Financial Commentary

Five-year performance

EBITDAF[1] (continuing operations)

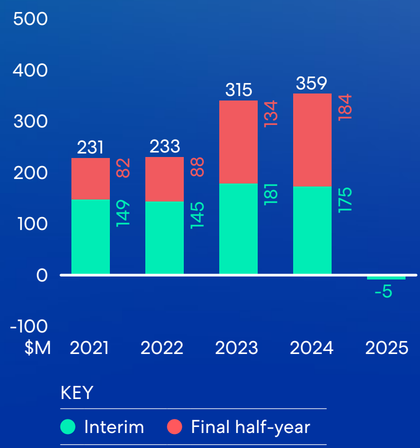
Financial year ended 30 June

Net Profit after Tax (continuing operations)

Financial year ended 30 June

Underlying NPAT[2]

Financial year ended 30 June



Operating cash flows

Financial year ended 30 June

Dividend declared

Financial year ended 30 June

Capital expenditure

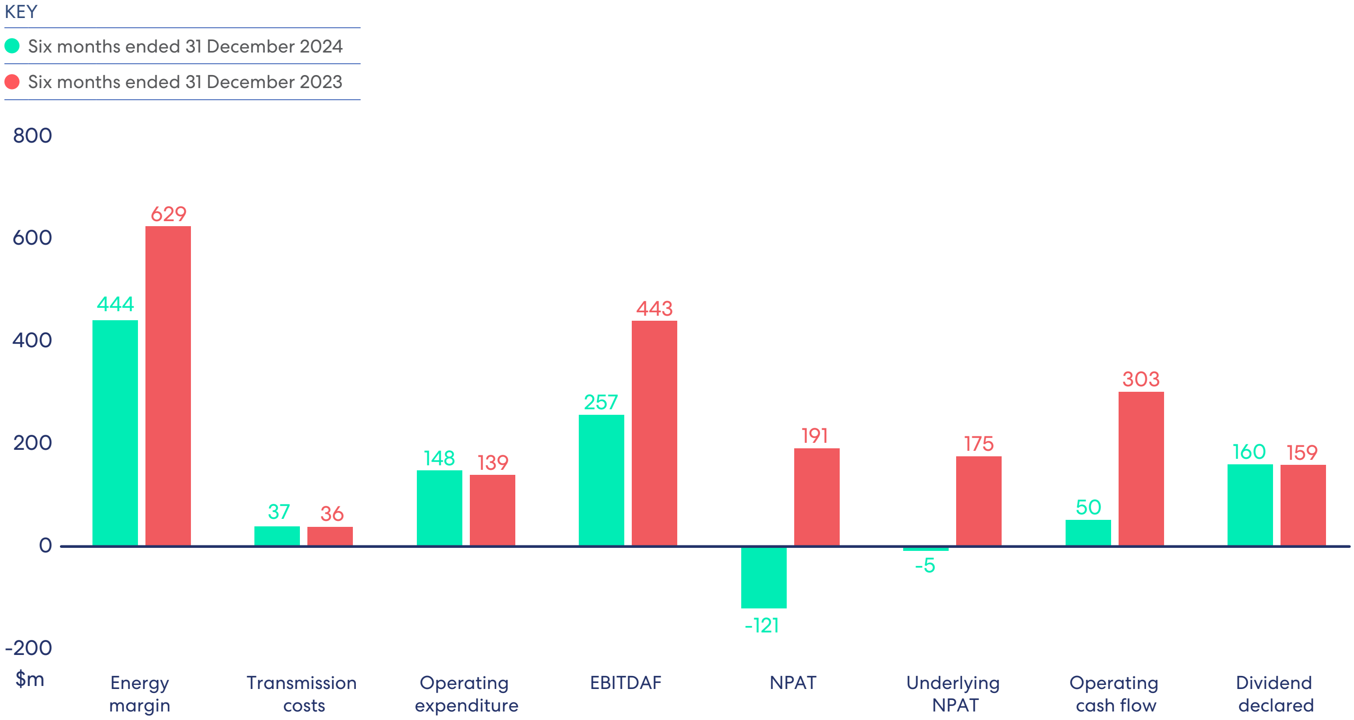
Financial year ended 30 June

1. EBITDAF is a non-GAAP financial measure of earnings before interest, tax, depreciation, amortisation, unrealised changes in fair value of hedges, and asset related adjustments.
2. Net profit after tax adjusted for the effects of changes in fair value of unrealised hedges, electricity option premiums and other non-cash items and their tax effects.

Meridian.

