



Meridian.

Monthly Operating Report

February 2023

February highlights

In the month to 13 March 2023, national hydro storage decreased from **111%** to **105%** of historical average

South Island storage decreased to **94%** of average and North Island storage increased to **194%** of average by 13 March 2023

Meridian's February 2023 monthly total inflows were **86%** of historical average

Waiau catchment inflows in February 2023 were **71%** of historical average

Meridian's Waitaki catchment water storage at the end of February 2023 was **103%** of historical average

Water storage in Meridian's Waiau catchment was **62%** of average at the end of February 2023

National electricity demand in February 2023 was **0.1%** lower than the same month last year

February 2023 saw exceptional North Island rainfall from Cyclone Gabrielle. South Island rainfall was variable and below average in inland Canterbury and Fiordland. Above average temperatures were recorded in most parts of the country

New Zealand Aluminium Smelter's average load during February 2023 was **576MW**

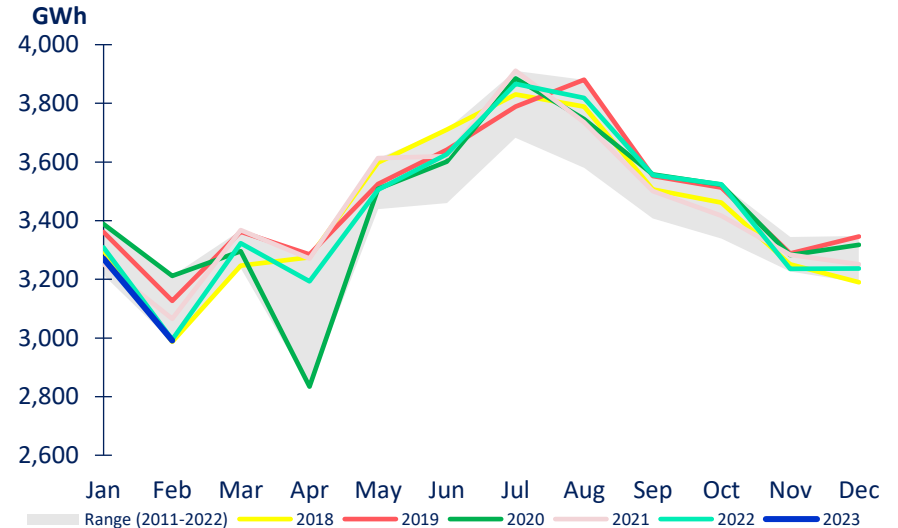
Meridian's retail sales volumes in February 2023 were **9.7%** higher than February 2022

Compared to February 2022, segment sales increased in small medium business +5.1%, agricultural +56.1%, large business +7.7% and corporate +2.0%. Residential sales decreased -2.5%

Market data

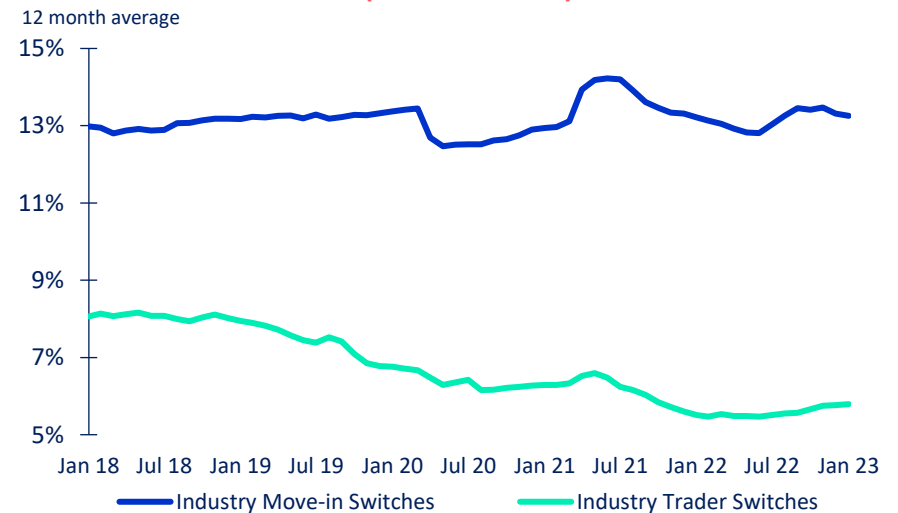
- National electricity demand in February 2023 was 0.1% lower than the same month last year
- February 2023 saw exceptional North Island rainfall from Cyclone Gabrielle. South Island rainfall was variable and below average in inland Canterbury and Fiordland. Above average temperatures were recorded in most parts of the country
- Demand in the last 12 months was 0.3% lower than the preceding 12 months
- New Zealand Aluminium Smelter's average load during February 2023 was 576MW
- 12-month average switching rate of customers changing retailers but not moving ("trader" switch) was 5.8% at the end of January 2023
- 12-month average switching rate of customers moving and changing retailers ("move-in" switch) was 13.3% at the end of January 2023

