Condensed Interim Financial Statements.

As at and for
the six months to
31 December 2020.

Meridian.

Condensed Interim Financial Statements

Notes to the Condensed Interim Financial Statements

Income Statement

For the six months to 31 December 2020

	Note	Unaudited 2020 $M	Unaudited 2019 $M
Operating revenue	A2	**1,869**	1,780
Operating expenses	A3	**(1,447)**	(1,315)
Earnings before interest, tax, depreciation, amortisation, changes in fair value of hedges and other significant items (EBITDAF)		**422**	465
Depreciation and amortisation	B1, B2	**(153)**	(157)
Net change in fair value of energy hedges	D1	**63**	(6)
Operating profit		**332**	302
Finance costs	A3	**(42)**	(43)
Net change in fair value of treasury instruments	D1	**25**	6
Net profit before tax		**315**	265
Income tax expense	A4	**(88)**	(74)
Net profit after tax attributed to the shareholders of the parent company		**227**	**191**
Earnings per share (EPS) attributed to ordinary equity holders of the parent company		Cents	Cents
Basic and diluted earnings per share	C2	**8.9**	7.5

The notes to the condensed interim financial statements form an integral part of these financial statements.

Comprehensive Income Statement

For the six months to 31 December 2020

	Unaudited 2020 $M	Unaudited 2019 $M
Net profit after tax	**227**	**191**
Other comprehensive income		
Items that may be reclassified to profit or loss:		
Net (loss)/gain on cash flow hedges	**(6)**	3
Income tax on the above items	**2**	(2)
Other comprehensive income for the period, net of tax	**(4)**	1
Total comprehensive income for the period, net of tax attributed to shareholders of the parent company	**223**	**192**

Balance Sheet

As at 31 December 2020

	Note	Unaudited 31 Dec 2020 $M	Unaudited 31 Dec 2019 $M	Audited 30 Jun 2020 $M
Current assets				
Cash and cash equivalents		**122**	55	176
Trade receivables		**303**	265	323
Customer contract assets		**25**	23	24
Financial instruments	D1	**151**	157	100
Other assets		**52**	39	42
Total current assets		**653**	**539**	**665**
Non-current assets				
Property, plant and equipment	B1	**8,466**	8,776	8,594
Intangible assets	B2	**76**	58	65
Deferred tax		**34**	36	34
Financial instruments	D1	**155**	181	265
Total non-current assets		**8,731**	**9,051**	**8,958**
Total assets		**9,384**	**9,590**	**9,623**

For and on behalf of the Board of Directors who authorised the issue of the condensed interim financial statements on 23 February 2021.

Mark Verbiest
Board Chair

Julia Hoare
Chair Audit & Risk Committee

	Note	Unaudited 31 Dec 2020 $M	Unaudited 31 Dec 2019 $M	Audited 30 Jun 2020 $M
Current liabilities				
Payables and accruals		**332**	280	364
Employee entitlements		**19**	11	24
Customer contract liabilities		**21**	18	23
Current portion of term borrowings	C4	**271**	183	88
Current portion of lease liabilities	C4	**7**	7	7
Financial instruments	D1	**57**	34	63
Current tax payable		**29**	50	79
Total current liabilities		**736**	**583**	**648**
Non-current liabilities				
Term borrowings	C4	**1,408**	1,374	1,600
Deferred tax		**1,852**	1,944	1,850
Provisions		**18**	12	17
Lease Liabilities	C4	**91**	99	97
Financial instruments	D1	**214**	212	279
Term payables		**46**	54	49
Total non-current liabilities		**3,629**	**3,695**	**3,892**
Total liabilities		**4,365**	**4,278**	**4,540**
Net assets		**5,019**	**5,312**	**5,083**
Shareholders' equity				
Share capital		**1,598**	1,599	1,598
Reserves		**3,421**	3,713	3,485
Total shareholders' equity		**5,019**	**5,312**	**5,083**

The notes to the condensed interim financial statements form an integral part of these financial statements.

Changes in Equity

For the six months to 31 December 2020

					$M			
Audited	**Note**	**Share capital**	**Share option reserve**	**Revaluation reserve**	**Foreign currency translation reserve**	**Cash flow hedge reserve**	**Retained earnings**	**Shareholders equity**
Balance at 1 July 2019		**1,599**	**1**	**5,068**	**(37)**	**(3)**	**(1,171)**	**5,457**
Net profit for the year		–	–	–	–	–	176	**176**
Other comprehensive income								
Asset revaluation		–	–	(22)	–	–	–	(22)
Net gain on cash flow hedges		–	–	–	–	2	–	2
Exchange differences from translation of foreign operations		–	–	–	11	–	–	11
Income tax relating to other comprehensive income		–	–	7	–	(1)	–	6
Total other comprehensive income, net of tax		**–**	**–**	**(15)**	**11**	**1**	**–**	**(3)**
Total comprehensive income for the year, net of tax		**–**	**–**	**(15)**	**11**	**1**	**176**	**173**
Share-based transactions		(1)	–	–	–	–	–	(1)
Dividends paid		–	–	–	–	–	(546)	(546)
Balance at 30 June 2020 and 1 July 2020		**1,598**	**1**	**5,053**	**(26)**	**(2)**	**(1,541)**	**5,083**
Unaudited								
Net profit for the period		–	–	–	–	–	227	227
Other comprehensive income								
Net (loss) on cash flow hedges		–	–	–	–	(6)	–	(6)
Income tax relating to other comprehensive income		–	–	–	–	2	–	2
Total other comprehensive income, net of tax		**–**	**–**	**–**	**–**	**(4)**	**–**	**(4)**
Total comprehensive income for the year, net of tax		**–**	**–**	**–**	**–**	**(4)**	**227**	**223**
Dividends paid	C3	–	–	–	–	–	(287)	(287)
Balance at 31 December 2020		**1,598**	**1**	**5,053**	**(26)**	**(6)**	**(1,601)**	**5,019**
Unaudited								
Balance at 1 July 2019		**1,599**	**1**	**5,068**	**(37)**	**(3)**	**(1,171)**	**5,457**
Net profit for the period		–	–	–	–	–	191	191
Other comprehensive income								
Net gain on cash flow hedges		–	–	–	–	3	–	3
Income tax relating to other comprehensive income		–	–	–	–	(2)	–	(2)
Total other comprehensive income, net of tax		**–**	**–**	**–**	**–**	**1**	**–**	**1**
Total comprehensive income for the period, net of tax		**–**	**–**	**–**	**–**	**1**	**191**	**192**
Dividends paid	C3	–	–	–	–	–	(337)	(337)
Balance at 31 December 2019		**1,599**	**1**	**5,068**	**(37)**	**(2)**	**(1,317)**	**5,312**

The notes to the condensed interim financial statements form an integral part of these financial statements.

