

>> QUARTERLY HIGHLIGHTS

STRONG
YIELDS IN
ALL
SEGMENTS

THROUGH MASS MARKET
PRICING AND C&I RENEWALS

BENEFITS
OF FUEL
DIVERSITY

EFFECTIVE PORTFOLIO
MANAGEMENT DELIVERING
VOLUME AT HIGH PRICES

CONNECTION
GROWTH IN
TELCO
PRODUCTS

13,000 NEW TELCO AND
MOBILE CONNECTIONS

>> COMMENTARY

Market summary

Lower national inflows during the quarter resulted in higher spot electricity prices averaging \$195/MWh in Auckland. Forward prices remained high averaging \$180/MWh in Auckland for financial years 2024 to 2026 as at 31 March 2024. Forward price escalation reflects increased gas supply uncertainty.

Above average Waikato inflows and increased portfolio diversity sees strong generation output

64th percentile inflows in the Waikato catchment over the quarter saw 1006GWh of hydro generation (214GWh, 18% lower than PCP). This was supported by 664GWh of geothermal generation (68GWh, 10% higher than PCP) and 517GWh of wind generation (196GWh, 61% higher than PCP). Despite 44th percentile inflows in the Waikato catchment during March, effective portfolio management activity across the quarter enabled a high starting storage level for Q4FY24. We are forecasting average hydrology conditions for the remainder of the year and 4,067GWh of hydro generation for the full year.

Strong yields in both C&I and Mass Market

Commercial & Industrial yields (physical and end-user CDs) remained strong, increasing by \$7/MWh (6%) to \$126/MWh versus the PCP, and reflecting repricing of contract renewals into the high electricity forward curve. Mass Market yields also saw strong growth, up \$9/MWh (6%) vs PCP, due to the impact of price changes and reduced acquisition and retention activity.

National demand higher from increased South Island irrigation demand

National demand was 4.6% higher for the quarter relative to PCP, with normalised demand increasing 3.5%, adjusting for 2024 being a leap year. Higher demand was a largely result of increased South Island irrigation demand and PCP negatively impacted by flooding.

>> OPERATING STATISTICS

OPERATING INFORMATION	Three months ended 31 March 2024		Three months ended 31 March 2023		Nine months ended 31 March 2024		Nine months ended 31 March 2023		
CONNECTION NUMBERS ('000s)									
Electricity connections (ICPs)		578		585					
Gas connections	¹	103		100					
Telecommunication connections	²	155		148					
Mobile connections		22		16					
Customers with 2 or more products		187		186					
		VWAP ³ (\$/MWh)	Volume (GWh)	VWAP ³ (\$/MWh)	Volume (GWh)	VWAP ³ (\$/MWh)	Volume (GWh)	VWAP ³ (\$/MWh)	Volume (GWh)
ELECTRICITY SALES									
Physical		150.14	1,468	141.36	1,487	149.88	4,959	141.61	5,009
Mass Market	⁴	163.49	923	154.09	901	160.92	3,286	153.91	3,188
Commercial & Industrial	⁵	127.52	545	121.78	586	128.20	1,673	120.08	1,821
Network Losses			82		86		272		258
Physical Purchases	⁶	200.06	1,550	146.14	1,573	160.01	5,230	89.97	5,267
Financial		141.79	784	130.21	769	131.96	2,448	116.73	2,567
End User CfDs		121.92	246	112.20	253	119.25	868	106.89	858
Other Sell CfDs	⁷	150.86	538	139.04	516	138.94	1,580	121.67	1,709
Spot Settlement of CfDs		191.57		136.59		155.60		81.53	
Spot Customer Purchases		194.80	29	144.72	48	154.67	89	97.24	107
Gas Sales (\$/GJ, TJ)	¹	27.55	412	25.93	346	24.28	1,698	21.25	1,573
Gas Purchases (\$/GJ,TJ)	¹	12.67	412	13.37	349	13.24	1,707	13.26	1,588
Telco Sales (\$/month/connection)	²	87.88		80.51		86.08		80.92	
Telco Costs (\$/month/connection)	²	60.01		56.04		59.28		56.88	
ELECTRICITY GENERATION									
Physical		172.30	2,187	127.15	2,138	141.88	6,674	81.22	6,954
Hydro		202.43	1,006	138.89	1,220	162.86	3,077	88.13	3,955
Geothermal (consolidated)	⁸	179.85	664	134.47	596	148.68	1,971	79.16	1,890
Wind Spot		158.80	205	99.04	87	131.01	687	57.12	320
Wind PPA		68.13	312	58.05	235	66.05	939	61.30	789
Financial		113.80	687	105.44	644	109.10	2,274	98.34	2,226
Buy CfDs	⁷	113.80	687	105.44	644	109.10	2,274	98.34	2,226
Spot Settlement of CfDs		190.30		137.87		151.40		81.13	
Net Position	⁹		228		205		331		557