NATIONAL DEMAND



Source: Electricity Authority (reconciled demand)

MARKET ICP SWITCHING (ALL RETAILERS)

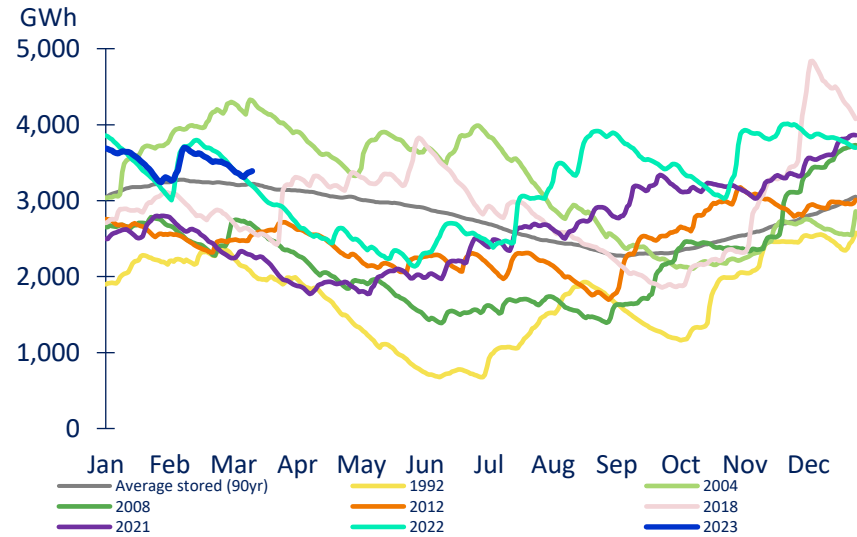


Source: Electricity Authority

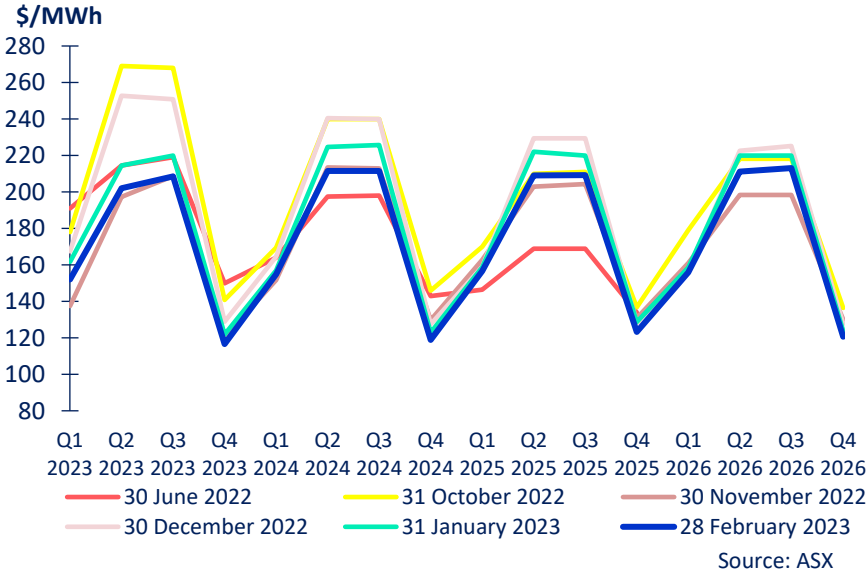
Market data

- February 2023 saw slight decreases in ASX prices across the curve
- National storage decreased from 111% of average on 14 February 2023 to 105% of average on 13 March 2023
- South Island storage decreased to 94% of historical average by 13 March 2023. North Island storage increased to 194% of average

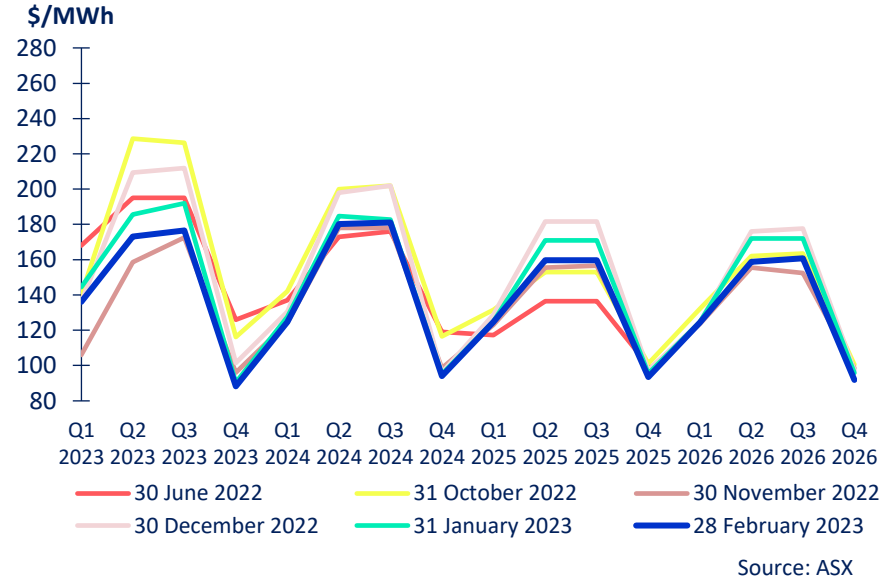
NATIONAL HYDRO STORAGE (13 March 2023)