Cash Flows

For the six months to 31 December 2020

	Note	Unaudited 2020 $M	Unaudited 2019 $M
Operating activities			
Receipts from customers		**1,885**	1,803
Payments to suppliers and employees		**(1,523)**	(1,372)
Interest paid		**(41)**	(41)
Income tax paid		**(134)**	(124)
Operating cash flows		**187**	266
Investing activities			
Purchase of property, plant and equipment		**(22)**	(23)
Purchase of intangible assets		**(20)**	(11)
Investing cash flows		**(42)**	(34)
Financing activities			
Term borrowings drawn		**97**	141
Term borrowings repaid		**(5)**	(55)
Lease Liabilities paid		**(4)**	(4)
Dividends	C3	**(287)**	(337)
Financing cash flows		**(199)**	(255)
Net decrease in cash and cash equivalents		**(54)**	**(23)**
Cash and cash equivalents at beginning of the six months		**176**	78
Cash and cash equivalents at end of the six months		**122**	**55**

The notes to the condensed interim financial statements form an integral part of these financial statements.

About this report

In this section.

The summary notes to the condensed interim financial statements include information which is considered relevant and material to assist the reader in understanding changes in Meridian's financial position or performance. Information is considered relevant and material if:

- the amount is significant because of its size and nature;
- it is important for understanding the results of Meridian;
- it helps to explain changes in Meridian's business; or
- it relates to an aspect of Meridian's operations that is important to future performance.

Meridian Energy Limited is a for-profit entity domiciled and registered under the Companies Act 1993 in New Zealand. It is a FMC reporting entity for the purposes of the Financial Markets Conduct (FMC) Act 2013. Meridian's core business activities are the generation, trading and retailing of electricity and the sale of complementary products and services. The registered office of Meridian is 55 Lady Elizabeth Lane, Wellington. Meridian Energy Limited is dual listed on the New Zealand Stock Exchange (NZX) and the Australian Securities Exchange (ASX). As a Mixed Ownership Company, majority owned by Her Majesty the Queen in Right of New Zealand, it is bound by the requirements of the Public Finance Act 1989.

These unaudited condensed interim financial statements for the six months ended 31 December 2020 have been prepared:

- using Generally Accepted Accounting Practice in New Zealand (NZ GAAP), accounting policies consistent with International Financial Reporting Standards (IFRS) and the New Zealand equivalents (NZ IFRS) and in accordance with IAS 34: Interim Financial Reporting and NZ IAS 34: Interim Financial Reporting, as appropriate for a for-profit entity;
- in accordance with the requirements of the Financial Markets Conduct Act 2013;
- on the basis of historical cost, modified by revaluation of certain assets and liabilities; and
- in New Zealand dollars (NZD). The principal functional currency of international subsidiaries is Australian dollars. The closing rate at 31 December 2020 was 0.9339 (December 2019: 0.9596, 30 June 2020: 0.9349).

All values are rounded to millions ($M) unless otherwise stated.

Accounting policies

The accounting policies, methods of computation and classification set out in the Group financial statements for the year ended 30 June 2020 have been applied consistently to all periods presented in the condensed interim financial statements.

Judgements and estimates

The basis of key judgements and estimates have not changed from those used in preparing the financial statements for the year ended 30 June 2020, except for those relating to the New Zealand Aluminium Smelter (NZAS) exit. Refer to the Significant matters section for further detail on these judgements and impacts.

Basis of consolidation

The condensed interim Group financial statements comprise the financial statements of Meridian Energy Limited and its subsidiaries and controlled entities.

Significant matters in the six months

In this section.

Significant matters which have impacted Meridian's financial performance.

NZAS Exit

On 9 July 2020, the New Zealand Aluminium Smelter (NZAS) announced plans to wind-down its operation at Tiwai Point. NZAS terminated its 572MW electricity supply agreement with Meridian, giving a 14-month notice period through to 31 August 2021.

For Meridian's year-end financial reporting as at 30 June 2020, the NZAS exit announcement was treated as a post balance date non-adjusting event. No adjustment was made to the Group financial statements to reflect any impact that the NZAS exit may have on Meridian. Meridian did disclose an estimate of how an NZAS exit on 31 August 2021 may impact the Group.

Leading into 31 December 2020, negotiations with NZAS on a potentially extended exit period continued. On 14 January 2021 NZAS announced it had accepted Meridian's offer of an amended contract covering an extended exit period and would continue operating through to 31 December 2024.

For Meridian's financial reporting purposes and in keeping with NZ IFRS, the NZAS extended exit period announcement has been treated as a post balance date adjusting event, as it affirmed a condition that existed as at 31 December 2020. As such, Meridian financials are prepared based on an extended NZAS exit date of 31 December 2024.

The main outcome of an extended exit period, relative to the disclosures made at 30 June 2020, is that there will not be a consequential decrease in the value of property, plant & equipment. Refer to note B1 Property, plant and equipment and D1 Financial instruments for more information.

Significant matters in the six months continued

In this section.

This section outlines significant matters which have impacted Meridian's financial performance and an explanation of non-GAAP measures used within the notes to the condensed interim financial statements.

Hydro Inflows

Meridian started the financial year with below average storage in Lake Pūkaki and had inflows from May to September that were lower than average. There was a change in weather patterns mid September that led the Waiau lakes to reach their high ranges later that month. It also resulted in spill for most of October. The same patterns lifted hydro storage in our main hydro storage lake, Pūkaki.

