

**BETTER  
BUILDING  
BRIGHTER**



24 February 2026

# **INTERIM RESULTS 2026**

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## OPERATIONAL AND STRATEGIC DELIVERY – HY26 SCOREBOARD



### Resilient Earnings

- HY26 EBITDAF \$537m (+28%) driven by higher renewable generation and cost discipline
- Customer platform: 40% of customers now multi-product, improving value per customer
- Hydro rehabs: \$590m FID, adding 76MW / 87 GWh p.a.



### Disciplined Growth

- Geothermal OEC5: commissioning commenced Jan 2026 – on time on budget
- Wind build: KD2 and Kaiwaikawe under construction; tracking to deliver ~0.7 TWh by H1 FY27
- Puke Kapo Hau (Mahinerangi Stage 2 Wind Farm) targeting FID Q1 FY27



### Balance Sheet Strength

- Financial guardrails: Debt/EBITDA at 2.2x, BBB+, Liquidity headroom to support investment at scale
- HY26 dividend: Ordinary interim dividend up 4% to 10cps. \$270m invested in new and existing assets
- FY26 guidance on track: EBITDAF \$1.0b, OPEX \$370m, SIB CAPEX \$150m and dividend 25cps

Delivering for shareholders: Balance sheet strength supports significant disciplined investment while continuing dividend growth

Delivering for New Zealand: We're delivering new renewable generation at scale, with on-track execution building confidence in the pipeline

# FOCUSED ON PROGRESSING STRATEGIC PRIORITIES

FY35

FY30

ASPIRATIONS

PRIORITIES

STRATEGIC OBJECTIVES

KEY INITIATIVES

KEY RESULTS

PROGRESS

 <p><b>KAITIAKITANGA Stewardship</b> Our assets and the natural environment are thriving.</p>	<p><b>Deliver more reliable and renewable energy</b> Taking care of our generation assets and actioning options for growth.</p>	 <p><b>Generation development uplift</b></p>	<p><b>Construct new renewables</b> Plan to deliver 3.5TWh of new generation by 2030</p> <p><b>Grow pipeline</b> Grow pipeline to &gt;8TWh by 2030</p>	<p>Completed construction of OEC5 and began commissioning in January 2026 delivering 0.4 TWh p.a. Advanced construction of KD2 and Kaiwaikawe, expected to deliver 0.7 TWh by H1 FY27</p> <p>Progressed geothermal generation development including reservoir assessments, concept development, drilling planning, and option evaluation and prioritisation</p>
 <p><b>KIRITAKI Customer</b> Customers are at the heart of what we do.</p>	<p><b>Accelerate the shift to a low-carbon future</b> Leading the transition by creating solutions for customers to electrify and support the development of a smart energy system.</p>	 <p><b>Capture energy transition growth</b></p>	<p><b>Electrify C&amp;I customers</b> 400GWh C&amp;I electrification/new demand by 2027</p> <p><b>Increase flexibility</b> 50MW of flexibility DER available for 2026</p>	<p>Commenced 10-year contracts with Fonterra of ~260 GWh p.a. to support the electrification of their Edgcombe and Waitoa sites. Commenced long-term contracts with Visy (115 GWh p.a.) and Whakatāne Mill (125 GWh p.a.)</p> <p>Progressed smart hot water control programme, on track to have 50k cylinders (20MW) under management this winter. Started distributed flexible demand trials</p>
 <p><b>KŌTUITANGA Partnerships</b> We are the trusted partner of choice.</p>	<p><b>Create success with others</b> Having a deliberate focus on deepening trust with key relationships to achieve shared goals.</p>	 <p><b>Rebuild sector confidence</b></p>	<p><b>Provide constructive contributions</b> Influential contributions to key regulatory processes</p> <p><b>Increase transparency</b> Increase awareness of energy transition by 2026</p>	<p>Supported BCG Energy to Grow report. Actively contributed to solutions for gas and firming (including gas market transparency and supporting Huntly Firming Option)</p> <p>Supported efforts to streamline and speed up consenting, including inclusion of renewable electricity in draft RMA replacements; in Fast Track priorities. Supported industry Powering Change relaunch</p>
 <p><b>NGĀ TĀNGATA Our People</b> We learn and adapt to realise our full potential.</p>	<p><b>Perform with an adaptive culture enabled by technology</b> Unleashing an inclusive, curious and connected culture enabled by technology to lift business performance.</p>	 <p><b>Connected and high-performing culture</b></p>	<p><b>Cultural performance uplift</b> Improve the Cultural Performance Index score from FY26 baseline</p> <p><b>Alignment to strategy</b> 100% of business units are aligned to Strategic Objectives and KPIs</p>	<p>Improved business performance by lifting Cultural Performance Index score by 5%</p> <p>Embedded new strategic framework in business with measurements in place. Revised our executive remuneration construct to ensure it incentivises the level of performance needed to deliver our strategy and long-term shareholder value</p>
 <p><b>ARUMONI Commercial</b> We are leaders in commercial growth.</p>	<p><b>Achieve what matters most through financial growth</b> Achieving sustainable performance to invest in the future and drive value.</p>	 <p><b>Earnings transformation</b></p>	<p><b>Revenue growth</b> Lift FY30 EBITDAF to \$1.15-\$1.25 billion</p> <p><b>Core optimisation</b> Deliver operating costs of \$370m p.a. over FY26-28</p>	<p>Delivered strong HY26 EBITDAF performance and full year guidance remains on track</p> <p>Focused on disciplined cost management, on track to deliver operating costs of \$370 million in FY26</p>

MERCURY HALF YEAR RESULTS FY26

## A CAPABLE AND MULTI-DISCIPLINED EXECUTIVE TEAM



**STEW HAMILTON**  
CHIEF EXECUTIVE

- Appointed CEO in 2024; joined Mercury in 2021 as EGM Generation
- Former CEO of NZ Aluminium Smelters; 25+ years in industrial energy across multiple continents
- Chemical Engineer with an MBA; experienced in leading large, complex organisations



**RICHARD HOPKINS**  
CHIEF FINANCIAL OFFICER

- 25+ years experience, last 12 years as CFO of Zespri and Ballance Agri-Nutrients
- 10+ years in European Power & Utilities Investment Banking
- Expert in corporate finance, M&A, transformation, and strategic development



**SURAIYA PHILLIMORE-SMITH**  
CHIEF CUSTOMER OFFICER

- Joined Mercury in 2025
- Over 20 years' local and international experience in customer strategy, marketing and brand
- Held an executive level role at Suncorp NZ



**CATHERINE THOMPSON**  
CHIEF SUSTAINABILITY OFFICER

- Joined Mercury in 2025
- 30 years experience in energy and legal sectors
- Held Executive roles at Contact Energy and Manawa Energy



**CRAIG NEUSTROSKI**  
CHIEF STRATEGY AND TRANSFORMATION OFFICER

- Joined in 2021; formerly held senior roles in the energy sector at Trustpower
- Brings over two decades of leadership experience in energy retail



**KEVIN TAYLOR**  
CHIEF OPERATING OFFICER – GENERATION

- 30+ years in industry with a focus on safety, risk, and performance (ex-Rio Tinto)
- Proven leader in building high-performing, safety-focused teams



**TIM THOMPSON**  
EXECUTIVE GM – WHOLESALE

- Joined in 2005; past roles include GM Wholesale and Head of Treasury & Investor Relations
- Deep experience in electricity trading and large customer sales



**MATT TOLCHER**  
EXECUTIVE GM – GENERATION DEVELOPMENT

- Joined in 2022; 20 years of experience in major infrastructure across NZ and the US
- Skilled in complex utility development and delivery



**MICHELE MAUGER**  
INCOMING CHIEF PEOPLE EXPERIENCE OFFICER

- To join in April 2026 from Vocus in Melbourne where she is currently Chief People Officer
- 35 years' experience leading People teams, including executive leadership roles with Cleanaway, Incitec Pivot, Metro Trains Melbourne, Thiess and Worley Parsons

# NGĀ TĀNGATA | OUR PEOPLE

## Health, safety and wellbeing

- This year, we launched the Safety Intelligence Programme, a practical framework designed to raise the standard of workplace safety by making safety clear, human and effective and embedding capability into everyday practice
- Supported by the Safety Intelligence website, the programme provides open access to training, tools and resources that help us, our contractors and the wider New Zealand industry lift safety maturity together
- Zero fatality and high severity Health & Safety incidents occurred in CY25 with the 12-month rolling TRIFR for the calendar year at 0.39

