



STOCK EXCHANGE LISTINGS: NEW ZEALAND (MCY) / AUSTRALIA (MCY)

## NEWS RELEASE

# Dividend Reinvestment Plan

**22 February 2022** – Mercury advises that documents relating to the newly established Dividend Reinvestment Plan will be sent to shareholders today.

The Dividend Reinvestment Plan will apply to the FY2022 interim dividend.

Attached to this announcement is a copy of the letter to be sent to shareholders, the Dividend Reinvestment Plan Offer Document and Participation Notice.

### ENDS

Howard Thomas  
General Counsel and Company Secretary  
Mercury NZ Limited

#### For investor relations queries, please contact:

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Head of Treasury and Investor Relations  
0275 173 470

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### ABOUT MERCURY NZ LIMITED

Mercury's mission is energy freedom. Our purpose is to inspire New Zealanders to enjoy energy in more wonderful ways and our goal is to be New Zealand's leading energy brand. We focus on our customers, our people, our partners and our country; maintain a long-term view of sustainability; and promote wonderful choices. Mercury is energy made wonderful. Visit us at: [www.mercury.co.nz](http://www.mercury.co.nz)



# DEAR SHAREHOLDER.

DIVIDEND REINVESTMENT PLAN.



# DEAR SHAREHOLDER.

## MERCURY DIVIDEND REINVESTMENT PLAN.

Mercury NZ Limited ('Mercury') has established the Mercury Dividend Reinvestment Plan ('Plan'), offering you the opportunity to reinvest the net proceeds of dividends from some or all of your existing Mercury ordinary shares ('Shares') in additional, fully paid Shares.

By participating in the Plan you can increase your investment in Mercury without incurring brokerage charges. The enclosed booklet explains how the Plan works.

### ELIGIBILITY

Mercury has determined that, for the time being, the Plan is only available to shareholders residing in New Zealand or Australia. Mercury may amend eligibility requirements at any time, at its sole discretion.

### YOUR CHOICES

Participation in the Plan is optional and it's flexible too. You may elect to participate in respect of all or only some of your Shares (in which case you'll receive a mixture of both cash dividends and Shares) and you may change your mind if it doesn't suit your investment needs in the future.

If you wish to continue to receive only cash dividends, you don't need to do anything.

### HOW TO PARTICIPATE

**If you wish to participate in the Plan you need to:**

- apply online by visiting [www.investorcentre.com/nz](http://www.investorcentre.com/nz); or
- complete the enclosed Participation Notice and return it to Computershare Investor Services.

If you wish to participate in the Plan for the upcoming interim dividend, you need to apply by no later than 5pm on 18 March 2022.

### THE PRICE

The price of the Shares issued or transferred under the Plan will be based on the market price before the date of issue or transfer. Mercury may choose to offer these Shares to you at a discount to this market price. If a discount is to apply, it will be announced at the same time as details of the dividend are announced.


The first dividend to which the Plan will apply is the 8 cents per Share dividend, being

the interim ordinary dividend to be paid on 1 April 2022. Mercury has determined that Shares issued or transferred under the Plan in respect of the FY2022 interim dividend will be issued or transferred at a discount of 2.5% to the market price.

Mercury will determine whether the Plan will apply to future dividends, and whether Shares issued or transferred under the Plan in respect of future dividends will be issued or transferred at a discount, at the time future dividend payments are determined.

Please read the information in the booklet carefully. You should consult your financial adviser or Computershare if you have any questions in relation to any of the content in the booklet.

Yours sincerely,



**PRUE FLACKS // CHAIR**

# QUESTIONS AND ANSWERS.

## WHAT IS THE MERCURY DIVIDEND REINVESTMENT PLAN ("PLAN")?

The Plan enables shareholders to reinvest all or part of the net proceeds of cash dividends paid on their Mercury Shares in additional Mercury Shares, instead of receiving those dividends in cash.

## AM I ELIGIBLE TO PARTICIPATE?

As at the date of the Offer Document, the Plan is only available to shareholders who have an address on the Mercury share register in New Zealand or Australia.

Mercury may amend this policy at any time, at its sole discretion.

## IS THERE A MINIMUM NUMBER OF SHARES THAT I NEED TO OWN BEFORE I CAN PARTICIPATE?

No.

## HOW MUCH DOES IT COST?

There are no charges for participating in or withdrawing from the Plan or changing the number of Shares nominated by you that will participate in the Plan. No brokerage or commission costs will be payable in respect of the Shares you receive under the Plan.

