, and sells soda ash; and provides sulfur removal services. This segment also owns and operates soda ash production facilities, underground iron ore mines and brine solution mining operations and related equipment, and logistics and other assets; and sells sodium hydrosulfide and caustic soda to industrial and commercial companies involved in the mining of base metals. The Marine Transportation segment offers waterborne transportation of petroleum and crude oil in North America. This segment owns a fleet of 91 barges and 42 push/tow boats. The Onshore Facilities and Transportation segment offers onshore facilities and transportation services to crude oil refineries and producers by purchasing, transporting, storing, blending, and marketing crude oil and refined products; and operates trucks, trailers, railcars, and terminals and tankage in various locations along the Gulf Coast. This segment also transports crude oil, as well as owns four onshore crude oil pipeline systems and four operational crude oil rail unloading facilities. The company was incorporated in 1996 and is headquartered in Houston, Texas.
Manawa Energy Limited	Manawa Energy Limited engages in the ownership and operation of electricity generation facilities in New Zealand. The company is involved in the generation of renewable electricity through hydro power schemes; and wholesale and retail of electricity. It operates approximately 26 power schemes in New Zealand with a total installed capacity of 510MW. The company was formerly known as Trustpower Limited and changed its name to Manawa Energy Limited in May 2022. Manawa Energy Limited was founded in 1915 and is headquartered in Tauranga, New Zealand. Manawa Energy Limited operates as a subsidiary of Infratil Limited.
Frontier Energy Limited	Frontier Energy Limited, a renewable energy company, engages in the development of a large scale integrated renewable energy facility in Australia. It develops the Bristol Springs solar project located in the southeast of Perth, Western Australia; and the Waroona Solar project that comprises 868 hectares located near the town of Waroona in the South West of Western Australia. The company was formerly known as Superior Lake Resources Limited and changed its name to Frontier Energy Limited in January 2022. Frontier Energy Limited was incorporated in 2009 and is based in Perth, Australia.
NZ Windfarms Limited	NZ Windfarms Limited, together with its subsidiaries, engages in the generation and sale of renewable electricity to the national grid in New Zealand. It operates and maintains the Te Rere Hau wind farm, including turbines. The company was incorporated in 2002 and is based in Palmerston North, New Zealand.
Borex Inc.	Borex Inc., together with its subsidiaries, engages in the development, construction, and operation of renewable energy power facilities in Canada, France, the United States, and the United Kingdom. It generates electricity from wind, solar, and hydroelectric resources. As of December 31, 2023, the company operates 100 wind farms; 12 solar energy facilities; 15 hydroelectric power stations; and 2 storage units with an installed capacity of 1,819 megawatts (MW) in North America and 1,259 MW in Europe. Borex Inc. was incorporated in 1982 and is headquartered in Kingsey Falls, Canada.

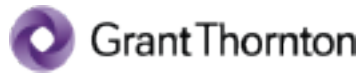
Source: S&P Global, GTCF analysis



Comparable Company	
Company Name	Business Description
Voltaia SA	Voltaia SA engages in the production of electricity from renewable energy sources. It operates through two segments, Energy Sales, and Services. The company develops, constructs, operates, and maintains wind, solar, hydro, biomass, and storage plants. It also develops and sells projects, and procures equipment for solar power plants, as well as provides operations and maintenance services. As of December 31, 2022, the company operated solar power plant with an installed capacity of 49.9 MW. It operates in Africa, the Middle East, Asia, other Europe, Brazil, and Latin America. The company was incorporated in 2005 and is headquartered in Paris, France. Voltaia SA operates as a subsidiary of Voltaia Investissement SA.
Scatec ASA	Scatec ASA, together with its subsidiaries, provides renewable energy solutions worldwide. The company operates through Power Production; Services; and Development & Construction segments. It produces and sells solar, winds, and hydro generated electricity. The company also develops, builds, owns, and operates solar, wind, and hydro power plants and storage solutions. The company is also involved in the engineering, procurement, and construction, as well as operation, maintenance, and asset management of power plants. It has a total of 4.2 GW in operation and under construction. The company was formerly known as Scatec Solar ASA and changed its name to Scatec ASA in November 2020. Scatec ASA was incorporated in 2007 and is headquartered in Oslo, Norway.
Innervex Renewable Energy Inc.	Innervex Renewable Energy Inc. operates as an independent renewable power producer in Canada, the United States, France, and Chile. It acquires, owns, develops, and operates renewable power-generating and energy storage facilities primarily in hydroelectric, wind, and solar power sectors. The company operates through three segments: Hydroelectric Power Generation, Wind Power Generation, and Solar Power Generation. As of February 21, 2024, it owned and operated 87 facilities with a net installed capacity of 3,600 megawatts, including 41 hydroelectric facilities, 35 wind facilities, 9 solar facilities, and 2 battery energy storage facilities. The company is headquartered in Longueuil, Canada.
China Yangtze Power Co., Ltd.	China Yangtze Power Co., Ltd., together with its subsidiaries, engages in operation, management, consultation, investment, and financing of hydropower stations in the People's Republic of China, Portugal, Peru, Brazil, and Pakistan. The company owns, operates, and manages the Three Gorges, Gezhouba, Xiluodu, Xiangjiaba, Wudongde, and Baihetan hydropower stations with an installed capacity of 71,795 MW. It is also involved in production and distribution of biomass gas, power, electricity, and heat business; investment in equity; technology investment and development; energy management; and provision of management advisory, consulting, project development and consultation, and investment and assets management services. The company was founded in 2002 and is headquartered in Beijing, the People's Republic of China. China Yangtze Power Co., Ltd. operates as a subsidiary of China Three Gorges Corporation.
Northland Power Inc.	Northland Power Inc., an independent power producer, develops, builds, owns, and operates clean and green power projects in Canada, Netherlands, Germany, Spain, Colombia, and internationally. The company produces electricity from renewable resources, such as wind and solar, as well as natural gas for sale under power purchase agreements and other revenue arrangements. It owned or had an economic interest 3.4 gigawatts of operating generating capacity. The company was founded in 1987 and is headquartered in Toronto, Canada.
NextEra Energy, Inc.	NextEra Energy, Inc., through its subsidiaries, generates, transmits, distributes, and sells electric power to retail and wholesale customers in North America. The company generates electricity through wind, solar, nuclear, natural gas, and other clean energy. It also develops, constructs, and operates long-term contracted assets that consists of clean energy solutions, such as renewable generation facilities, battery storage projects, and electric transmission facilities; sells energy commodities; and owns, develops, constructs, manages and operates electric generation facilities in wholesale energy markets. The company had approximately 33,276 megawatts of net generating capacity; approximately 90,000 circuit miles of transmission and distribution lines; and 883 substations. It serves approximately 12 million people through approximately 5.9 million customer accounts in the east and lower west coasts of Florida. The company was formerly known as FPL Group, Inc. and changed its name to NextEra Energy, Inc. in 2010. NextEra Energy, Inc. was founded in 1925 and is headquartered in Juno Beach, Florida.
Neoen S.A.	Neoen S.A., an independent renewable energy production company, engages in the development and operation of renewable energy power plants. The company operates through Solar Power, Wind Power, Storage, Farm-Down, Development and Investments, and Eliminations segments. It operates in Argentina, Australia, Canada, Ecuador, the United States, Finland, France, Ireland, Italy, Jamaica, Mexico, Mozambique, Portugal, El Salvador, Sweden, and Zambia. Neoen S.A. was incorporated in 2008 and is headquartered in Paris, France.
Clearway Energy, Inc.	Clearway Energy, Inc. operates in the renewable energy business in the United States. The company operates through Conventional and Renewables segments. It has approximately 6,000 net MW of installed wind, solar, and energy generation projects; and approximately 2,500 net MW of natural gas-fired generation facilities. The company was formerly known as NRG Yield, Inc. and changed its name to Clearway Energy, Inc. in August 2018. Clearway Energy, Inc. was incorporated in 2012 and is based in Princeton, New Jersey. Clearway Energy, Inc. is a subsidiary of Clearway Energy Group LLC.

Source: S&P Global, GTCF analysis

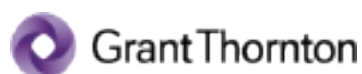
Attachment A: Independent Expert's Report continued



Appendix D – Comparable Development Assets Transactions

Date	Target Company	Country	Bidder Company	Stake	Implied EV		% of MW in Development & Pipeline	Price Per MW A\$m
					A\$m	Capacity MW		
Various Generation Types								
Apr-24	European Energy	Denmark	Mitsubishi HC Capital	20%	9,624	40,954	95%	0.24
Apr-24	Yanco Delta wind development in NSW	Australia	Origin Energy	100%	125	1,500	100%	0.08
Jan-24	Kyon Energy Solutions Gmbh	Germany	TotalEnergies SE	100%	149	2,770	83%	0.05
Aug-22	Nexif Energy portfolio	Australia	RATCH Group Plc	100%	1,442	2,670	81%	0.54
Mar-21	Tilt Renewables Limited	New Zealand	Powering Australian Renewables	100%	2,909	5,916	86%	0.49
75th Percentile								0.49
Average								0.28
Median								0.24
25th Percentile								0.08

Source: S&P Global, GTCF analysis



Appendix E – Discount rate

Introduction

The cash flow assumptions associated with the Genex business have been prepared on a nominal, geared and post-tax basis. Accordingly, we have adopted the cost of equity as the discount rate for the purpose of valuing Genex, having regard to the cash flows attributable to the equity holders of Genex.

Required rate of return on equity capital

We have used the CAPM, which is commonly used by practitioners, to calculate the required return on equity capital.

The CAPM assumes that an investor holds a large portfolio comprising risk-free and risky investments. The total risk of an investment comprises systematic risk and unsystematic risk. Systematic risk is the variability in an investment's expected return that relates to general movements in capital markets (such as the share market) while unsystematic risk is the variability that relates to matters that are unsystematic to the investment being valued.

The CAPM assumes that unsystematic risk can be avoided by holding investments as part of a large and well-diversified portfolio and that the investor will only require a rate of return sufficient to compensate for the additional, non-diversifiable systematic risk that the investment brings to the portfolio. Diversification cannot eliminate the systematic risk due to economy-wide factors that are assumed to affect all securities in a similar fashion. Accordingly, whilst investors can eliminate unsystematic risk by diversifying their portfolio, they will seek to be compensated for the non-diversifiable systematic risk by way of a risk premium on the expected return. The extent of this compensation depends on the extent to which the company's returns are correlated with the market as a whole. The greater the systematic risk faced by investors, the larger the required return on capital will be demanded by investors.

The systematic risk is measured by the investment's beta. The beta is a measure of the co-variance of the expected returns of the investment with the expected returns on a hypothetical portfolio comprising all investments in the market – it is a measure of the investment's relative risk.

A risk-free investment has a beta of zero and the market portfolio has a beta of one. The greater the systematic risk of an investment the higher the beta of the investment.

The CAPM assumes that the return required by an investor in respect of an investment will be a combination of the risk-free rate of return and a premium for systematic risk, which is measured by multiplying the beta of the investment by the return earned on the market portfolio in excess of the risk-free rate.

Attachment A: Independent Expert’s Report continued



Under the CAPM, the required nominal rate of return on equity (R_e) is estimated as follows:

$$R_e = R_f + \beta_c(R_m - R_f) + SRP$$

Where:

- R_f = risk free rate
- β_e = expected equity beta of the investment
- $(R_m - R_f)$ = market risk premium
- SRP = Specific Risk Premium

Risk free rate – 4.0%

In the absence of an official risk-free rate, the yield on government bonds (in an appropriate jurisdiction) is commonly used as a proxy. Accordingly, we have observed the yield on the 10-year Australian Government bond over several intervals from a period of 5 trading days to 10 trading years.

Australia Government Debt - 10 Year			
Valuation Date: 31 March 2024	Low	High	Average
Previous 5 trading days	3.98%	4.05%	4.01%
Previous 10 trading days	3.98%	4.11%	4.05%
Previous 20 trading days	3.96%	4.14%	4.05%
Previous 30 trading days	3.96%	4.21%	4.08%
Previous 60 trading days	3.96%	4.30%	4.13%
Previous 1 year trading	3.19%	4.96%	4.07%
Previous 2 years trading	2.84%	4.96%	3.90%
Previous 3 years trading	1.05%	4.96%	3.00%
Previous 5 years trading	0.60%	4.96%	2.78%
Previous 10 years trading	0.60%	4.96%	2.78%

Source: S&P Global, GTCF analysis

Given the current volatility in global financial markets in conjunction with COVID-19, quantitative easing by central banks, recent changes to government bond yields, we have placed more emphasis on the average risk-free rate observed over a longer period of time. Having regard to the above, we have adopted a risk-free rate of 4.0% which reflects long term expectations and is not inconsistent with the spot yields.

Market risk premium – 6.0%

The market risk premium represents the additional return an investor expects to receive to compensate for additional risk associated with investing in equities as opposed to assets on which a risk-free rate of return is earned. However, given the inherent high volatility of realised rates of return, especially for equities, the market risk premium can only be meaningfully estimated over long periods of time. In this regard, Grant Thornton studies of the historical risk premium over periods of 20 to 80 years suggest a risk premium of 5.5% and 6.0% for the Australia markets.

For the purpose of the Cost of Equity assessment, Grant Thornton Corporate Finance has adopted a market risk premium of 6.0%.



Equity Beta – 0.40 to 0.45

The beta measures the expected relative risk of the equity in a company. The choice of the beta requires judgement and necessarily involves subjective assessment as it is subject to measurement issues and a high degree of variation.

An equity beta includes the effect of gearing on equity returns and reflects the riskiness of returns to equity holders. However, an asset beta excludes the impact of gearing and reflects the riskiness of returns on the asset, rather than returns to equity holders. Asset betas can be compared across asset classes independent of the impact of the financial structure adopted by the owners of the business.

Equity betas are typically calculated from historical data. These are then used as a proxy for the future which assumes that the relative risk of the past will continue into the future. Therefore, there is no right equity beta and it is important not to simply apply historical equity betas when calculating the cost of equity.

Grant Thornton Corporate Finance has observed the betas of the comparable listed companies of Genex by reference to the local index of each company (based on country of domicile) over 2 years and 5 years based on weekly and monthly observations, respectively, as this best represents the beta over a longer term.

It should be noted that the above betas are drawn from the actual and observed historic relationship between risk and returns. From these actual results, the expected relationship is estimated generally on the basis of extrapolating past results. Despite the arbitrary nature of the calculations, it is important to assess their commercial reasonableness. That is, to assess how closely the observed relationship is likely to deviate from the expected relationship.

Consequently, while measured equity betas of the listed comparable companies provide useful benchmarks against which the equity beta used in estimating the cost of equity for companies operating in the renewable energy industry, the selection of an unsystematic equity beta requires a level of judgement.

The asset betas of the selected company are calculated by adjusting the equity betas for the effect of gearing to obtain an estimate of the business risk of the comparable company, a process commonly referred as de-gearing. We have then recalculated the equity beta based on an assumed 'optimal' capital structure deemed appropriate for the business (re-gearing). This is a subjective exercise, which carries a significant possibility of estimation error.

We used the following formula to undertake the de-gearing and regearing exercise:

$$\beta_e = \beta_a \left[1 + \frac{D}{E} \times (1 - t) \right]$$

Where:

- β_e = Equity beta
- β_a = Asset beta
- t = corporate tax rate

Attachment A: Independent Expert’s Report continued



The betas are de-g geared using the average historical gearing levels of those respective companies over several years and then re-g geared based on an optimal capital structure. We have determined a gearing of between 70% and 80% debt to equity as the optimal capital structure, based on both the observed gearing of listed comparable companies and review of the long-term debt to equity ratio (both actual and time-weighted) gearing forecast throughout the life of the operating and in-construction assets in the Genex Internal Models.