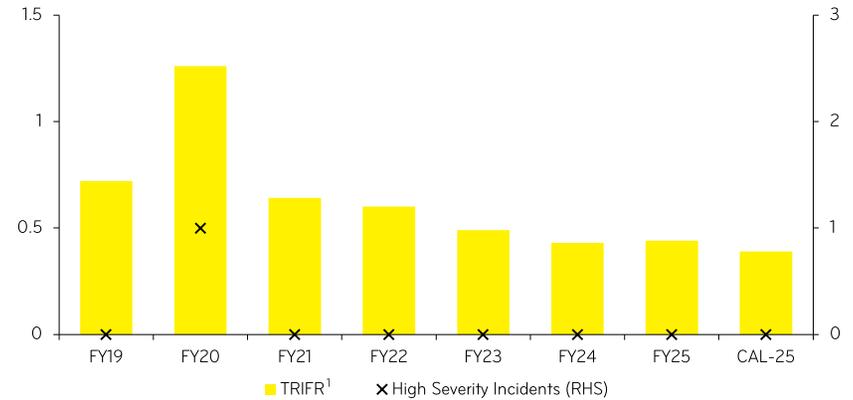
## Growing our people

- We are building an inclusive workforce that leverages diverse backgrounds, perspectives, and capabilities, strengthening leadership to deliver on our strategic priorities
- Optimising our organisational capability to align with evolving business needs which includes targeted upskilling and internal development. This resulted in achieving a balance between roles filled from within (+3%), providing a pathway for homegrown talent, completed by recruiting specialised talent externally when required
- Committed to improving gender balance and representation of diverse leaders across the organisation by increasing our women in leadership (+3%) and continued focus on the diversity of our leaders

## Accelerating performance

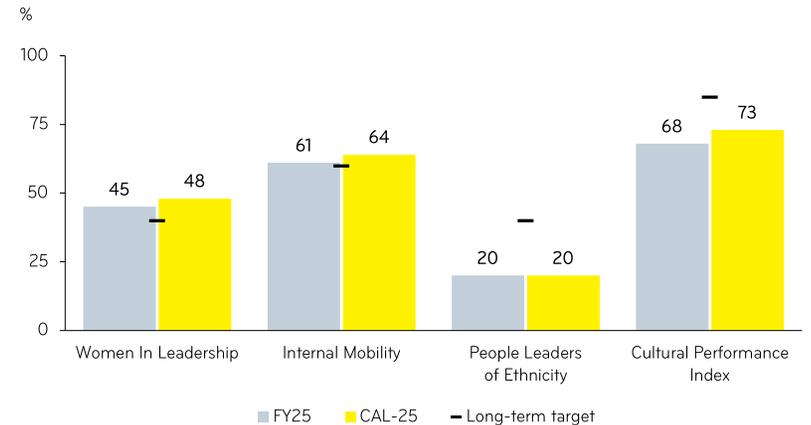
- Introduced enterprise-wide routines and reporting mechanisms to track progress against our key goals. This helps us to focus on the work that delivers the most value
- We are embedding AI tools across our workforce, supported by new governance structures, to improve productivity and free our people for higher value work

## HEALTH AND SAFETY

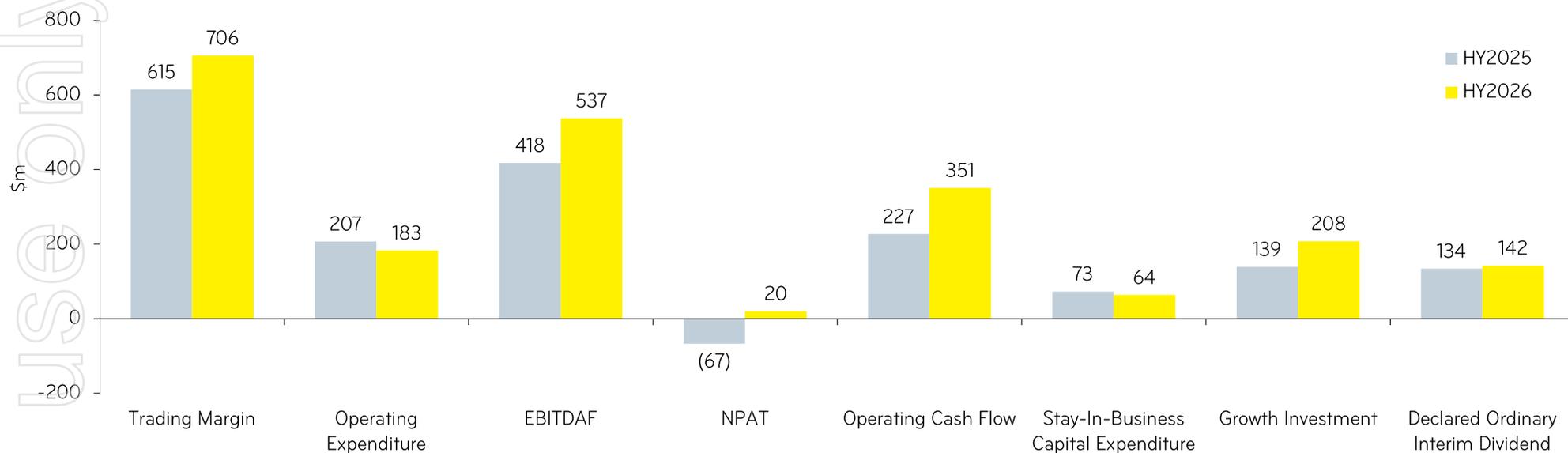


<sup>1</sup> TRIFR is the Total Recordable Injury Frequency Rate per 200,000 hours, includes employees and on-site contractors.

## EMPLOYEE MEASURES



## DISCIPLINED EXECUTION DELIVERS STRONG PERFORMANCE

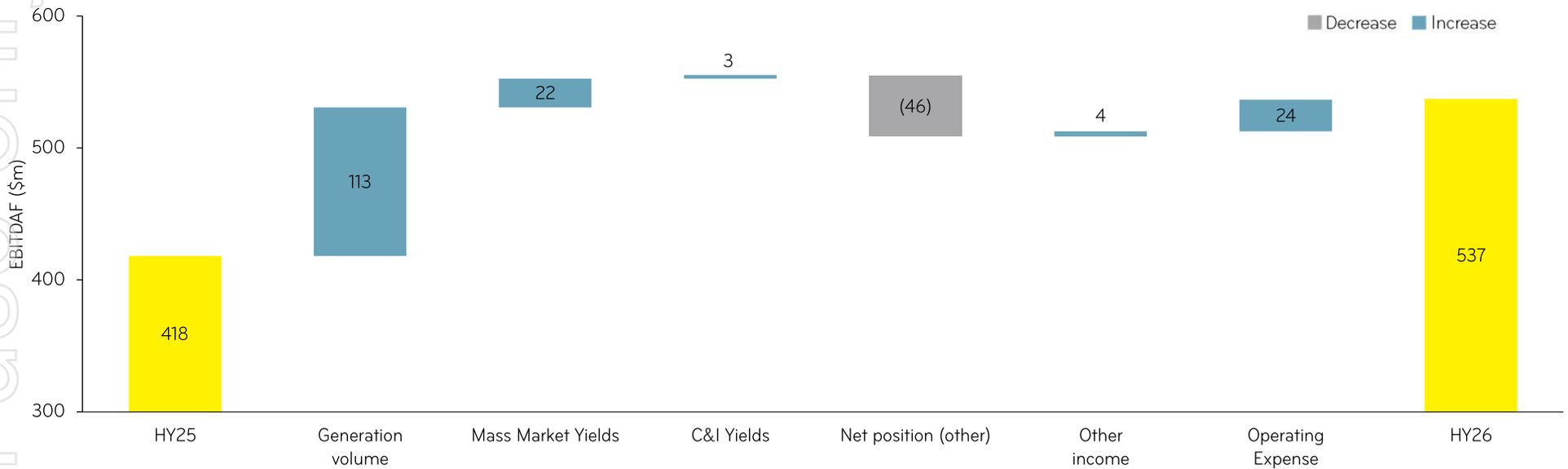


### HY26 FINANCIAL PERFORMANCE

- EBITDAF was higher primarily due to above average hydrology and lower operating expenditure
- NPAT improved due to higher EBITDAF partially offset by adverse unrealised fair value movements in non-hedge accounted derivatives, mainly related to long term sell CFDs
- Operating Cash Flow was higher due to higher net receipts from operating activities (~\$50m) and lower provisional tax payments (~\$56m)
- Stay-In-Business capital expenditure reflects lower spend across drilling and hydro resilience projects
- Growth investment includes construction costs for the second stage of the Kaiwera Downs Wind Farm, Kaiwaikawe Wind Farm and the fifth generating unit at the Ngā Tamariki Geothermal Station