## HOW DO I PARTICIPATE IN THE PLAN?

You should read the Offer Document carefully before deciding whether to participate. You can elect to participate at any time by completing and returning a Participation Notice to Mercury's Registrar, Computershare Investor Services or by making an election online.

### REGISTRAR IN NEW ZEALAND

Computershare Investor Services Limited

#### Postal address:

Private Bag 92119  
Victoria Street West  
Auckland 1142  
New Zealand

### REGISTRAR IN AUSTRALIA

Computershare Investor Services  
Pty Limited

#### Postal address:

GPO Box 3329  
Melbourne VIC 3001  
Australia

You can also scan your Participation Notice and email it to [drp@computershare.co.nz](mailto:drp@computershare.co.nz).

**Online Participation:** You can apply online by visiting the website of the Share Registrar, Computershare Investor Services, at [www.investorcentre.com/nz](http://www.investorcentre.com/nz).

Log into [www.investorcentre.com/nz](http://www.investorcentre.com/nz), and select 'My Profile'. Then select 'Reinvestment Plans' from the left-hand menu. Select Mercury NZ Limited in the holding line and 'Apply' to select your participation level. If you do not have an Investor Centre account, you will need your CSN/Investor Number and FIN to register. If you don't have this information available you can email [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz) or phone +64 9 488 8777.

If you wish to participate in the Plan for the upcoming dividend, you will need to return your Participation Notice by no later than 5pm on 18 March 2022.

## WHAT OPTIONS DO I HAVE REGARDING PARTICIPATING IN THE PLAN?

Participation in the Plan is optional. If you wish to participate in the Plan, you may elect:

**Full participation:** Where all of your Shares (including Shares held now and acquired in the future, including where issued or transferred to you under the Plan) will be treated as participating in the Plan for all future dividends to which the Plan applies (unless you vary your participation in the Plan in accordance with the terms and conditions of the Plan); or

**Partial participation:** Where only the number of Shares nominated by you will participate in the Plan for all future dividends to which the Plan applies (unless you vary your participation in accordance

with the terms and conditions of the Plan). Note that you will continue to receive cash dividends on any of your Shares that are not part of the Plan; or

**Specific Participation:** Please see the Offer Document for details on specific participation in the Plan if this is relevant to you.

## WHAT IF I DON'T WANT TO PARTICIPATE IN THE PLAN?

If you do not wish to participate in the Plan, you do not need to do anything. You will continue to receive cash dividends on your Shares.

## WHAT IF I CHANGE MY MIND?

You can join the Plan or vary your participation at any time online via Mercury's Share Registrar, Computershare Investor Services, at [www.investorcentre.com/nz](http://www.investorcentre.com/nz) or by delivering an updated Participation Notice to the Registrar. Participation Notices are available online or from the Registrar on request.

If you choose to participate in the Plan and then change your mind, you can opt out by informing the Registrar either online or by completing a Cancellation Form (available online or from the Registrar on request).

Such variation or cancellation will be effective immediately provided that any online application or Participation Notice or Cancellation Form that is received after 5pm on an Election Date will be effective for the following dividend.

## WHAT PRICE WILL SHAREHOLDERS PAY?

The price of Shares is based on the average of the daily volume-weighted average sale price of Mercury Shares sold on the NZX Main Board over a period of time. Please see the Offer Document for further details. The Share price may be subject to a discount set by Mercury from time to time. The discount, if any, as well as the pricing period will be announced by Mercury to Shareholders at the same time the dividend is announced for the relevant period.



### **CAN THE PLAN BE CHANGED IN THE FUTURE?**

Yes. Mercury may change, suspend or cancel the Plan at its sole discretion. If that occurs, notice will be given through the NZX and ASX as required by the terms and conditions of the Plan.

### **CAN I SELL THE SHARES?**

Yes. Shares acquired under the Plan can be sold at any time.

### **ARE THERE ANY TAX IMPLICATIONS?**

The taxation consequences for each shareholder should they elect to participate in the Plan will depend on their particular circumstances. Accordingly, each shareholder should consult their own tax adviser as to the taxation implications of the Plan. Mercury does not accept any responsibility for the financial or taxation effects of a shareholder's participation or non-participation in the Plan.

### **WHERE CAN I FIND INFORMATION ON THE MERCURY DIVIDEND POLICY?**

You can find a copy of the Mercury dividend policy at [www.mercury.co.nz/investors/dividends](http://www.mercury.co.nz/investors/dividends).