Based on the above, the ungeared asset betas for the comparable companies for Genex are set out in the table below:



Asset Beta Analysis	Country	Market Cap A\$m	2 years weekly betas				5 years monthly beta			
			Equity		R Gearing		Equity		R Gearing	
			Beta	Squared	Ratio	Beta	Beta	Squared	Ratio	Beta
<u>ANZ</u>										
Meridian Energy Limited	NZ	14,045	1.26	0.47	8%	1.18	1.26	0.45	11%	1.16
Mercury NZ Limited	NZ	8,846	1.37	0.46	22%	1.22	1.06	0.40	20%	0.95
Contact Energy Limited	NZ	6,263	0.97	0.47	20%	0.85	0.90	0.33	20%	0.79
Genesis Energy Limited	NZ	2,424	0.62	0.19	52%	0.45	1.05	0.48	48%	0.79
Manawa Energy Limited	NZ	1,307	0.66	0.11	41%	0.51	0.46	0.10	35%	0.36
Frontier Energy Limited	Australia	152	1.25	0.06	0%	1.25	1.11	0.05	0%	1.10
NZ Windfarms Limited	NZ	47	0.35	0.02	19%	0.30	0.63	0.08	19%	0.55
Min - ANZ			0.35	0.02	0%	0.30	0.46	0.05	0%	0.36
Max - ANZ			1.37	0.47	52%	1.25	1.26	0.48	48%	1.16
Mean - ANZ			0.92	0.25	23%	0.82	0.93	0.27	22%	0.82
Median - ANZ			0.97	0.19	20%	0.85	1.05	0.33	20%	0.79
<u>International</u>										
Northland Power Inc.	Canada	6,562	0.73	0.18	123%	0.38	0.43	0.10	107%	0.24
NextEra Energy Partners, LP	US	4,315	0.84	0.09	215%	0.29	0.97	0.23	142%	0.43
Clearway Energy, Inc.	US	3,859	0.92	0.27	296%	0.26	0.96	0.41	247%	0.30
Atlantica Sustainable Infrastructure plc	UK	3,289	0.41	0.10	242%	0.14	0.84	0.41	206%	0.32
Boralex Inc.	Canada	3,332	0.70	0.12	114%	0.38	0.39	0.05	101%	0.22
ReNew Energy Global Plc	UK	3,175	0.62	0.14	274%	0.22	0.85	0.21	555%	0.18
Innergex Renewable Energy Inc.	Canada	1,992	0.95	0.18	337%	0.28	0.34	0.04	219%	0.14
Neoen S.A.	France	6,590	0.64	0.12	102%	0.37	0.48	0.07	81%	0.31
ERG S.p.A.	Italy	5,615	0.58	0.15	62%	0.40	0.42	0.11	65%	0.28
Encavis AG	Germany	4,490	0.91	0.12	67%	0.63	0.64	0.09	63%	0.46
Solaria Energía y Medio Ambiente, S.A.	Spain	2,089	1.19	0.24	63%	0.79	0.65	0.10	38%	0.50
Scatec ASA	Norway	1,623	1.37	0.17	214%	0.51	1.35	0.21	137%	0.65
Volitalia SA	France	1,421	0.66	0.06	110%	0.36	0.41	0.04	75%	0.27
Alerion Clean Power S.p.A.	Italy	1,697	0.45	0.05	67%	0.29	0.41	0.04	66%	0.27
Ecoener, S.A.	Spain	342	0.47	0.04	154%	0.22	0.50	0.14	130%	0.26
Cloudberry Clean Energy ASA	Norway	427	1.00	0.15	33%	0.80	1.42	0.30	23%	1.21
Orrön Energy AB (publ)	Sweden	292	1.34	0.06	40%	1.02	1.49	0.12	43%	1.11
Polaris Renewable Energy Inc.	Canada	279	0.82	0.17	93%	0.49	0.86	0.18	88%	0.52
clearvise AG	Germany	262	0.31	0.03	124%	0.17	0.21	0.03	124%	0.12
Arise AB (publ)	Sweden	252	0.75	0.09	59%	0.51	0.95	0.13	49%	0.68
Edisun Power Europe AG	Switzerland	180	(0.03)	0.00	255%	(0.01)	0.79	0.15	154%	0.35
Min - International			(0.03)	0.00	33%	(0.01)	0.21	0.03	23%	0.12
Max - International			1.37	0.27	337%	1.02	1.49	0.41	555%	1.21
Mean - International			0.74	0.12	145%	0.40	0.73	0.15	129%	0.42
Median - International			0.73	0.12	114%	0.37	0.65	0.12	101%	0.31
<u>Overall</u>										
Min - All			(0.03)	0.00	0%	(0.01)	0.21	0.03	0%	0.12
Max - All			1.37	0.47	337%	1.25	1.49	0.48	555%	1.21
Mean - All			0.79	0.15	114%	0.51	0.78	0.18	102%	0.52
Median - All			0.74	0.12	80%	0.39	0.82	0.13	70%	0.40

Source: S&P Global and GTCF analysis

Note: (1) Equity betas are calculated using data provided by S&P Global as at 31 March 2024 (Contemporaneous betas). The betas are based on two-year and five-year periods with weekly and monthly observations, respectively, and based on the local index. Betas have been ungeared based on the average gearing ratio (i.e. net debt divided by shareholders' equity based on market values).

Attachment A: Independent Expert's Report continued



In our beta assessment we have also had regards to the industry beta of the utilities segment (between 0.37 and 0.53) based on the Rozetta Institute Limited data as at March 2022 as well as average asset beta of renewable electricity (monthly average of 0.41 and weekly average of 0.45) prepared by Synergies for AEMO in July 2021.

Overall, for the purposes of our valuation assessment, we have selected an asset beta range of between 0.40 and 0.45 to calculate the required rate of return on equity capital.

Cost of equity calculation

Based on the analysis above, the cost of equity for Genex on a standalone basis has been derived below:

Cost of Equity	Base cost of equity		KS1& JSP		BBP		K2H		K3W		BCS	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Risk-free rate	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Asset beta	0.40	0.45	0.40	0.45	0.40	0.45	0.40	0.45	0.40	0.45	0.40	0.45
Equity beta	0.60	0.70	0.60	0.70	0.60	0.70	0.60	0.70	0.60	0.70	0.60	0.70
Market risk premium	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Specific risk premium	0.00%	0.00%	0.25%	0.50%	0.75%	1.00%	0.25%	0.25%	1.00%	1.00%	1.00%	1.00%
Calculated cost of equity	7.6%	8.2%	7.8%	8.7%	8.3%	9.2%	7.8%	8.5%	8.6%	9.2%	8.6%	9.2%
Selected cost of equity	7.6%	8.2%	7.8%	8.7%	8.3%	9.2%	7.8%	8.5%	8.6%	9.2%	8.6%	9.2%

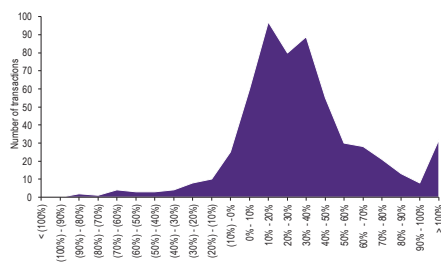
Source: S&P Global, GTCF analysis



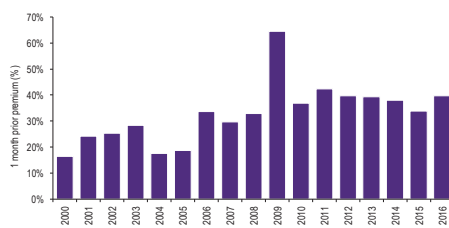
Appendix F – Premium for control study

Evidence from studies indicates that premium for control on successful takeovers has frequently been in the range of 20% to 40% in Australia, and that the premium vary significantly for each transaction.

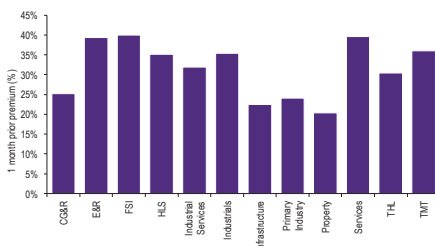
1 Month Prior Control Premium



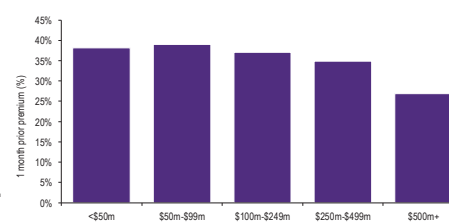
Control premium per completion date



Control premium per industry



Control premium and size



	Control premium
Average	34.33%
Median	29.34%

Source: GTCF analysis.

Attachment A: Independent Expert's Report continued



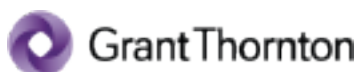
Appendix G – Glossary

2022 NBIO	The non-binding indicative and conditional offer received from the Consortium in July 2022 for a cash consideration of A\$0.230 per Genex share
2022 Revised NBIO	Revised NBIO from the Consortium in August 2022 for a cash consideration of A\$0.25 per Genex share
A\$	Australian Dollar
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
ANDRITZ Hydro	ANDRITZ Hydro GmbH
APES	Accounting Professional and Ethical Standards
APES225	Accounting Professional and Ethical Standard 225 "Valuation Services"
ARENA	Australian Renewable Energy Agency
ASIC	Australian Securities and Investments Commission
Associate	Has the meaning given to that term in the Transaction Booklet
ASX	Australian Securities Exchange
BBP	Bouldercombe Battery Project
BBSY	Bank Bill Swap Rate
BCB	Bulli Creek Battery Project
BCP	Bulli Creek Battery and Solar Project
BCS	Bulli Creek Solar Project
BESS	Battery Energy Storage System
Bidder	The Consortium
Board or Genex Board	The Board of Directors of Genex
CAGR	Compounded Annual Growth Rate
CEFC	Clean Energy Finance Corporation
CER	The Clean Energy Regulator
Consortium	A consortium comprising Skip Essential Infrastructure Fund and Stonepeak Partners LLC
Corporations Act	Corporations Act 2001
Court	Supreme Court of New South Wales
CPI	Consumer Price Index
CY	Calendar Year
D&C	Design & Construction
DCF	Discounted Cash Flow
DCF Method	Discounted Cash Flow and the estimated realisable value of any surplus assets
Deed	The Deed of Mutual Termination, Cancellation and Release agreed between Genex and ARENA
Director or Genex Director	A member of the Board from time to time.
DLF	Distribution Loss Factor
DSCR	Debt Service Coverage Ratio
DSRA	Debt Service Reserve Account
EA	EnergyAustralia
EA Exercise Scenario	A scenario where EnergyAustralia exercises their option to acquire Genex's equity stake in K2H at a price equal to the depreciated book value at year 30.
EA Non-Exercise Scenario	A scenario where EnergyAustralia does not exercise its extension option after the Initial Term and the project reverts to merchant pricing.
EBITDA	Earnings before, interest, tax, depreciation and amortisation
EGP	Enel Green Power S.p.A.
EGPA	Enel Green Power Australia Pty Ltd



Electromechanical Equipment	Two turbines and pump coupled to a generator, transformers and control room.
Enel	Enel S.p.A.
EPC	Engineering, procurement and construction
EPS	Earnings per share
ESG	Environmental, Social and Governance
ESSA	Energy Storage Services Agreement
EV	Enterprise Value
Excluded Genex Shareholders	Has the meaning given to that term in the Transaction Booklet, broadly J-Power and its subsidiaries
FCAS	Frequency Control Ancillary Services
FID	Final Investment Decision
FIRB	Foreign Investment Review Board
Fixed Toll	A guaranteed revenue received in each quarter.
FME Method	Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets
Fortescue	Fortescue Metals Group
FSG	Financial Services Guide
FYxx	12-month financial year ended 30 June 20xx
GCAA	Generator Connection and Access Agreement
GDP	Gross Domestic Product
Genex Options	14.5 million options over Genex Shares issued to Directors with an exercise price of A\$0.34 and expiry date of 10 September 2024
Genex Shareholder or Shareholder	A registered holder of at least one Genex Share(s)
Genex Shares or Shares	Fully paid ordinary shares on issue in Genex
Genex or the Company	Genex Power Limited
GST	Goods and Services Tax
GTCF, Grant Thornton, or Grant Thornton Corporate Finance	Grant Thornton Corporate Finance Pty Ltd (ACN 003 265 987)
GW	Gigawatt
H1 FYXX	First half of the financial year
Genex IBC	Independent board committee comprised of all members of the Genex Board, other than J-Power's nominee to the Genex Board, Mr Kenichi Seshimo.
ICG	Infrastructure Capital Group
IER or Report	This Independent Expert's Report
Indicative Proposal	Non-binding indicative and conditional proposal from J-Power that Genex announced to the ASX on 4 March 2024.
Infradebt	Infradebt Pty Ltd
Initial Term	The 10-year initial term of the ESSA with EA.
INPEX	INPEX Corporation
Internal Models	Project finance cash flow models prepared by Management
J-Power	Electric Power Development Co. Ltd
J-Power Nominee	JPGA Partners Pty Ltd (ACN 643 855 618), a wholly-owned subsidiary of J-Power.
JSP	Jemalong Solar Project
K2 Solar	Kidston Stage 2 Solar
K2H	Kidston Pumped Storage Hydro
K2H EPC Claims	Unresolved claims between Genex and the K2H EPC contractor
K3 Wind or K3W	Kidston Stage 3 Wind
Kidston Substation	A new 275kv substation to receive the 275kv transmission line from Powerlink.
KS1	Kidston Stage 1 Solar
KS1 Revenue Support Deed	A 20-year Queensland Government Revenue Support Deed with KS1
LGC	Large-scale Generation Certificate

Attachment A: Independent Expert's Report continued



LRET	Large-scale Renewable Energy Target
Management	Senior management and directors of Genex
MDJH JV	A joint venture formed between McConnell Dowell and John Holland under K2H's EPC Contract.
Meridian Australia	Meridian Energy Australia Pty Ltd
MLF	Marginal Loss Factor
MSCI	Morgan Stanley Capital International
Mt Fox Substation	A new 275kv substation on the main Powerlink transmission network.
MW	Megawatt
MW Multiple Method	The megawatt multiple derived by dividing a business enterprise value in millions of dollars by the total generating capacity of the business in megawatts (EV(\$m) / MW)
MWh	Megawatt hour
NAIF	Northern Australia Infrastructure Facility.
NAV Method	Amount available for distribution to security holders on an orderly realisation of assets
NEM	National Electricity Market
Nexif	Nexif Energy
NPV	Net Present Value
NSW	New South Wales
NWIS	North West Interconnected System
O&M	Operation & Maintenance
Offer price	Cash consideration of A\$0.270
p.a.	Per annum
PCL	PCL Constructors Pty Ltd
pcp	Previous Corresponding Period
Performance Rights	A performance right (or other right issued under the Genex Performance Rights Plan), which entitles the holder to receive a Genex Share if the applicable vesting conditions are satisfied (or, if applicable, waived) in accordance with its terms of issue and/or the Genex Performance Rights Plan.
Powerhouse	A powerhouse cavern 17.5 metres wide, 90 metres long and 45 metres high (at its deepest point) located underground.
Powerlink	Powerlink Queensland
PPA	Power Purchase Agreement
PPE	Property, Plant and Equipment
QLD	Queensland
Quoted Security Price Method	Quoted price for listed securities, when there is a liquid and active market
Ratch	RATCH Group PLC
RBA	Reserve Bank of Australia
RET	Renewable Energy Target
REZ	Renewable Energy Zones
RG111	ASIC Regulatory Guide 111 "Contents of expert reports"
RG112	ASIC Regulatory Guide 112 "Independence of experts"
RG60	ASIC Regulatory Guide 60 "Scheme of arrangement"
S&P	Standard and Poor's
Scheme Consideration	Under the Scheme the total cash consideration equal to A\$0.275 for each Genex Share
Scheme Meeting	The meeting of Genex Shareholders (other than Excluded Genex Shareholders) ordered by the Court at which those Genex Shareholders will consider and vote on the Scheme and includes any adjournment of that meeting.
Scheme or Proposed Scheme	Scheme of Arrangement under which all the Genex Shares (other than those held by the Excluded Genex Shareholders) will be transferred to J-Power Nominee
SID	Scheme Implementation Deed
Skip or Skip Capital	Skip EIF Enterprises Pty Ltd (ACN 660 952 465) as trustee for the Skip EIF Trust
Solariq	Solarig Australia Pty Ltd



SOP	Sum of the Parts
SRES	Small-scale Renewable Energy Scheme
Stonepeak	Stonepeak Partners LLC
SWIS	South Western Interconnected System
Takeover Consideration or Offer Price	Under the Takeover the total cash consideration equal to A\$0.27 for each Genex Share
Takeover Offer or Takeover	J-Power Nominee's offer to acquire all of Genex Shares that it does not already own for a cash consideration of A\$0.270
TERP	Theoretical Ex Rights Price
Tesla	Tesla Motors Australia Pty Ltd
TID	Transaction Implementation Deed
Transaction	Has the meaning given in the Transaction Booklet and, broadly, means the acquisition via a scheme of arrangement or takeover offer of Genex by J-Power Nominee
TSCD	Transmission Support Charges Deed
TSR	Total Shareholder Return
VWAP	Volume Weighted Average Price
WACC	Weighted Average Cost of Capital
Yanco Delta	Yanco Delta Wind Farm
YTD	Year-to-date

Attachment B: Notice of Scheme Meeting

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Attachment B: Notice of Scheme Meeting

Genex Power Limited (ACN 152 098 854)

Notice is hereby given that, by an order of the Supreme Court of New South Wales (**Court**) made on Thursday, 6 June 2024 pursuant to section 411(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), a meeting of the holders of ordinary shares in Genex Power Limited (ACN 152 098 854) (**Genex**) will be held at 10:00am (Sydney time) on Tuesday, 16 July 2024.