# HIGHER GENERATION AND LOWER OPERATING EXPENSES LIFTS PERFORMANCE

EBITDAF bridge (HY25 to HY26)



## HY26 EBITDAF PERFORMANCE

- Generation volume up 0.5 TWh reflecting higher hydro with above average inflows, partially offset by lower wind and slightly lower geothermal due to planned outages
- Mass Market Yields: VWAP up \$11/MWh or 7%
- Commercial and industrial Yields: VWAP up \$1.2/MWh
- Net position (other): largely driven by the impact of lower wholesale prices and net CfD position from higher generation
- Other income: higher cost recoveries from associates
- Operating expenses: see next slide

## DISCIPLINED OPERATIONAL AND STRATEGIC EXECUTION

### Operating Expenses

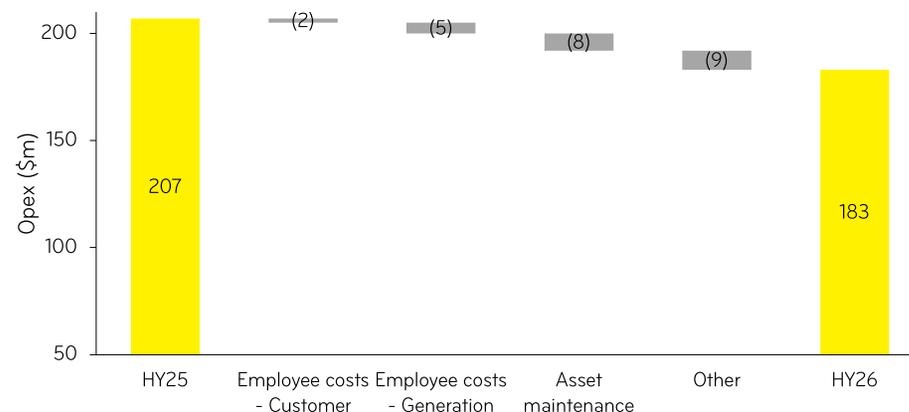
- Our focus on operational efficiencies and cost discipline has resulted in \$24m lower operating expenses
- Customer and Generation segments delivered \$2m and \$5m employee-related cost savings, achieved through efficiencies and refreshed operating models
- Asset maintenance decreased due to lower risk-based work required, disciplined execution of major maintenance, and absence of critical safety work for geothermal well repairs
- \$9m reduction in other expenses as major projects completed in FY25 and lower consulting spend
- Management committed to \$370m p.a. opex target despite ongoing inflationary pressures

### Movement in Net Debt – Earnings invested in future growth

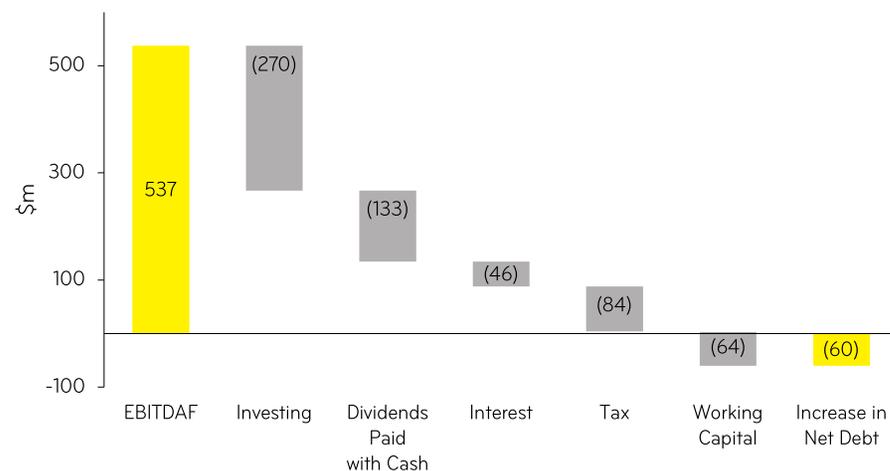
- 50% of earnings reinvested in new and existing assets
- Strong performance supported continued growth investment with net debt lifting slightly by \$60m from June 2025
- The fifth generating unit at the Ngā Tamariki Geothermal Station is being commissioned and construction of Kaiwera Downs Stage 2 and Kaiwaikawe wind farms are tracking to plan
- Investing cash flows include mainly capital expenditure (stay-in-business and growth capex)

MERCURY HALF YEAR RESULTS FY26

### OPERATING EXPENSES



### MOVEMENT IN NET DEBT



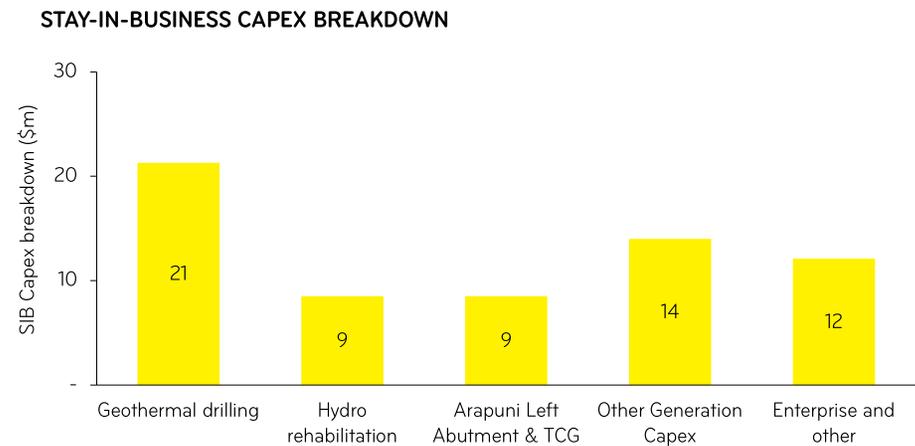
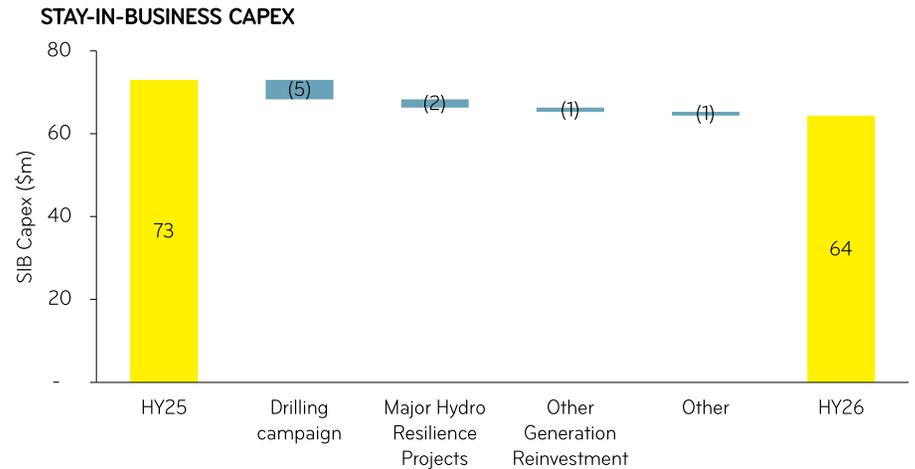
# ENHANCING OUR GENERATION ASSETS