### **HOW DO I FIND OUT HOW MANY SHARES I HAVE RECEIVED?**

Shortly after the issue or transfer of Shares under the Plan, Computershare Investor Services will send all Plan participants an updated Securities Transaction Statement, along with a dividend remittance advice.





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**THIS IS AN IMPORTANT DOCUMENT. YOU SHOULD READ THE WHOLE DOCUMENT BEFORE MAKING ANY DECISIONS. IF YOU HAVE ANY DOUBTS AS TO WHAT YOU SHOULD DO, PLEASE CONSULT YOUR BROKER, FINANCIAL, INVESTMENT OR OTHER PROFESSIONAL ADVISOR.**

**THIS OFFER DOCUMENT HAS BEEN PREPARED AS AT 22 FEBRUARY 2022. CAPITALISED TERMS USED IN THIS OFFER DOCUMENT HAVE THE MEANINGS SET OUT IN THE GLOSSARY ON PAGE 10 OF THIS OFFER DOCUMENT.**



# CHOICE 01.

## Participate in the Plan and reinvest your dividends in further Mercury Shares.

### PARTICIPATION NOTICE

**You should complete a Participation Notice, in accordance with the instructions online or on that notice, if you wish to reinvest the net proceeds of cash dividends payable or credited on all or some of your Shares, by acquiring further Shares.**

If you participate in the Plan, promptly after each dividend payment date you will be sent a statement detailing your dividend entitlement, the number of additional Shares issued or transferred to you under the Plan and the per-share price of those additional Shares.

You can elect to participate online by visiting the website of the Share Registrar, Computershare Investor Services at [www.investorcentre.com/nz](http://www.investorcentre.com/nz). Alternatively, you may return a physical Participation Notice to the Share Registrar either at the address on page 11 (or such other person as Mercury may determine) or by scanning it to [drp@computershare.co.nz](mailto:drp@computershare.co.nz).

If you do not have an Investor Centre account, registered holders will need their CSN/Investor Number and FIN to complete the investor validation process.

### LEVEL OF PARTICIPATION

**You can opt for full or partial participation in the Plan.**

#### Full participation

If you tick the full participation box in the Participation Notice, this will cover all Shares registered in your name from time to time, including your current shareholding and any future Shares you acquire or that are allocated to you under the Plan (unless you vary your participation by providing notice to the Share Registrar or you sell your total shareholding).

#### Partial participation

If you insert a number in the partial participation section of the Participation Notice, this will be treated as partial participation for the number of Shares specified. Partial participation in the Plan means that the Terms and Conditions of the Plan will apply, both now and in the future, only to the number of Shares nominated by you now (unless you vary the number of Participating Shares by providing notice to the Share Registrar or you sell your total shareholding).

#### Specific participation

Please see clause 2 of the Terms and Conditions that follow for further details on specific participation in the Plan if this is relevant to you.

#### Variation or termination of participation

If, at a later date, you decide you wish to vary your participation in the Plan, simply complete and deliver an updated Participation Notice to the Share Registrar at the address on page 11.

If, at a later date, you wish to terminate your participation in the Plan, you can do so by visiting the website of the Share Registrar, providing written notice to the Share Registrar or completing a Cancellation Form (available online or from the Share Registrar upon request).





# CHOICE 02.

## Continue to receive dividends in cash.

**If you do nothing, you will continue to receive the net proceeds of any dividends on your Shares that do not participate in the Plan. There will be no reinvestment of those proceeds.**

Accordingly, unless you wish to apply for or vary your participation in the Plan, you do not need to complete a Participation Notice.

If, at a later date, you decide you do wish to participate in the Plan, simply complete the Participation Notice in accordance with the instructions under Choice 1.

You will still receive a dividend statement by mail or email advising the amount credited.



# KEY FEATURES OF THE PLAN.

## **SHARES ACQUIRED WITH THE NET PROCEEDS OF CASH DIVIDENDS.**

**The Plan provides Shareholders with an opportunity to reinvest the net proceeds of cash dividends payable or credited on their Shares, by acquiring further Shares. This is a convenient method of increasing your investment by acquiring further Shares free of brokerage charges.**

### **Eligibility**

The Plan is open to all Shareholders except where Mercury elects not to offer participation under the Plan to Shareholders whose address is outside New Zealand or Australia if Mercury considers that to do so would:

- (i) risk breaching the laws of places outside New Zealand or Australia; or
- (ii) be unreasonable having regard to the associated costs of ensuring that the laws of those places are complied with.