OTAHUHU ASX FUTURES SETTLEMENT PRICE



BENMORE ASX FUTURES SETTLEMENT PRICE

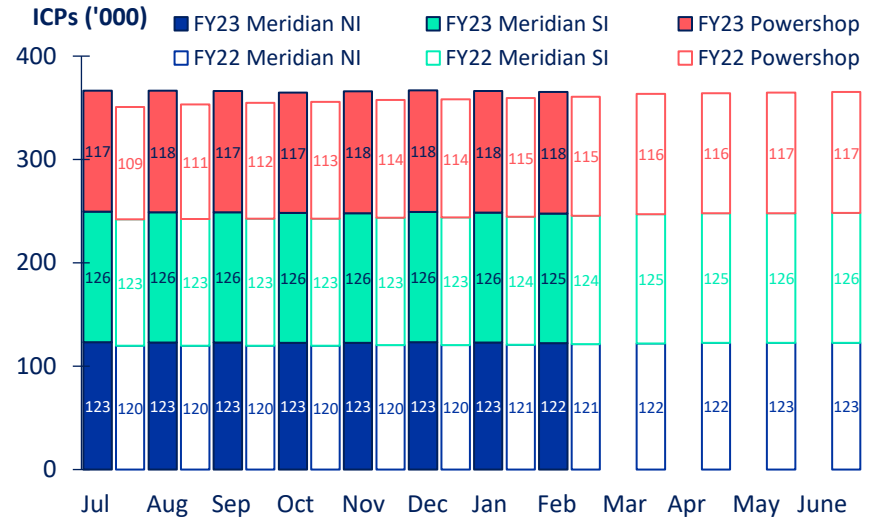


Meridian retail

- Meridian’s customer connection numbers decreased 0.3% during February 2023 and are at similar level to June 2022
- Retail sales volumes in February 2023 were 9.7% higher than February 2022
- Compared to February 2023, segment sales increased in small medium business +5.1%, agricultural +56.1%, large business +7.7% and corporate +2.0%. Residential sales decreased -2.5%.
- To date this financial year, retail sales volumes are 4.5% higher than the same period last year
- This reflects increased segment sales in: small medium business +10.7%, agricultural +12.0%, large business +15.4% and corporate +0.7%. Residential sales are -0.9% lower

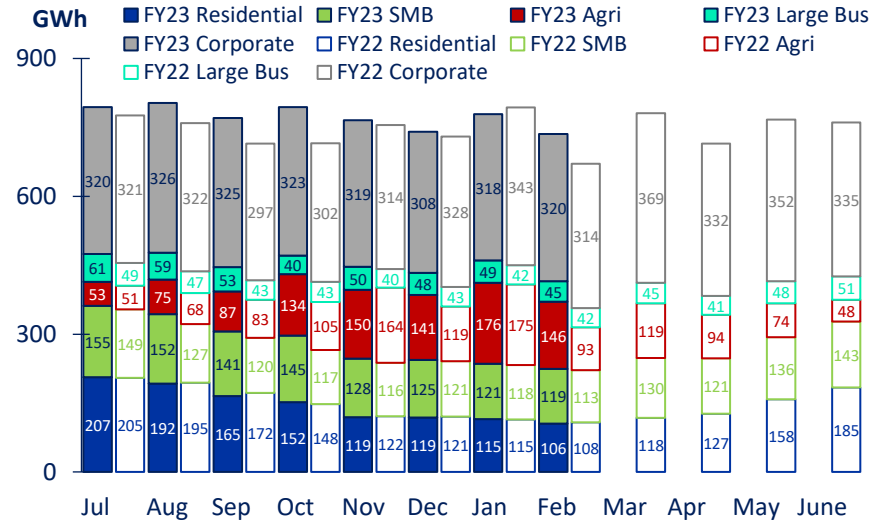
*excludes volumes sold to New Zealand Aluminium Smelters and CFDs