## Lower drilling and hydro asset spend

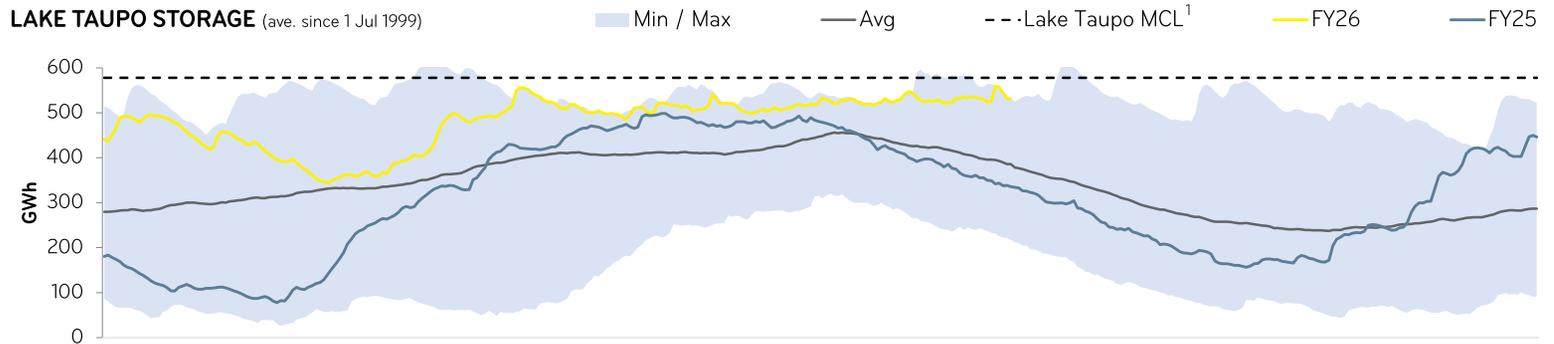
- Stay-in-Business drilling decreased as resources shifted to the Rotokawa drilling field to complete the drilling campaign
- Spend on major hydro resilience projects is lower due to completion of Karāpiro hydro rehabilitation. Current projects include strengthening Arapuni Left Abutment and Taupō Control Gates (TCG) and initial stages of the next phase of the hydro rehab programme
- Other enterprise-wide project spend was largely in line with prior year

## HY26 Stay-In-Business Capex Breakdown

- Geothermal drilling costs related to the completion of one production well and one injection well at Rotokawa
- Hydro rehabilitation costs are primarily driven by refurbishment of the third generating unit and the intake gate replacement at Karāpiro
- Arapuni Left Abutment & TCG relate to multi-year projects to strengthen asset resilience and reduce risk at our hydro sites
- Other generation capex mainly includes minor stay-in-business capex projects



# STRONG TAUPO HYDRO STORAGE POSITION TO START H2 FY26



Month End	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb <sup>5</sup>	Mar	Apr	May	Jun
Hydro Generation - Delta to Average <sup>2</sup> (GWh)	160	82	-36	29	69	-47	-71	3				
Waikato Inflows - Delta to Average <sup>3</sup> (GWh)	201	-87	36	196	76	-18	67	85				
Taupō Storage - Delta to Average <sup>2</sup> (GWh)	157	28	123	97	97	85	101	145				
Quarterly Net Position (GWh)		65			2							
Spot Price - Ōtāhuhu (\$/MWh)	\$107	\$177	\$116	\$32	\$70	\$17	\$4	\$41				
Futures Price (M-3 <sup>4</sup> ) Ōtāhuhu (\$/MWh)	\$389	\$213	\$150	\$148	\$158	\$97	\$122	\$153	\$195	\$148		

Source: NZHydro, WITS, ASX

<sup>1</sup> Maximum Control Level

<sup>4</sup> Closing price 3 months prior to end of month

<sup>2</sup> Monthly average since July 1999

<sup>5</sup> To 17 Feb 2026

<sup>3</sup> Monthly average since July 1927

■ >50GWh above average     ■ Above \$100/MWh  
■ >50GWh below average     ■ Above \$200/MWh

## High Waikato inflows lift HY26 generation

- Waikato catchment inflows were elevated at the 85<sup>th</sup> percentile in HY26
- This led to total HY26 hydro generation of 2,461 GWh (34% higher than PCP) with record generation in July

## 97<sup>th</sup> percentile national hydro inflows see prices drop in HY26

- Spot prices decreased averaging \$87/MWh at Ōtāhuhu in HY26 vs. \$171/MWh PCP
- High Waikato catchment inflows resulted in significant hydro spill (~426 GWh) to manage hydro storage within consented levels

## Strong storage position with new geothermal online

- Jan-26 saw decreased Waikato hydro generation on record low prices, averaging \$4/MWh for the month, with Taupō hydro storage at 101 GWh above average as at 31 Jan 2026
- Geothermal generation from new NTM OEC5 expansion has potential generation upside relative to guidance

## HYDRO INVESTMENT TO LIFT FIRING AND GENERATION

- Upgrade of our Karāpiro Hydro Station is now complete
- We have committed to three further hydro upgrades at Maraetai, Ōhakuri and Ātiamuri with FID approved at \$590 million
- Value creation with early design work to maximise efficiency and output of the equipment
- The investment will reduce risk on the stations that have been running between 67 to 81 years
- Increases capacity by 76MW and generation by 87 GWh
  - Maraetai 1: +58MW
  - Ātiamuri: +10MW
  - Ōhakuri: +8MW

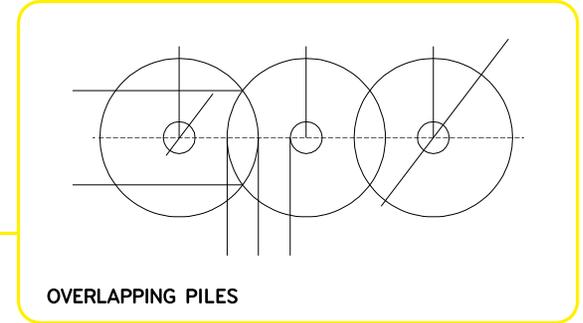


Maraetai Power Station

	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
<b>Ohakuri (4 units)</b>		LEAD IN	GENERATORS							
<b>Atiamuri (4 units)</b>		LEAD IN					REHAB			
<b>Maraetai 1 (5 units)</b>		LEAD IN				REHAB				

# REDUCING RISK AND STRENGTHENING ASSET RESILIENCE ARAPUNI LEFT ABUTMENT

- The Arapuni Dam was constructed in 1927 and has experienced seepage issues since inception
- Seepage changes were observed in the left abutment after two distant earthquakes in 2016
- Project objective: to safely and economically establish long-term, stable seepage conditions
- The solution involves construction of an overlapping pile cutoff wall (shown in yellow)
- A team of internationally recognised experts has been assembled to lead the project
- Consents substantially complete and Alliance agreements waiting on final sign off
- Board approved FID of \$120m investment



**Q1 FY26: Complete**  
 Drainage Construction and Jet Grouting Trials

**Q4 FY26:**  
 Consents Granted, Alliance Agreement Established

**Q4 FY26 - FY29:**  
 Main Cutoff Wall Construction  
 18 – 24 months

## GEOTHERMAL CAPABILITY ESTABLISHED TO DELIVER HIGH VALUE PROJECTS



OEC5 station including commissioning operators loading geothermal fluid for first time and a drilling rig

### Successfully delivered Ngā Tamariki OEC5 on budget and time

- First generation on 19 January 2026 and reached 100% output a few days later on 23 January
- The unit has been continuing through commissioning since then with various testing and tuning activities. Reliability testing is now underway, and the next phase is the handover to Operations
- Value accretive with \$82/MWh LRMC equivalent at Auckland
- The OEC5 Project continues its excellent safety record with no significant harm over the 650+ days and 280,000 hours worked

### Drilling campaign

- Successfully completed the 8 well geothermal drilling campaign to sustain capacity of the Kawerau, Ngā Tamariki and Rotokawa fields
- The total cost was \$161m over 4 years (includes \$37m of growth capex for two OEC5 wells), \$14m lower than the previous estimate

### Next-Gen Geothermal

- The NZ Government has selected Rotokawa geothermal field as the preferred site for the New Zealand's first supercritical exploration well
- We are supporting this exciting scientific research programme, with our Rotokawa joint venture partner Tauhara North No.2 Trust, to help understand New Zealand's next-generation geothermal potential
- A Mercury employee has been appointed as the Project Director for this study

Geothermal investor day planned for 14 May 2026 in Auckland  
Mercury welcomes all investors to this event

# LEADING WIND DELIVERY IN NEW ZEALAND - PROJECTS TRACKING ON TIME AND ON BUDGET

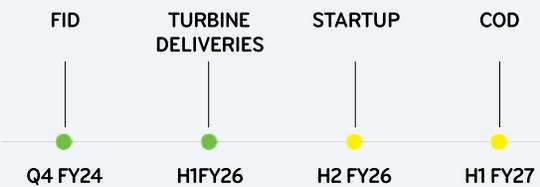


Kaiwera Downs Stage 2 under construction

MERCURY HALF YEAR RESULTS FY26

## KAIWERA DOWNS S2 WIND 155MW and 525GWh

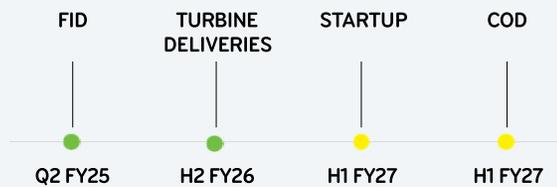
- Southland location
- On time and on budget
- First generation expected by May 2026 with 11 turbines ready to generate when connected