### **Full or partial participation**

Participation in the Plan is optional. You may elect to participate in the Plan in respect of all or some of your Shares. Participation in the Plan applies to all future dividends on Participating Shares (unless you vary your level of participation in the Plan in accordance with the Terms and Conditions).

### **Dividend policy**

Details of Mercury's dividend policy from time to time will be available at [www.mercury.co.nz/investors/dividends](http://www.mercury.co.nz/investors/dividends).

## **Shares at or around market price**

Under the Plan, additional Shares acquired will be issued or transferred at the market price as determined in accordance with the Terms and Conditions around the time of issue or transfer, or (at Mercury's discretion) at a discount to the market price.

### **Details of your entitlement**

If you elect to participate in the Plan and you have Participating Shares, details of your total dividend entitlement and the number of additional Shares issued or transferred to you under the Plan will be sent to you promptly after each dividend payment date.

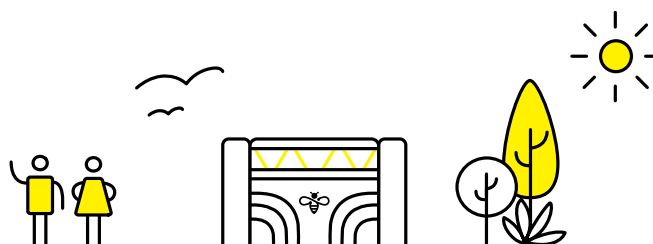
Please contact the Share Registrar or email [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz) if you need to change your contact details.

## **Shares rank equally and can be sold**

Shares issued or transferred under the Plan will rank equally in all respects with existing Shares and can be sold at any time.

## **Flexible joining and withdrawal arrangements**

Shareholders can join, vary their participation in or withdraw from the Plan. Notice of joining, variation, or withdrawal from the Plan received by the Share Registrar after 5pm (New Zealand time) on an Election Date will be effective as at the following Election Date.



# TERMS AND CONDITIONS.

## 1 Introduction

This document (**Offer Document**) contains the terms and conditions of the Mercury NZ Limited (**Mercury**) Dividend Reinvestment Plan (the **Plan**).

The Plan is available to you (**you**) if, subject to clauses 3 and 4, you are the holder of ordinary shares in Mercury (**Shares**).

Under the Plan, you may elect to reinvest the net proceeds of cash dividends payable or credited on all or some of your fully paid Shares by acquiring further Shares (**Additional Shares**).

The record date for determining your entitlement to Additional Shares under the Plan is the date fixed by Mercury for determining entitlements to dividends payable or credited on Shares (**Record Date**).

Further information about Mercury, including its current dividend policy, can be found in the Investor Centre section of its website at [www.mercury.co.nz](http://www.mercury.co.nz).

## 2 Available Options

You may elect to participate in the Plan by exercising one of the following options:

- (a) **Full Participation** – If you choose full participation, the Plan will apply to the cash dividends payable or credited from time to time in respect of all Shares registered in your name.
- (b) **Partial Participation** – If you choose partial participation, the Plan will only apply to the cash dividends payable or credited from time to time in respect of your nominated number of Shares registered in your name.
- (c) **Specific Participation** – Shareholders (particularly those with a mandatory minimum holding requirement under law) may contact Mercury requesting to enter into an alternative participation option. Acceptance of such requests will be solely at Mercury's discretion.

The Shares, if any, which you have chosen to participate in the Plan at each Record Date will be your "**Participating Shares**".

If you do not wish to participate in the Plan and instead wish to receive any dividends payable or credited in respect of your Shares from time to time in cash you do not need to do anything.

## 3 Overseas Shareholders

3.1 No action has been taken to permit the offer of the Plan in any jurisdiction outside New Zealand and Australia. The distribution of this document in a jurisdiction outside New Zealand and Australia may be restricted by law and persons who come into possession of it (including nominees, trustees or custodians) should seek advice on and observe any such restrictions.

3.2 Mercury may, in its absolute discretion, elect not to offer participation in the Plan to shareholders whose address is outside New Zealand or Australia if Mercury considers that to do so would risk breaching the laws of any other jurisdiction and it would be unduly onerous to ensure that the laws of those jurisdictions are complied with. As at the date of this Offer Document, the Plan is only available to those holders of Shares who have an address in New Zealand or Australia. The Board may amend this policy at any time, in its sole discretion.