The Scheme Meeting will be held as a hybrid meeting. Genex Shareholders and duly appointed proxies, attorneys and corporate representatives of Genex Shareholders can attend, participate and vote at the Scheme Meeting in person at the office of Gilbert + Tobin, Level 35, Tower Two, International Towers, 200 Barangaroo Avenue, Barangaroo NSW 2000 or through the Online Scheme Meeting Platform (details of which are set out below). Genex Shareholders (and duly appointed proxies, attorneys and corporate representatives of Genex Shareholders) who participate in the Scheme Meeting through the Online Scheme Meeting Platform will be able to listen to the Scheme Meeting and cast a vote and ask questions online through the Online Scheme Meeting Platform.

Business of the Scheme Meeting – the Scheme Resolution

To consider and, if thought fit, to pass the following resolution in accordance with section 411(4)(a)(ii) of the Corporations Act:

“That pursuant to, and in accordance with, section 411 of the Corporations Act, the Scheme, the terms of which are contained in and more particularly described in the Transaction Booklet (of which this Notice of Scheme Meeting forms part) is approved (with or without alterations and/or conditions as approved by the Court and agreed to by Genex and J-POWER).”

By Order of the Court



Ana Gomiero-Guthrie
Company Secretary
Genex Power Limited

Thursday, 6 June 2024

Attachment B: Notice of Scheme Meeting continued

EXPLANATORY NOTES AND VOTING INSTRUCTIONS

Chairman of the Scheme Meeting

The Court has ordered that Dr Ralph Craven act as Chairman of the meeting or, failing him, Ms Teresa Dyson.

Purpose of the Scheme Meeting and information about the Scheme

The purpose of the Scheme Meeting is to consider and, if thought fit, to pass the Scheme Resolution, which is set out above.

To enable Genex Shareholders (other than Excluded Genex Shareholders) to make an informed decision on the Scheme Resolution, information about the Scheme is set out in the Transaction Booklet, of which this Notice of Scheme Meeting forms part.

Capitalised terms used, but not otherwise defined, in this Notice of Scheme Meeting have the same meaning as set out in the Glossary in Section 14 (**Glossary**) of the Transaction Booklet.

These explanatory notes should be read in conjunction with the Transaction Booklet.

The Genex IBC unanimously recommends that Genex Shareholders (other than Excluded Genex Shareholders) vote in favour of Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).

Subject to the same qualifications, each Genex IBC Member intends to vote, or cause to be voted, all of that Genex IBC Member's Genex IBC Member Shares in favour of the Scheme at the Scheme Meeting.

The interests of the Genex IBC Members (who are all Genex Directors) in Genex Shares and the Scheme are disclosed in Section 11 (**Additional information**) of the Transaction Booklet. Genex Shareholders should have regard to these interests when considering the Genex IBC Members' unanimous recommendation in respect of the Scheme.¹

As described in the Transaction Booklet, on the basis that Mr Kenichi Seshimo is J-POWER's representative and nominee to the Genex Board (and, therefore, the Genex IBC does not consider Mr Seshimo to be an independent Genex Director for the purposes of the Transaction), Mr Seshimo:

- (a) has recused himself from (and has not participated in any) Genex Board meetings or other discussions relating to the Transaction (or the Genex Board's consideration of it or the Initial Indicative Proposal or the subsequent Indicative Proposal); and
- (b) abstains from giving a recommendation to Genex Shareholders in respect of the Transaction.

Requisite Majorities required to pass the Scheme Resolution

In accordance with section 411(4)(a)(ii) of the Corporations Act, the Scheme Resolution must be approved by:

- (a) a majority in number (more than 50%) of the Genex Shareholders (other than Excluded Genex Shareholders) who are present (either by being physically present at the Scheme Meeting venue or attending via the Online Scheme Meeting Platform) and voting (either in person, by proxy or attorney or, in the case of a corporate holder, by duly appointed corporate representative) at the Scheme Meeting; and
- (b) at least 75% of the votes cast on the Scheme Resolution at the Scheme Meeting by Genex Shareholders (other than Excluded Genex Shareholders).

¹ As at the date of this Transaction Booklet, Dr Ralph Craven has 1,048,188 Genex IBC Member Shares (representing approximately 0.08% of the Genex Shares on issue), Ms Teresa Dyson has 585,856 Genex IBC Member Shares (representing approximately 0.04% of the Genex Shares on issue), Mr Simon Kidston has 8,663,827 Genex IBC Member Shares (representing approximately 0.63% of the Genex Shares on issue) and Mr Ben Guo has 2,420,681 Genex IBC Member Shares (representing approximately 0.17% of the Genex Shares on issue). In addition:

- (a) each Genex IBC Member is entitled to receive the Genex Option Cancellation Consideration as consideration for the cancellation of their Genex Options in connection with the Scheme or the Takeover Offer (see Section 11.4(a) for more information, including regarding the circumstances in which the Genex Option Cancellation Consideration is payable);
- (b) Dr Ralph Craven is entitled to receive the Genex Chairman Special Exertion Payment of an amount equal to \$200,000 (plus superannuation) (see Section 11.7(c) for more information, including regarding the circumstances in which the Genex Chairman Special Exertion Payment is payable); and
- (c) Special Exertion Fees are payable by Genex to each Non-executive Genex Director who is a Genex IBC Member in recognition of those Non-executive Genex Directors' increased workload and time commitment (in excess of that required for Genex's ordinary business requirements) in connection with the Transaction (see Section 11.7(b) for more information).

As described below, the Requisite Majorities excludes the Excluded Genex Shareholders, and the Excluded Genex Shareholders will not be entitled to vote on the Scheme Resolution at the Scheme Meeting.

Voting at the Scheme Meeting will be conducted by poll.

Court approval

In accordance with section 411(4)(b) of the Corporations Act, the Scheme (with or without modification) must be approved by an order of the Court. If the Scheme Resolution put to the Scheme Meeting is passed by the Requisite Majorities described above and the other Scheme Conditions (other than the Court Approval Scheme Condition) are satisfied (or, if applicable, waived), Genex intends to apply to the Court for approval of the Scheme.

Entitlement to vote at the Scheme Meeting

For the purposes of the Scheme Meeting, Genex Shares will be taken to be held by the persons who are registered Genex Shareholders (other than Excluded Genex Shareholders) as at 10:00am (Sydney time) on Sunday, 14 July 2024. Only those Scheme Shareholders entered on the Genex Share Register at that time will be entitled to attend and vote at the Scheme Meeting, whether themselves, by their duly appointed proxy, attorney or corporate representative. Accordingly, registrable transmission applications or transfers registered after this time will be disregarded in determining entitlements to vote at the Scheme Meeting.

As described in Section 5.4(c) of the Transaction Booklet, under the terms of the Scheme, the J-POWER Genex Shares (and any other Genex Shares held by the Excluded Genex Shareholders) will not be acquired by J-POWER Nominee under the Scheme and, accordingly, J-POWER Nominee (and any other Excluded Genex Shareholder) will not be a Scheme Shareholder (that is, J-POWER Nominee (and any other Excluded Genex Shareholders) will not participate in the Scheme). As a result, the Scheme must be approved by the Requisite Majorities, which excludes the Excluded Genex Shareholders, and the Excluded Genex Shareholders will not be entitled to vote on the Scheme Resolution at the Scheme Meeting.

Jointly held Genex Shares

If Genex Shares are jointly held, only one of the joint Genex Shareholders is entitled to vote at the Scheme Meeting. If more than one joint Genex Shareholder votes, only the vote of the Genex Shareholder whose name appears first on the Genex Share Register will be counted.

Voting procedure at the Scheme Meeting

Voting at the Scheme Meeting will be conducted by way of a poll. The results of the Scheme Meeting will be announced to the ASX as soon as practicable after the Scheme Meeting.

The Chairman of the Scheme Meeting intends to vote all available proxies (as described below) in favour of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).

Voting at the Scheme Meeting

If you are a Genex Shareholder entitled to vote at the Scheme Meeting, you may vote at the Scheme Meeting in any of the following ways:

- (a) by attending the Scheme Meeting in person at the office of Gilbert + Tobin, Level 35, Tower Two, International Towers, 200 Barangaroo Avenue, Barangaroo NSW 2000;
- (b) by attending the Scheme Meeting through the Online Scheme Meeting Platform (details of which are set out below); or
- (c) by appointing a proxy, attorney or, if you are a body corporate, a duly appointed corporate representative to attend and vote at the Scheme Meeting on your behalf (whether in person or through the Online Scheme Meeting Platform).

Attachment B: Notice of Scheme Meeting continued

Participation in, and voting at, the Scheme Meeting in person

Genex Shareholders (other than Excluded Genex Shareholders) or their duly appointed proxies, attorneys or corporate representatives who are attending the Scheme Meeting in person may vote by either:

- (a) bringing their own mobile device and using this device to log into the Online Scheme Meeting Platform on their mobile device; or
- (b) using a paper polling card, which will be made available to Genex Shareholders (other than Excluded Genex Shareholders) and duly appointed proxies, attorneys or corporate representatives of Genex Shareholders (other than Excluded Genex Shareholders) at the Scheme Meeting.

If you attend the Scheme Meeting in person and vote in your capacity as a Genex Shareholder, any votes cast by your proxy or attorney (if any) will not be counted.

Participation in, and voting at, the Scheme Meeting through the Online Scheme Meeting Platform

You will be able to attend and vote at the Scheme Meeting through an online platform by using a web browser at www.web.lumiagm.com/313378822, on your smartphone, tablet or computer.

When you access the Online Scheme Meeting Platform:

- (a) The **meeting ID** for the Scheme Meeting is: 313-378-822
- (b) Your **username** is your Voting Access Code (VAC), which can be located on the first page of your Scheme Meeting Proxy Form.
- (c) Your **password** is the postcode of your registered address for your holding if you are an Australian Genex Shareholder. If you are a non-Australian Genex Shareholder, you should refer to the Scheme Meeting Online Guide at Attachment C, or contact the Genex Share Registry, for your password details.

Please refer to the Scheme Meeting Online Guide at Attachment C for further details about the Online Scheme Meeting Platform. The Scheme Meeting Online Guide provides details about how to ensure your browser is compatible with the Online Scheme Meeting Platform, as well as a step-by-step guide to successfully log in and navigate the website.

The Online Scheme Meeting Platform will allow Genex Shareholders (other than Excluded Genex Shareholders) and duly appointed proxies, attorneys and corporate representatives of Genex Shareholders to listen to the Scheme Meeting, cast an online vote and ask questions online.

Online voting will be open between the opening of voting, and the closing of voting, in each case as announced by the Chairman during the Scheme Meeting.

If you attend the Scheme Meeting through the Online Scheme Meeting Platform and vote in your capacity as a Genex Shareholder, any votes cast by your proxy or attorney (if any) will not be counted.

Appointing a proxy

A Genex Shareholder entitled to participate in and vote at the Scheme Meeting may appoint a person to participate in and vote at the Scheme Meeting (either in person or through the Online Scheme Meeting Platform) as their proxy. If you are unable to attend the Scheme Meeting, you are encouraged to appoint a proxy to attend the Scheme Meeting (either in person or through the Online Scheme Meeting Platform) and vote on your behalf.

In order for a proxy appointment to be valid, the Scheme Meeting Proxy Form must be received by the Genex Share Registry by 10:00am (Sydney time) on Sunday, 14 July 2024 (or if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the scheduled resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting). Scheme Meeting Proxy Forms received after this time will be invalid.

Genex Shareholders are notified that the following applies to proxy appointments:

- (a) a Genex Shareholder who is entitled to attend and cast a vote at the Scheme Meeting may appoint a proxy to attend the Scheme Meeting (whether in person or through the Online Scheme Meeting Platform) and vote for the Genex Shareholder;
- (b) the appointment of the proxy may specify the proportion or number of votes that the proxy may exercise on the appointing Genex Shareholder's behalf;

- (c) a Genex Shareholder who is entitled to cast two or more votes at the Scheme Meeting may appoint one or two proxies. If you wish to appoint a second proxy, a second hard copy Scheme Meeting Proxy Form should be used and you should clearly indicate on the second Scheme Meeting Proxy Form that it is a second proxy and not a revocation of your first proxy. Both Scheme Meeting Proxy Forms should be returned together in the same envelope. If you wish to appoint two proxies using hard copy Scheme Meeting Proxy Forms, you will need to obtain a second Scheme Meeting Proxy Form. Please contact the Genex Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) to obtain an additional Scheme Meeting Proxy Form. You cannot appoint a second proxy online. Where two proxies are appointed, each proxy should be appointed to represent a specified proportion of the Genex Shareholder's voting rights. If a Genex Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Genex Shareholder's votes that each proxy may exercise, each proxy may exercise half of that Genex Shareholder's votes (with any fractions of votes disregarded);
- (d) a proxy may be an individual or a body corporate and need not be a Genex Shareholder. If an eligible Genex Shareholder appoints a body corporate as a proxy, the body corporate will need to ensure that it appoints an individual as the corporate representative and provides satisfactory evidence of that appointment. If a body corporate is appointed as a proxy, it must ensure that it appoints an individual as its corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the Scheme Meeting;
- (e) if you hold Genex Shares jointly with one or more other persons, in order for your proxy appointment to be valid, either Genex Shareholder may sign the Scheme Meeting Proxy Form; and
- (f) each proxy will have the right to vote on the poll conducted at the Scheme Meeting and also to ask questions at the Scheme Meeting (in each case, whether in person or through the Online Scheme Meeting Platform).

A proxy cannot be appointed electronically if they are appointed under a power of attorney or similar authority.

Voting by proxy

You can direct your proxy to vote by following the instructions on the Scheme Meeting Proxy Form. You should consider how you wish your proxy to vote. That is, whether you want your proxy to vote 'for' or 'against', or abstain from voting on, the Scheme Resolution, or whether to leave the decision to the proxy after he or she has considered the matters discussed at the Scheme Meeting.

If you do not direct your proxy how to vote on the Scheme Resolution, the proxy may vote, or abstain from voting, as he or she thinks fit. If you instruct your proxy to abstain from voting on an item of business, he or she is directed not to vote on your behalf, and the Genex Shares the subject of the proxy appointment will not be counted in computing the Requisite Majorities.

If the Chairman of the Scheme Meeting is appointed as your proxy (or is appointed as your proxy by default), he can be directed how to vote by ticking the relevant boxes next to the Scheme Resolution on the Scheme Meeting Proxy Form (i.e. 'for', 'against' or 'abstain'). The Chairman of the Scheme Meeting is required to cast all votes as directed. The Chairman of the Scheme Meeting intends to vote all undirected and other available proxies in favour of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).

Any directed proxies that are not voted on a poll at the Scheme Meeting by a Genex Shareholder's appointed proxy will automatically default to the Chairman of the Scheme Meeting, who is required to vote proxies as directed on a poll.

If you return your proxy form:

- (a) without identifying a proxy on it, you will be taken to have appointed the Chairman of the Scheme Meeting as your proxy to vote on your behalf; or
- (b) with a proxy identified on it but your proxy does not participate in the Scheme Meeting, the Chairman of the Scheme Meeting will act in place of your nominated proxy and vote in accordance with any directions on your proxy form.

If you have appointed a proxy and vote at the Scheme Meeting, the authority of your proxy to vote on your behalf at the Scheme Meeting is automatically suspended.

Attachment B: Notice of Scheme Meeting continued

A vote given in accordance with the terms of a proxy appointment is valid despite the revocation of that appointment, unless notice in writing of the revocation has been received by the Genex Share Registry before the start of the Scheme Meeting (or, if the Scheme Meeting is adjourned or postponed, before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting) in any of the ways in the “*Lodging the Scheme Meeting Proxy Form*” section below.

Proxyholders, attorneys or corporate representatives will need the appointing Genex Shareholder’s Voting Access Code (VAC) and postcode or (if applicable) the country code for the Genex Shareholder’s country of origin to access the Online Scheme Meeting – these details can be found on the applicable Genex Shareholder’s Scheme Meeting Proxy Form. Alternatively, proxyholders, attorneys or corporate representatives may obtain their login details for the Online Scheme Meeting Platform from the Genex Share Registry before the commencement of the Scheme Meeting by calling 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia).

