Release

Stock Exchange Listings NZX (MEL) ASX (MEZ)

Meridian to upgrade Waitaki Power Station

30 September 2026

Meridian Energy will invest between $440 million and $510 million over the next ten years upgrading its 92-year-old Waitaki Power Station, boosting hydro generation and setting the asset up for another lifetime. Scheduled for completion by 2036, the project will increase the station's available capacity from 105MW to 120MW, replacing all seven turbines, generators and supporting balance-of-plant systems, together with the station's 21 headgates and associated equipment.

The investment will be treated as a combination of growth capital expenditure (15% of the investment) and a new classification, repowering capital expenditure (85% of the investment). Repowering capital expenditure, as it is incurred, will be excluded from the calculation of operating free cash flow under Meridian's Dividend Policy. It will, however, be added back into operating free cash flow calculations proportionately over the expected useful life of the repowered station, currently estimated at 50 years.

Meridian's revised total capital expenditure guidance for the 2027 financial year is unchanged at $370 million to $410 million. Stay in business capital expenditure is expected to be between $110 million and $120 million, growth capital expenditure expected to be between $220 million and $250 million and repowering capital expenditure of $40 million.

Waitaki Power Station currently generates enough electricity for about 51,000 average homes. It was constructed with manual labour as a 'make-work' project during the 1930s Depression. The station started generating electricity in 1935, with two 15MW generators able to meet almost half of the South Island's electricity needs at the time. Three more generators were installed between 1940 and 1949, bringing generation capacity up to 75MW. The remaining two units were constructed between 1952 and 1954, with the powerhouse extended to accommodate them.

"Waitaki Power Station is an important part of our country's social and energy history. This project will breathe new life into this iconic asset, powering on the legacy of those who built it for decades to come. As well as increasing generation output, this upgrade will improve seismic resilience, operational reliability and long-term station performance," says Meridian Chief Executive Mike Roan.

"Hydro generation has an even more vital role to play in our energy system as New Zealand transitions away from thermal fuels and increases intermittent wind and solar generation. More system firming is essential and, as part of the Waitaki Power Scheme, the station benefits from the reliability of New Zealand's biggest battery, Lake Pūkaki."

The hydro station will continue to operate during project works with unit outages carefully planned to minimise impact on generation.

Meridian has appointed two main contractors. International hydro generation expert Voith Hydro will supply the turbines and generators, with New Zealand-owned Gentec Solutions covering the headgates and associated works. The project complements a broader programme of work to improve availability and flexible generation output of Meridian’s generation assets, including others on the Waitaki Power Scheme. Meridian has increased the operating capacity of its existing hydro assets by 75MW in the last two years and it expects more in the coming years. These incremental improvements are important additions to an electricity system that is integrating increasing volumes of intermittent renewable generation.

ENDS

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Waitaki Upgrade Project Investment Decision

30 SEPTEMBER 2026

Construction of the Waitaki hydro power station originally began in the 1930's.