3.3 If you reside outside New Zealand, Australia or any other jurisdiction in which the Plan is made available and participate in the Plan through a nominee in New Zealand, Australia or any other such jurisdiction you are deemed to represent and warrant to Mercury that you can lawfully participate through your nominee. Mercury accepts no responsibility for determining whether any person is able to participate in the Plan under laws applicable outside of New Zealand or Australia.

## 4 Exclusion where Liens or Charges over Shares

If you hold any Shares over which Mercury has a lien or charge, those Shares will not be eligible to participate in the Plan.

## 5 Participation Form

5.1 To participate in the Plan you must make a "participation election" (Participation Election) in one of the following ways:

- (a) Online Participation Election – by visiting the website of Mercury's Share Registrar, Computershare Investor Services:

**[www.investorcentre.com/nz](http://www.investorcentre.com/nz)**

Log into [www.investorcentre.com/nz](http://www.investorcentre.com/nz), and select 'My Profile'. Then select 'Reinvestment Plans' from the left-hand menu. Select Mercury NZ Limited in the holding line and 'Apply' to select your participation level. If you do not have an Investor Centre account, you will need your CSN/Investor Number and FIN to register. If you don't have this information available you can email [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz) or phone +64 9 488 8777.

- (b) Participation Notice – by completing the Participation Notice available from the Share Registrar which accompanies this Offer Document and returning it to Mercury's Share Registrar in one of the following manners:

### Mail

Computershare Investor Services Limited  
Private Bag 92119  
Victoria Street West  
Auckland 1142

### Scan and email

[drp@computershare.co.nz](mailto:drp@computershare.co.nz)

5.2 You can make your Participation Election at any time while this Plan is in effect by following the steps in clause 5.1. Participation Notices can be obtained from Mercury's Share Registrar at any time.

5.3 If your Participation Notice does not specify your degree of participation in the Plan, you will be deemed to have chosen full participation if your Participation Notice is otherwise correctly completed.

5.4 The last time and date for receipt of a Participation Election for participation in any dividend will be 5pm (NZ time) on the first business day (being a day the NZX Main Board is open for trading) after the relevant Record Date or such later date as may be set by the Board and advised to NZX and ASX (**Election Date**).

## 6 Participation Applies from First Election Date

Net proceeds of cash dividends payable or credited on your Participating Shares will be reinvested in Additional Shares from the first Election Date which occurs after receipt by Mercury of a properly completed Participation Election.

## 7 Formula for Calculation of Additional Shares

7.1 If you choose to participate in the Plan, the number of Additional Shares you will be issued or transferred will be calculated in accordance with the following formula:

$$N = \frac{PS \times D}{P}$$

Where:

**N** is the number of Additional Shares you will receive (with fractional entitlements to be rounded to the nearest whole number, with a fractional entitlement to exactly half a Share to be rounded up).

**PS** is the number of your Participating Shares.

**D** is the net proceeds of cash dividends paid or credited per Share by Mercury (expressed in cents and fractions of cents, including any applicable supplementary dividends in respect of Participating Shares payable to non-resident shareholders but excluding any tax credits and after deduction of any withholding or other taxes, if any).

**P** is the average of the daily volume weighted average sale price in New Zealand dollars (expressed in cents and fractions of cents) for a Share calculated on all price setting trades of Shares that took place through the NZX Main Board over a period of trading days, determined by the Board, less a discount (if any) as determined by the Board from time to time. Any percentage discount

determined by the Board, as well as the period of time over which the price will be set, shall be notified to NZX and ASX. If no sales of Shares occur during that period, then the volume weighted average sale price will be deemed to be the sale price for a Share on the last trade of Shares which took place prior to such pricing period.

7.2 The variable "**P**" calculated above (the **Strike Price**) may be reasonably adjusted by Mercury to allow for any bonus issue or dividend or other distribution expectation. If, in the opinion of the Board, any exceptional or unusual circumstances have artificially affected the price "**P**", Mercury may make such adjustment to that price as it considers reasonable. The determination of the Strike Price for the Additional Shares by the Board, or by some other person nominated by the Board, will be binding on all participants in the Plan.

## 8 Compliance with Laws, Listing Rules and Constitution

8.1 The Plan will not operate to the extent that the issue or transfer of Additional Shares under the Plan would breach any applicable law, any applicable listing rules or any provision of Mercury's constitution.

8.2 If, for any reason, Mercury cannot issue or transfer your Additional Shares, the relevant dividend on your Participating Shares will be paid or distributed to you in the same manner as to shareholders not participating in the Plan and at the same time as the dividends are paid to those shareholders. You will not be paid interest on any such payment.