Current conditions and the outlook are less certain. Metservice forecasts La Nina conditions for the Pacific this Summer and, while we do not know what will play out, since November we have received below average inflows into our hydro catchments. This has meant we have relied on hydro storage more directly and at the end of December Lake Pūkaki had below average storage.

Covid 19

Meridian continues to hold a higher provision for doubtful debts than in pre-Covid times, in light of the continuing uncertainty around the economy and employment in both New Zealand and Australia.

Meridian also considered the impact of COVID 19 as part of our key assumptions when valuing our property plant and equipment and financial instruments. However there was no impact when taking this into consideration.

Non-GAAP measures

Meridian refers to non-GAAP financial measures within these condensed interim financial statements and accompanying notes. The limited use of non-GAAP measures is intended to supplement GAAP measures to provide readers with further information to broaden their understanding of Meridian's financial performance and position. They are not a substitute for GAAP measures.

As these measures are not defined by NZ GAAP, IFRS, or any other body of accounting standards, Meridian's calculations may differ from similarly titled measures presented by other companies. The measures are described below, including page references for reconciliations to the condensed interim financial statements.

EBITDAF

Earnings before interest, tax, depreciation, amortisation, change in fair value of hedges, impairments and gains and losses on sale of assets.

EBITDAF is reported in the income statement allowing the evaluation of Meridian's operating performance without the non-cash impact of depreciation, amortisation, fair value movements of hedging instruments and other one-off or infrequently occurring events and the effects of Meridian's capital structure and tax position. This allows a better comparison of operating performance with that of other electricity industry companies than GAAP measures that include these items.

Energy margin

Energy margin provides a measure of financial performance that, unlike total revenue, accounts for the variability of wholesale energy markets and the broadly offsetting impact of the wholesale prices on the cost of Meridian's energy purchases and revenue from generation. Meridian uses the measure of energy margin within its segmental financial performance in Note A1 Segment performance.

Net debt

Net debt is a metric commonly used by investors as a measure of Meridian's indebtedness that takes account of liquid financial assets. Meridian uses this measure within its capital management and this is outlined in Note C1 Capital management.

A
Financial performance

In this section.

This section explains the financial performance of Meridian, providing additional information about individual items in the income statement, including:

a. accounting policies, judgements and estimates that are relevant for understanding items recognised in the income statement; and

b. analysis of Meridian's performance for the six months by reference to key areas including: performance by operating segment, revenue, expenses and taxation.

A1 Segment performance

The Chief Executive (the chief operating decision-maker) monitors the operating performance of each segment for the purpose of making decisions on resource allocation and strategic direction.

The Chief Executive considers the business according to the nature of the products and services and the location of operations, as set out below:

New Zealand wholesale

- Generation of electricity and its sale into the New Zealand wholesale electricity market.
- Purchase of electricity from the wholesale electricity market and its sale to the New Zealand Retail segment and to large industrial customers, including NZAS representing the equivalent of 38% (31 December 2019: 38%) of Meridian's New Zealand generation production.
- Development of renewable electricity generation opportunities in New Zealand.

New Zealand retail

- Retailing of electricity and complementary products through two brands (Meridian and Powershop) in New Zealand.
- Electricity sold to residential, business and industrial customers on fixed price variable volume contracts is purchased from the Wholesale segment at an average annual fixed price of $89 per megawatt hour (MWh) and electricity sold to business and industrial customers on spot (variable price) agreements is purchased from the Wholesale segment at prevailing wholesale spot market prices.
- Agency margin from spot sales is included within "Contracted sales, net of distribution costs".
- The transfer price is set in a similar manner to transactions with third parties.
- Powershop New Zealand provides front line customer and back office services for Powershop Australia. Revenue of $3 million has been recorded in 'Other revenue' and is eliminated on Group consolidation.

Australia

- Generation of energy from Meridian's two wind farms, three hydro power stations and acquired under power purchase agreements, for sale into the Australian wholesale electricity market.
- Retailing of electricity and gas, mainly through the Powershop brand in Australia.
- Development of renewable electricity generation options in Australia.

Other and unallocated

- Other operations, that are not considered reportable segments, including licensing of the Flux developed electricity and gas retailing platform.
- Activities and centrally based costs that are not directly allocated to other segments.

The financial performance of the operating segments is assessed using energy margin and EBITDAF (see page 9 for a definition of these measures) before unallocated central corporate expenses. Balance sheet items are not reported to the Chief Executive at an operating segment level.