¹ Includes LPG bottle connections

² Includes mobile and from December 2022 NOW connections

³ VWAP is volume weighted average energy-only price sold to customers after lines, metering and fees

⁴ Mass market includes residential segments and non time-of-use commercial customers

⁵ Fixed-price, variable-volume (FPVV) sales to time-of-use commercial customers

⁶ Excludes spot customer purchases

⁷ Includes Virtual Asset Swap volumes of 75 GWh for the 3 months ended 31 March 2024 and 111 GWh for the 3 months ended 31 March 2023 and of 301 GWh for the 9 months ended 31 March 2024 and 413 GWh for the 9 months ended 31 March 2023. Also includes the Manawa CFD volumes relating to the Trustpower retail transaction since May 2022

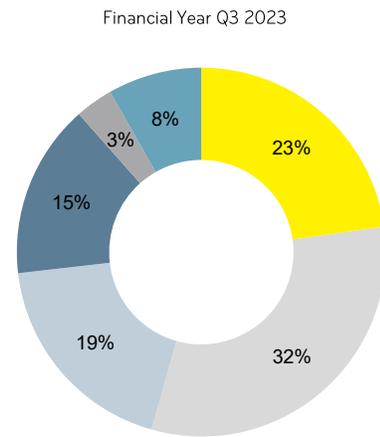
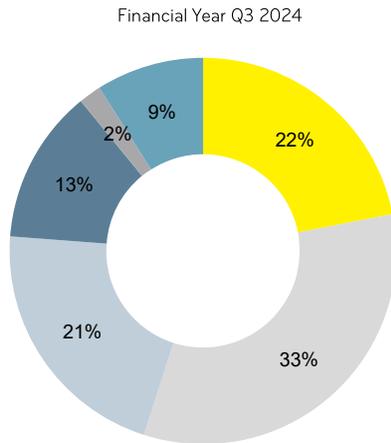
⁸ Includes Mercury's 65% share of Nga Awa Purua generation

⁹ Includes all physical and financial buys and sells except spot customer purchases and wind ppa

>> MARKET DATA

> ELECTRICITY GENERATION BY COMPANY FOR THE THREE MONTHS ENDED 31 MARCH

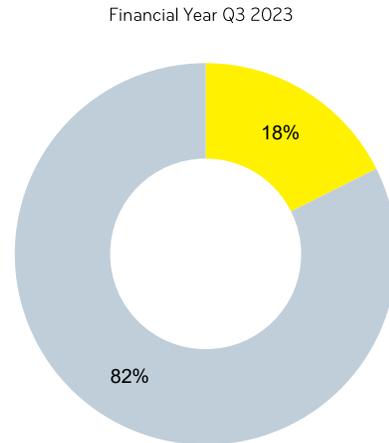
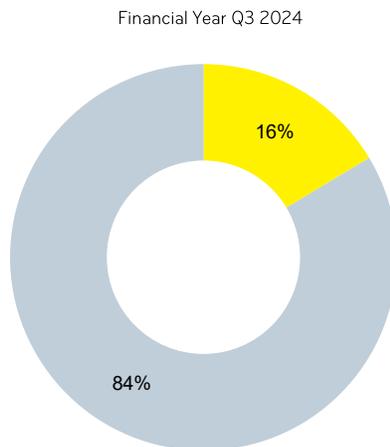
- MERCURY
- MERIDIAN ENERGY
- CONTACT ENERGY
- GENESIS ENERGY
- MANAWA ENERGY
- OTHER