Lodging the Scheme Meeting Proxy Form

Completed Scheme Meeting Proxy Forms must be received by the Genex Share Registry by 10:00am (Sydney time) on Sunday, 14 July 2024 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the scheduled resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting). The completed Scheme Meeting Proxy Form may be submitted:

- (a) online to the Genex Share Registry by visiting the website, <https://www.votingonline.com.au/gnxscheme2024> or by scanning the QR code on the Scheme Meeting Proxy Form using your mobile device. You will need your Voting Access Code (VAC) and postcode (or the country code for your country of origin if you are located outside of Australia). You will be taken to have signed and lodged the Scheme Meeting Proxy Form if you lodge in accordance with the instructions on the website;
- (b) in respect of hard copy Scheme Meeting Proxy Forms, by mail (using the reply paid envelope provided by the Genex Share Registry) to Genex Power Limited, c/ Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
- (c) in respect of hard copy Scheme Meeting Proxy Forms, by fax to the Genex Share Registry on +61 2 9290 9655; or
- (d) in respect of hard copy Scheme Meeting Proxy Forms, by hand by delivering it to the Genex Share Registry at Grosvenor Place, Level 8, 210 George Street, Sydney NSW 2000 during business hours (Monday – Friday, 9:00am – 5:00pm (Sydney time)).

Given the last date for lodgement of Scheme Meeting Proxy Forms falls on a Sunday, please ensure that any Scheme Meeting Proxy Form which you intend to lodge by post or by hand is received by close of business on Friday, 12 July 2024. Genex will accept valid Scheme Meeting Proxy Forms received by fax or lodged online before 10:00am (Sydney time) on Sunday, 14 July 2024.

Genex Shareholders should contact the Genex Shareholder Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia), Monday to Friday (excluding public holidays) between 9.00am and 5.00pm (Sydney time) with any queries regarding the number of Genex Shares they hold, how to vote at the Scheme Meeting or how to lodge the Scheme Meeting Proxy Form. Genex Shareholders may also visit Genex’s dedicated Transaction website at www.genexscheme.com.

A replacement hard copy Scheme Meeting Proxy Form may be obtained from the Genex Share Registry.

If a Scheme Meeting Proxy Form is completed by an individual or corporation under power of attorney or other authority, the power of attorney or other authority, or a certified copy of the power of attorney or other authority, must accompany the completed Scheme Meeting Proxy Form when lodged unless the power of attorney or other authority has previously been received by the Genex Share Registry.

For more information concerning the appointment of proxies and ways to lodge the Scheme Meeting Proxy Form, please refer to the Scheme Meeting Proxy Form itself.

Lodging online

At <https://www.votingonline.com.au/gnxscheme2024>

Select 'Investor Login' and enter Genex Power Limited or the ASX Code (GNX) in the Issuer name field, your Voting Access Code (VAC) and postcode (or country code for your country of origin if you are located outside of Australia) and click 'Login', then follow the prompts. You will be taken to have signed and lodged your Scheme Meeting Proxy Form if you lodge in accordance with the instructions given on the website.

Voting by corporate representative

If you are a body corporate that is a Genex Shareholder, or that has been appointed as a proxy, you must appoint a corporate representative to attend and vote at the Scheme Meeting on your behalf. The appointment must comply with section 250D of the Corporations Act.

To vote by corporate representative, a corporate representative must provide written evidence of their appointment by obtaining and completing an 'Appointment of Corporate Representative' form from the Genex Share Registry's website at www.boardroomlimited.com.au/investor-forms/. Corporate representative forms must be provided to the Genex Share Registry by no later than 10:00am (Sydney time) on Sunday, 14 July 2024. A corporate representative form may be submitted in the same manner as a completed Scheme Meeting Proxy Form, as described above, except that an appointment of corporate representative form cannot be lodged online or by mobile device. The 'Appointment of Corporate Representative' form may set out restrictions on the appointed representative's powers.

If a certificate is completed by an individual or corporation under power of attorney or other authority, the power of attorney or other authority, or a certified copy of the power of attorney or other authority, must accompany the completed certificate unless the power of attorney or other authority has previously been received by the Genex Share Registry.

A validly appointed corporate representative wishing to attend and vote at the Scheme Meeting will require the name, Voting Access Code (VAC) and postcode of the body corporate that appointed it in order to access the Online Scheme Meeting Platform.

Your appointment of an attorney does not preclude you from attending the Scheme Meeting. The appointment of your attorney is not automatically revoked merely by your attendance at the Scheme Meeting. If you vote on the Scheme Resolution, your attorney will not be entitled to vote and must not vote as your attorney (and any vote by your attorney in those circumstances will be invalid and disregarded).

Voting by attorney

You may appoint an attorney to participate in and vote at the Scheme Meeting on your behalf. Your attorney need not be another Genex Shareholder. Each attorney will have the right to vote on the poll and also to speak at the Scheme Meeting.

The power of attorney appointing your attorney to participate in and vote at the Scheme Meeting must be duly executed by you and specify your name, the company (that is, Genex), and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one.

Certified copies of powers of attorney must be received by the Genex Share Registry by no later than 10:00am (Sydney time) on Sunday, 14 July 2024. A certified copy of a power of attorney may be submitted in the same manner as a completed Scheme Meeting Proxy Form, as described above, except that the power of attorney or a certified copy of the power of attorney cannot be lodged online or by mobile device.

A validly appointed attorney wishing to attend and vote at the Scheme Meeting will require the name, Voting Access Code (VAC) and postcode of the Genex Shareholder that appointed it in order to access the Online Scheme Meeting Platform.

Your appointment of an attorney does not preclude you from attending the Scheme Meeting. The appointment of your attorney is not automatically revoked merely by your attendance at the Scheme Meeting. If you vote on the Scheme Resolution, your attorney will not be entitled to vote and must not vote as your attorney (and any vote by your attorney in those circumstances will be invalid and disregarded).

Attachment B: Notice of Scheme Meeting continued

Questions about voting at the Scheme Meeting

Genex Shareholders should contact the Genex Share Registry on 1300 737 760 (within Australia) or +61 2 9290 9600, Monday to Friday (excluding public holidays), between 9:00am and 5:00pm (Sydney time) with any queries regarding the number of Genex Shares held, how to vote at the Scheme Meeting, or how to vote by proxy, attorney or corporate representative.

Questions at the Scheme Meeting

Genex Shareholders will have a reasonable opportunity to ask questions during the Scheme Meeting (whether in person or through the Online Scheme Meeting Platform).

The Chairman of the Scheme Meeting will endeavour to address as many of the more frequently raised relevant questions as reasonably practicable during the course of the Scheme Meeting. However, there may not be sufficient time available during the Scheme Meeting to address all of the questions asked. Please note that individual responses will not be sent to Genex Shareholders.

Technical difficulties at the Scheme Meeting

Technical difficulties may arise during the course of the Scheme Meeting. The Chairman of the Scheme Meeting has discretion as to whether and how the Scheme Meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chairman of the Scheme Meeting will have regard to the number of Genex Shareholders impacted and the extent to which participation in the business of the Scheme Meeting is affected. Where the Chairman of the Scheme Meeting considers it appropriate, the Chairman of the Scheme Meeting may continue to hold the Scheme Meeting and conduct business, including conducting a poll and voting in accordance with valid proxy instructions.

Changes to the current arrangement

Genex may be required to make changes to the arrangements for the Scheme Meeting. If there are any updates, Genex will ensure that Genex Shareholders are given as much notice as possible. Further information will also be made available on Genex's website at www.genexpower.com.au and at the dedicated Transaction website at www.genexscheme.com.

Advertisement

Where this Notice of Scheme Meeting is advertised unaccompanied by the Transaction Booklet, a copy of the Transaction Booklet can be obtained by anyone from ASX's website (www.asx.com.au) or from Genex's dedicated Transaction website (www.genexscheme.com) or by contacting the Genex Share Registry.

Attachment C: Scheme Meeting Online Guide



Attachment C: Scheme Meeting Online Guide



SCHEME MEETING ONLINE GUIDE

Attending the Scheme Meeting virtually

If you choose to participate online, you will be able to view a live webcast of the Scheme Meeting, ask questions and submit your votes in real time.

To access the Scheme Meeting:

Visit web.lumiagm.com/313378822 on your computer, tablet or smartphone. You will need the latest version of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.

Scheme Meeting ID: 313-378-822

To login you must have your **Voting Access Code (VAC)** and **Postcode or Country Code**

The website will be open and available for log in from 9:00am (Sydney time) on Tuesday, 16 July 2024

Using the Lumi AGM platform:

ACCESS

The 1st page of the platform will ask in what capacity you are joining the Scheme Meeting.

Genex Shareholders and duly appointed proxies, attorneys and corporate representatives of Genex Shareholders should select

“Shareholder or Proxyholder”

Guests should select “Guest”

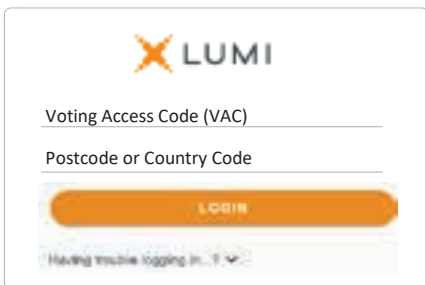


CREDENTIALS

Genex Shareholders and duly appointed proxies, attorneys and corporate representatives

Your username is your **Voting Access Code** and your password is your **Postcode or Country Code**, or, for Non-Australian residents, your **3-letter country code**.

Proxies, attorneys or corporate representatives of Genex Shareholders should obtain their log in credentials from the registrar by calling 1300 737 760 or +61 2 9290 9600



Guests

Please enter your name and email address to be admitted into the Scheme Meeting.

Please note, guests will not be able to ask questions or vote at the Scheme Meeting.





NAVIGATION

Once successfully authenticated, the home page will appear. You can view Scheme Meeting instructions, ask questions and watch the webcast.

If viewing on a computer, the webcast will appear at the side automatically once the Scheme Meeting has started.

On a mobile device, select the broadcast icon at the bottom of the screen to watch the webcast.



During the Scheme Meeting, mobile users can minimise the webcast at any time by selecting the arrow by the broadcast icon. You will still be able to hear the Scheme Meeting. Selecting the broadcast icon again will reopen the webcast.

VOTING

The Chairman will open the poll on the Scheme Resolution at the start of the Scheme Meeting. Once the poll has opened, the voting tab will appear on the navigation bar.



Selecting this tab will open the Scheme Resolution and the voting options.



Desktop / Laptop users can watch the webcast full screen, by selecting the full screen icon.



To reduce the webcast to its original size, select the X at the top of the broadcast window.



To vote, simply select your voting direction from the options displayed on screen. Your selection will change colour and a confirmation message will appear.

To change your vote, simply select another option. If you wish to cancel your vote, please press cancel.

There is no need to press a submit or send button. Your vote is automatically counted.

Voting can be performed at any time during the Scheme Meeting until the Chairman closes the poll.

Attachment C: Scheme Meeting Online Guide continued



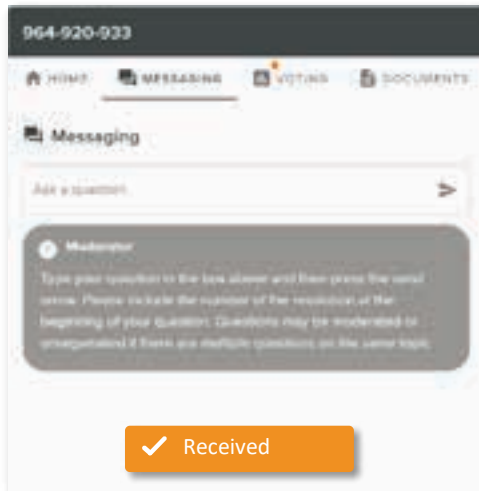
QUESTIONS

Any Genex Shareholder or duly appointed proxy, attorney or corporate representative of a Genex Shareholder is eligible to ask questions.

If you would like to ask a question. Select the messaging tab.



Messages can be submitted at any time from the start of the Scheme Meeting, up until the Chairman closes the Q&A session.



Asking Audio Questions

An audio questions line is available to Genex Shareholders and duly appointed proxies, attorneys and corporate representatives of Genex Shareholders only. To ask a question orally: Click on the 'Request to speak' button at the bottom of the broadcast window to confirm your details. Click 'Submit Request'. Follow the audio prompts to connect and you will hear the Scheme Meeting while you wait to ask your question.



Select the "Ask a Question" box and type in your message.

Once you are happy with your message, select the send icon.



Questions sent via the Lumi platform may be moderated before being sent to the Chairman. This is to avoid repetition and remove any inappropriate language.



Scheme Meeting ID: 313-378-822

To login you must have your **Voting Access Code (VAC)** and **Postcode or Country Code**

The website will be open and available for log in from 9:00am (Sydney time) on Tuesday, 16 July 2024



Country Codes

For overseas shareholders, select your country code from the list below and enter it into the password field.

ABW	Aruba	DZA	Algeria	LBR	Liberia	ROU	Romania
AFG	Afghanistan	ECU	Ecuador	LBY	Libyan Arab Jamahiriya	RUS	Russian Federation
AGO	Angola	EGY	Egypt	LCA	St Lucia	RWA	Rwanda
AIA	Anguilla	ERI	Eritrea	LIE	Liechtenstein	SAU	Saudi Arabia Kingdom Of
ALA	Aland Islands	ESH	Western Sahara	LKA	Sri Lanka	SDN	Sudan
ALB	Albania	ESP	Spain	LSO	Lesotho	SEN	Senegal
AND	Andorra	EST	Estonia	LTU	Lithuania	SGP	Singapore
ANT	Netherlands Antilles	ETH	Ethiopia	LUX	Luxembourg	SGS	Sth Georgia & Sth Sandwich Isl
ARE	United Arab Emirates	FIN	Finland	LVA	Latvia	SHN	St Helena
ARG	Argentina	FJI	Fiji	MAC	Macao	SJM	Svalbard & Jan Mayen
ARM	Armenia	FLK	Falkland Islands (Malvinas)	MAF	St Martin	SLB	Solomon Islands
ASM	American Samoa	FRA	France	MAR	Morocco	SCG	Serbia & Outlying
ATA	Antarctica	FRO	Faroe Islands	MCO	Monaco	SLE	Sierra Leone
ATF	French Southern	FSM	Micronesia	MDA	Republic Of Moldova	SLV	El Salvador
ATG	Antigua & Barbuda	GAB	Gabon	MDG	Madagascar	SMR	San Marino
AUS	Australia	GBR	United Kingdom	MDV	Maldives	SOM	Somalia
AUT	Austria	GEO	Georgia	MEX	Mexico	SPM	St Pierre And Miquelon
AZE	Azerbaijan	GGY	Guernsey	MHL	Marshall Islands	SRB	Serbia
BDI	Burundi	GHA	Ghana	MKD	Macedonia Former Yugoslav Rep	STP	Sao Tome And Principe
BEL	Belgium	GIB	Gibraltar	MLI	Mali	SUR	Suriname
BEN	Benin	GIN	Guinea	MLT	Mauritania	SVK	Slovakia
BFA	Burkina Faso	GLP	Guadeloupe	MMR	Myanmar	SVN	Slovenia
BGD	Bangladesh	GMB	Gambia	MNE	Montenegro	SWE	Sweden
BGR	Bulgaria	GNB	Guinea-Bissau	MNG	Mongolia	SWZ	Swaziland
BHR	Bahrain	GNQ	Equatorial Guinea	MNP	Northern Mariana Islands	SYC	Seychelles
BHS	Bahamas	GRC	Greece	MOZ	Mozambique	SYR	Syrian Arab Republic
BIH	Bosnia & Herzegovina	GRD	Grenada	MRT	Mauritania	TCA	Turks & Caicos Islands
BLM	St Barthelemy	GRL	Greenland	MSR	Montserrat	TCD	Chad
BLR	Belarus	GTM	Guatemala	MTQ	Martinique	TGO	Togo
BLZ	Belize	GUF	French Guiana	MUS	Mauritius	THA	Thailand
BMU	Bermuda	GUM	Guam	MWI	Malawi	TJK	Tajikistan
BOL	Bolivia	GUY	Guyana	MYS	Malaysia	TKL	Tokelau
BRA	Brazil	HKG	Hong Kong	MYT	Mayotte	TKM	Turkmenistan
BRB	Barbados	HMD	Heard & Mcdonald Islands	NAM	Namibia	TLS	Timor-Leste
BRN	Brunei Darussalam	HND	Honduras	NCL	New Caledonia	TMP	East Timor
BTN	Bhutan	HRV	Croatia	NER	Niger	TON	Tonga
BUR	Burma	HTI	Haiti	NFK	Norfolk Island	TTO	Trinidad & Tobago
BVT	Bouvet Island	HUN	Hungary	NGA	Nigeria	TUN	Tunisia
BWA	Botswana	IDN	Indonesia	NIC	Nicaragua	TUR	Turkey
CAF	Central African Republic	IMN	Isle Of Man	NIU	Niue	TUV	Tuvalu
CAN	Canada	IND	India	NLD	Netherlands	TWN	Taiwan
CKK	Cocos (Keeling) Islands	IOT	British Indian Ocean Territory	NOR	Norway Montenegro	TZA	Tanzania United Republic of
CHE	Switzerland	IRL	Ireland	NPL	Nepal	UGA	Uganda
CHL	Chile	IRN	Iran Islamic Republic of	NRU	Nauru	UKR	Ukraine
CHN	China	IRQ	Iraq	NZL	New Zealand	UMI	United States Minor
CIV	Cote D'ivoire	ISM	Isle of Man	OMN	Oman	URY	Uruguay
CMR	Cameroon	ISL	Iceland	PAK	Pakistan	USA	United States of America
COD	Democratic Republic of Congo	ISR	Israel	PAN	Panama	UZB	Uzbekistan
COK	Cook Islands	ITA	Italy	PCN	Pitcairn Islands	VNM	Vietnam
COL	Colombia	JAM	Jamaica	PER	Peru	VUT	Vanuatu
COM	Comoros	JEY	Jersey	PHL	Philippines	WLF	Wallis & Futuna
CPV	Cape Verde	JOR	Jordan	PLW	Palau	WSM	Samoa
CRI	Costa Rica	JPN	Japan	PNG	Papua New Guinea	YEM	Yemen
CUB	Cuba	KAZ	Kazakhstan	POL	Poland	YMD	Yemen Democratic
CYM	Cayman Islands	KEN	Kenya	PRI	Puerto Rico	YUG	Yugoslavia Socialist Fed Rep
CYP	Cyprus	KGZ	Kyrgyzstan	PRK	Korea Dem Peoples Republic of	ZAF	South Africa
CXR	Christmas Island	KHM	Cambodia	PRT	Portugal	ZAR	Zaire
CZE	Czech Republic	KIR	Kiribati	PRY	Paraguay	ZMB	Zambia
DEU	Germany	KNA	St Kitts And Nevis	PSE	Palestinian Territory Occupied	ZWE	Zimbabwe
DJI	Djibouti	KOR	Korea Republic of	PYF	French Polynesia		
DMA	Dominica	KWT	Kuwait	QAT	Qatar		
DNK	Denmark	LAO	Laos	REU	Reunion		
DOM	Dominican Republic	LBN	Lebanon				