A1 Segment performance continued

For the six months to 31 December	NZ Wholesale 2020 $M	NZ Wholesale 2019 $M	NZ Retail 2020 $M	NZ Retail 2019 $M	Australia 2020 $M	Australia 2019 $M	Other and Unallocated 2020 $M	Other and Unallocated 2019 $M	Inter-segment 2020 $M	Inter-segment 2019 $M	Group 2020 $M	Group 2019 $M
Contracted sales, net of distribution costs	**256**	246	**460**	391	**92**	97	**–**	–	**–**	–	**808**	734
Cost to supply customers	**(998)**	(842)	**(370)**	(298)	**(54)**	(79)	**–**	–	**417**	343	**(1,005)**	(876)
Net cost of hedging	**24**	32	**–**	–	**(8)**	(2)	**–**	–	**–**	–	**16**	30
Generation spot revenue	**754**	727	**–**	–	**30**	49	**–**	–	**–**	–	**784**	776
Inter-segment electricity sales	**417**	343	**–**	–	**–**	–	**–**	–	**(417)**	(343)	**–**	–
Virtual asset swap margins	**1**	3	**–**	–	**–**	–	**–**	–	**–**	–	**1**	3
Other market revenue/(costs)	**(4)**	(4)	**–**	–	**(1)**	–	**–**	–	**–**	–	**(5)**	(4)
Energy margin	**450**	**505**	**90**	**93**	**59**	**65**	**–**	**–**	**–**	**–**	**599**	**663**
Other revenue	**1**	1	**7**	6	**1**	2	**23**	15	**(20)**	(11)	**12**	13
Dividend revenue	**–**	–	**–**	–	**–**	–	**46**	27	**(46)**	(27)	**–**	–
Energy transmission expense	**(41)**	(65)	**–**	–	**(3)**	(3)	**–**	–	**–**	–	**(44)**	(68)
Energy metering expenses	**–**	–	**(19)**	(17)	**–**	–	**–**	–	**–**	–	**(19)**	(17)
Gross margin	**410**	**441**	**78**	**82**	**57**	**64**	**69**	**42**	**(66)**	**(38)**	**548**	**591**
Employee expenses	**(16)**	(16)	**(16)**	(16)	**(7)**	(6)	**(15)**	(15)	**–**	–	**(54)**	(53)
Other operating expenses	**(28)**	(32)	**(17)**	(17)	**(21)**	(19)	**(13)**	(11)	**7**	6	**(72)**	(73)
EBITDAF	**366**	**393**	**45**	**49**	**29**	**39**	**41**	**16**	**(59)**	**(32)**	**422**	**465**
Depreciation and amortisation	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**(153)**	(157)
Net change in fair value of electricity and other hedges	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**63**	(6)
Operating profit	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**332**	302
Finance costs	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**(42)**	(43)
Net change in fair value of treasury instruments	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**25**	6
Net profit before tax	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**315**	**265**
Income tax expense	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**(88)**	(74)
Net profit after tax	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**227**	**191**
Reconciliation of energy margin												
Electricity sales revenue, net of hedging	**1,294**	1,211	**800**	729	**179**	170	**–**	–	**(417)**	(343)	**1,856**	1,767
Electricity expenses, net of hedging	**(844)**	(706)	**(421)**	(349)	**(66)**	(65)	**–**	–	**417**	343	**(914)**	(777)
Electricity distribution expenses	**–**	–	**(289)**	(287)	**(54)**	(40)	**–**	–	**–**	–	**(343)**	(327)
Energy margin	**450**	**505**	**90**	**93**	**59**	**65**	**–**	**–**	**–**	**–**	**599**	**663**

A2 Income

Six months ended 31 December	Unaudited	Unaudited
Operating revenue	2020 $M	2019 $M
Energy sales to customers	**1,086**	997
Generation revenue net of hedging	**770**	770
Energy related services revenue	**5**	4
Other revenue	**8**	9
	1,869	**1,780**

Total revenue by geographic area

New Zealand	**1,684**	1,603
Australia	**180**	172
United Kingdom	**5**	5
Total operating revenue	**1,869**	**1,780**

Energy sales to customers

Revenue received or receivable from residential, business and industrial customers. This revenue is influenced by customer contract sales prices and their demand for energy.

Generation revenue, net of hedging

Revenue received from:

- energy generated and sold into the wholesale markets; and
- the net settlement of energy hedges sold on futures markets, and to generators, retailers and industrial customers.

This revenue is influenced by the quantity of generation and the wholesale spot price and is recognised at the time of generation or hedge settlement.

A3 Expenses

Six months ended 31 December	Unaudited	Unaudited
Operating expenses	2020 $M	2019 $M
Energy expenses, net of hedging	**915**	777
Energy distribution expenses	**343**	327
Energy transmission expenses	**44**	68
Energy metering expense	**19**	17
Employee expenses	**54**	53
Other expenses	**72**	73
	1,447	**1,315**

Finance costs

Interest on borrowings	**39**	39
Interest on option premium	**1**	1
Interest on lease liabilities	**2**	3
	42	**43**

Energy expenses, net of hedging

The cost of:

- energy purchased from wholesale markets to supply customers;
- the net settlement of buy-side energy hedges; and
- related charges and services.

Energy expenses are influenced by quantity and timing of customer consumption and the wholesale spot price.

Energy distribution expenses

The cost of distribution companies transporting energy between where it is transmitted/stored and customers' properties.

Energy transmission expenses

Meridian's share of the cost of the high voltage direct current (HVDC) link between the North and South Islands of New Zealand and the cost of connecting Meridian's generation sites to the national grid by grid providers.

Employee expenses

Provision is made for benefits owing to employees in respect of wages and salaries, annual leave, long service leave and employee incentives for services rendered. Provisions are recognised when it is probable they will be settled and can be measured reliably. They are carried at the remuneration rate expected to apply at the time of settlement.

A

A4 Taxation

Income tax expense	Unaudited 2020 $M	Unaudited 2019 $M
Current income tax charge	**85**	98
Deferred tax	**3**	(24)
Income tax expense	**88**	**74**
Reconciliation to profit before tax		
Profit before tax	**315**	**265**
Income tax at applicable rates	**88**	74
Expenditure not deductible for tax	**-**	-
Income tax expense	**88**	**74**

Income tax expense

Income tax expense is the income tax assessed on taxable profit for the period. Taxable profit differs from profit before tax reported in the income statement as it excludes items of income and expense that are taxable or deductible in other periods and also excludes items that will never be taxable or deductible. Meridian's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at balance date, being 28% for New Zealand and 30% for Australia.

Income tax expense components are current income tax and deferred tax.

B

Assets used to generate and sell electricity

In this section.

This section shows the assets Meridian uses in the production and sale of electricity to generate operating revenues. In this section of the summary notes there is information about:

a. property, plant and equipment, and

b. intangible assets

Recognition and measurement

Generation structures and plant assets (including land and buildings) are held on the balance sheet at their fair value at the date of revaluation, less any subsequent depreciation and impairment losses. All other property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Fair value and revaluation of generation structures and plant

Meridian engaged an independent valuer to assess its generation structures and plant assets at 31 December 2020 using capitalisation of earnings and discounted cashflows (DCFs) when determining a valuation range. The review determined that the current carrying value of Meridian's generation structure and plant assets represents fair value.

The value of our generation structures and plant is sensitive to movements in fair value as a result of a change in each valuation input. The nature of these sensitivities has not significantly changed since 30 June 2020.