MERIDIAN'S CUSTOMER CONNECTIONS



Source: Meridian

MERIDIAN'S RETAIL SALES VOLUME*

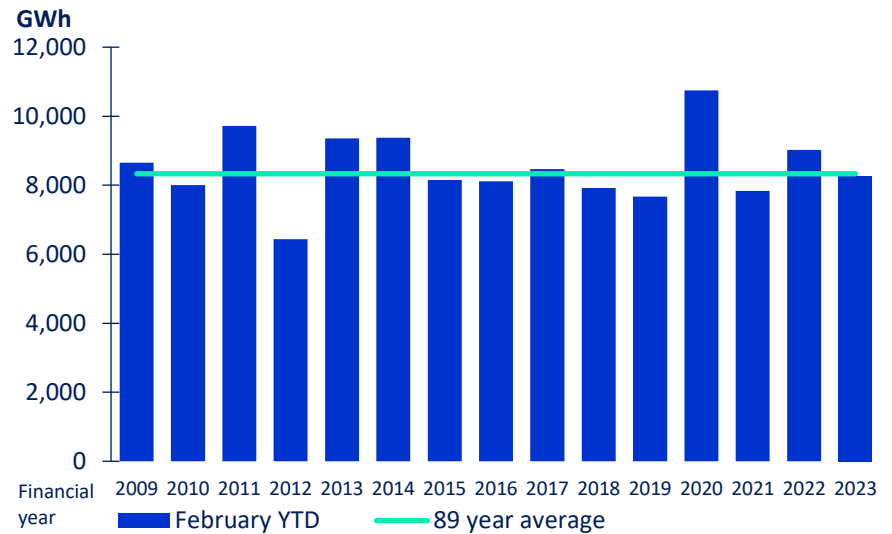


Source: Meridian

Meridian inflows and storage

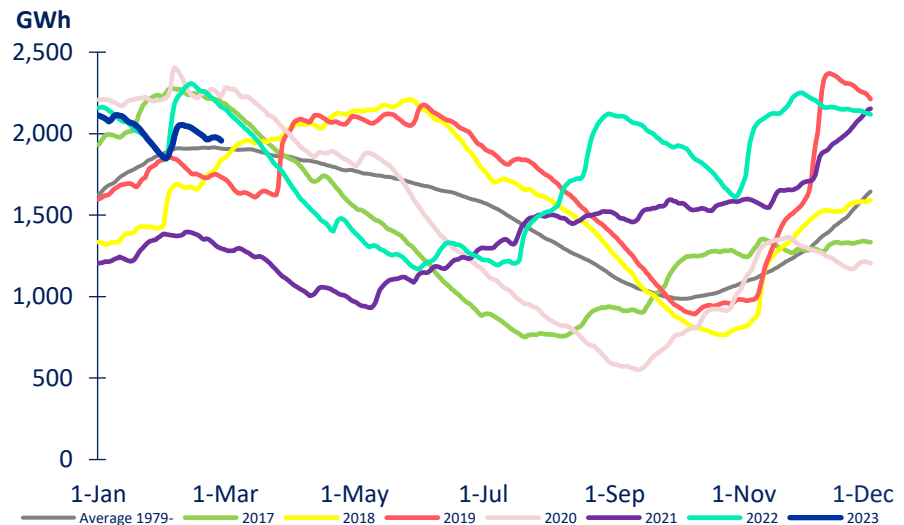
- February 2023 monthly inflows were 86% of historical average
- Waiau catchment inflows in February 2023 were 71% of historical average, slightly higher than the same time last year
- To date this financial year, inflows are 99% of historical average
- Meridian’s Waitaki catchment water storage moved from 1,864GWh to 1,958GWh during February 2023
- Waitaki water storage at the end of February 2023 was 103% of historical average and 10% lower than the same time last year
- Water storage in Meridian’s Waiau catchment was 62% of average at the end of February 2023