	STATUS	COMMENTS
<b>TIME</b>	●	On plan - 10 of 36 turbines erected; staged energisation/commissioning underway
<b>COST</b>	●	Forecast on plan vs budget
<b>QUALITY</b>	●	On track with all foundation pours completed, substation equipment delivered with commissioning underway
<b>HSE</b>	●	Zero serious harm to date
<b>RISK</b>	●	Grid/commissioning interfaces and weather windows managed through staged commissioning plan and resourcing

## KAIWAIKAWE WIND 77MW and 221GWh

- Northland location
- On time and on budget
- First generation expected by August 2026

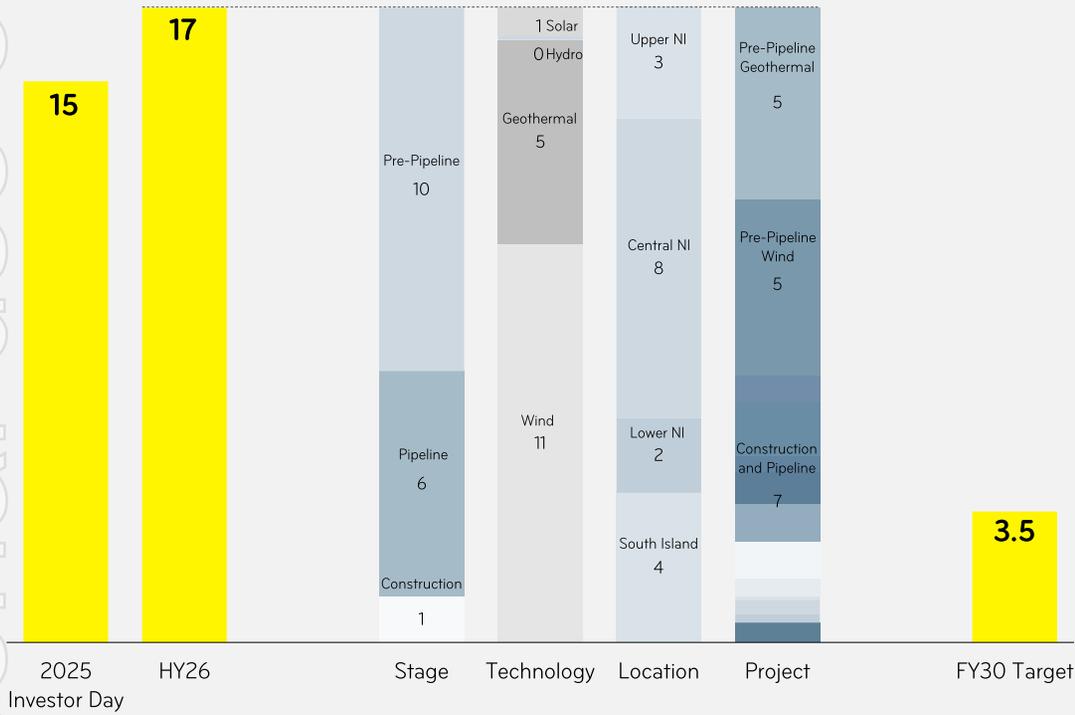


	STATUS	COMMENTS
<b>TIME</b>	●	On plan - turbines delivered to Northport; site works progressing to plan
<b>COST</b>	●	Forecast on plan vs budget
<b>QUALITY</b>	●	On track - foundation pours complete; installation readiness checks underway
<b>HSE</b>	●	Zero serious harm to date
<b>RISK</b>	●	Majority of components delivered to NZ; transport trials completed - logistics risk reducing

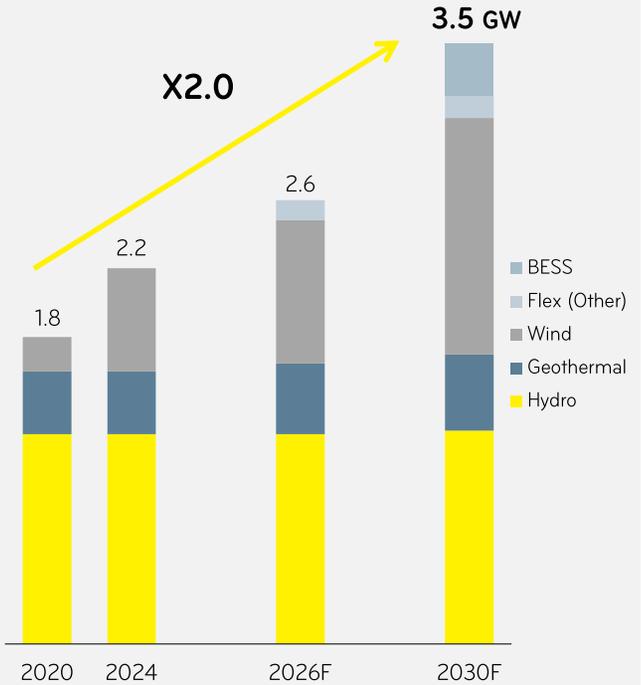
# GENERATION PIPELINE UP 2 TWH TO 17 TWH

We are leveraging our strength in wind and geothermal, our superior project pipeline and a strong financial position

Pipeline (TWh)



Installed Capacity (GW)<sup>1</sup>



<sup>1</sup> GW at 100%. Flex (Other) includes contracted and demand. BESS up to 300MW depending on portfolio need

## PROGRESSING AT PACE TO DELIVER 3.5 TWH BY 2030

Project	Capacity (MW)	Estimated output (GWh)	Project status				Next investment gate & timing targeted	Progress update
			Consent	Procure	Construct	Commission		
OEC5 Geothermal	46	390	Completed	Completed	Completed	In-progress	Fully online – Q3 FY26	Final commissioning at full generation is underway
Kaiwera Downs S2 Wind	155	525	Completed	Completed	In-progress		Commissioning – Q4 FY26	Civil construction is nearing completion. WTG deliveries underway. >10 WTGs erected
Kaiwaikawe Wind	77	221	Completed	Completed	In-progress		Commissioning – Q1 FY27	Civil construction is nearing completion. WTGs being delivered to Port
Puke Kapo Hau (Mahinerangi S2) Wind	190	550	In-progress	In-progress			IG4/FID – Q1 FY27	Awaiting consent decision. Procurement underway
Whakamaru BESS	100-150		Completed	In-progress			IG3 – Q3 FY26	Consented. Commencing procurement in Q3 FY26. Targeting FID by mid-FY27
Geo Project 1	30	270	In-progress				IG2 – FY27	Reservoir assessment, options assessment and drilling planning underway
Waikokowai Wind	300-350	900-1200	In-progress				IG3 – FY27	Consenting work in progress
Puketoi Wind	228	1080	In-progress				TBD	Detailed feasibility work in progress
Hydro rehabs at Maraetai, Ohakuri and Ātiamuri	76	87	Completed	In-progress			IG4 – Final investment decision in Q2FY26	Committed to \$590m rehabs progressively commissioned from FY29 through to FY35

 Completed  
 In-progress

### Our project pipeline ensures we meet our FY30 EBITDAF aspiration of \$1.15-1.25b

- We only commit to projects when gate evidence is met (scope, cost confidence, schedule, risk, funding). Approximately 65 Mercury employees have Generation Development embedded as a core component of their role, reflecting the scale and strategic importance of Gen Dev within the organisation

### Decision discipline

We only deploy capital when gate criteria are satisfied (e.g. project quality, Portfolio fit, commercial pathway, risk, programme/budget, etc) which helps us protect earnings timing and avoid capex overruns

### Investment gate key:

- IG1 – Property Acquisition/Investigation
- IG2 – Consenting
- IG3 – Procurement
- IG4 – Final Investment Decision

# OUR FIRING POTENTIAL IS SUFFICIENT TO ENABLE OUR GROWTH AMBITIONS

## Renewable diversity

- ✓ Geographic diversity of wind developments
- ✓ Geothermal features in Generation Development pipeline
- ✓ Hydro refurbishment programme enhancing capacity

## Portfolio of flex

- ✓ Hot water heaters under control expanding to 50k in FY26 (equivalent to 20MW)
- ✓ Development of distributed flexible demand trials
- ✓ Mass Market trials including EV charging and Time-Of-Use pricing