The key assumptions used in the valuation have not changed significantly from 30 June 2020 except for the below:

		Range of unobservable inputs	
Key input to measure fair value	**Description**	**As at 31 Dec 20**	**As at 30 Jun 20**
Future NZ wholesale electricity prices	The price received for NZ generation	$45MWh to $106MWh by 2035 (in real terms)	$74MWh to $105MWh by 2035 (in real terms)
EBTIDAF earnings multiple	Valuation multiple (including control premium 20%) derived from earnings and valuations of comparable companies	12.2 x EBITDAF	12.2 x EBITDAF

Right-of-Use Assets

Included within property plant and equipment are right-of-use lease assets recognised under NZ IFRS 16. Right-of-use assets relate to office space, land access, and grid connection assets.

As at 31 December 2020, total cost of right-of-use assets is $107m (2019: $110m). Accumulated depreciation on these assets totals $16m (2019: $11m). Net book value is therefore $91m (2019: $99m). Depreciation expense on right-of-use assets for the current period is $3m (2019: $3m).

B1 Property, plant and equipment

Position as at	Unaudited 31 Dec 2020 $M	Unaudited 31 Dec 2019 $M	Audited 30 Jun 2020 $M
Opening net book value	**8,594**	8,825	8,825
Additions	**19**	22	38
Transfers – work in progress	**–**	–	–
Disposals	**(1)**	–	–
Decomissioning asset – make good provision	**–**	–	6
Adjustment of Right of Use assets	**(4)**	–	1
Lease assets recognised on implementation of NZ IFRS 16	**–**	75	75
Foreign currency exchange rate movements	**2**	(1)	15
Generation structures and plant revaluation:			
– revaluation reserve	**–**	–	(21)
– income statement	**–**	–	(57)
Depreciation expense	**(144)**	(145)	(288)
Closing net book value	**8,466**	**8,776**	**8,594**

B2 Intangible assets

Position as at	Unaudited 31 Dec 2020 $M	Unaudited 31 Dec 2019 $M	Audited 30 Jun 2020 $M
Opening net book value	**65**	59	59
Additions	**20**	11	30
Amortisation expense	**(9)**	(12)	(24)
Closing net book value	**76**	**58**	**65**

C

Managing funding

In this section.

This section explains how Meridian manages its capital structure and working capital, the various funding sources, and how dividends are returned to shareholders. In this section of the summary notes there is information about equity and dividends.

C1 Capital management

Capital risk management objectives

Meridian's objective when managing capital is to provide appropriate returns to shareholders whilst maintaining a capital structure that safeguards its ability to remain a going concern and optimises the cost of capital.

Capital is defined as the combination of shareholders' equity, reserves and net debt.

Meridian manages its capital through various means, including:

- adjusting the amount of dividends paid to shareholders;
- raising or returning capital; and
- raising or repaying debt.

Meridian regularly monitors its capital requirements using various measures that consider debt facility financial covenants and credit ratings. The key measures being net debt to EBITDAF and interest cover. The principal external measure is Meridian's credit rating from Standard & Poor's.

Meridian is in full compliance with debt facility financial covenants.

		Unaudited	Unaudited	Audited
Position as at	**Note**	**31 Dec 2020 $M**	**31 Dec 2019 $M**	**30 Jun 2020 $M**
Share capital		**1,598**	1,599	1,598
Retained earnings		**(1,601)**	(1,317)	(1,541)
Other reserves		**5,022**	5,030	5,026
		5,019	**5,312**	**5,083**
Drawn borrowings	C4	**1,582**	1,461	1,491
add Lease liabilities		**98**	106	104
less: Cash and cash equivalents		**(122)**	(55)	(176)
		1,558	**1,512**	**1,419**
Net capital		**6,577**	**6,824**	**6,502**

C

C2 Earnings per share

Basic and diluted earnings per share (EPS)	Unaudited 31 Dec 2020	Unaudited 31 Dec 2019
Profit after tax attributable to shareholders of the parent company ($M)	**227**	191
Weighted average number of shares used in the calculation of EPS	**2,563,000,000**	2,563,000,000
Basic and diluted EPS (cents per share)	**8.9**	7.5

C3 Dividends

Six months ended 31 December Dividends declared and paid	Unaudited 2020 $M	Unaudited 2019 $M
Final ordinary and special dividend 2020: 11.2cps (2019: 13.16cps)	**287**	337
Total dividends paid	**287**	**337**
Dividends declared and not recognised as a liability		
Interim ordinary dividend 2021: 5.7cps (2020: 5.7cps)	**146**	146
Interim special dividend 2021: 0cps (2020: 2.44cps)	**–**	63

Dividend policy

Meridian's dividend policy considers free cash flow, working capital requirements, the medium-term investment programme, maintaining a BBB+ credit rating and risks from short and medium-term economic, market and hydrology conditions.

Subsequent event – dividend declared

On 23 February 2021 the Board declared a partially imputed interim ordinary dividend of 5.7 cents per share.

C4 Borrowings

Position as at		Unaudited 31 Dec 2020				Unaudited 31 Dec 2019				Audited 30 Jun 2020			
Group (NZ$M)	**Currency borrowed in**	**Drawn facility amount**	**Transaction costs**	**Fair value adjustment**	**Carrying amount**	**Drawn facility amount**	**Transaction costs**	**Fair value adjustment**	**Carrying amount**	**Drawn facility amount**	**Transaction costs**	**Fair value adjustment**	**Carrying amount**
Current borrowings													
Unsecured borrowings	NZD	**215**	**(1)**	**–**	**214**	184	(1)	–	183	89	(1)	–	88
Unsecured borrowings	USD	**47**	**–**	**10**	**57**	–	–	–	–	–	–	–	–
Total current borrowings		**262**	**(1)**	**10**	**271**	**184**	**(1)**	**–**	**183**	**89**	**(1)**	**–**	**88**
Non-current borrowings													
Unsecured borrowings	NZD	**765**	**(1)**	**–**	**764**	679	(2)	–	677	800	(2)	–	798
Unsecured borrowings	USD	**555**	**(1)**	**90**	**644**	598	(1)	100	697	602	(1)	201	802
Total non-current borrowings		**1,320**	**(2)**	**90**	**1,408**	**1,277**	**(3)**	**100**	**1,374**	**1,402**	**(3)**	**201**	**1,600**
Total borrowings		**1,582**	**(3)**	**100**	**1,679**	**1,461**	**(4)**	**100**	**1,557**	**1,491**	**(4)**	**201**	**1,688**

Meridian has committed bank facilities of $755 million of which $525 million were undrawn at 31 December 2020 (31 December 2019: faciliities of $665m of which $525m were undrawn). Where faciliities have expiry dates, these expiries range from June 2021 to April 2026. $275m of facilities are Evergreen or have no expiry date.