Today's announcement

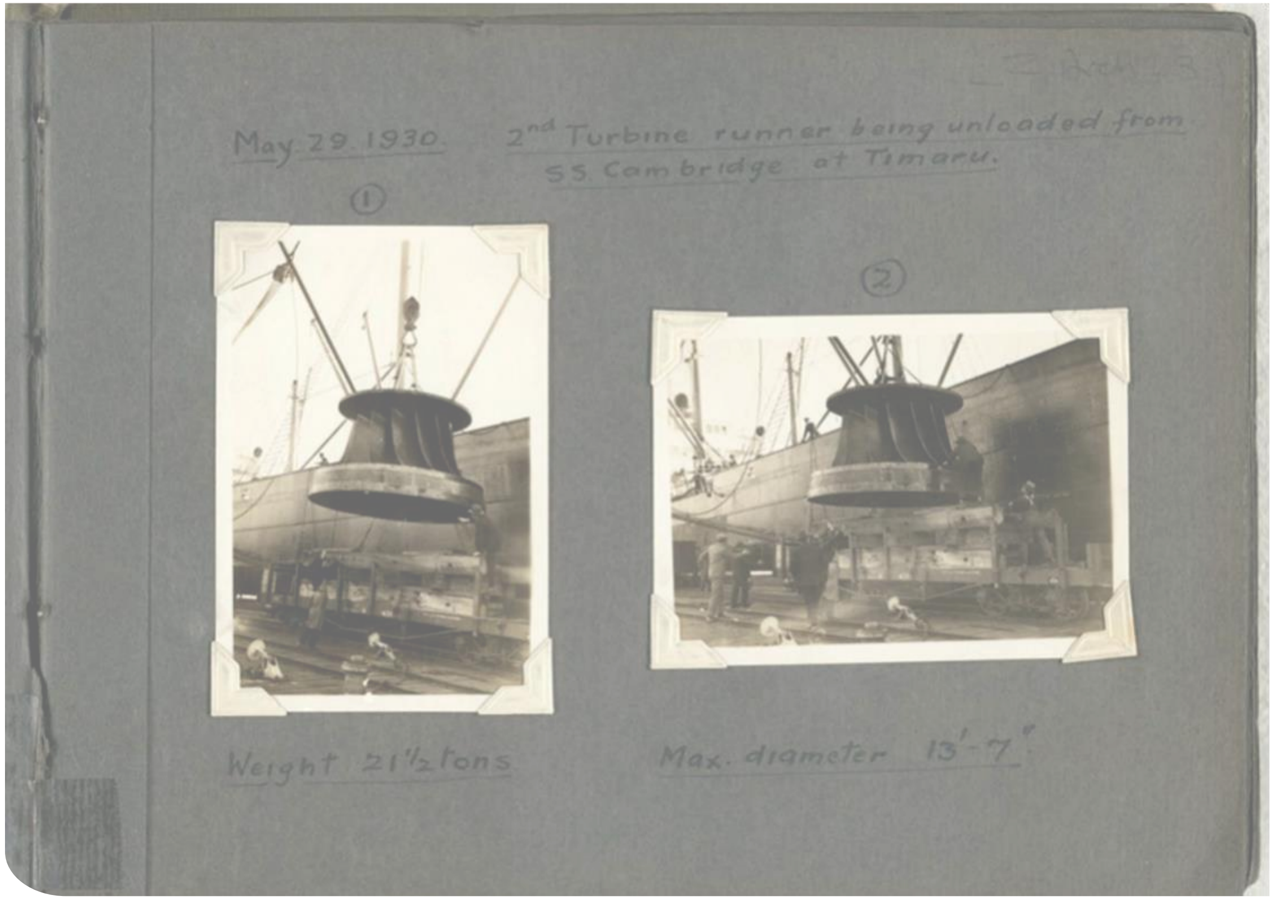
Meridian has committed to upgrading the 92-year-old Waitaki hydro power station.

The investment will deliver a full mechanical and electrical upgrade of all seven generating units.

$440M to $510M (nominal) investment over a 10-year period, delivering a 15%-20% IRR.

The investment will be treated as a combination of growth capital expenditure (15% of the investment) and a new classification, repowering capital expenditure (85% of the investment).

Repowering capital expenditure, as it is incurred, will be excluded from the calculation of operating free cash flow under Meridian's Dividend Policy. It will, however, be added back into operating free cash flow calculations proportionately over the expected useful life of the repowered station, currently estimated at 50 years.



Waitaki hydro power station began generating electricity in 1935, with two 15-megawatt generators operating – enough to meet almost half of the South Island's electricity needs at that time.

Project overview

The investment will deliver a full mechanical and electrical upgrade of all seven generating units, the connection assets, and balance of plant.

The project represents Meridian's first full mechanical and electrical refurbishment of a hydro power station.

The upgrade will substantially extend the operational life of the station, improve operational flexibility and resilience, and increase available station capacity by 15MW.