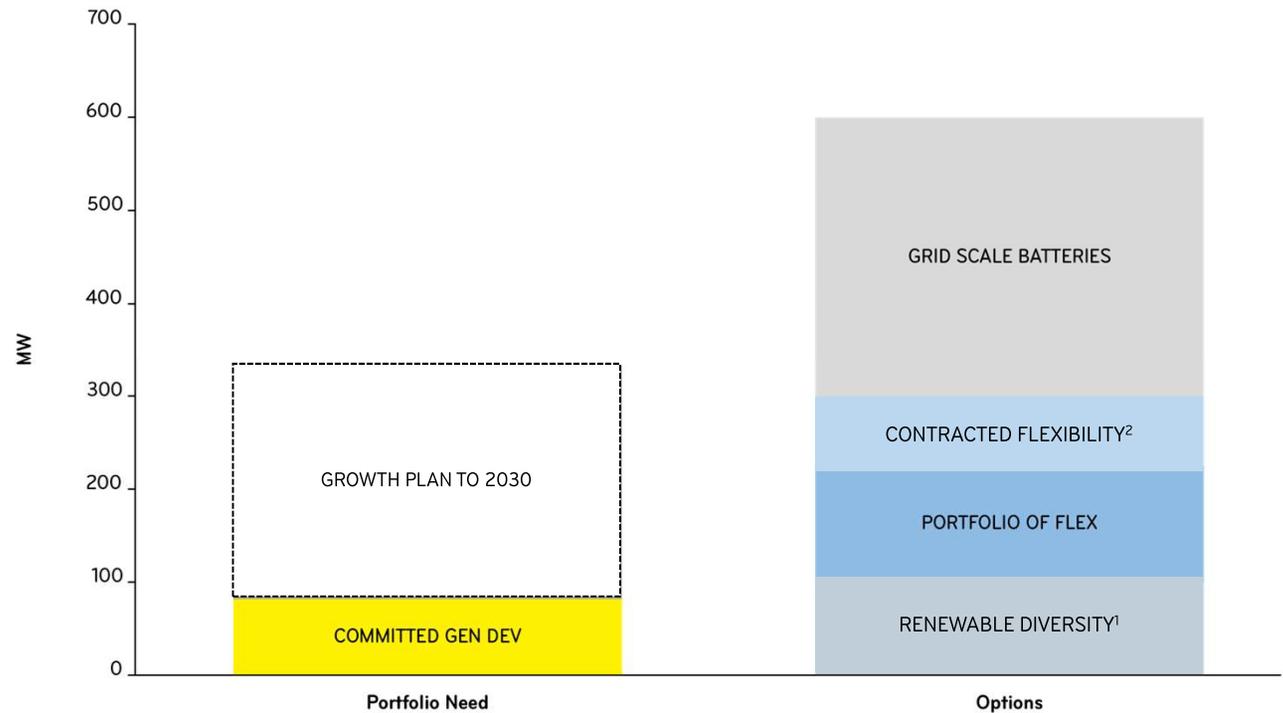
## Contracted flexibility

- ✓ Genesis HFO contracting
- ✓ AWS, Visy and other generation-following sales

## Grid-scale battery

- ✓ 300MW Whakamaru BESS option. ~150MW of capacity is targeted for delivery in FY28/29

INDICATIVE FY30 CAPACITY REQUIREMENTS VS. OPTIONS



<sup>1</sup> Wind diversity only with hydro refurbishments and OEC5 included as offsets in Portfolio Need; includes potential of generation development in growth plan to 2030

<sup>2</sup> Includes Huntly Firming Options and indicative new customer contracting (such as AWS & Visy)  
Portfolio Need considers the roll-off of the Manawa CFD

# POLICY SOLUTIONS TO THE TRANSITION CHALLENGES

Recent independent advice for the Government confirms electricity sector performs well, but further evolution is required alongside action to address declining gas supply

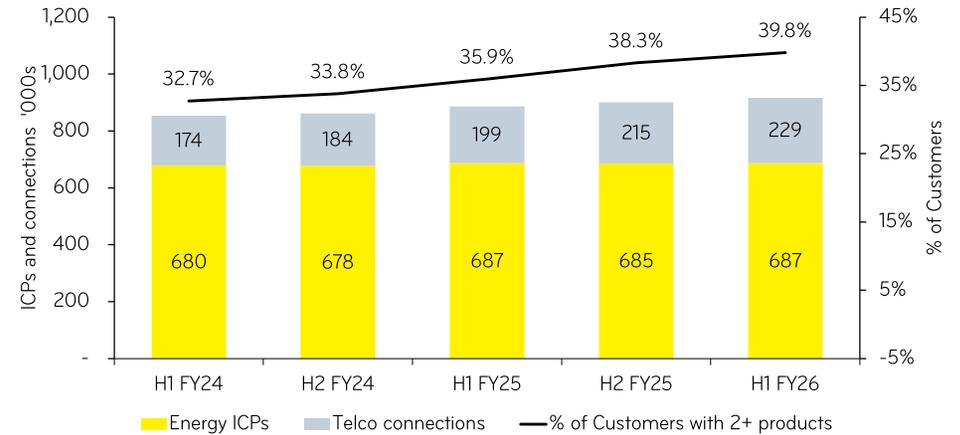
Takeaways	Demand growth as electrification intensifies	Security of supply	Affordability	
<b>Policy response</b>	<b>Resource management reform</b> Support for accelerated investment in new renewable generation and maintenance of existing assets	<b>Geothermal strategy</b> Government's Geothermal Strategy anticipated to confirm commitment to increasing geothermal generation (including drilling) and supercritical geothermal exploration	<b>Clear investment signals</b> Government work underway to improve security of the system via boosting existing markets, including exploring dry year mechanism and LNG importation	<b>Use market mechanisms to improve customer mobility</b> Reforms to enable customer mobility and implement consumer data right intended to ensure customers can benefit from current highly competitive retail market
<b>Our choices</b>	<ul style="list-style-type: none"> <li>Mercury positioned to deliver renewable generation growth due to its strong balance sheet and quality options across the entire development lifecycle</li> <li>Committed to developing and delivering our projects in consultation with iwi, community and stakeholders, always considering their environmental impact</li> <li>Help increase demand by supporting large industrials' transition to electrification</li> </ul>		<ul style="list-style-type: none"> <li>Planned investment in geothermal and portfolio flexibility with hydro and geographically diverse wind</li> <li>Supporting market mechanisms by entering into firming supply agreements like Genesis HFO</li> </ul>	<ul style="list-style-type: none"> <li>Investing in lower cost renewable generation</li> <li>Committed to a fair and equitable energy transition, delivering greater clarity, control and care for customers</li> </ul>
<b>We support</b>	<ul style="list-style-type: none"> <li>Stable, investable market settings that support timely renewables build</li> <li>Efficient consenting and grid connection processes</li> <li>Clear pathway to maintain security of supply as thermal exits</li> </ul>			

These settings align system outcomes (security, affordability, decarbonisation) with the predictability investors need to fund the transition

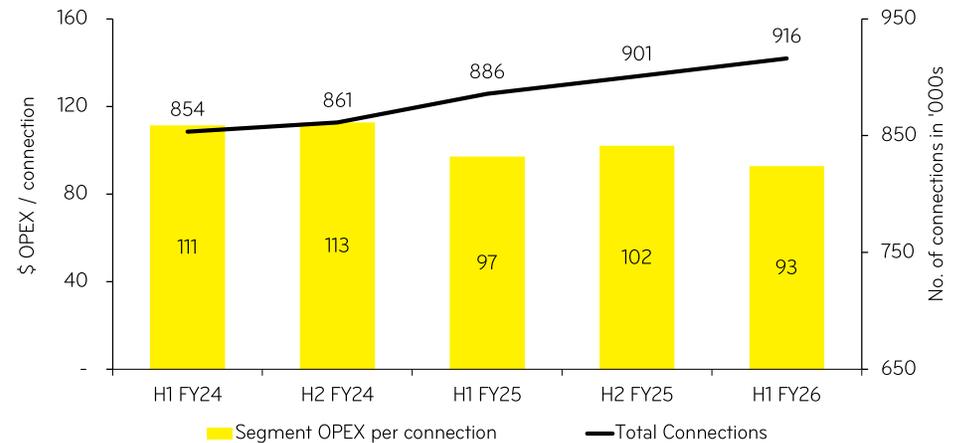
## CUSTOMER SCALE AND EFFICIENCY UNLOCK VALUE