Attachment D: Scheme



Attachment D: Scheme



Scheme of Arrangement

made under section 411 of the Corporations Act

Genex Power Limited (ACN 152 098 854)

Each Scheme Shareholder

Attachment D: Scheme continued

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Attachment D: Scheme continued

Parties

- 1 **Genex Power Limited (ACN 152 098 854)** of Suite 12.03, Level 12, 35 Clarence Street, Sydney NSW 2000 (**Target**)
- 2 **Each Scheme Shareholder**

Background

- A Target and Bidder have entered into the Transaction Implementation Deed, pursuant to which, amongst other things, Target has agreed to propose this Scheme to Target Shareholders (other than Excluded Target Shareholders) and each of Target and Bidder has agreed to take certain steps to give effect to this Scheme.
- B If this Scheme becomes Effective, then:
 - (a) all of the Scheme Shares (together with all of the rights and entitlements attaching to them on the Implementation Date) will be transferred to Bidder Subsidiary; and
 - (b) Bidder or Bidder Subsidiary will provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with the provisions of this Scheme; and
 - (c) Bidder Subsidiary will acquire all of the Scheme Shares and Target will enter Bidder Subsidiary in the Target Share Register as the holder of the Scheme Shares with the result that Target will become a wholly-owned subsidiary of Bidder Subsidiary.
- C This Scheme is made under section 411 of the Corporations Act.

The parties agree

1 Defined terms, interpretation and Scheme components

1.1 Defined terms

A term or expression starting with a capital letter which is defined in the dictionary in Schedule 1 has the meaning given to it in the dictionary.

1.2 Interpretation

The interpretation clause in Schedule 1 sets out rules of interpretation for this Scheme.

1.3 Scheme components

This Scheme includes any schedule to it.

2 Preliminary matters

2.1 Target

- (a) Target is a public company limited by shares, incorporated in Australia and registered in the State of Victoria.
- (b) Target is admitted to the Official List and Target Shares are quoted on the Official List.
- (c) As at the date of the Transaction Implementation Deed, Target had the following equity securities on issue:
 - (i) 1,385,177,140 Target Shares;
 - (ii) 9,660,586 Target Performance Rights; and
 - (iii) 14,500,000 Target Options.

2.2 Bidder

Bidder is a public company listed on the Tokyo Stock Exchange and incorporated in Japan.

2.3 Bidder Subsidiary

Bidder has nominated JPGA Partners Pty Ltd (ACN 643 855 618) of Level 12, 680 George Street, Sydney NSW 2000 (being an Australian proprietary company limited by shares, incorporated and registered in New South Wales, Australia, and which is a wholly-owned Subsidiary of Bidder) as the 'Bidder Subsidiary' as defined in, and in accordance with, clause 2.5(a) of the Transaction Implementation Deed.

2.4 Transaction Implementation Deed

Bidder and Target have entered into the Transaction Implementation Deed in respect of (among other things) the implementation of this Scheme.

2.5 Deed Poll

Bidder and Bidder Subsidiary have each agreed, by executing the Deed Poll, to perform the actions attributed to Bidder and/or Bidder Subsidiary under this Scheme, including (but not limited to) the obligation to provide or procure the provision of the Scheme Consideration to the Scheme Shareholders in accordance with the terms of this Scheme.

3 Conditions Precedent

3.1 Conditions Precedent

This Scheme is conditional on, and will have no force or effect (and will not become Effective) until, the satisfaction of each of the following conditions precedent:

- (a) **(Transaction Implementation Deed Scheme Conditions)** all of the Transaction Implementation Deed Scheme Conditions (other than the Transaction Implementation Deed Scheme Condition in clause 3.1(b) of the Transaction

Attachment D: Scheme continued

Implementation Deed) are satisfied or, if applicable, waived in accordance with the terms of the Transaction Implementation Deed by the Delivery Time;

- (b) **(no termination of Transaction Implementation Deed or Deed Poll)** neither the Transaction Implementation Deed nor the Deed Poll is terminated in accordance with its terms before the Delivery Time;
- (c) **(Court approval)** the Court approves this Scheme in accordance with section 411(4)(b) of the Corporations Act (either unconditionally and without modification or with modifications or conditions consented to by Target and Bidder in writing in accordance with clause 5.1(b) of the Transaction Implementation Deed); and
- (d) **(Court orders become effective)** the orders of the Court made under section 411(4)(b) (and, if applicable, section 411(6)) of the Corporations Act approving this Scheme coming into effect pursuant to section 411(10) of the Corporations Act,

(each, a **Condition Precedent**).

3.2 Certificates in relation to Conditions Precedent

- (a) Each of Target and Bidder must provide a certificate to the Court at the Second Court Hearing confirming (in respect of matters within their respective knowledge), as at the Delivery Time, whether or not:
 - (i) the Condition Precedent in clause 3.1(a) has been satisfied; and
 - (ii) the Condition Precedent in clause 3.1(b) has been satisfied.
- (b) The giving of certificates by Target and Bidder to the Court under clause 3.2(a) constitutes conclusive evidence that the Conditions Precedent in clauses 3.1(a) and 3.1(b) have been satisfied or, if applicable, waived as at the Delivery Time.

4 Scheme becoming Effective

4.1 Effective Date

Subject to:

- (a) the satisfaction of the Conditions Precedent set out in clause 3.1 of this Scheme; and
- (b) clause 4.2 of this Scheme,

this Scheme will become Effective on and from the Effective Date.

4.2 End Date

Without limiting any rights of Bidder and Target under the Transaction Implementation Deed, this Scheme will lapse and be of no further force or effect if:

- (a) as at the End Date, this Scheme has not become Effective; or
- (b) the Transaction Implementation Deed or the Deed Poll is terminated in accordance with their respective terms,

unless Target and Bidder otherwise agree in writing.

5 Implementation of this Scheme

5.1 Lodgement of Court orders with ASIC

For the purposes of section 411(10) of the Corporations Act, Target must lodge with ASIC an office copy of the orders made by the Court under section 411(4)(b) of the Corporations Act approving this Scheme by 5.00pm (Sydney time) on the first Business Day after the day on which such office copy is received by Target (or such later date as Target and Bidder agree in writing).

5.2 Consequences of this Scheme becoming Effective

If this Scheme becomes Effective:

- (a) it will override the Target Constitution, to the extent of any inconsistency;
- (b) subject to the terms of this Scheme, in consideration for the transfer to Bidder Subsidiary of the Scheme Shares, each Scheme Shareholder will be entitled to the Scheme Consideration in respect of each Scheme Share in accordance with the terms and conditions of this Scheme;
- (c) Bidder or Bidder Subsidiary must (pursuant to its obligations under this Scheme and the Deed Poll) provide or procure the provision of the Scheme Consideration in the manner contemplated by this Scheme; and
- (d) subject to the provision of the Scheme Consideration as contemplated by clause 5.2(c), all the Scheme Shares (together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date) will be transferred to Bidder Subsidiary in the manner contemplated by this Scheme.

5.3 Provision of Scheme Consideration

Subject to this Scheme becoming Effective, in consideration for the transfer to Bidder Subsidiary of the Scheme Shares held by each Scheme Shareholder under the terms of this Scheme, Bidder or Bidder Subsidiary will provide, or procure the provision (including, in the case of Bidder, by procuring that Bidder Subsidiary provides), to each applicable Scheme Shareholder the Scheme Consideration to which that Scheme Shareholder is entitled (as determined in accordance with clause 6) on the Implementation Date by complying with its obligations under clause 7.1 (and otherwise in accordance with this Scheme).

5.4 Transfer of Scheme Shares

On the Implementation Date, subject to, and after, the provision of the Scheme Consideration to Scheme Shareholders in the manner contemplated by this Scheme:

- (a) all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date, must be transferred to Bidder Subsidiary without the need for any further act by any Scheme Shareholder (other than acts performed by Target or any of its directors, secretaries and officers as agent and attorney of the Scheme Shareholders under clause 9.6, or otherwise) by:
 - (i) Target duly completing and executing the Scheme Transfer on behalf of the Scheme Shareholders (as transferors) and delivering it to Bidder Subsidiary; and

Attachment D: Scheme continued

- (ii) Bidder Subsidiary duly executing the Scheme Transfer (as transferee) and delivering it to Target for registration; and
- (b) immediately after receipt of the Scheme Transfer in accordance with clause 5.4(a)(ii), but subject to the stamping of the Scheme Transfer (if required), Target must enter, or procure the entry of, the name of Bidder Subsidiary in the Target Share Register as the registered holder of all of the Scheme Shares.

5.5 Suspension of trading of Target Shares on ASX

Target must apply to ASX for the suspension of trading in Target Shares on ASX with effect from the close of trading on ASX on the Effective Date.

5.6 Removal of Target from Official List of ASX

Target must apply, and take all other steps reasonably necessary:

- (a) for the Official Quotation of Target Shares to be terminated; and
- (b) to have Target removed from the Official List,

in each case, with effect on and from the Business Day immediately following the Implementation Date (or such other Business Day notified by Bidder to Target in writing), including by lodging a request for the termination of Official Quotation of Target Shares and the removal of Target from the Official List with ASX on or before the Implementation Date, and Target must satisfy any conditions reasonably required by ASX for it to act on that application.

6 Scheme Consideration

6.1 Scheme Consideration

Under this Scheme (but subject to the terms of the Scheme), each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each Scheme Share held by that Scheme Shareholder at the Scheme Record Date.

6.2 Fractional entitlements

Where the calculation of the Scheme Consideration to be provided to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent (after applying the Scheme Shareholder's entitlement (prior to rounding) to its entire holding of Scheme Shares), the fractional entitlement will be rounded to the nearest whole cent, such that, if the fractional entitlement is:

- (a) less than 0.5 of a cent, it will be rounded down to the nearest whole cent; or
- (b) equal to or greater than 0.5 of a cent, it will be rounded up to the nearest whole cent.

7 Provision of Scheme Consideration

7.1 Provision of Aggregate Scheme Consideration

- (a) Bidder or Bidder Subsidiary must deposit, or procure the deposit, in cleared funds an amount equal to the Aggregate Scheme Consideration into the Trust Account

by no later than two Business Days before the Implementation Date, such amount to be held by Target on trust for Scheme Shareholders (provided that any interest on such amount(s) deposited (less bank fees and other charges) will be credited to Bidder's account).

- (b) Bidder must notify Target in writing as soon as practicable after it or Bidder Subsidiary has provided (or procured the provision of) the Aggregate Scheme Consideration in accordance with clause 7.1(a).

7.2 Provision of Scheme Consideration to Scheme Shareholders

- (a) On the Implementation Date, subject to clause 7.2(b) and Bidder or Bidder Subsidiary having provided (or procured the provision of) the Aggregate Scheme Consideration in accordance with clause 7.1, Target must pay or procure the payment of the Scheme Consideration from the Trust Account to each Scheme Shareholder who is entitled to receive the Scheme Consideration (in accordance with the terms of this Scheme), by paying or procuring the payment of such amount of cash as is due to that Scheme Shareholder as Scheme Consideration in respect of all of that Scheme Shareholder's Scheme Shares.
- (b) The obligations of Target under clause 7.2(a) will be satisfied by Target (in its absolute discretion, and despite any election referred to in clause 7.2(b)(i) or authority referred to in clause 7.2(b)(ii) made or given by the Scheme Shareholder):
 - (i) if a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Target Share Registry to receive dividend payments from Target by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;
 - (ii) if a Scheme Shareholder has otherwise nominated a bank account for the purpose of receiving the Scheme Consideration by an appropriate authority from the Scheme Shareholder to Target (or the Target Share Registry), paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to that bank account; or
 - (iii) otherwise, whether or not the Scheme Shareholder has made an election referred to in clause 7.2(b)(i) or a valid nomination referred to in clause 7.2(b)(ii), dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or, in the case of joint holders, in accordance with the procedures set out in clause 7.4).
- (c) For the purposes of clauses 7.2(b)(i) and 7.2(b)(ii) (as applicable):
 - (i) if a Scheme Shareholder has validly elected in accordance with the requirements of the Target Share Registry (and, if applicable, the Third Party Currency Conversion Service Provider (as defined below)):
 - (A) to receive dividend payments from Target by electronic funds in Australian currency to a bank account operated by a third-party service provider (**Third Party Currency Conversion Service Provider**) (or otherwise nominated the Third Party Currency Conversion Service Provider to receive that Scheme Shareholder's dividend payments from Target) which must (in accordance with the

Attachment D: Scheme continued

agreement between the Scheme Shareholder and the Third Party Currency Conversion Service Provider) then convert those payments into the Scheme Shareholder's nominated non-Australian currency (**Elected Foreign Currency**) and transfer the converted amount(s) (in the Elected Foreign Currency) to a bank account (denominated in the Elected Foreign Currency) nominated by the Scheme Shareholder for that purpose; or

- (B) otherwise nominated (by an appropriate authority from the Scheme Shareholder to Target or the Target Share Registry) to receive the Scheme Consideration by electronic funds to a bank account operated by a Third Party Currency Conversion Service Provider (or otherwise nominated the Third Party Currency Conversion Service Provider to receive that Scheme Shareholder's Scheme Consideration) which must (in accordance with the agreement between the Scheme Shareholder and the Third Party Currency Conversion Service Provider) then convert the Scheme Consideration into the Scheme Shareholder's Elected Foreign Currency and transfer the converted amount(s) (in the Elected Foreign Currency) to a bank account (denominated in the Elected Foreign Currency) nominated by the Scheme Shareholder for that purpose,

then, without limiting clause 7.2(b), the obligations of Target under clause 7.2(a) will be satisfied by Target paying, or procuring the payment of, the Scheme Consideration to which a Scheme Shareholder is entitled (in accordance with this terms of this Scheme) in Australian currency by electronic means to the bank account operated by (or otherwise to) the Third Party Currency Conversion Service Provider; and

- (ii) each Scheme Shareholder that has made a valid election described in clause 7.2(c)(i)(A) or clause 7.2(c)(i)(B) above acknowledges and agrees that, if Target pays or procures the payment of the Scheme Consideration to which a Scheme Shareholder is entitled (in accordance with the terms of this Scheme) in Australian currency by electronic means to the bank account operated by (or otherwise to) the Third Party Currency Conversion Service Provider in accordance with clause 7.2(c)(i):
- (A) the obligations of Target under clause 7.2(a) will be satisfied (in their entirety) in respect of that Scheme Shareholder;
- (B) the aggregate Scheme Consideration to which the Scheme Shareholder is entitled will be converted from Australian currency to the relevant Elected Foreign Currency at an exchange rate determined or achieved by the Third Party Currency Conversion Service Provider (**Scheme Consideration Exchange Rate**);
- (C) the Target has no control over, cannot and does not make any representations or warranties in respect of, and will not be responsible for, the Scheme Consideration Exchange Rate; and
- (D) Target has no responsibility, and accepts no liability, for the conduct, acts or omissions of the Third Party Currency Conversion Service Provider (including in relation to the conversion of the Scheme Consideration into the Scheme Shareholder's Elected Foreign Currency, the Scheme Consideration Exchange Rate actually achieved, and/or the transfer of the converted amount (in the Elected Foreign Currency) to a bank account (denominated in the Elected

Foreign Currency) nominated by the Scheme Shareholder for that purpose), and the Scheme Shareholder hereby waives its right to make any Claim against Target in relation to any such conduct, act or omission of the Third Party Currency Conversion Service Provider.