Borrowings, measurement and recognition

Borrowings are recognised initially at the fair value of the drawn facility amount (net of transaction costs paid) and are subsequently stated at amortised cost using the effective interest method. Any borrowings which have been designated as hedged items (USD borrowings) are carried at amortised cost plus a fair value adjustment under hedge accounting requirements. Any borrowings denominated in foreign currencies are retranslated to the functional currency at each reporting date. Any retranslation effect is included in the "Fair value adjustment" column in the above table.

Meridian uses cross currency interest rate swap (CCIRS) hedge contracts to manage its exposure to interest rates and borrowings sourced in currencies different to that of the borrowing entity's reporting currency.

Fair value of borrowings held at amortised cost

Position as at	Unaudited 31 Dec 2020 $M	Unaudited 31 Dec 2019 $M	Audited 30 Jun 2020 $M	Unaudited 31 Dec 2020 $M	Unaudited 31 Dec 2019 $M	Audited 30 Jun 2020 $M
Group (NZ$M)	**Carrying value**			**Fair value**		
Retail bonds	**500**	500	500	**554**	541	558
Floating rate notes	**50**	50	50	**51**	51	51
Unsecured term loan (EKF facility)	**55**	65	60	**58**	69	64

Within term borrowings there are longer dated instruments which are not in hedge accounting relationships. The carrying values and estimated fair values of these instruments are noted in the table above.

Fair value is calculated using a discounted cash flow calculation and the resultant values are classified as Level 2 within the fair value hierarchy. The Retail Bonds are listed instruments; however, a lack of liquidity on the NZX precludes them from being classified as Level 1 (a definition of levels is included in Note D1 Financial instruments).

Carrying value approximates fair value for all other instruments within term borrowings.

C

C4 Borrowings continued

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes.

	Unaudited 31 Dec 2020										
Group (NZ$M)	**Balance at 30 June 2020**	**Term borrowings drawn**	**Term borrowings repaid**	**Fair value adjustments**	**Foreign Exchange**	**Transaction costs paid & accrued**	**Lease liabilities recognised**	**Lease liabilities paid**	**Lease derecognition**	**Unwind of discounting**	**Balance at 31 Dec 2020**
Unsecured borrowings – NZD	886	97	(5)	–	–	–	–	–	–	–	978
Unsecured borrowings – USD	802	–	–	(31)	(70)	–	–	–	–	–	701
Lease Liabilities	104	–	–	–	–	–	–	(4)	(4)	2	98
Total	**1,792**	**97**	**(5)**	**(31)**	**(70)**	**–**	**–**	**(4)**	**(4)**	**2**	**1,777**

	Unaudited 31 Dec 2019										
Group (NZ$M)	**Balance at 30 June 2019**	**Term borrowings drawn**	**Term borrowings repaid**	**Fair value adjustments**	**Foreign Exchange**	**Transaction costs paid & accrued**	**Lease liabilities recognised**	**Lease liabilities paid**	**Lease derecognition**	**Unwind of discounting**	**Balance at 31 Dec 2019**
Unsecured borrowings – NZD	775	141	(55)	–	–	–	–	–	–	–	861
Unsecured borrowings – USD	695	–	–	3	(2)	–	–	–	–	–	696
Lease Liabilities	32	–	–	–	–	–	75	(4)	–	3	106
Total	**1,502**	**141**	**(55)**	**3**	**(2)**	**–**	**75**	**(4)**	**–**	**3**	**1,663**

	Audited 30 June 2020										
Group (NZ$M)	**Balance at 30 June 2019**	**Term borrowings drawn**	**Term borrowings repaid**	**Fair value adjustments**	**Foreign Exchange**	**Transaction costs paid & accrued**	**Lease liabilities recognised**	**Lease liabilities paid**	**Lease derecognition**	**Unwind of discounting**	**Balance at 30 June 2020**
Unsecured borrowings – NZD	775	172	(60)	–	–	(1)	–	–	–	–	886
Unsecured borrowings – USD	695	–	–	80	27	–	–	–	–	–	802
Lease Liabilities	32	–	–	(1)	(1)	–	75	(7)	–	6	104
Total	**1,502**	**172**	**(60)**	**79**	**26**	**(1)**	**75**	**(7)**	**–**	**6**	**1,792**

C

C5 Green financing

Green Debt allocated to the Hydro Pool[1]

Group (NZ$M)	CUSIP/ NZX Code	Currency borrowed in	Unaudited 31 Dec 2020 Facility amount	Unaudited 31 Dec 2020 Drawn facility amount
USPP Series 2014-1 Tranche A[2]	Q5995*AA6	USD	47	47
USPP Series 2014-1 Tranche B[2]	Q5995*AB4	USD	116	116
USPP Series 2019-1 Tranche A[2]	Q5995#AE4	USD	183	183
USPP Series 2019-1 Tranche B[2]	Q5995#AF1	USD	183	183
USPP Series 2019-1 Tranche C[2]	Q5995#AG9	USD	73	73
Total USPP			**602**	**602**
Wholesale FRN - 10yr		NZD	50	50
Bank Facilities[3]		NZD	700	175
Commercial Paper[4]		NZD	200	200
Total Green Debt allocated to the Hydro Pool			**1,552**	**1,027**

Green Debt allocated to the Wind Pool[5]

Group (NZ$M)	CUSIP/ NZX Code	Currency borrowed in	Unaudited 31 Dec 2020 Facility amount	Unaudited 31 Dec 2020 Drawn facility amount
Retail Bond (Mar-23)	MEL030	NZD	150	150
Retail Bond (Mar-24)	MEL040	NZD	150	150
Retail Bond (Mar-25)	MEL050	NZD	200	200
Total Domestic Bonds			**500**	**500**
EKF Amortising Facility		NZD	55	55
Total Green Debt allocated to the Wind Pool			**555**	**555**
Total Green Debt			**2,107**	**1,582**

At 31 December 2020, Meridian remains compliant with the requirements of the programme.

