

Release

Stock Exchange Listings NZX (MEL) ASX (MEZ)

Share Buyback in connection with the FY20 LTI Scheme

24 April 2020

Meridian Energy Limited (**Meridian**) announces that, in connection with the FY20 LTI Scheme (described below), it will begin an on-market share buyback to purchase a maximum of 409,668 ordinary shares (**Buyback**). Meridian will only acquire shares on the NZX Main Board. The Buyback may occur from 1 May 2020 until 29 May 2020.

The acquired shares will not be cancelled and will be held by Meridian as treasury stock as permitted under its constitution.

Background

Meridian has an executive long-term incentive scheme (**LTI Scheme**) for certain senior employees of Meridian. The LTI Scheme is intended to attract and retain key employees and align the interests of participants with those of shareholders.

In connection with the FY20 LTI Scheme, the Company issued rights to acquire ordinary shares in the Company (**Share Rights**) to participants who accepted the offer to participate in the LTI Scheme (**Participants**). Each Share Right entitles the holder to one ordinary share in the Company and an additional number of shares equal to the value of gross cash dividends per share which would have been paid to a New Zealand tax resident who held a share for the duration of the vesting period, calculated using a 10-day volume weighted average price.

The number of Share Rights that vest is dependent on:

- (a) Meridian's total shareholder return over a 3-year performance period (**Performance Period**) relative to Meridian's cost of equity and the total shareholder return over the Performance Period of a defined group of NZX listed peer companies (**Performance Hurdles**); and
 - (b) if the Participant continues to be employed by Meridian during the vesting period (**Employment Condition**),
- (together the **Vesting Conditions**).

Share Rights will lapse where the Vesting Conditions are not satisfied (although this is subject to the Board's discretion in relation to the Employment Condition).

Meridian will meet its obligations under the LTI Scheme by the Buyback, holding these shares as treasury stock for the Performance Period, and transferring these shares to the Participants if the Vesting Conditions are met and the Participants exercise their Share Rights.

ENDS

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