- (d) Subject to clauses 7.2(e) to 7.2(i) (inclusive), if Bidder or Bidder Subsidiary is required by section 260-5 or Subdivision 14-D of Schedule 1 of the *Taxation Administration Act 1953* (Cth) (**Subdivision 14-D**), or section 255 of the *Income Tax Assessment Act 1936* (Cth), to pay to the Commissioner of Taxation (**Commissioner**) an amount in respect of the acquisition of Scheme Shares from any Scheme Shareholder (the **Withholding Amount**), Bidder or Bidder Subsidiary (as applicable) is permitted to deduct the Withholding Amount from the payment of the Scheme Consideration otherwise payable in respect of those Scheme Shares and remit that Withholding Amount to the Commissioner. The aggregate sum payable to that Scheme Shareholder under this Scheme shall not be increased to reflect the deduction of the Withholding Amount and the net sum payable to the Scheme Shareholder to which the Withholding Amount relates in respect of Scheme Consideration under this Scheme shall be taken to be in full and final satisfaction of the amounts owing to those Scheme Shareholders in respect of Scheme Consideration under this Scheme.
- (e) Bidder and Bidder Subsidiary must each pay any Withholding Amount to the Commissioner in the time required by law and, if requested in writing by the relevant Scheme Shareholder (or Target), provide a receipt or other appropriate evidence of such payment (or procure the provision of such receipt or other evidence) to the relevant Scheme Shareholder (or Target, as applicable).
- (f) Each of Bidder and Bidder Subsidiary acknowledges and agrees that it must not pay any Withholding Amount to the Commissioner with respect to a Scheme Shareholder where it receives an entity declaration from the Scheme Shareholder prior to the Implementation Date where:
- (i) the entity declaration is made in accordance with the requirements of section 14-225 of Subdivision 14-D and covers, at a minimum, the period between (and including):
- (A) either: (1) if the Scheme Shareholder was a Target Shareholder on the date of the Transaction Implementation Deed, the date of the Transaction Implementation Deed; or (2) if the Scheme Shareholder became a Target Shareholder after the date of the Transaction Implementation Deed, the date on which the Scheme Shareholder became a Target Shareholder; and
- (B) the Implementation Date,
- (Entity Declaration)**; and
- (ii) Bidder or Bidder Subsidiary (as applicable) does not know the Entity Declaration to be false.
- (g) For the avoidance of doubt, if the period between (and including) the date of the Transaction Implementation Deed and the Implementation Date is more than 6 months, each of Bidder and Bidder Subsidiary acknowledges and agrees that it must not pay any Withholding Amount to the Commissioner with respect to a Scheme Shareholder where it receives a new entity declaration from the Scheme Shareholder prior to the Implementation Date where:

Attachment D: Scheme continued

- (i) the entity declaration is made in accordance with the requirements of section 14-225 of Subdivision 14-D and covers, at least, the period between (and including) the last day of the period referred to in clause 7.2(f)(i) and the Implementation Date (**New Entity Declaration**); and
 - (ii) Bidder or Bidder Subsidiary (as applicable) does not know that the New Entity Declaration to be false.
- (h) Target, Bidder and Bidder Subsidiary agree to consult in good faith as to the application of Subdivision 14-D to the Scheme and to take all actions that they agree (each acting reasonably and in good faith) are necessary or desirable following that consultation, which may include, without limitation, making amendments to the Scheme to ensure that relevant representations required or contemplated by Subdivision 14-D are obtained from Scheme Shareholders.
- (i) To the extent Bidder or Bidder Subsidiary determines that it is required to pay a Withholding Amount to the Commissioner:
- (i) Bidder or Bidder Subsidiary (as applicable) must give Target, at least 10 Business Days prior to the Implementation Date, information which identifies (in reasonable detail) the reasons as to why a liability arises under Subdivision 14-D in respect of the relevant Scheme Shareholder(s) and the basis of the calculation of the Withholding Amount;
 - (ii) Target may, at least 5 Business Days prior to the Implementation Date, give information to Bidder or Bidder Subsidiary (as applicable) which, in Target's reasonable opinion, demonstrates that there should not be a liability under Subdivision 14-D in respect of the relevant Scheme Shareholder(s); and
 - (iii) Bidder or Bidder Subsidiary (as applicable) must have reasonable regard to, and consider in good faith, the information provided by Target under paragraph (ii) above before making its final decision on whether a Withholding Amount is required to be paid to the Commissioner under Subdivision 14-D in respect of the relevant Scheme Shareholder.

7.3 Cancellation and re-issue of cheques, right to credit Separate Account, and treatment of unclaimed monies

- (a) Target may cancel a cheque issued under clause 7.2(b)(iii) if the cheque:
- (i) is returned to Target or the Target Share Registry; or
 - (ii) has not been presented for payment within six months after the date on which the cheque was sent.
- (b) During the period of one year commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Target or the Target Share Registry (which request may not be made until the date which is 15 Business Days after the Implementation Date), a cheque that was previously cancelled under clause 7.3(a) must be reissued.
- (c) In the event that:
- (i) either:
 - (A) a Scheme Shareholder does not have a Registered Address; or

- (B) Target, as trustee for the Scheme Shareholders, believes that a Scheme Shareholder is not known at the Scheme Shareholder's Registered Address,

and no account has been notified in accordance with clause 7.2(b)(i) or clause 7.2(b)(ii) or a deposit into such an account is rejected or refunded; or

- (ii) a cheque issued under this clause 7 has been cancelled in accordance with clause 7.3(a),

Target, as the trustee for the Scheme Shareholders, may credit the amount payable to the relevant Scheme Shareholder to a separate bank account of Target (**Separate Account**) to be held until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the *Unclaimed Money Act 1995 (NSW)* (however, to avoid doubt, if the amount is not credited to a Separate Account, the amount will continue to be held in the Trust Account until the Scheme Shareholder claims the amount or the amount is dealt with in accordance with the *Unclaimed Money Act 1995 (NSW)*).

- (d) Without limiting clause 7.3(f), if the Target credits an amount payable to a Scheme Shareholder to a Separate Account under clause 7.3(c), until such time as the amount is dealt with in accordance with the *Unclaimed Money Act 1995 (NSW)*, Target must hold the amount on trust for the relevant Scheme Shareholder, but any interest or other benefit accruing from the amount will be to the benefit of whichever of Bidder or Bidder Subsidiary provided the Aggregate Scheme Consideration in accordance with clause 7.1.
- (e) An amount credited to a Separate Account or Trust Account (as applicable) is to be treated as having been paid to the Scheme Shareholder when credited to the Separate Account or Trust Account (as applicable). Target must maintain records of the amounts paid to or from the Separate Account, the people who are entitled to those amounts and any transfers of those amounts.
- (f) Subject to clause 7.3(d), the *Unclaimed Money Act 1995 (NSW)* will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 7 of the *Unclaimed Money Act 1995 (NSW)*).
- (g) To the extent that, following the satisfaction of Target's obligations under the other provisions of this clause 7 (and provided that Bidder Subsidiary has by that time acquired all of the Scheme Shares in accordance with this Scheme), there is a surplus in the amount held by Target (as trustee for the Scheme Shareholders) in the Trust Account (which, for the avoidance of doubt, excludes any amount payable to a Scheme Shareholder (whether Scheme Consideration or otherwise) under this Scheme (including, but not limited to, any amount payable to a Scheme Shareholder that Target may credit to a Separate Account under clause 7.3(c)), then, subject to compliance with applicable laws, the other terms of this Scheme, the Deed Poll and the Transaction Implementation Deed, that surplus may be paid by Target (as trustee for the Scheme Shareholders) to whichever of Bidder or Bidder Subsidiary provided the Aggregate Scheme Consideration in accordance with clause 7.1.

7.4 Joint holders

In the case of Scheme Shares held in joint names:

- (a) subject to clause 7.2(b), any Scheme Consideration payable in respect of those Scheme Shares is payable to the joint holders of those Scheme Shares;

Attachment D: Scheme continued

- (b) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to the holder whose name appears first in the Target Share Register as at the Scheme Record Date; and
- (c) any other document required to be sent under this Scheme will be forwarded to the holder whose name appears first in the Target Share Register as at the Scheme Record Date.

7.5 Orders or directions of a court or Government Agency

If written notice is given to Target (or the Target Share Registry) of an order or direction made by a court of competent jurisdiction or a Government Agency that:

- (a) requires payment to a third party of a sum in respect of Scheme Shares held by a particular Scheme Shareholder, which sum would otherwise be payable to that Scheme Shareholder by Target in accordance with this clause 7, then Target will be entitled to make that payment (or procure that it is made) in accordance with that order or direction; or
- (b) prevents Target from making a payment to a particular Scheme Shareholder in accordance with clause 7.2, or such payment is otherwise prohibited by applicable law, Target will be entitled to retain an amount, in Australian dollars, equal to the amount of the relevant payment until such time as payment in accordance with this clause 7 is permitted by that order or direction or otherwise by law.

8 Dealings in Target Shares

8.1 Dealings in Target Shares by Target Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHES, the transferee is registered in the Target Share Register as the holder of the relevant Target Shares at or before the Scheme Record Date; and
- (b) in all other cases, registrable transmission applications or transfers in respect of those dealings are received by the Scheme Record Date at the place where the Target Share Register is kept,

and, for the purpose of establishing the identity of the Scheme Shareholders, Target must not accept for registration any transfer or transmission application in respect of the Target Shares received after the Scheme Record Date or received at or prior to the Scheme Record Date but not in registrable or actionable form (as appropriate).

8.2 Target Share Register

- (a) Target must maintain the Target Share Register in accordance with the provisions of this clause 8.2 until the Scheme Consideration has been provided to the Scheme Shareholders in accordance with this Scheme and:
 - (i) the Target Share Register in this form will solely determine entitlements to the Scheme Consideration; and

- (ii) each entry on the Target Share Register as at the Scheme Record Date is the sole evidence of entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.
- (b) Target must register valid registrable transmission applications or transfers of the kind referred to in clause 8.1(b) by no later than the Scheme Record Date (provided that, for the avoidance of doubt, nothing in this clause 8.2(b) requires Target to register a transfer that would result in a Target Shareholder holding a parcel of Target Shares that is less than a Marketable Parcel).
- (c) Target must not accept for registration or recognise for any purpose any transmission application or transfer in respect of Target Shares received after the Scheme Record Date or received at or prior to the Scheme Record Date but not in registrable or actionable form (as appropriate).
- (d) From the Scheme Record Date until the earlier of registration of Bidder Subsidiary in respect of all Scheme Shares under clause 5.4(b) or the End Date, no Target Shareholder (other than an Excluded Target Shareholder) may deal with Target Shares in any way except as set out in this Scheme and any attempt to do so will have no effect and Target must disregard any such dealing.

8.3 Information to be made available to Bidder

Within three Business Days after the Scheme Record Date, Target must provide, or procure the provision, to Bidder a complete copy of the Target Share Register (which must include the name, registered address and registered holding of each Scheme Shareholder) as at the Scheme Record Date.

8.4 Effect of share certificates and holding statements

Upon the Scheme Consideration being provided to the Scheme Shareholders in accordance with this Scheme, all certificates and statements of holding for Target Shares will cease to have any effect as documents of title in respect of those Target Shares (other than statements of holding in favour of Bidder Subsidiary and its successors in title and/or any Excluded Target Shareholder).

9 General Scheme provisions

9.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) Target may, by its counsel or solicitors, consent on behalf of all persons concerned to those alterations or conditions to which Bidder has consented (whether in writing or by Bidder's counsel or solicitors); and
- (b) each Scheme Shareholder agrees to any such alterations or conditions which counsel or solicitors for Target has consented to under clause 9.1(a).

9.2 Binding effect of this Scheme

This Scheme:

- (a) binds Target and all Scheme Shareholders (including those who did not attend the Scheme Meeting, those who did not vote at the Scheme Meeting, or voted against this Scheme at the Scheme Meeting); and

Attachment D: Scheme continued

- (b) to the extent of any inconsistency between this Scheme and the Target Constitution, overrides the Target Constitution.

9.3 Agreement of Scheme Shareholders

Each Scheme Shareholder (by operation of this Scheme and without the need for any further act by the Scheme Shareholder):

- (a) agrees to the transfer of their Scheme Shares (together with all rights and entitlements attaching to those Scheme Shares) in accordance with terms of this Scheme;
- (b) agrees to the variation, cancellation or modification of the rights attached to their Target Shares constituted by or resulting from this Scheme;
- (c) agrees that after the transfer of their Scheme Shares to Bidder Subsidiary in accordance with this Scheme, any share certificate or holding statement relating to the Scheme Shares will not constitute evidence of title to those Scheme Shares;
- (d) who holds their Target Shares in a CHESS Holding agrees to the conversion of those Target Shares to an Issuer Sponsored Holding and irrevocably authorises Target to do anything necessary or expedient (whether required by the ASX Operating Rules or otherwise) to effect or facilitate such conversion; and
- (e) acknowledges and agrees that this Scheme binds Target and all Scheme Shareholders (including those who did not attend the Scheme Meeting or did not vote at the Scheme Meeting or voted against this Scheme at the Scheme Meeting) and, to the extent of any inconsistency, overrides the Target Constitution.

9.4 Warranties by Scheme Shareholders

Each Scheme Shareholder is taken (by operation of this Scheme and without the need for any further act by the Scheme Shareholder) to have warranted to Target and Bidder Subsidiary on the Implementation Date, and appointed and authorised Target as its attorney and agent to warrant to Bidder Subsidiary, that:

- (a) all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) which are transferred to Bidder Subsidiary under this Scheme will, on the date they are transferred to Bidder Subsidiary, be:
 - (i) fully paid; and
 - (ii) free from all:
 - (A) Encumbrances and third party rights or interests of any kind; and/or
 - (B) restrictions on transfer of any kind;
- (b) the Scheme Shareholder has full power and capacity to sell and to transfer their Scheme Shares (including, and together with, any rights and entitlements attaching to those Scheme Shares) to Bidder Subsidiary; and
- (c) as at the Scheme Record Date, except as otherwise provided for or contemplated in the Transaction Implementation Deed or a Target Performance Right Deed, they have no existing right to be issued any Target Shares, options exercisable into Target Shares, performance rights convertible into Target Shares, convertible

notes convertible into Target Shares or any other equity securities in any Target Group Member.

9.5 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred to Bidder Subsidiary under this Scheme will, at the time of transfer of them to Bidder Subsidiary, vest in Bidder Subsidiary free from all:
 - (i) Encumbrances and interests of third parties of any kind, whether legal or otherwise; and
 - (ii) restrictions on transfer of any kind.
- (b) Upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 7, Bidder Subsidiary will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Target of Bidder Subsidiary in the Target Share Register as the holder of the Scheme Shares.