Overview

Financial performance against prior comparative period



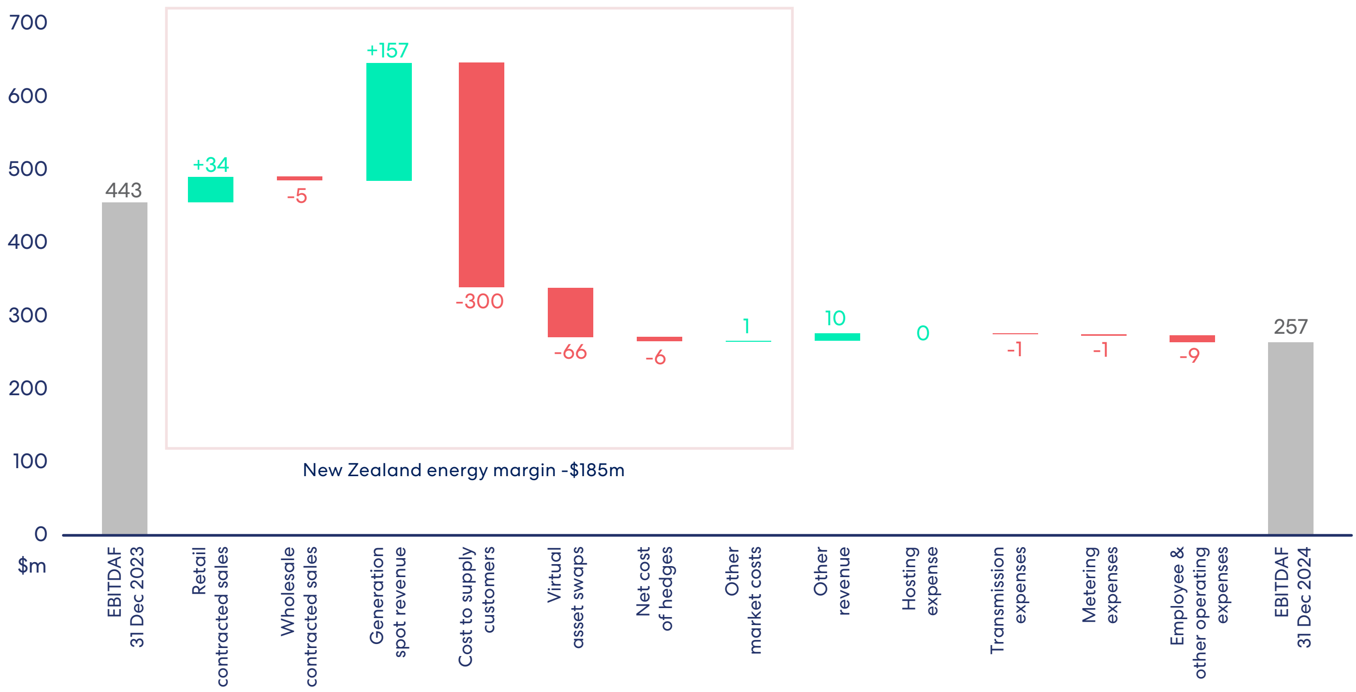
Meridian has announced an interim financial result that reflects the costs of its major role in maintaining security of supply in the face of historically low lake levels and an unexpected and unprecedented shortage of gas during winter 2024.

Meridian has reported operating cash flows of $50 million for the six months ending 31 December 2024, down from $303 million in the same period last year, with net profit after tax at -$121 million compared to $191 million in last year's interim result. These results reflect the $200 million cost required to replace hedge contracts for winter 2024 following the shortage of gas and calling the largest demand response option with New Zealand's Aluminium Smelter (NZAS).

EBITDAF fell from $443 million to $257 million and underlying net profit from $175 million to -$5 million. Both of these are non-GAAP measures.

Earnings

Movement in EBITDAF



Cash flows

The Board has announced an interim ordinary dividend of 6.15 cents per share, the same level as last year's interim dividend. The interim ordinary dividend will be 85% imputed and Meridian's Dividend Reinvestment Plan will apply to this interim ordinary dividend at a 2% discount to the average market price over a five-day period ending on 12 March 2025. The interim dividend will be paid and new shares issued under the Dividend Reinvestment Plan on 25 March 2024.