MERIDIAN'S COMBINED CATCHMENT INFLOWS



Source: Meridian

MERIDIAN'S WAITAKI STORAGE

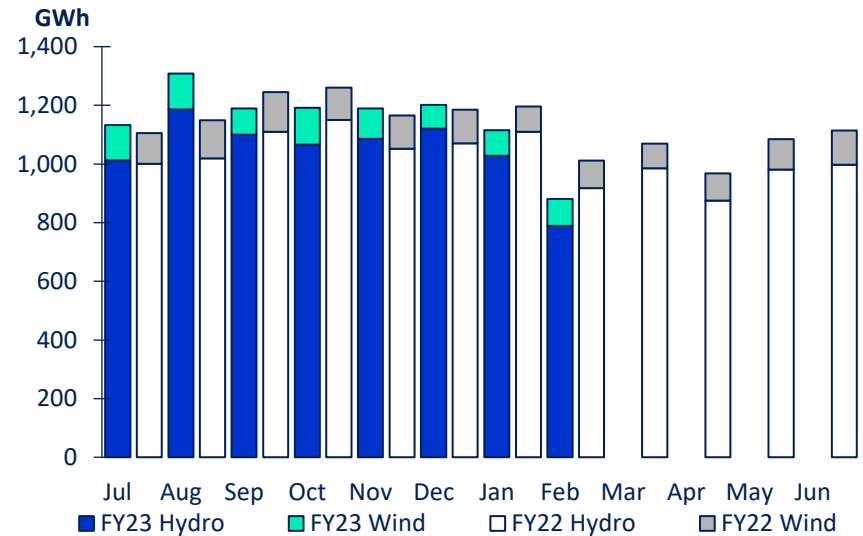


Source: Meridian

Meridian generation

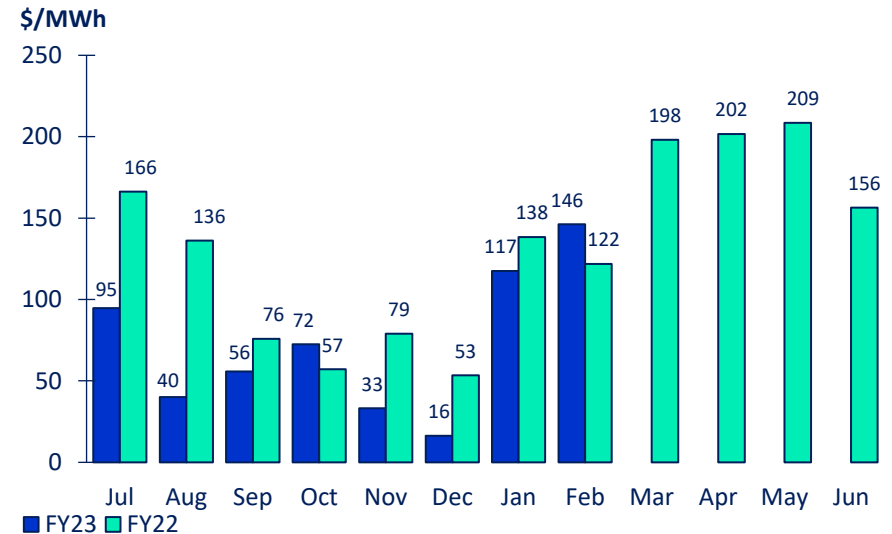
- Meridian’s generation in February 2023 was 12.9% lower than the same month last year, reflecting lower hydro and wind generation
- To date this financial year, Meridian’s generation is 1.2% lower than the same period last year, reflecting lower hydro and wind generation
- The average price Meridian received for its generation in February 2023 was 20.0% higher than the same month last year
- The average price Meridian paid to supply customers in February 2023 was 16.0% higher than the same month last year
- To date this financial year, the average price Meridian received for its generation is 32.9% lower than the same period last year and the average price paid to supply customers is 30.7% lower

MERIDIAN'S GENERATION



Source: Meridian

MERIDIAN'S AVERAGE GENERATION PRICE*



*price received for Meridian’s physical generation

Source: Meridian

Monthly operating information

	FEBRUARY 2023 MONTH	FEBRUARY 2022 MONTH	JANUARY 2023 MONTH	DECEMBER 2022 MONTH	8 MONTHS TO FEBRUARY 2023	8 MONTHS TO FEBRUARY 2022
New Zealand contracted sales						
Residential sales volume (GWh)	106	108	115	119	1,176	1,186
Small medium business sales volume (GWh)	119	113	121	125	1,086	981
Agricultural sales volume (GWh)	146	93	176	141	961	858
Large business sales volume (GWh)	45	42	49	48	404	350
Corporate and industrial sales volume (GWh)	320	314	318	308	2,558	2,540
Retail contracted sales volume (GWh)	736	671	779	741	6,185	5,916
Average retail contracted sales price ¹ (\$NZ/MWh)	\$127.5	\$115.5	\$126.3	\$122.5	\$128.1	\$115.2
NZAS sales volume (GWh)	384	384	426	425	3,334	3,335
Financial contract sales volumes ² (GWh)	179	244	308	277	1,919	2,115
Average wholesale & financial contracts sales price ³ (\$NZ/MWh)	\$66.8	\$63.7	\$72.4	\$54.2	\$60.3	\$65.3
Retail customer supply volumes (GWh)	775	709	804	793	6,544	6,236
Cost to supply retail customers (\$NZ/MWh)	\$159.5	\$146.4	\$124.7	\$23.6	\$81.9	\$121.4
Cost to supply wholesale customers (\$NZ/MWh)	\$154.7	\$120.5	\$123.4	\$12.7	\$71.6	\$99.0
Cost of financial contracts (\$NZ/MWh)	\$135.8	\$117.0	\$125.8	\$22.2	\$76.7	\$109.4
Total New Zealand customer connections ⁴	365,444	360,780	366,362	364,474		

See page 10 for footnotes

Monthly operating information

	FEBRUARY 2023 MONTH	FEBRUARY 2022 MONTH	JANUARY 2023 MONTH	DECEMBER 2022 MONTH	8 MONTHS TO FEBRUARY 2023	8 MONTHS TO FEBRUARY 2022
New Zealand generation						
Hydro generation volume (GWh)	789	918	1,028	1,121	8,391	8,430
Wind generation volume (GWh)	92	94	87	81	819	889
Total generation volume (GWh)	881	1,012	1,115	1,202	9,210	9,319
Average generation price ⁵ (\$NZ/MWh)	\$146.1	\$121.8	\$117.4	\$16.3	\$68.5	\$102.0
New Zealand hedging						
Hedging volume ⁶ (GWh)	429	421	396	358	3,085	2,803
Hedging cost average price (\$NZ/MWh)	\$142.1	\$117.0	\$117.0	\$99.1	\$117.6	\$111.2
Hedging spot revenue average price (\$NZ/MWh)	\$146.1	\$138.8	\$142.0	\$25.5	\$82.8	\$122.6
Future contract close outs (\$NZm)	-\$2.8	-\$1.5	-\$2.5	-\$0.2	\$45.9	-\$8.0