## 9 Issue or Transfer of Additional Shares

Mercury will issue or transfer your Additional Shares in accordance with clauses 7 to 8 on the day that you would otherwise have been paid a dividend.

## 10 Share Price Information Publicly Available

Mercury will ensure that at the time the Strike Price is set under clause 7.1 it will have no information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the Shares if it was publicly available.

## 11 Terms of Issue or Transfer and Ranking of Additional Shares

Your Additional Shares will be issued or transferred on the terms set out in this Plan, subject to the rights of termination, suspension and modification set out in clause 14. Your Additional Shares will, from the date of issue or transfer, rank equally in all respects with each other and with all other Shares of Mercury on issue as at that date. Your Additional Shares will be subject to the same rights as the Additional Shares issued or transferred to all holders of Shares who agree to receive Additional Shares.

## 12 Source of Additional Shares

Your Additional Shares may, at the Board's discretion, be:

- (a) new Shares issued by Mercury;
- (b) existing Shares acquired by Mercury or a nominee or agent of Mercury; or
- (c) any combination of (a) and (b) above.

## 13 Statements

If you choose to participate in the Plan, Mercury will send a statement to your address or electronic mail address (if you have elected to receive communications electronically) as set out in Mercury's share register within 5 trading days of the issue or transfer of Additional Shares detailing:

- (a) the number of your Participating Shares as at the Record Date;
- (b) the amount of your cash dividend reinvested in Additional Shares and the amount paid in respect of any of your Shares that are not participating in the Plan (if applicable);
- (c) the Strike Price and number of Additional Shares you were issued or transferred under the Plan;
- (d) the amount of any tax deductions or withholdings, imputations or other taxation credits in respect of the cash dividend; and
- (e) such other matters required by law with respect to dividends and/or reinvestment.

## 14 Termination, Suspension and Modification

The Board may, in its sole discretion, at any time:

- (a) terminate, suspend or modify the Plan. If the Plan is modified, your Participation Election will be deemed to be a Participation Election under the modified Plan unless you withdraw or modify your Participation Election in accordance with clause 15;
- (b) resolve that some or all of a dividend will be paid in cash only instead of the Plan applying;
- (c) resolve that in the event of the subdivision, consolidation or reclassification of the Shares into one or more new classes of shares, your Participation Election will be deemed to be an Participation Election in respect of the Shares as subdivided, consolidated or reclassified unless you withdraw or modify your Participation Election in accordance with clause 15;
- (d) resolve that your Participation Election will cease to be of any effect;
- (e) determine that Additional Shares may be issued or transferred at a discount to the market price of Shares and the amount of any such discount; or
- (f) determine that the Plan may be underwritten on such terms as agreed between Mercury and an underwriter.

Any modification, suspension or termination under clause 14(a) will be notified to NZX and ASX.

## 15 Variation or Termination

You may at any time:

- (a) increase or decrease the number of your Participating Shares by making a new Participation Election in accordance with clause 5.1; or
- (b) terminate your participation in the Plan online by visiting the website of Mercury's Share Registrar, Computershare Investor Services, [www.investorcentre.com/nz](http://www.investorcentre.com/nz) or by completing the relevant boxes on the Participation Notice and sending it to Mercury's Share Registrar at the address set out in clause 5.1.

Such variation or termination will take effect on the first Election Date after receipt by Mercury's Share Registrar of the same, as the case may be.

## 16 Partial Dispositions

If you dispose of any of your Participating Shares, you will be deemed to have terminated your participation in the Plan with respect to the Participating Shares you disposed of from the date Mercury's Share Registrar registers a transfer of those Participating Shares.

## 17 Dispositions of all of your Participating Shares

If you dispose of all of your Participating Shares, you will be deemed to have terminated your participation in the Plan from the date Mercury's Share Registrar registers a transfer of those Shares.

## 18 Taxation

For New Zealand tax purposes, if you reinvest the net proceeds of your cash dividends to acquire Additional Shares, you should be treated in the same way as if you had not participated in the Plan. This means that if you participate in the Plan, you should derive dividend income of the same amount that you would have derived had you not participated in the Plan.

The taxation summary above is based on New Zealand taxation laws as at the date of this Offer Document and is, of necessity, general. It does not take into account your individual circumstances and the specific tax consequences of your participation or non-participation in the Plan, which may vary considerably. You should not rely on this general summary but should seek your own tax advice. Mercury does not accept any responsibility for the financial or taxation effects of your participation or non-participation in the Plan.