Further information is available on the Green Finance section of our website.

1. Verified as meeting the criteria established for Meridian by DNV GL which align with the stated definition of Green Bonds and Loans within the Green Bond/Loan Principles.
2. United States private placement (USPP) Notes are included as the NZD equivalent under the Cross-Currency Interest Rate Swaps related to the Issue.
3. Committed Bank facilities are included at the face value of the facilities.
4. Commercial Paper is included as the amount on issue.
5. Climate Bonds Standard Certified.

D Financial instruments

In this section.

In this section of the summary notes there is information:

a. analysing financial (hedging) instruments used to manage risk; and

b. outlining Meridian's fair value techniques and key inputs.

D1 Financial instruments

Fair value of hedging financial instruments

The recognition and measurement of hedging financial instruments requires management estimation and judgement (this is discussed in further detail later in this note). These estimates can have a significant risk of material adjustment in future periods. Fair value measurements are grouped within a three-level fair value hierarchy based on the observability of valuation inputs (described opposite).

- Level 1 Inputs – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs – Either directly (i.e. as prices) or indirectly (i.e. derived from prices) observable inputs other than quoted prices included in Level 1.
- Level 3 Inputs – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		Fair value on the balance sheet						Fair value movements in the income statement	
		Unaudited				Audited		Unaudited	
		31 Dec 2020		31 Dec 2019		30 Jun 2020		31 Dec 2020	31 Dec 2019
	Level	Assets $M	Liabilities $M	Assets $M	Liabilities $M	Assets $M	Liabilities $M	$M	$M
Treasury Hedges									
Cross currency interest rate swap (CCIRS) – interest rate risk	2	**89**	–	43	–	118	–	**–**	–
CCIRS – basis and margin risk	2	**(11)**	–	(3)	–	(4)	–	**–**	–
CCIRS – foreign exchange risk	2	**10**	–	55	–	80	–	**–**	–
Total CCIRS		**88**	**–**	**95**	–	**194**	–	**–**	–
Foreign exchange hedges	2	**1**	**–**	–	–	–	–	**–**	–
Interest rate swaps (IRS)	2	**23**	**(207)**	20	(176)	29	(238)	**25**	6
Total Treasury Hedges	2	**112**	**(207)**	**115**	**(176)**	**223**	**(238)**	**25**	6
Energy hedges									
Market traded electricity hedges	1	**86**	**(23)**	76	(3)	57	(16)	**1**	14
Market traded gas hedges	1	**–**	**(1)**	–	–	–	(2)	**1**	–
Other electricity hedges[1]	3	**49**	**(11)**	52	(64)	27	(65)	**76**	(8)
Other gas hedges	2	**–**	**(11)**	–	–		(10)	**(1)**	
Electricity options	3	**43**	**–**	63	–	50	–	**(7)**	(7)
Large scale generation certificates (LGC) – Holdings created from wind farm generation	1	**14**	**–**	16	–	6	–	**(1)**	(2)
LGC – forward and option contracts	2	**2**	**(18)**	16	(3)	2	(11)	**(6)**	(3)
Energy hedges		**194**	**(64)**	**223**	**(70)**	**142**	**(104)**	**63**	**(6)**
Total hedges		**306**	**(271)**	**338**	**(246)**	**365**	**(342)**	**88**	**–**

1. The fair value movement in the income statement in other electricity hedges includes the assumed termination of an electricity derivative contract which was subsequently terminated on 13 January 2021. Refer to Significant matters section for further detail.

D

D1 Financial instruments continued

Settlements

The following provides a summary of the settlements through EBITDAF for energy hedges:

$M	Unaudited 2020			Unaudited 2019		
	Operating Revenue	Operating expenses	Total Settlements In EBITDAF	Operating Revenue	Operating expenses	Total Settlements In EBITDAF
Market traded electricity hedges	(1)	(13)	**(14)**	4	(6)	**(2)**
Market traded gas hedges	–	(1)	**(1)**	–	–	**–**
Other electricity hedges	(19)	50	**31**	(17)	54	**37**
Other gas hedges	–	–	**–**	–	–	**–**
Electricity options	–	1	**1**	–	–	**–**
LGC related	14	(7)	**7**	14	(7)	**7**
Total settlements in EBITDAF	**(6)**	**30**	**24**	**1**	**41**	**42**

Level 3 financial instrument analysis

The following provides a summary of the movements through EBITDAF and movements in the fair value of level three financial instruments:

$M	Unaudited 2020			Unaudited 2019		
	Other Electricity Hedges	Electricity Options	Total	Other Electricity Hedges	Electricity Options	Total
Energy hedges settled in EBITDAF:						
Operating revenue	**(19)**	**–**	**(19)**	(17)	–	(17)
Operating expenses	**50**	**1**	**51**	53	–	53
Total settlements in EBITDAF	**31**	**1**	**32**	**36**	**–**	**36**
Net change in fair value of energy hedges:						
Remeasurement	**107**	**(6)**	**101**	28	(7)	21
Hedges settled	**(31)**	**(1)**	**(32)**	(36)	–	(36)
Total net change in fair value of energy hedges	**76**	**(7)**	**69**	**(8)**	**(7)**	**(15)**
Balance at the beginning of the period	**(38)**	**50**	**12**	**(4)**	**70**	**66**
Fair value movements	**76**	**(7)**	**69**	(8)	(7)	(15)
Balance at the end of the year	**38**	**43**	**81**	**(12)**	**63**	**51**

D1 Financial instruments continued

Fair value technique and key inputs

In estimating the fair value of an asset or liability, Meridian uses market-observable data to the extent that it is available. The Audit and Risk Committee of Meridian determines the overall appropriateness of key valuation techniques and inputs for fair value measurement. The Chief Financial Officer explains fair value movements in his report to the Board.