The upgrade provides higher financial returns than further deferral or decommissioning alternatives.

VOITH and Gentec SOLUTIONS selected as key partners.

Waitaki hydro power station currently generates enough electricity for about 51,000 average New Zealand homes.

Project specifications

$440M-$510M (nominal) capital investment over **10** years.

Capex will be treated as **growth** capex, not included in stay in business capex or operating free cashflow under Meridian's Dividend Policy.

The investment will be treated as a combination of **growth** capital expenditure (15% of the investment) and a new classification, **repowering** capital expenditure (85% of the investment).

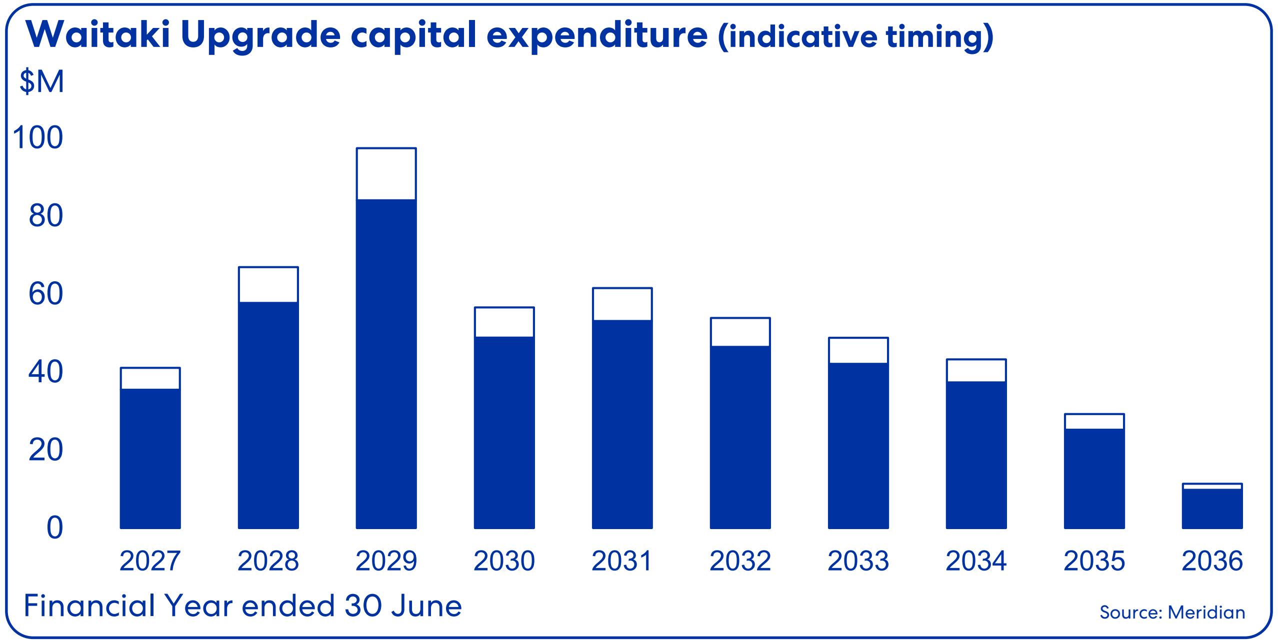
Repowering capital expenditure, as it is incurred, will be **excluded** from the calculation of operating free cash flow under Meridian's Dividend Policy. It will, however, be **added back** into operating free cash flow calculations proportionately over the expected useful life of the repowered station, currently estimated at 50 years.

15MW increase in available station capacity.

15%-20% IRR.

10,000 tCO_2e of emissions for the main contract works.

Sequential unit upgrades to minimise station outages.



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The information contained in this presentation should be considered in conjunction with the company's financial statements, which are included in Meridian's integrated report for the year ended 30 June 2026, available at:

www.meridianenergy.co.nz/about-us/investors

All currency amounts are in New Zealand dollars unless stated otherwise.