Dividends declared

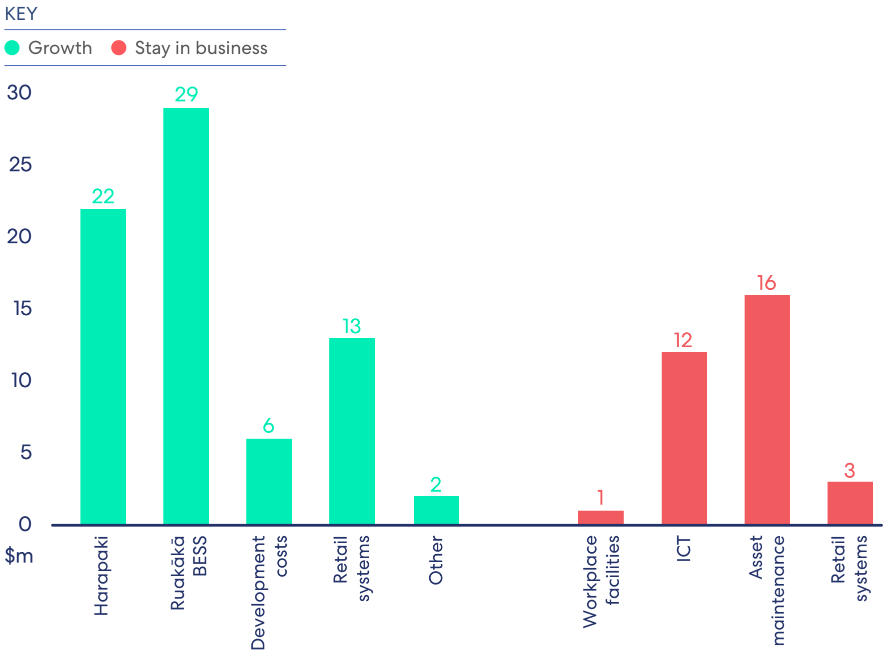
	1H FY2025		1H FY2024	
	cents per share	imputation	cents per share	imputation
Ordinary dividends	6.15	85%	6.15	80%

Meridian's balance sheet remains in a strong position, with the company maintaining a BBB+ credit rating as defined by rating agency Standard & Poor's.

DIVIDEND REINVESTMENT PLAN DATES

- **6 March 2025**
  Ex-dividend date
- **7 March 2025**
  Record date
- **10 March 2025**
  Elections close
- **13 March 2025**
  Strike price announced
- **25 March 2025**
  Dividends paid/shares issues

Capital expenditure



Total Capital expenditure in 1H FY2025[3] was $104 million ($163 million in 1H FY2024[4]), of which $72 million was growth investment and includes the completion of the Harapaki Wind Farm in Hawke's Bay and the development of the Ruakākā Battery Energy Storage System, due to be fully operational by April 2025.

$32 million of stay in business capital expenditure in 1H FY2025 included spend on retail transformation, finance and generation control system upgrades and asset maintenance.

3. The six months ended 31 December 2024
4. The six months ended 31 December 2023

Energy margin

Energy margin is a measure of the combined financial performance of Meridian's retail and wholesale businesses.

$M		1H FY2025	1H FY2024
Retail contracted sales revenue	Revenues received from sales to retail customers net of distribution costs (fees to distribution network companies that cover the costs of distribution of electricity to customers)	**704**	670
Wholesale contracted sales revenue	Sales to large industrial customers and fixed price revenues from derivatives sold	**291**	296
Costs to supply customers	The volume of electricity purchased to cover contracted customer sales	**-1,565**	-1,265
Net cost of hedging	The fixed cost of derivatives used to manage market risk, net of the spot revenue received from those derivatives	**-15**	51
Generation spot revenue	Revenue from the volume of electricity that Meridian generates	**1,042**	885
Net VAS revenue	The net revenue position of virtual asset swaps (VAS) with Genesis Energy and Mercury New Zealand	**-9**	-3
Other	Other associated market revenues and costs including Electricity Authority levies and ancillary generation revenues such as frequency keeping	**-4**	-5
Total energy margin		**444**	**629**

Energy margin was $444 million in 1H FY2025, -$185 million (-29%) lower than the same period last year, reflecting the hedge contracts and demand response costs mentioned above.

Meridian continues to deliver strong sales momentum in its retail business with sales revenue growing 5% in both mass market and corporate segments.