## 19 Costs

You will not be charged for participation or withdrawal from the Plan. You will not incur any brokerage costs on the issue or transfer of your Additional Shares.

## 20 Stock Exchange Quotation

Mercury will apply for quotation of Additional Shares on the NZX Main Board and the official list of the

ASX after they have been issued or transferred. However, neither NZX nor ASX accept any responsibility for any statement in this Offer Document.

## 21 Listing Rules

The Plan is subject to any applicable listing rules and to any rules for clearing and/or settlement which apply to Mercury as a result of its listing on the NZX Main Board and ASX from time to time (together, the **Rules**) and in the event of any inconsistency between the Plan and the Rules, the Rules will apply.

## 22 Information for Shareholders

The offer of Shares under the Plan does not require a regulated disclosure document under New Zealand and Australian legislation as a result of clause 10 of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand) and section 708 of the Corporations Act 2001 (Cth) respectively. Accordingly, this document does not constitute a prospectus or product disclosure statement.

## 23 No Financial Product Advice

Mercury shareholders should note that Mercury is not licensed to provide financial product advice in relation to the Shares offered under the Plan. There is no cooling-off regime that applies in respect of the acquisition of Shares offered under the Plan. This Plan does not take into account shareholders' personal objectives, financial situations or needs. Shareholders should consider obtaining their own financial product advice in relation to the offer from a licensed broker, financial, investment or other professional adviser.

## 24 Governing Law

The Plan and its operation will be governed by the laws of New Zealand.

## 25 Other Information

You can download an electronic copy of Mercury's most recent Annual Report and Mercury's most recent audited financial statements and auditor's report from Mercury's website at [www.mercury.co.nz](http://www.mercury.co.nz).

Alternatively, you can request a copy of these documents free of charge by writing to Mercury at the address specified in the Directory to this document.







# GLOSSARY.

**ASX** means ASX Limited.

**ASX Listing Rules** means the listing rules of ASX as applicable to Mercury from time to time.

**Australian Securities Exchange** means the equity security market operated by ASX.

**Board** means the board of directors of Mercury.

**Business Day** means a day on which the NZX Main Board and Australian Securities Exchange are open for trading.

**Cancellation Form** means the Plan cancellation form available from the Registrar, which notifies Mercury that a Participant wishes to terminate their participation in the Plan.

**Constitution** means the constitution of Mercury.

**CSN** means Common Shareholder Number.

**Election Date** means the first Business Day following a Record Date, or such later date as may be set by the Board and notified to NZX and ASX.

**Ex Date** means the first Business Day before the relevant Record Date, unless NZX determines otherwise.

**FIN** means Authorisation Code.

**Issue** includes (in the case of existing Shares) transfer where the context requires.

**Mercury** means Mercury NZ Limited.

**Non-Participating Share** means a Share registered in the name of a Participant, the dividends on which are not subject to the Plan, and in respect of a particular Election Date, the Non-Participating Shares that are not participating in the Plan on that date.

**NZX** means NZX Limited.

**NZX Listing Rules** means the listing rules of the NZX Main Board from time to time.

**NZX Main Board** means the main board equity security market operated by NZX.

**Offer Document** means this booklet, which sets out the Terms and Conditions of the Plan.

**Participant** means any eligible Shareholder who has validly completed (and has not withdrawn) a Participation Notice that has been accepted by the Board.

**Participating Share** means a Share registered in the name of a Participant, the net proceeds of cash dividends on which are subject to the Plan, and in respect of a particular Election Date, the Participating Shares participating in the Plan on that date.

**Participation Notice** means the participation notice for the Plan in the form approved by Mercury from time to time.

**Plan** means the Mercury Dividend Reinvestment Plan established by the Board on the terms and conditions set out in this Offer Document, as amended from time to time.

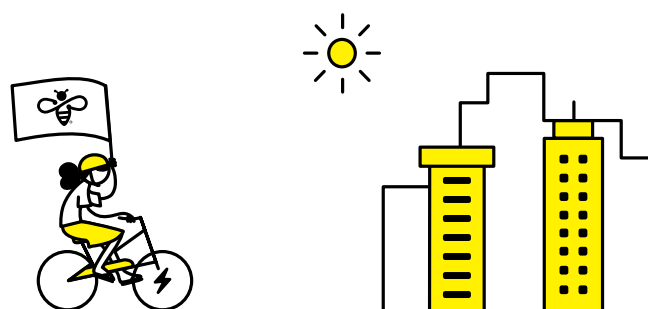
**Record Date** means the date and time fixed by the Board for determining entitlement to the relevant dividend.