See page 10 for footnotes

Monthly operating information

	FEBRUARY 2023 MONTH	FEBRUARY 2022 MONTH	JANUARY 2023 MONTH	DECEMBER 2022 MONTH	8 MONTHS TO FEBRUARY 2023	8 MONTHS TO FEBRUARY 2022
New Zealand costs						
Employee and Operating Costs ⁷ (\$m)	19	18	18	21	158	130
Stay in Business Capital Expenditure (\$m)	4	3	2	4	27	24
Investment Capital Expenditure (\$m)	44	8	20	58	214	87
Total Capital Expenditure (\$m)	48	11	22	62	241	111

December 2022 and February 2023 Capital Expenditure included ex-works payments to Siemens Gamesa in relation to the Harapaki Wind Farm construction

Footnotes

- Contracted sales volumes and volume weighted average price received from contracted customers less distribution costs
- Derivatives sold excluding the sell-side of virtual asset swaps
- Average price of both NZAS sales volume and derivative sales volumes
- Meridian Retail and Powershop New Zealand installation control points (ICPs), excluding vacants
- Volume weighted average price received for Meridian's physical generation
- Over the counter and ASX contract volumes excluding the buy-side of virtual asset swaps
- Excludes electricity metering expenses, now reclassified into gross margin

FY23 operating information

	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Q1 FY22	YoY change	Q2 FY22	YoY change	Q3 FY22	YoY change	Q4 FY22	YoY change
New Zealand contracted sales																				
Residential sales volume (GWh)	207	192	165	152	119	119	115	106					564	-8	390	-0				
Small medium business sales volume (GWh)	155	152	141	145	128	125	121	119					448	+52	398	+44				
Agricultural sales volume (GWh)	53	75	87	134	150	141	176	146					214	+12	425	+38				
Large business sales volume (GWh)	61	59	53	40	50	48	49	45					173	+33	137	+11				
Corporate and industrial sales volume (GWh)	320	326	325	323	319	308	318	320					970	+30	950	+7				
Retail contracted sales volume (GWh)	795	804	771	795	766	741	779	736					2,369	+119	2,301	+100				
Average retail contracted sales price (\$NZ/MWh)	\$133.3	\$134.2	\$134.9	\$124.0	\$121.5	\$122.5	\$126.3	\$127.5					\$134.1	+\$10.9	\$122.7	+\$14.4				
NZAS sales volume (GWh)	426	425	411	426	411	425	426	384					1,262	-1	1,262	-1				
Financial contract sales volumes (GWh)	190	281	176	257	251	277	308	179					647	-81	785	-78				
Average wholesale & financial contracts sales price (\$NZ/MWh)	\$65.4	\$60.4	\$50.5	\$56.5	\$55.8	\$54.2	\$72.4	\$66.8					\$58.9	-\$13.5	\$55.5	-\$4.3				
Retail customer supply volumes (GWh)	835	843	823	847	825	793	804	775					2,501	+138	2,465	+127				
Cost to supply retail customers (\$NZ/MWh)	\$110.6	\$49.1	\$64.5	\$82.8	\$44.2	\$23.6	\$124.7	\$159.5					\$74.7	-\$75.6	\$50.8	-\$24.1				
Cost to supply wholesale customers (\$NZ/MWh)	\$97.6	\$40.2	\$49.7	\$70.7	\$29.7	\$12.7	\$123.4	\$154.7					\$62.7	-\$51.7	\$37.8	-\$19.7				
Cost of financial contracts (\$NZ/MWh)	\$120.6	\$58.7	\$63.1	\$73.7	\$33.7	\$22.2	\$125.8	\$135.8					\$78.1	-\$54.9	\$42.7	-\$28.0				
Total New Zealand customer connections	366,518	366,599	366,285	364,700	365,946	366,936	366,362	365,444					366,285	+11,475	366,936	+8,586				
New Zealand generation																				
Hydro generation volume (GWh)	1,013	1,187	1,101	1,066	1,086	1,121	1,028	789					3,300	+170	3,274	+1				
Wind generation volume (GWh)	120	122	89	126	103	81	87	92					331	-39	310	-30				
Total generation volume (GWh)	1,133	1,308	1,190	1,192	1,190	1,202	1,115	881					3,631	+131	3,583	-29				
Average generation price (\$NZ/MWh)	\$94.7	\$39.9	\$55.7	\$72.4	\$33.1	\$16.3	\$117.4	\$146.1					\$62.2	-\$62.0	\$40.6	-\$22.4				
New Zealand hedging																				
Hedging volume (GWh)	428	425	352	350	347	358	396	429					1,205	+231	1,054	+51				
Hedging cost average price (\$NZ/MWh)	\$131.4	\$122.0	\$116.7	\$103.3	\$100.2	\$99.1	\$117.0	\$142.1					\$123.8	-\$0.0	\$100.8	+\$1.5				
Hedging spot revenue average price (\$NZ/MWh)	\$113.0	\$39.6	\$64.7	\$77.2	\$35.8	\$25.5	\$142.0	\$146.1					\$73.0	-\$70.6	\$46.0	-\$31.2				
Future contract close outs (\$NZm)	-1.1	12.7	20.7	\$5.4	13.7	-0.2	-2.5	-2.8					32.4	+32.9	18.9	+19.7				
Meridian Group																				
Employee and Operating Costs (\$NZ m)	19	20	20	21	21	21	18	19					60	+8	62	+15				
Stay in Business Capital Expenditure (\$NZ m)	3	4	4	3	4	4	2	3					11	+1	11	-1				
Investment Capital Expenditure (\$NZ m)	9	9	12	11	50	59	20	44					30	-6	119	+85				
Total Capital Expenditure (\$NZ m)	12	13	16	14	54	62	22	48					41	-5	130	+84				