- **Bundling momentum:** 40% of our customers are now on two or more products
- **Connection growth:** Total connections up ~30k vs PCP. Growth led by telco with stable energy ICPs
- **Fibre milestone:** Surpassed 150,000 fibre connections in HY26. Over 94% of broadband base is now on fibre
- **Efficiency:** HY26 OPEX per connection of \$93 which is 4% lower relative to PCP and 16% below HY24 levels
- **Time-of-use (ToU):** On track to deliver capability by the of end FY26. This will enable peak shifting products and greater customer flexibility over time
- **Customer support:** Finalist in 2025 NZ Energy Excellence Awards for community initiatives

CUSTOMER CONNECTIONS AND BUNDLING GROWTH



LEVERAGING SCALE AND TECHNOLOGY



# STRONG BALANCE SHEET SUPPORTING GROWTH OPTIONS

## Capital structure well positioned for growth

- We target Debt / EBITDA between 2x – 3x after adjusting for S&P Global treatment, consistent with our BBB+ rating
- Debt / EBITDA<sup>1</sup> at 2.2x for HY26<sup>2</sup>, driven mainly by higher EBITDAF. Net debt slightly higher at \$2.2b, reflecting continued investment into the Ngā Tamariki Geothermal Station expansion, Kaiwera Downs Wind Farm and Kaiwaikawe Wind Farm
- Debt / EBITDA, based on committed growth CAPEX, is forecast to be within 2 – 3x band during the planned period

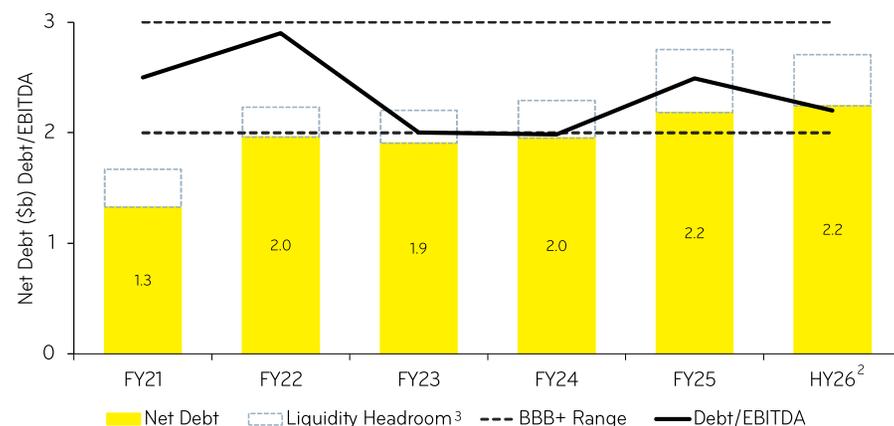
## Robust liquidity headroom to fund committed growth CAPEX

- Undrawn committed facilities of \$465m<sup>3</sup>, sufficient to manage business risk and support growth
- Considering options to refinance \$200m MCY040 Green Bonds, maturing September 2026

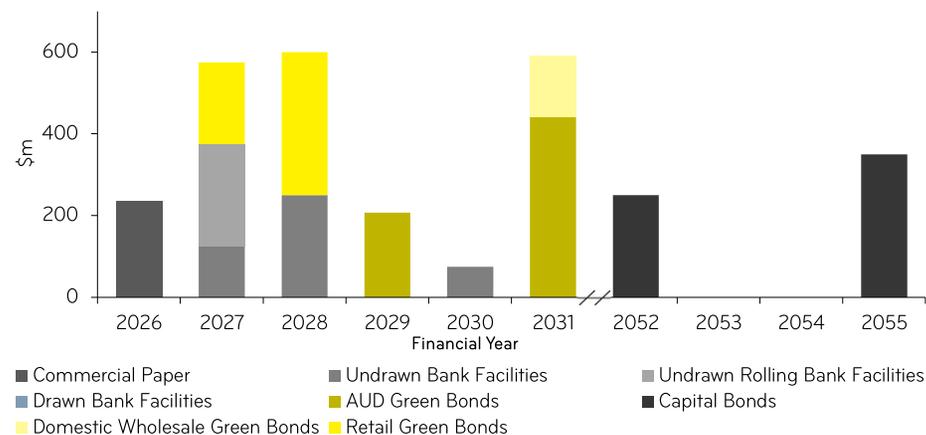
## Diversified Funding Profile

- Diversified funding sources: commercial paper, bank facilities, domestic wholesale bonds, retail bonds, AUD wholesale bonds and capital bonds
- Well balanced maturity profile to effectively manage re-financing risk

NET DEBT<sup>1</sup> AND DEBT/EBITDA



DEBT MATURITY PROFILE



<sup>1</sup> Adjusted for expected S&P Global treatment

<sup>2</sup> Based on 12 month rolling EBITDA

<sup>3</sup> Undrawn bank facilities net of commercial paper on issue

## CONSISTENT GROWTH IN DIVIDENDS UNDERPINNED BY PORTFOLIO FLEXIBILITY

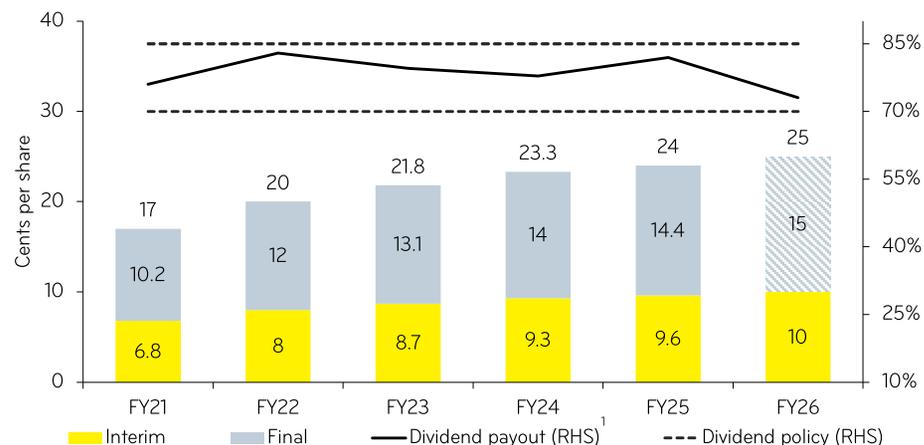
- We have a track record of growing earnings and dividends consistently
- Near-term payout reflects disciplined capital allocation through a peak investment period, balancing progressive dividends with funding value-accretive growth within our balance sheet guardrails
- Portfolio settings and investment pacing provide flexibility through the cycle
- Dividend payout, on average over time, consistent with dividend policy settings and aligned with strategic growth plans
- Announced fully imputed interim dividend of 10 cents per share, up 4% relative to PCP. Record date is 5 March 2026 with payment date of 1 April 2026
- Dividend reinvestment plan on offer with a 2% discount for eligible shareholders. An uptake of ~30% is estimated with Crown participation for the interim dividend
- Full year dividend guidance of 25 cents per share

### Funding dividends through the build

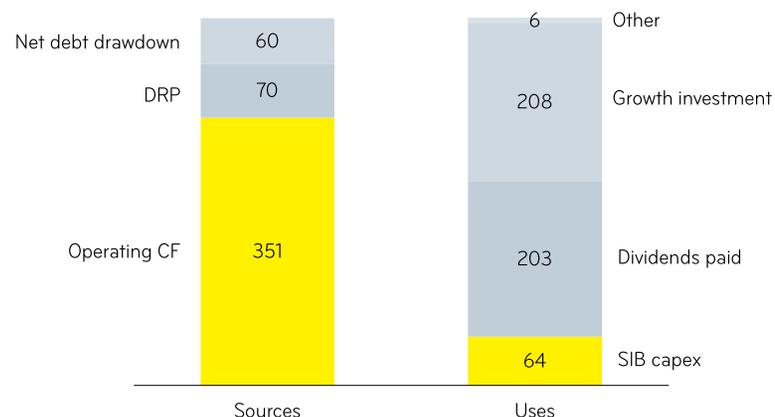
- **Cash flow first:** operating cash flow funds dividends and a large share of growth capex
- **Balance sheet headroom:** within our debt/EBITDA guidance, >\$450m of liquidity headroom, preserving funding options and supporting progressive dividends
- **Smoothing:** long-term hedging/supply agreements reduce volatility through the cycle