**Registrar** means Computershare Investor Services Limited.

**Shareholder** means a holder of Shares from time to time.

**Shares** means fully paid ordinary shares in Mercury.

**Terms and Conditions** means the terms and conditions of this Plan.





# DIRECTORY.

## ISSUER

### **Mercury NZ Limited**

The Mercury Building  
33 Broadway  
Newmarket, Auckland 1023  
New Zealand

**Phone:** +64 9 308 8200

**Email:** [investor@mercury.co.nz](mailto:investor@mercury.co.nz)

**Website:** [www.mercury.co.nz](http://www.mercury.co.nz)

## SHARE REGISTRAR

Computershare Investor Services Limited  
Level 2, 159 Hurstmere Road  
Takapuna  
Auckland 0622

Private Bag 92119  
Victoria Street West  
Auckland 1142  
New Zealand

**Phone:** +64 9 488 8777

**Email:** [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz)

**Website:** [www.computershare.co.nz](http://www.computershare.co.nz)

## LEGAL ADVISOR

### **Chapman Tripp**

Level 34, PwC Tower  
15 Customs Street West  
Auckland 1010  
New Zealand



# PARTICIPATION NOTICE.



## DIVIDEND REINVESTMENT PLAN.

**Do not complete this notice if you wish to continue receiving in cash all dividends declared in respect of all your Shares in Mercury NZ Limited ('Mercury').**

Full details of the Plan are set out in the Offer Document dated 22 February 2022 ('Offer Document'). Complete this notice to participate in the Dividend Reinvestment Plan ('Plan') or if you already participate in the Plan and wish to vary your existing participation election. Alternatively, you may make your participation election, or vary an existing participation election, by visiting [www.investorcentre.com/nz](http://www.investorcentre.com/nz).

Capitalised terms not defined in this Participation Notice have the meanings given to those terms in the Glossary of the Offer Document.

### PERSONAL DETAILS

Name(s). \_\_\_\_\_

Address. \_\_\_\_\_

Email. \_\_\_\_\_

CSN/Holder number. \_\_\_\_\_ Daytime phone. ( ) \_\_\_\_\_

### PARTICIPATION ELECTION

In terms of Mercury's Dividend Reinvestment Plan, I/we wish to participate in/amend an existing participation election in the Plan and request:

(Choose one option only)

☐ a. Full participation in the Plan for all the Shares I/we may hold from time to time  
or

☐ b. Partial participation in the Plan for the following number of Shares I/we may hold from time to time

Please specify the number of shares to participate \_\_\_\_\_

### SIGNATURE/S

Joint holders must each sign. Companies must execute by an authorised officer or attorney. If signed by an attorney, a non-revocation declaration must accompany this notice, and the relevant authority must either have been exhibited previously to the Registrar or accompany this notice.

Mercury may suspend, vary or terminate your participation, subject to the Terms and Conditions of the Plan.

I/We acknowledge that I/we have received and read a copy of the Offer Document dated 22 February 2022 and agree to be bound by the Terms and Conditions set out in the Offer Document.

I/We hereby direct that the net proceeds of all cash dividends I am/we are entitled to be paid or credited in respect of my/our Participating Shares be applied toward the purchase of additional Mercury Shares in accordance with the Plan.

I/We warrant that if at any time I/we reside outside New Zealand or Australia and accept or continue to participate in the Plan, the offer of the Plan and my/our participation in it do not breach any laws in my/our country of residence.

Signature of Shareholder(s) \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Signature of Shareholder(s) \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

This Participation Notice may be returned at any time to the Registrar by one of the methods below:

#### BY POST NEW ZEALAND

c/- Computershare Investor  
Services Limited,  
Private Bag 92119,  
Victoria Street West,  
Auckland 1142,  
New Zealand.

#### BY POST AUSTRALIA

c/- Computershare Investor  
Services Pty Limited,  
GPO Box 3329,  
Melbourne VIC 3001,  
Australia.

#### SCAN AND EMAIL

[drp@computershare.co.nz](mailto:drp@computershare.co.nz)  
Please put Mercury DRP in the  
subject line for easy identification.

You may update your participation election by visiting [www.investorcentre.com/nz](http://www.investorcentre.com/nz).