FY22 operating information

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Q1	YoY	Q2	YoY	Q3	YoY	Q4	YoY	
	2021	2021	2021	2021	2021	2021	2022	2022	2022	2022	2022	2022	FY22	change	FY22	change	FY22	change	FY22	change	
New Zealand contracted sales																					
Residential sales volume (GWh)	205	195	172	148	122	121	115	108	118	127	158	185	572	+70	391	+45	341	+39	470	+15	
Small medium business sales volume (GWh)	149	127	120	117	116	121	118	113	130	121	136	143	396	+71	354	+55	362	+62	399	+30	
Agricultural sales volume (GWh)	51	68	83	105	164	119	175	93	119	94	74	48	202	-3	387	-81	388	-88	216	-10	
Large business sales volume (GWh)	49	47	43	43	40	43	42	42	45	41	48	51	140	-16	126	-7	128	-1	140	+14	
Corporate and industrial sales volume (GWh)	321	322	297	302	314	328	343	314	369	332	352	335	940	+111	943	+88	1,026	+93	1,019	+51	
Retail contracted sales volume (GWh)	776	759	715	716	755	731	793	671	781	715	768	761	2,250	+233	2,202	+99	2,246	+105	2,244	+99	
Average retail contracted sales price (\$NZ/MWh)	\$122.6	\$124.0	\$123.2	\$109.9	\$109.8	\$105.2	\$111.2	\$115.5	\$116.6	\$122.8	\$128.5	\$127.0	\$123.2	+\$4.0	\$108.3	-\$3.8	\$114.4	+\$7.6	\$126.2	+\$7.2	
NZAS sales volume (GWh)	426	426	411	426	412	426	426	384	426	402	418	412	1,262	+0	1,263	+0	1,236	+0	1,232	-18	
Financial contract sales volumes (GWh)	197	297	234	374	280	208	280	244	249	178	203	219	728	+214	862	+376	773	+306	600	+161	
Average wholesale & financial contracts sales price (\$NZ/MWh)	\$73.2	\$78.4	\$65.1	\$62.3	\$56.9	\$59.8	\$63.3	\$63.7	\$64.2	\$68.1	\$74.9	\$66.9	\$72.5	-\$3.3	\$59.8	-\$8.9	\$63.7	+\$0.9	\$70.0	-\$5.4	
Retail customer supply volumes (GWh)	816	795	752	764	798	776	828	709	821	747	815	814	2,363	+246	2,337	+123	2,358	+114	2,376	+123	
Cost to supply retail customers (\$NZ/MWh)	\$190.3	\$165.3	\$91.0	\$74.6	\$92.7	\$57.2	\$148.4	\$146.4	\$213.2	\$210.5	\$221.5	\$168.0	\$150.3	+\$8.4	\$75.0	-\$40.8	\$170.4	-\$53.1	\$199.7	-\$87.0	
Cost to supply wholesale customers (\$NZ/MWh)	\$162.7	\$115.9	\$62.6	\$51.2	\$76.5	\$45.5	\$156.9	\$120.5	\$216.0	\$225.2	\$215.0	\$152.1	\$114.3	-\$10.9	\$57.5	-\$36.4	\$165.9	-\$45.6	\$197.3	-\$67.6	
Cost of financial contracts (\$NZ/MWh)	\$159.9	\$137.5	\$104.8	\$66.0	\$78.8	\$68.2	\$160.4	\$117.0	\$180.6	\$219.0	\$207.7	\$157.1	\$133.0	+\$2.9	\$70.7	-\$34.0	\$153.2	-\$39.3	\$192.6	-\$70.9	
Total New Zealand customer connections	350,961	353,357	354,810	355,760	357,521	358,350	359,550	360,780	363,430	364,182	364,839	365,346	354,810	+26,208	358,350	+25,763	363,430	+25,379	365,346	+18,516	
New Zealand generation																					
Hydro generation volume (GWh)	1,000	1,020	1,110	1,150	1,052	1,071	1,110	918	986	876	982	998	3,130	+372	3,273	+119	3,014	+298	2,855	+185	
Wind generation volume (GWh)	105	129	135	111	114	114	86	94	84	93	104	116	370	-16	339	-40	264	-23	313	-31	
Total generation volume (GWh)	1,105	1,149	1,245	1,260	1,166	1,185	1,196	1,012	1,070	968	1,085	1,114	3,499	+356	3,612	+79	3,278	+275	3,168	+154	
Average generation price (\$NZ/MWh)	\$166.2	\$136.1	\$75.8	\$57.1	\$78.9	\$53.4	\$138.4	\$121.8	\$198.1	\$201.5	\$208.5	\$156.4	\$124.1	-\$2.3	\$63.0	-\$38.2	\$152.8	-\$58.0	\$188.0	-\$79.7	
New Zealand hedging																					
Hedging volume (GWh)	394	325	255	327	332	346	404	421	459	438	353	324	975	+122	1,004	+141	1,283	+195	1,115	+35	
Hedging cost average price (\$NZ/MWh)	\$129.6	\$121.5	\$117.7	\$93.6	\$94.8	\$109.3	\$104.1	\$117.0	\$120.0	\$127.8	\$134.6	\$136.7	\$123.8	+\$18.5	\$99.4	+\$5.2	\$114.0	-\$1.2	\$132.6	+\$17.2	
Hedging spot revenue average price (\$NZ/MWh)	\$164.1	\$140.7	\$115.6	\$74.4	\$88.3	\$69.2	\$168.3	\$138.8	\$205.9	\$197.5	\$217.2	\$161.2	\$143.6	+\$13.4	\$77.2	-\$32.5	\$172.1	-\$55.1	\$193.2	-\$68.0	
Future contract close outs (\$NZm)	-0.7	0.1	0.2	-0.9	0.2	-0.1	-5.1	-1.5	10.0	-6.4	2.3	10.9	-0.5	+5.9	-0.8	+2.8	3.3	+13.0	6.8	+0.8	
Meridian Group																					
Employee and Operating Costs (\$NZ m)	16	17	18	18	20	8	15	18	21	19	21	25	51	+3	46	-3	54	+7	65	+1	
Stay in Business Capital Expenditure (\$NZ m)	3	3	4	3	6	2	-1	4	4	3	3	6	10	+1	11	+2	6	-2	13	+1	
Investment Capital Expenditure (\$NZ m)	9	4	23	11	17	6	9	8	6	19	13	9	36	+25	34	+28	23	-14	41	+31	
Total Capital Expenditure (\$NZ m)	12	7	27	15	24	7	8	11	10	22	16	15	46	+26	46	+30	29	-16	54	+33	