MERCURY HALF YEAR RESULTS FY26

### DIVIDENDS PAYOUT & POLICY SETTINGS



### SOURCES AND USES OF CASH



<sup>1</sup> 5-year weighted average payout

## FY26 GUIDANCE

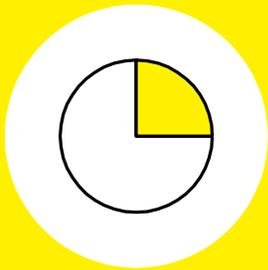
FY26 EBITDAF guidance unchanged at **\$1.0b** on 4.4TWh of hydro generation subject to hydrological volatility, wholesale market conditions and any material adverse events, significant one-off expenses or other unforeseeable circumstances

- FY26 ordinary dividend guidance unchanged at 25.0cps (up 4% on FY25)
- FY26 stay-in-business capital expenditure guidance unchanged at \$150m



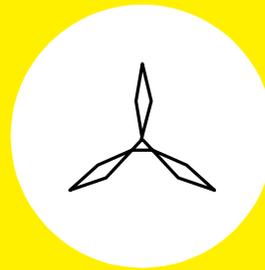
Mahinerangi Stage 1 Wind Farm

# Better Today, Building Tomorrow, Brighter Together



## Resilient Earnings

- HY26 EBITDAF \$537m (+28%)
- Disciplined cost management
- Customer 40% multi-product
- Hydro enhancements of \$590m



## Disciplined Growth

- Geothermal OEC5 commissioning
- Two wind farms to start in H1 FY27
- Puke Kapo Hau targeting FID Q1 FY27
- Generation pipeline up 2 TWh to 17 TWh



## Balance Sheet Strength

- Debt/EBITDA within 2–3x BBB+ range
- Half of HY26 earnings reinvested
- FY26 to be the 18<sup>th</sup> year of consecutive dividend growth
- FY26 financial guidance unchanged

**We are leveraging our strength in wind and geothermal, our superior project pipeline and a strong financial position**

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# Q&A



**STEW HAMILTON**  
CHIEF EXECUTIVE  
**RICHARD HOPKINS**  
CHIEF FINANCIAL OFFICER



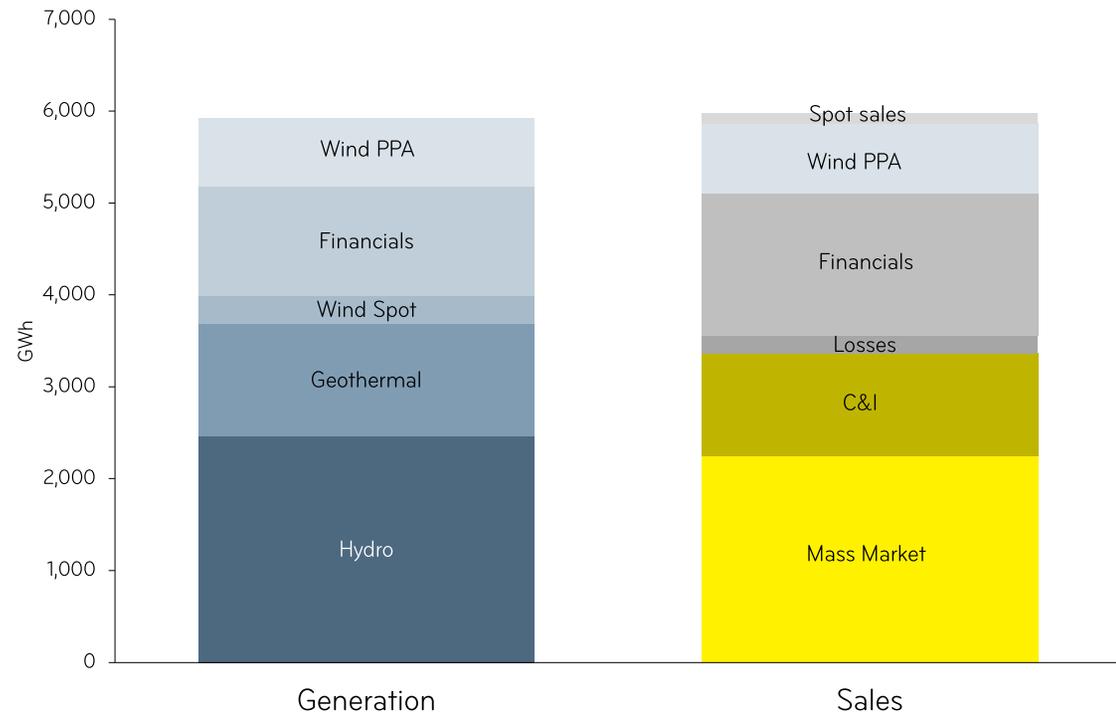
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## OUR PORTFOLIO IS WELL HEDGED AND GEARED TO RECEIVE NEW GENERATION

- Portfolio management via tactical and strategic sales combined with flexible hydro resulted in ~98% of HY26 generation hedged and spot sales of 0.1 TWh
- Addition of long term HFO combined with net long position provide ample portfolio flexibility to manage dry-year risk
- Executed long term contract to supply Whakatane Mill from Jan-26. Large proportion of new generation hedged with long term supply agreements, reflecting "sales-led" development approach. Relatively shallow contract decay over FY27-28
- Avg. C&I contract duration ~5 years; helps customers manage transition, supports generation development and insulates against medium term demand/supply imbalances

NET POSITION – HY26



## FROM TRUSTPOWER ACQUISITION BENEFIT TO ASX-LINKED OUTCOMES

From FY27, the Trustpower acquisition benefit tapers as the legacy pricing mechanism transitions to ASX-linked outcomes - a known, managed transition reflected in our FY30 EBITDAF target and our guidance on peak debt/EBITDA, while remaining consistent with our dividend guidance

Trustpower acquisition benefit - contract summary

Start: Put in place in October 2021 as part of the Trustpower acquisition

Term: 30 September 2031

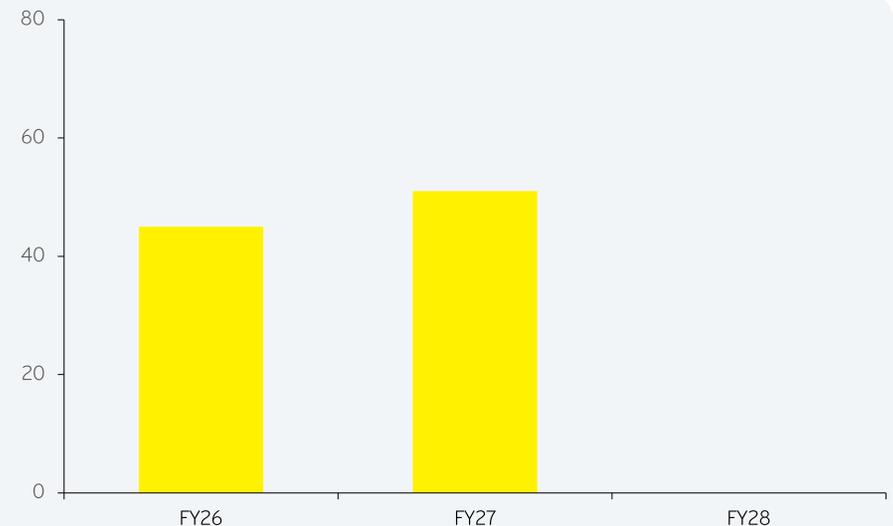
Contracted volume: 2 TWh for years 1 to 3, tapering down 12.5% p.a. straight line from year 4 onwards

Pricing terms: initial pricing terms delivered a post-acquisition benefit, from October 2026 outcomes transition to ASX-linked pricing, reducing the legacy benefit

Counterparty: Contact Energy (Previously Manawa)

This is the planned tapering of a Trustpower acquisition benefit as pricing resets to ASX-linked outcomes - not a deterioration in underlying performance - and is reflected in our FY30 EBITDAF target and peak debt/EBITDA guidance, and consistent with dividend guidance.

TRUSTPOWER ACQUISITION BENEFIT TAPER (\$M)<sup>1</sup>



- Benefit reflects the difference between initial pricing terms and the wholesale price outcomes
- FY27 has a part year benefit until 30 September, after which the contract reverts to ASX pricing
- Going forwards the gain/loss of the contract vs ASX price will go through the P&L. We do not expect this to be material

<sup>1</sup> Indicative only - not additional guidance. Outcomes depend on hydro, demand, wholesale prices and portfolio/contracting settings. Indicative prices as at Dec25