9.6 Appointment of attorney and agent and authority given to Target

- (a) Upon this Scheme becoming Effective, each Scheme Shareholder, by operation of this Scheme and without the need for any further act:
 - (i) irrevocably appoints Target as its attorney and agent for the purpose of:
 - (A) enforcing the Deed Poll against Bidder and/or Bidder Subsidiary; and
 - (B) executing any document, or doing or taking any other act, required by law or that is otherwise necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including (but not limited to) executing and delivering the Scheme Transfer,

and Target accepts such appointment; and
 - (ii) will be deemed to have authorised Target to do and execute all acts, matters, things and documents on the part of each Scheme Shareholder required by law or that is otherwise necessary, desirable or expedient to implement this Scheme, including (but not limited to) executing, as agent and attorney of each Scheme Shareholder, the Scheme Transfer.
- (b) Target, as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 9.6 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

9.7 Appointment of Bidder Subsidiary as sole proxy

Upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 7 and until Target registers Bidder Subsidiary as the holder of all Scheme Shares in the Target Share Register, each Scheme Shareholder:

- (a) without the need for any further act by that Scheme Shareholder, is deemed to have irrevocably appointed Bidder Subsidiary as its attorney and agent (and directed Bidder Subsidiary in such capacity) to appoint any director, officer,

Attachment D: Scheme continued

secretary or agent nominated by Bidder Subsidiary as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings of Target, exercise the votes attaching to the Target Shares registered in their name and sign any Target Shareholders' resolutions, whether in person, by proxy or by corporate representative;

- (b) must not attend or vote at any of those meetings or sign or vote on any such resolutions (whether in person, by proxy or by corporate representative), other than pursuant to clause 9.7(a);
- (c) must take all other actions in the capacity of a registered holder of Target Shares as Bidder Subsidiary reasonably directs; and
- (d) acknowledges and agrees that, in exercising the powers referred to in clause 9.7(a), Bidder Subsidiary and any director, officer, secretary or agent nominated by Bidder Subsidiary under clause 9.7(a) may act in the best interests of Bidder Subsidiary as the intended registered holder of the Scheme Shares.

10 General

10.1 Duty

- (a) Bidder or Bidder Subsidiary must pay all Duties (and any fines, penalties and interest with respect to Duties) in respect of this Scheme and:
 - (i) any transaction effected under this Scheme or the Deed Poll; and
 - (ii) steps to be taken under this Scheme or the Deed Poll.
- (b) Each of Bidder and Bidder Subsidiary indemnifies Target (in its own right and separately as trustee or nominee for each Scheme Shareholder) and each Scheme Shareholder against any liability arising from or in connection with any failure by Bidder or Bidder Subsidiary to comply with clause 10.1(a).
- (c) Target holds Bidder's and Bidder Subsidiary's obligations under clause 10.1(b) as trustee or nominee for each Scheme Shareholder.

10.2 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at the place where the Target Share Register is kept.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any Target Shareholder may not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

10.3 Further acts and documents

Target must do all further acts (on its own behalf and on behalf of each Scheme Shareholder) and execute and deliver all further documents required by law or necessary to give full effect to this Scheme and the transactions contemplated by it.

10.4 Consent

Each Scheme Shareholder (by operation of this Scheme and without the need for any further act by the Scheme Shareholder) consents to Target doing all things necessary or incidental to give full effect to this Scheme and the transactions contemplated by it, whether on behalf of the Scheme Shareholders, the Target or otherwise.

10.5 No liability when acting in good faith

Each Scheme Shareholder agrees (by operation of this Scheme and without the need for any further act by the Scheme Shareholder) that none of Target, any other Target Group Member, Bidder, Bidder Subsidiary or any of their respective Representatives will be liable for anything done or omitted to be done in the performance of this Scheme in good faith.

10.6 Governing law and jurisdiction

- (a) This Scheme is governed by the laws in force in New South Wales, Australia.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales, Australia and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this Scheme. Each of Target, Bidder, Bidder Subsidiary and each Scheme Shareholder irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum if that venue falls within clause 10.6(a).

Attachment D: Scheme continued

Schedule 1 Dictionary

1 Dictionary

In this Scheme:

Aggregate Scheme Consideration means the aggregate of the Scheme Consideration payable to all Scheme Shareholders under this Scheme (and in accordance with the terms of this Scheme).

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or, where the context requires, the financial market operated by it known as the “Australian Securities Exchange”.

ASX Listing Rules means the official listing rules of ASX from time to time, as modified by any express written waiver or exemption given by ASX.

ASX Operating Rules means the market operating rules of ASX Settlement, as amended, varied or waived from time to time.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532) as the holder of a licence to operate a clearing and settlement facility.

Bidder means Electric Power Development Co., Ltd. of 15-1, Ginza 6-Chome, Chuo-ku, Tokyo 104-8165, Japan.

Bidder Group means, collectively, Bidder and each of its Related Entities (including Bidder Subsidiary) (other than a Target Group Member, even if that Target Group Member is a Controlled Entity of Bidder or Bidder Subsidiary at the relevant time) and **Bidder Group Member** means any one of them.

Bidder Subsidiary means JPGA Partners Pty Ltd (ACN 643 855 618) of Level 12, 680 George Street, Sydney NSW 2000.

Business Day means a day that is a Trading Day and is not a Saturday, Sunday or public holiday in New South Wales, Australia or Tokyo, Japan.

CHESS means the Clearing House Electronic Subregister System, which provides for electronic share transfers in Australia and is operated by ASX Settlement.

CHESS Holding means a holding of Target Shares that are registered on the Target Share Register, which is administered by ASX Settlement and which records uncertificated holdings of Target Shares.

Claim means any allegation, debt, cause of action, liability, claim, proceeding, suit or demand of any nature howsoever arising and whether present or future, fixed or unascertained, actual or contingent whether at law, in equity, under statute or otherwise.

Condition Precedent has the meaning given to that term in clause 3.1.

Controlled Entity means, in relation to an entity, another entity that is a Subsidiary of it, or that is Controlled (within the meaning of section 50AA of the Corporations Act, but read as though section 50AA(4) were omitted) by it but:

- (a) a trust may be a Subsidiary if that trust would have been a Subsidiary if it were a corporation, for the purposes of which a unit or other beneficial interest will be regarded as a share;
- (b) an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation; and
- (c) each fund or limited partnership managed or advised by Bidder or a Related Entity of Bidder is a Controlled Entity of Bidder.

Corporations Act means the *Corporations Act 2001* (Cth), as amended from time to time.

Court means the Supreme Court of New South Wales or such other court of competent jurisdiction under the Corporations Act as agreed in writing between Target and Bidder.

Deed Poll means the deed poll dated 4 June 2024 entered into by Bidder and Bidder Subsidiary, under which Bidder and Bidder Subsidiary each covenant and undertake in favour of the Scheme Shareholders to perform the obligations attributed to Bidder and Bidder Subsidiary under this Scheme.

Delivery Time means, in relation to the Second Court Date, two hours before the commencement of the Second Court Hearing (or, if the commencement of the Second Court Hearing is adjourned, two hours before the commencement of the adjourned Second Court Hearing).

Duty means any stamp, transaction or registration duty or similar charge imposed by any Government Agency and includes any interest, fine, penalty, charge or other amount imposed in respect of any of them.

Effective means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this Scheme.

Effective Date means the date on which this Scheme becomes Effective.

Encumbrance means a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set-off or any other security agreement or arrangement in favour of any person, whether registered or unregistered, including any Security Interest.

End Date means 5:00pm (Sydney time) on 30 November 2024, or such later date as Bidder and Target agree in writing.

Excluded Target Shareholder means any Target Shareholder that:

- (a) is Bidder, Bidder Subsidiary or another Bidder Group Member; or
- (b) holds any Target Shares on behalf of, or for the benefit of, any Bidder Group Member and does not hold Target Shares on behalf of, or for the benefit of, any other person,

in each case, at the applicable time, and, for the avoidance of doubt:

- (c) such Target Shareholder at the Scheme Record Date will not be a Scheme Shareholder; and

Attachment D: Scheme continued

(d) as at the date of this Scheme, JPGA Partners is an Excluded Target Shareholder.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal, statutory or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian. It also includes any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions (including ASIC, the ASX and the Takeovers Panel).

Implementation Date means the date that is five Business Days after the Scheme Record Date, or such other date as:

- (a) Target and Bidder may agree in writing;
- (b) ordered by the Court; or
- (c) may be required by ASX.

Issuer Sponsored Holding has the meaning given to that term in the ASX Operating Rules.

JPGA Partners means JPGA Partners Pty Ltd (ACN 643 855 618).

Marketable Parcel has the meaning given to that term in the ASX Operating Rules.

Official List means the Official List of the ASX.

Official Quotation means the quotation of securities on the Official List and **Officially Quoted** has a corresponding meaning.

Related Body Corporate has the meaning given to that term in section 50 of the Corporations Act.

Related Entity means, in relation to an entity (the first entity):

- (a) a Controlled Entity of the first entity;
- (b) an entity of which the first entity is a Controlled Entity; or
- (c) a Controlled Entity of another entity of which the first entity is also a Controlled Entity,

provided that, in respect of Target only, no Target Shareholder or any Related Entity of a Target Shareholder shall be deemed to be a Related Entity of Target.

Registered Address means in relation to a Scheme Shareholder, the address of the Scheme Shareholder as recorded in the Target Share Register as at the Scheme Record Date.

Representative means, in respect of a party, an employee, agent, officer, director, investment committee member, advisory board member or adviser of that party (or of a Related Body Corporate of that party), and, in the case of advisers, includes employees, officers and partners of the adviser.

Scheme means this scheme of arrangement, together with any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed

to in writing by Target and Bidder (including in accordance with clause 5.1(b) of the Transaction Implementation Deed).

Scheme Consideration means, in respect of each Scheme Share, A\$0.275 in cash.

Scheme Meeting means the meeting of Target Shareholders (other than Excluded Target Shareholders) ordered by the Court to be convened under section 411(1) of the Corporations Act to consider the Scheme Resolution and includes any adjournment of that meeting.

Scheme Record Date means the time and date for determining entitlements to receive the Scheme Consideration, being 7:00pm on the second Business Day after the Effective Date, or such other date after the Effective Date as:

- (a) Target and Bidder may agree in writing; or
- (b) may be ordered by the Court; or
- (c) may be required by the ASX.

Scheme Resolution means the resolution to approve this Scheme to be considered by Target Shareholders (other than Excluded Target Shareholders) at the Scheme Meeting.

Scheme Share means a Target Share held by a Scheme Shareholder as at the Scheme Record Date (but, for the avoidance of doubt, does not include a Target Share held by an Excluded Target Shareholder).

Scheme Shareholder means a Target Shareholder as at the Scheme Record Date (other than an Excluded Target Shareholder).

Scheme Transfer means one or more proper instruments of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of Bidder Subsidiary as transferee, which may be or include a master transfer of all or part of the Scheme Shares.

Second Court Date means the first day on which an application made to the Court by Target for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard (or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard), with such hearing being the **Second Court Hearing**.

Security Interest has the meaning given in section 12 of the *Personal Property Securities Act 2009* (Cth).

Separate Account has the meaning given to that term in clause 7.3(c).

Subsidiary has the meaning given to that term in section 46 of the Corporations Act.

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

Target Constitution means the constitution of Target, as amended from time to time.

Target Group Member means, individually, Target and each of its Controlled Entities.

Target Option means an option in respect of a Target Share.

Attachment D: Scheme continued

Target Performance Right Deed has the meaning given to that term in the Transaction Implementation Deed.

Target Performance Rights means a performance or other right in respect of a Target Share.

Target Share means a fully paid ordinary share in the capital of Target.

Target Shareholder means a person or entity that is registered in the Target Share Register as the holder of a Target Share.

Target Share Register means the register of Target Shareholders maintained in accordance with the Corporations Act.

Target Share Registry means Boardroom Pty Limited (ACN 003 209 836) in its capacity as provider of registry services in respect of the Target Share Register.

Trading Day has the meaning given in the ASX Listing Rules.

Transaction Implementation Deed means the Transaction Implementation Deed dated 12 April 2024 between Bidder and Target relating to (among other things) the implementation of this Scheme, as amended or varied from time to time.

Transaction Implementation Deed Scheme Conditions means the “Scheme Conditions”, as that term is defined in the Transaction Implementation Deed.

Trust Account means an Australian dollar denominated trust account with an Authorised Deposit-taking Institution (as defined by the *Banking Act 1959* (Cth)) which attracts interest at a commercial rate and is operated by Target as trustee for the Scheme Shareholders, details of which Target must notify to Bidder no later than seven Business Days before the Implementation Date.

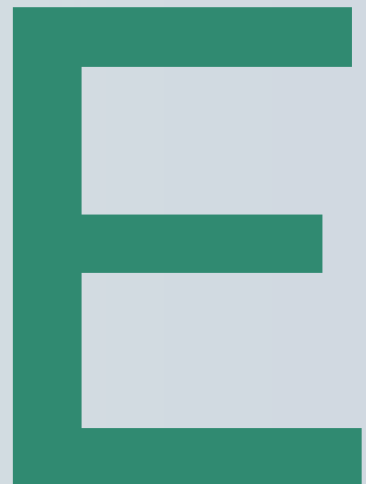
2 Interpretation

In this Scheme:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this Scheme;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;
- (e) a reference to a person includes any company, partnership, joint venture, trust, association, corporation or other body corporate and any Government Agency as well as an individual;
- (f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this Scheme;
- (g) this Scheme includes all schedules and attachments to it;

- (h) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them (whether passed by the same or another Government Agency with legal power to do so);
- (i) a reference to a document (including this Scheme) includes all amendments or supplements to, or replacements or novations of, that document;
- (j) a reference to 'A\$' or 'dollar' is to Australian currency;
- (k) a reference to any time is, unless otherwise indicated, a reference to that time in Sydney, Australia;
- (l) a term defined in or for the purposes of the Corporations Act, and which is not defined in paragraph 1 of this Schedule 1, has the same meaning when used in this Scheme;
- (m) a reference to a party to a document includes that party's successors and permitted assignees;
- (n) no provision of this Scheme will be construed adversely to a party because that party was responsible for the preparation of this Scheme or that provision;
- (o) any agreement, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally;
- (p) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly;
- (q) a reference to a body, other than a party to this Scheme (including an institute, association or authority), whether statutory or not:
 - (i) which ceases to exist; or
 - (ii) whose powers or functions are transferred to another body,
 is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
- (r) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (s) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (t) a reference to the ASX Listing Rules or the ASX Operating Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party;
- (u) specifying anything in this Scheme after the words 'include' or 'for example' or similar expressions does not limit what else is included; and
- (v) where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

Attachment E: Scheme Deed Poll



Attachment E: Scheme Deed Poll



Deed Poll

Electric Power Development Co., Ltd.

and

JPGA Partners Pty Ltd (ACN 643 855 618)

In favour of each Scheme Shareholder

Attachment E: Scheme Deed Poll continued

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Date: 4 June 2024

Parties

Each of:

- 1 **Electric Power Development Co., Ltd.** of 15-1, Ginza 6-Chome, Chuo-ku, Tokyo 104-8165, Japan (**Bidder**); and
- 2 **JPGA Partners Pty Ltd (ACN 643 855 618)** of Level 12, 680 George Street, Sydney NSW 2000 (**Bidder Subsidiary**)

In favour of

Each Scheme Shareholder

Background

- A Bidder and Genex Power Limited (ACN 152 098 854) (**Target**) have entered into the Transaction Implementation Deed, which provides for the implementation of the Scheme (and related matters).
- B Under the Transaction Implementation Deed, Target agreed to propose the Scheme.
- C Bidder has, under clause 2.5(a) of the Transaction Implementation Deed, nominated Bidder Subsidiary to perform certain obligations of Bidder under the Transaction Implementation Deed, including to acquire all of the Scheme Shares under (and subject to the terms of) the Scheme.
- D Under the Transaction Implementation Deed, Bidder agreed to enter into this deed poll and that Bidder Subsidiary would enter into this Deed Poll.
- E The effect of the Scheme will be to transfer all Scheme Shares to Bidder Subsidiary in exchange for the Scheme Consideration.
- F In accordance with the Transaction Implementation Deed, Bidder and Bidder Subsidiary each enter into this deed poll for the purpose of covenanting and undertaking in favour of the Scheme Shareholders to perform the actions attributed to Bidder and Bidder Subsidiary under the Scheme.

This deed poll provides as follows

1 Defined terms and interpretation

1.1 Defined terms

Unless the contrary intention appears, terms defined in the Scheme have the same meaning when used in this deed poll. In addition, in this deed poll, the following defined terms have the meaning set out below:

First Court Date means the first day of the hearing of an application made to the Court by Target for orders, pursuant to section 411(1) of the Corporations Act, convening the Scheme Meeting (or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing).