Glossary

Hedging volumes	buy-side electricity derivatives excluding the buy-side of virtual asset swaps
Average generation price	the volume weighted average price received for Meridian’s physical generation
Average retail contracted sales price	volume weighted average electricity price received from retail customers, less distribution costs
Average wholesale contracted sales price	volume weighted average electricity price received from wholesale customers (including NZAS) and financial contracts
Combined catchment inflows	combined water inflows into Meridian’s Waitaki and Waiau hydro storage lakes
Cost of hedges	volume weighted average price Meridian pays for derivatives acquired
Cost to supply contracted sales	volume weighted average price Meridian pays to supply contracted customer sales and financial contracts
Contracts for Difference (CFDs)	an agreement between parties to pay the difference between the wholesale electricity price and an agreed fixed price for a specified volume of electricity. CFDs do not result in the physical supply of electricity
Customer connections (NZ)	number of installation control points, excluding vacants
GWh	gigawatt hour. Enough electricity for 125 average New Zealand households for one year
Historic average inflows	the historic average combined water inflows into Meridian’s Waitaki and Waiau hydro storage lakes over the last 85 years
Historic average storage	the historic average level of storage in Meridian’s Waitaki catchment since 1979
HVDC	high voltage direct current link between the North and South Islands of New Zealand
ICP	New Zealand installation control points, excluding vacants
ICP switching	the number of installation control points changing retailer supplier in New Zealand, recorded in the month the switch was initiated
MWh	megawatt hour. Enough electricity for one average New Zealand household for 46 days
National demand	Electricity Authority’s reconciled grid demand www.emi.ea.govt.nz
NZAS	New Zealand Aluminium Smelters Limited
Retail sales volumes	contract sales volumes to retail customers, including both non half hourly and half hourly metered customers
Financial contract sales	sell-side electricity derivatives excluding the sell-side of virtual asset swaps
Virtual Asset Swaps (VAS)	CFDs Meridian has with Genesis Energy and Mercury New Zealand. They do not result in the physical supply of electricity