Where the fair value of a financial instrument is calculated as the present value of the estimated future cash flows of the instrument (DCFs), a number of inputs and assumptions are used by the valuation technique. These are:

- forward price curves referenced to the ASX for electricity, published market data on gas/oil prices, published market interest rates and published forward foreign exchange rates;
- Meridian's best estimate of electricity volumes called over the life of electricity options;
- discount rates based on the forward IRS curve adjusted for counterparty risk;
- calibration factor applied to forward price curves as a consequence of initial recognition differences;
- NZAS continues to operate (refer to significant matters for further detail); and
- contracts run their full term.

The table below describes the additional key inputs and techniques used in the valuation of level 2 and 3 financial instruments:

Financial asset or liability	Description of input	Range of significant unobservable inputs	Relationship of input to fair value
Energy hedges, valued using DCFs	**Price**, where quoted prices are not available or not relevant (i.e. for long dated contracts), Meridian's best estimate of long-term forward wholesale electricity price is used. This is based on a fundamental analysis of expected demand and the cost of new supply and any other relevant wholesale market factors. **Calibration factors,** which are applied to forward curves as a consequence of initial recognition differences (see below table)	$67/MWh to $107/MWh (in real terms), excludes observable ASX prices.	An increase in forward wholesale electricity price increases the fair value of buy hedges and decreases the fair value of sell hedges. A decrease in forward wholesale electricity price has the opposite effect.
LGC forward contracts and options, valued using DCFs/Black-Scholes	**Price**, based on a forward LGC price curve from a third-party broker and benchmarked against market spot prices.	A$5–A$63	An increase in the forward LGC price decreases the fair value of sell hedges and increases the fair value of buy hedges. A decrease in forward LGC prices has the opposite effect

D1 Financial instruments continued

Movements in recalibration differences arising from energy hedges

	Unaudited 31 Dec 2020 $M	Unaudited 31 Dec 2019 $M	Audited 30 Jun 2020 $M
Opening difference	**(1)**	(3)	(3)
Initial differences on new hedges	**–**	(1)	–
Volumes expired and amortised	**–**	1	1
Recalibration for future price estimates and time	**–**	–	1
Terminated and adjusted trades	**(2)**	–	–
Closing difference	**(3)**	**(3)**	**(1)**

Initial recognition difference

An initial recognition difference arises when the modelled value of an energy hedge differs from the transaction price (which is the best evidence of fair value). This difference is accounted for by recalibrating the valuation model by a fixed percentage to result in a value at inception equal to the transaction price. This recalibration is then applied to future valuations over the life of the contract.

The resulting difference shown in the table reflects potential future gains or losses yet to be recognised in the income statement over the remaining life of the contract.

E
Other

E1 Group structure

No changes occurred to Meridian's Group structure in the six months to 31 December 2020.

E2 Contingent assets and liabilities

There were no contingent assets or liabilities at 31 December 2020 (31 Dec 2019: $3m – $4m, 30 Jun 2020: nil).

E3 Subsequent events

On 23 February 2021 the Board approved to proceed with the development of the new $395m Harapaki Wind Farm in the Hawke's Bay. The Harapaki Wind Farm will be New Zealand's second largest wind farm with 41 turbines generating 176MW of renewable energy.

Meridian entered into a new NZ$70 million unsecured borrowing facility on 5 February 2021.

There were no other subsequent events other than dividends declared on 23 February 2021. Refer to Note C3 Dividends for further details.

E4 Changes in financial reporting standards

Meridian is not aware of any standards in issue but not yet effective which would materially impact on the amounts recognised or disclosed in the financial statements.

Deloitte.

Independent Review Report

To the Shareholders of Meridian Energy Limited

The Auditor-General is the auditor of Meridian Energy Limited (the 'Company') and its subsidiaries (the 'Group'). The Auditor-General has appointed me, Mike Hoshek, using the staff and resources of Deloitte Limited, to carry out the review of the condensed interim financial statements ('interim financial statements') of the Group on his behalf.

Conclusion

We have reviewed the interim financial statements of the Group on pages 3 to 25, which comprise the balance sheet as at 31 December 2020, income statement, comprehensive income statement, statement of changes in equity and statement of cash flows for the six months ended on that date, and the notes including a summary of significant accounting policies and other explanatory information.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 December 2020, and its financial performance and cash flows for the six months ended on that date, in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

Basis for Conclusion

We conducted our review in accordance with NZ SRE 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* ('NZ SRE 2410 (Revised)'). Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Interim Financial Statements* section of our report.

We are independent of the Group in accordance with the Auditor-General's ethical requirements relating to the audit of the annual financial statements, which incorporate the relevant independence requirements issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In addition to this review and the audit of the Group annual financial statements, our firm carries out other assurance assignments for the Group in the areas of greenhouse gas assurance, limited assurance of the sustainability content in the integrated report, audit of the securities registers, vesting of the executive long-term incentive plan, the solvency return of Meridian Captive Insurance Limited and supervisor reporting. These services have not impaired our independence as auditor of the Group.

In addition to these assignments, partners and employees of our firm deal with the Group on normal terms within the ordinary course of trading activities of the Group. Other than these assignments and trading activities, we have no relationship with, or interests in the Group.

Directors' responsibilities for the interim financial statements

The directors are responsible, on behalf of the Group, for the preparation and fair presentation of these interim financial statements in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the interim financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, are not prepared, in all material respects, in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

A review of the interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently do not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on these interim financial statements.

Mike Hoshek
for Deloitte Limited
On behalf of the Auditor-General
23 February 2021
CHRISTCHURCH, NEW ZEALAND

This review report relates to the unaudited condensed interim financial statements of Meridian Energy for the six months ended 31 December 2020 included on Meridian Energy's website.

The Board of Directors are responsible for the maintenance and integrity of Meridian Energy's website. We have not been engaged to report on the integrity of Meridian Energy's website.

We accept no responsibility for any changes that may have occurred to the unaudited condensed interim financial statements since they were initially presented on the website.

The review report refers only to the unaudited condensed interim financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these unaudited condensed interim financial statements.

If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the unaudited condensed interim financial statements and related review report dated 23 February 2021 to confirm the information included in the unaudited condensed interim financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Meridian.