Attachment E: Scheme Deed Poll continued

Scheme means the members' scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders under which all of the Scheme Shares will be transferred to Bidder Subsidiary and the Scheme Shareholders will be entitled to receive the Scheme Consideration, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and consented to in writing by Target and Bidder (including in accordance with clause 5.1(b) of the Transaction Implementation Deed).

1.2 Interpretation

Paragraph 2 of Schedule 1 of the Scheme applies to the interpretation of this deed poll, except that references to 'Scheme' are to be read as references to 'deed poll'.

1.3 Nature of deed poll

Each of Bidder and Bidder Subsidiary acknowledges and agrees that:

- (a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints Target and each of its directors, secretaries and officers (jointly and each of them severally) as its agent and attorney for the purpose of enforcing this deed poll against Bidder and/or Bidder Subsidiary (and Target accepts such appointment).

2 Condition precedent and termination of this deed poll

2.1 Condition precedent

The obligations of Bidder and Bidder Subsidiary under this deed poll are subject to the Scheme becoming Effective.

2.2 Termination of this deed poll

Subject to clause 2.3, unless Target and Bidder otherwise agree in writing, the obligations of Bidder and Bidder Subsidiary under this deed poll will automatically terminate and the terms of this deed poll will be of no further force or effect if:

- (a) the Transaction Implementation Deed is terminated in accordance with its terms before the Delivery Time; or
- (b) as at the End Date, the Scheme has not become Effective.

2.3 Consequences of termination of this deed poll

If this deed poll is terminated under clause 2.2, then, in addition and without prejudice to any other rights, powers or remedies available to Scheme Shareholders:

- (a) each of Bidder and Bidder Subsidiary is released from their respective obligations to further perform this deed poll (except those obligations under clause 6.1); and
- (b) each Scheme Shareholder retains the rights, powers and remedies it has against Bidder and/or Bidder Subsidiary in respect of any breach of this deed poll which occurred before it was terminated.

3 Bidder's and Bidder Subsidiary's covenants and undertakings

- (a) Subject to clause 2, each of Bidder and Bidder Subsidiary covenants and undertakes in favour of each Scheme Shareholder to:
- (i) provide, or procure the provision of, the Scheme Consideration to each Scheme Shareholder in accordance with the terms of the Scheme; and
 - (ii) perform all other actions and obligations attributed to, and/or contemplated and/or required of, and give each acknowledgement, representation and warranty (if any) given by (or otherwise attributed to or required of), Bidder and/or Bidder Subsidiary under the Scheme,
- in each case, subject to and in accordance with the terms of the Scheme.
- (b) Without limiting the covenants and undertakings in favour of each Scheme Shareholder under clause 3(a), Bidder separately covenants and undertakes in favour of each Scheme Shareholder that it will procure that Bidder Subsidiary performs all actions and obligations attributed to, and/or contemplated and/or required of, Bidder Subsidiary under the Scheme (in each case, subject to and in accordance with the terms of the Scheme).

4 Warranties

Each of Bidder and Bidder Subsidiary represents and warrants in favour of each Scheme Shareholder that:

- (a) it is a corporation, validly existing under the laws of its place of incorporation;
- (b) it has full capacity, corporate power and lawful authority to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance by it of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) this deed poll is valid and binding on it and is enforceable against it in accordance with its terms; and
- (e) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

5 Continuing obligations

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) both Bidder and Bidder Subsidiary have fully performed their respective obligations under this deed poll; or
- (b) the earlier termination of this deed poll under clause 2.2.

Attachment E: Scheme Deed Poll continued

6 General

6.1 Duty

- (a) Bidder or Bidder Subsidiary must pay all Duties (and any fines, penalties and interest with respect to Duties) in respect of this deed poll or the Scheme and:
 - (i) any transaction effected under the Scheme or this deed poll; and
 - (ii) steps to be taken under the Scheme or this deed poll.
- (b) Each of Bidder and Bidder Subsidiary indemnifies each Scheme Shareholder against any liability arising from or in connection with any failure by Bidder or Bidder Subsidiary to comply with clause 6.1(a).

6.2 Notices

- (a) A notice, consent, approval, waiver or other communication sent by a party under this deed poll (**Notice**) must be:
 - (i) in writing in English;
 - (ii) sent by an authorised representative of the sender; and
 - (iii) marked for the attention of the person named below,
 and must be:
 - (iv) delivered by hand or sent by express post or commercial courier to the address set out below; or
 - (v) sent by email to the address set out below:

Bidder and Bidder Subsidiary

Attention: Mr Shigetaka Nojiri
 Address: 15-1, Ginza 6-Chome, Chuo-ku, Tokyo 104-8165, Japan
 Email: Shigetaka_Nojiri@ipower.co.jp

with a copy (for information purposes only) to: Gered Dooley, Partner, MinterEllison (geread.dooley@minterellison.com) and Con Boulougouris, Partner, MinterEllison (c.boulougouris@minterellison.com).

- (b) Subject to clause 6.2(c), a Notice is taken to be received:
 - (i) if delivered by hand or commercial courier, when it is delivered;
 - (ii) in the case of delivery by express post, two Business Days after the date of posting (if posted to an address in the same country) or seven Business Days after the date of posting (if posted to an address in another country); and

- (iii) if sent by email:
 - (A) when the sender receives an automated message confirming delivery; or
 - (B) one hour after the time sent (as recorded on the device from which the email was sent), provided that the sender does not receive an automated message that the email has not been delivered,

whichever happens first.
- (c) If a Notice is taken to be received under clause 6.2(b):
 - (i) before 9:00am on a Business Day, it will be taken to be received at 9:00am on that Business Day; or
 - (ii) after 5:00pm on a Business Day or on a non-Business Day, it will be taken to be received at 9:00am on the next Business Day.

6.3 Governing law and jurisdiction

- (a) This deed poll is governed by the laws in force in New South Wales, Australia.
- (b) Each of Bidder and Bidder Subsidiary irrevocably submits to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales, Australia and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this deed poll. Each of Bidder and Bidder Subsidiary irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

6.4 Further acts and documents

Each of Bidder and Bidder Subsidiary must, at their own expense, do all further acts and execute and deliver all deeds, instruments, transfers or other documents as may be required by law or the Court or are otherwise necessary to give full effect to the terms of this deed poll and the transactions contemplated by it.

6.5 Waiver

- (a) Bidder and Bidder Subsidiary may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right under or in connection with this deed poll unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.
- (b) No Scheme Shareholder may rely on the words or conduct of Bidder or Bidder Subsidiary as a waiver of any right under or in connection with this deed poll unless the waiver is in writing and signed by Bidder or Bidder Subsidiary (respectively).
- (c) A single or partial exercise of a right under or in connection with this deed poll does not preclude a further exercise of that right or the exercise of another right under or in connection with this deed poll.
- (d) The meanings of the terms used in this clause 6.5 are set out below.

conduct includes a failure or delay in the exercise of a right.

Attachment E: Scheme Deed Poll continued

right means any right arising under or in connection with this deed poll (including a breach of, or default under, this deed poll) and includes the right to rely on this clause.

waiver includes an election between rights and remedies and conduct which might otherwise give rise to an estoppel.

6.6 Variation, alteration or amendment of this deed poll

A provision of this deed poll may not be varied, altered or otherwise amended unless:

- (a) if before the First Court Date, the variation, alteration or amendment is agreed to by Target, Bidder and Bidder Subsidiary in writing; or
- (b) if, on or after the First Court Date, the variation, alteration or amendment is agreed to by Target, Bidder and Bidder Subsidiary in writing and the Court has indicated that the variation, alteration or amendment would not of itself preclude approval by the Court of the Scheme (or the Court has otherwise approved the variation),

in which event each of Bidder and Bidder Subsidiary must enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation, alteration or amendment.

6.7 Cumulative rights, powers and remedies

The respective rights, powers and remedies of Bidder, Bidder Subsidiary and the Scheme Shareholders under this deed poll are cumulative and do not exclude the rights, powers or remedies provided by law independently of this deed poll.

6.8 Assignment and other dealings

- (a) The rights of each Scheme Shareholder created by this deed poll are personal to that Scheme Shareholder and must not be assigned or otherwise dealt with at law or in equity without the prior written consent of Bidder, Bidder Subsidiary and Target.
- (b) Any purported assignment or other dealing in contravention of clause 6.8(a) is invalid.

6.9 Counterparts

This deed poll may be executed in any number of counterparts, each of which:

- (a) may be executed electronically or in handwriting; and
- (b) will be deemed an original whether kept in electronic or paper form, and all of which taken together will constitute one and the same document.

Without limiting the foregoing, if the signatures on behalf of one party are on more than one copy of this deed poll, this shall be taken to be the same as, and have the same effect as, if all of those signatures were on the same counterpart of this deed poll.

Execution page

Executed as a deed poll.

Signed, sealed and delivered by **Electric Power Development Co., Ltd.** in the presence of:





Signature of witness

Shigetaka Nojiri

Name of witness (print)



Signature of authorised signatory

Hitoshi Kanno

Name of authorised signatory (print)

Signed, sealed and delivered by **JPGA Partners Pty Ltd (ACN 643 855 618)** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:

Signature of director

Name of director (print)

Signature of director/secretary

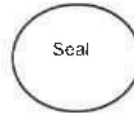
Name of director/secretary (print)

Attachment E: Scheme Deed Poll

Execution page

Executed as a deed poll.

Signed, sealed and delivered by **Electric Power Development Co., Ltd.** in the presence of:



Signature of witness

Signature of authorised signatory

Name of witness (print)

Name of authorised signatory (print)

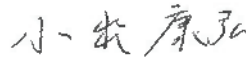
Signed, sealed and delivered by **JPGA Partners Pty Ltd (ACN 643 855 618)** in accordance with section 127 of the *Corporations Act 2001* (Cth) and by:



Signature of director

Kenichi Seshimo

Name of director (print)



Signature of director/secretary

Yasuhiro Koide

Name of director/secretary (print)

Attachment F: Sample Scheme Meeting Proxy Form



Attachment F: Sample Scheme Meeting Proxy Form



All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

SCHEME MEETING PROXY FORM

This Scheme Meeting Proxy Form should be read in conjunction with the Transaction Booklet dated 6 June 2024 (which includes the Notice of Scheme Meeting) (**Transaction Booklet**) that this Scheme Meeting Proxy Form accompanies. Genex Power Limited (**Genex** or the **Company**) released a copy of the Transaction Booklet to the ASX on the same date. You can also view and download the Transaction Booklet at Genex's dedicated Transaction website at www.genexscheme.com. Words and expressions used in this Scheme Meeting Proxy Form have the same meanings given to them in the Transaction Booklet, unless the context requires otherwise.

YOUR VOTE IS IMPORTANT

For your proxy appointment to be valid, this Scheme Meeting Proxy Form must be signed and received by the Genex Share Registry, or lodged online, **by 10:00am (Sydney time) on Sunday, 14 July 2024**, being no later than 48 hours before commencement of the scheduled Scheme Meeting.

🖥 TO APPOINT A PROXY ONLINE

STEP 1: VISIT <https://www.votingonline.com.au/gnxscheme2024>

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone QR Reader App

TO APPOINT A PROXY BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your proxy. If you wish to appoint the Chairman of the Scheme Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Scheme Meeting as your proxy, please write the full name and email address of that individual or body corporate in Step 1. A proxy need not be a Genex Shareholder. Do not write the name of the issuer company (i.e. Genex) or the registered Genex Shareholder (i.e. you) in the space.

Default to Chairman of the Scheme Meeting

Any directed proxies that are not voted on a poll at the Scheme Meeting by a Genex Shareholder's appointed proxy will automatically default to the Chairman of the Scheme Meeting, who is required to vote proxies as directed on a poll. As stated in the Transaction Booklet, the Chairman of the Scheme Meeting intends to vote all undirected and other available proxies in favour of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the Scheme Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Scheme Meeting Proxy Form may be obtained by contacting the Genex Share Registry or you may copy this form and return them both together.

To appoint a second proxy, you must: (a) on each of the first Scheme Meeting Proxy Form and the second Scheme Meeting Proxy Form, state the percentage of your voting rights or the number of Genex Shares applicable to that form and proxy appointment. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and (b) return both Scheme Meeting Proxy Forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite the Scheme Resolution. All your Genex Shares will be voted in accordance with such a direction unless you indicate only a portion of Genex Shares are to be voted on the Scheme Resolution by inserting the percentage or number of Genex Shares that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Scheme Resolution, your proxy may vote as he

or she chooses. If you mark more than one box on the Scheme Resolution, your voting direction to your proxy on the Scheme Resolution will be invalid.

Proxy that is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" form prior to admission in accordance with the instructions in the Notice of Scheme Meeting included in the Transaction Booklet. An Appointment of Corporate Representative form can be obtained from the Genex Share Registry or online at www.boardroomlimited.com.au/investor-forms/.

STEP 3 SIGN THE FORM

The Scheme Meeting Proxy Form **must** be signed as follows:

Individual: This form is to be signed by the Genex Shareholder.

Joint Holding: where the holding of Genex Shares is in more than one name, any of the joint Genex Shareholders may sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged the Power of Attorney with the Genex Share Registry. Alternatively, attach a certified photocopy of the Power of Attorney to this Scheme Meeting Proxy Form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001* (Cth)) does not have a Company Secretary, a Sole Director can sign alone. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

The Scheme Meeting Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given at the end of the next page by **10:00am (Sydney time) on Sunday, 14 July 2024**, being not later than 48 hours before the commencement of the Scheme Meeting. Any Scheme Meeting Proxy Form received after that time will not be valid for the scheduled Scheme Meeting.

Attending the Scheme Meeting

If you wish to attend the Scheme Meeting, please bring this Scheme Meeting Proxy Form with you to assist registration.

Genex Power Limited

ACN 152 098 854

Your Address

This is your address as it appears on the Genex Share Register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Genex Shareholders sponsored by a broker should advise their broker of any changes.
Please note, you cannot change ownership of your Genex Shares using this form.

SCHEME MEETING PROXY FORM**STEP 1 APPOINT A PROXY**

I/We being a Genex Shareholder and entitled to attend and vote at the Scheme Meeting hereby appoint:

the Chairman of the Scheme Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Scheme Meeting as your proxy, please write the name and email of the person or body corporate (excluding the registered Genex Shareholder) you are appointing as your proxy below,

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Scheme Meeting as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by law, as the proxy sees fit) at the Scheme Meeting to be held as a hybrid meeting at the **Offices of Gilbert + Tobin, Level 35, Tower Two, International Towers, 200 Barangaroo Avenue, Barangaroo NSW 2000** and online <https://web.lumiagm.com/313378822> at 10:00am (Sydney time) on **Tuesday, 16 July 2024** and at any postponement or adjournment of the Scheme Meeting.

The Chairman of the Scheme Meeting intends to vote all undirected and other available proxies in favour of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is fair and reasonable and in the best interests of Genex Shareholders (other than Excluded Genex Shareholders).

STEP 2 VOTING DIRECTIONS

Please read the instructions above before marking any boxes.

* If you mark the Abstain box, you are directing your proxy not to vote on your behalf on a poll and your vote will not be counted in calculating the Requisite Majorities.

Resolution 1 To consider and, if thought fit, to pass the following resolution in accordance with section 411(4)(a)(ii) of the Corporations Act:

That pursuant to, and in accordance with, section 411 of the Corporations Act, the Scheme, the terms of which are contained in and more particularly described in the Transaction Booklet (of which this Notice of Scheme Meeting forms part) is approved (with or without alterations and/or conditions as approved by the Court and agreed to by Genex and J-POWER).

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF GENEX SHAREHOLDER(S)

This form must be signed to enable your directions to be implemented.

Genex Shareholder 1 (Individual or Sole Director)

Individual / Sole Director and Sole Company Secretary /
Sole Director (delete the two that do not apply)

Genex Shareholder 2 (Director)

Director

Genex Shareholder 3 (Director / Company Secretary)


Director / Company Secretary (delete one)


Contact Name.....

Contact Daytime Telephone.....

Date / / 2024

Scheme Meeting Proxy Forms may be lodged using the enclosed Reply Paid Envelope or:

 **Online** <https://www.votingonline.com.au/gnxscheme2024> or by scanning the QR code on this form

 **By Mail** Genex Power Limited
c/ Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

 **By Fax** + 61 2 9290 9655

 **In Person** Genex Power Limited
c/ Boardroom Pty Limited*
Level 8, 210 George Street
Sydney NSW 2000 Australia
*During business hours Monday to Friday (9:00am – 5:00pm)

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