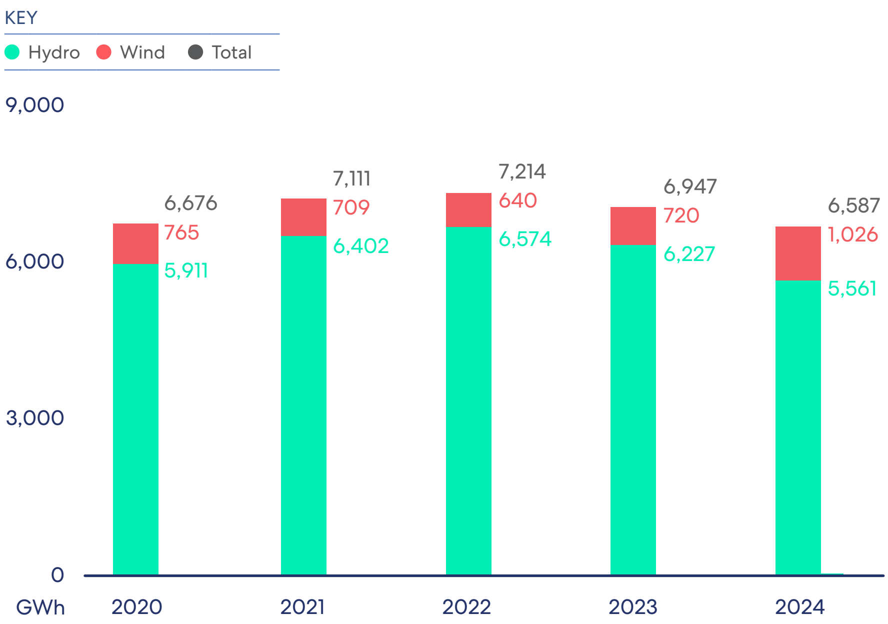
Wholesale contracted sales revenue was -$5 million (-2%) lower in 1H FY2025. Wholesale derivative sales volumes were -24% lower at a higher average price than the same period last year. Sales volumes to NZAS were -34% lower in 1H FY2025, reflecting load reduction called under the Demand Response Agreement.

Costs to supply customers were +$300 million (+24%) in 1H FY2025 with a higher average price Meridian paid to supply customers, including demand response costs, on 15% lower sales volumes.

Overall, the net cost of hedging was $66 million lower in 1H FY2025 despite higher hedging costs and a -$17 million net position on forward contract close outs.

Generation volume

Six months ended 31 December



While 1H FY2025 inflows were 126% of average, these were heavily skewed to spring and early summer inflows. Winter fuel scarcity drove an -11% decrease in 1H FY2025 hydro generation volumes.

Wind generation increased 306GWh (+42%) in 1H FY2025, despite calm winter periods, with additional Harapaki generation and return to full 143MW capacity at the West Wind Farm in October 2024.

Expenses

1H FY2025 saw a +$9 million (+7%) increase in employee and other operating costs from workforce changes, remuneration increases, transformer costs, retail transformation and finance and generation control system upgrades.

Net profit after tax

1H FY2025 saw a -$154 million decrease in net profit before tax from the net change in fair value of hedges (-$2 million decrease in 1H FY2024).

Depreciation expense increased +$61 million (+37%) in 1H FY2025 from the June 2024 asset revaluation and completion of the Harapaki Wind Farm.

-$8 million of asset related adjustments were incurred in 1H FY2025, mainly impairments and transformer disposal losses.

Net finance costs increased +$13 million in 1H FY2025 from higher funding costs and completed Harapaki capitalisation.

A negative tax expense was attributed to the pre-tax loss, resulting in a -$121 million net profit after tax. After removing the impact of fair value movements and other one-off or infrequently occurring events, Meridian's underlying NPAT (reconciliation on page 6) was -$5 million, largely from lower EBITDAF and tax, with higher depreciation and financing costs.

Income statement

$M For the six months to 31 December	2024	2023
Energy margin	**444**	629
Other revenue	**26**	16
Hosting expense	**(2)**	(2)
Energy transmission expense	**(37)**	(36)
Electricity metering expense	**(26)**	(25)
Employee and other operating expenses	**(148)**	(139)
EBITDAF	**257**	**443**
Depreciation and amortisation	**(225)**	(164)
Asset related adjustments	**(8)**	11
Net change in fair value of energy hedges	**(143)**	11
Net finance costs	**(38)**	(25)
Net change in fair value of treasury instruments	**(11)**	(13)
Net profit before tax	**(168)**	**263**
Income tax expense	**47**	(72)
Net profit after tax	**(121)**	**191**

Underlying net profit after tax

$M For the six months to 31 December	2024	2023
Net profit after tax	**(121)**	191
Underlying adjustments		
Hedging instruments		
Net change in fair value of energy hedges	**143**	(11)
Net change in fair value of treasury instruments	**11**	13
Premiums paid on electricity options net of interest	**(4)**	(10)
Assets		
Assets related adjustments	**8**	(11)
Total adjustments before tax	**158**	(19)
Taxation		
Tax effect of above adjustments	**42**	3
Underlying net profit after tax	**(5)**	**175**