Source: Transpower SCADA

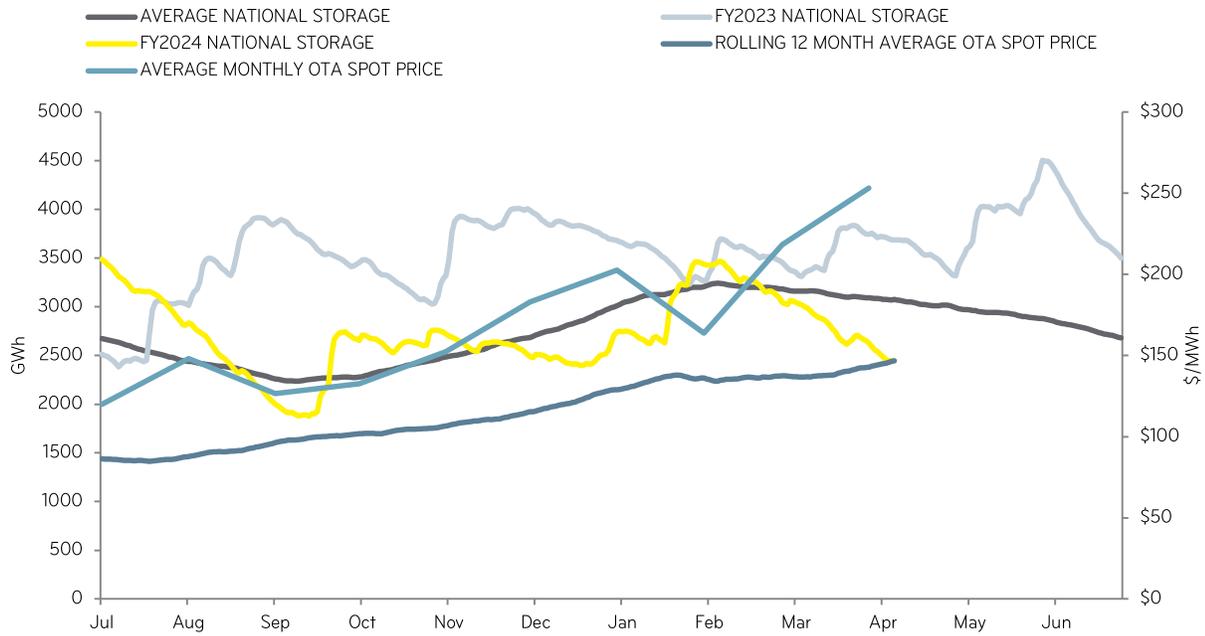
> SHARE OF ELECTRICITY SALES (GWh) FOR THE THREE MONTHS ENDED 31 MARCH (EXCLUDING CFDs)

- MERCURY
- OTHER



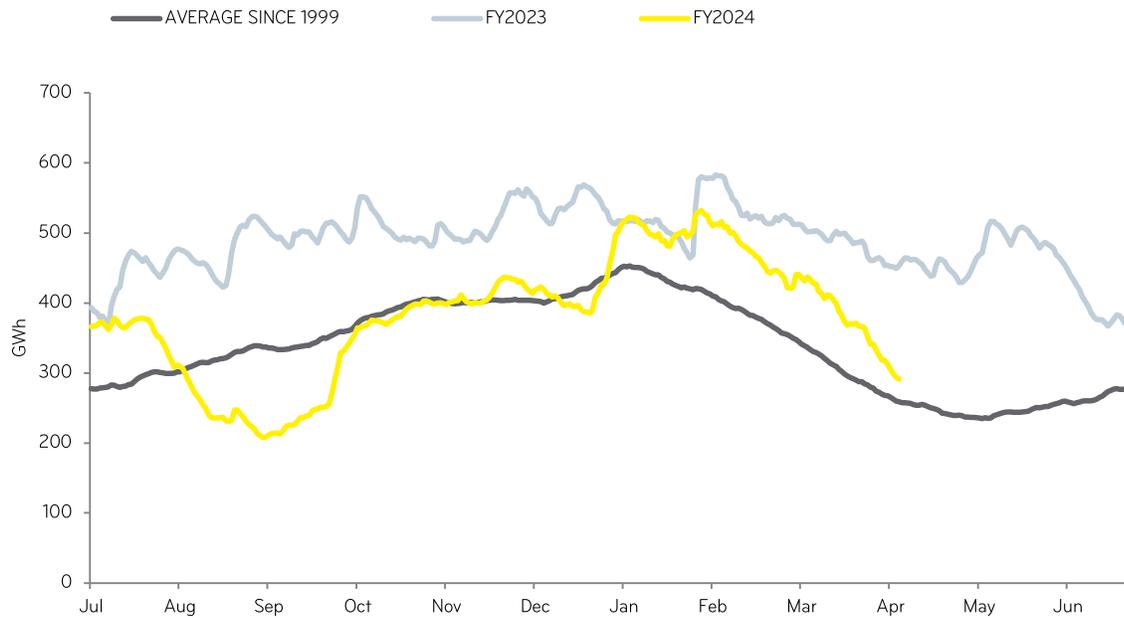
Source: Mercury Purchases and Transpower SCADA

> OTAHUHU WHOLESALE PRICE AND NATIONAL HYDRO STORAGE LEVELS



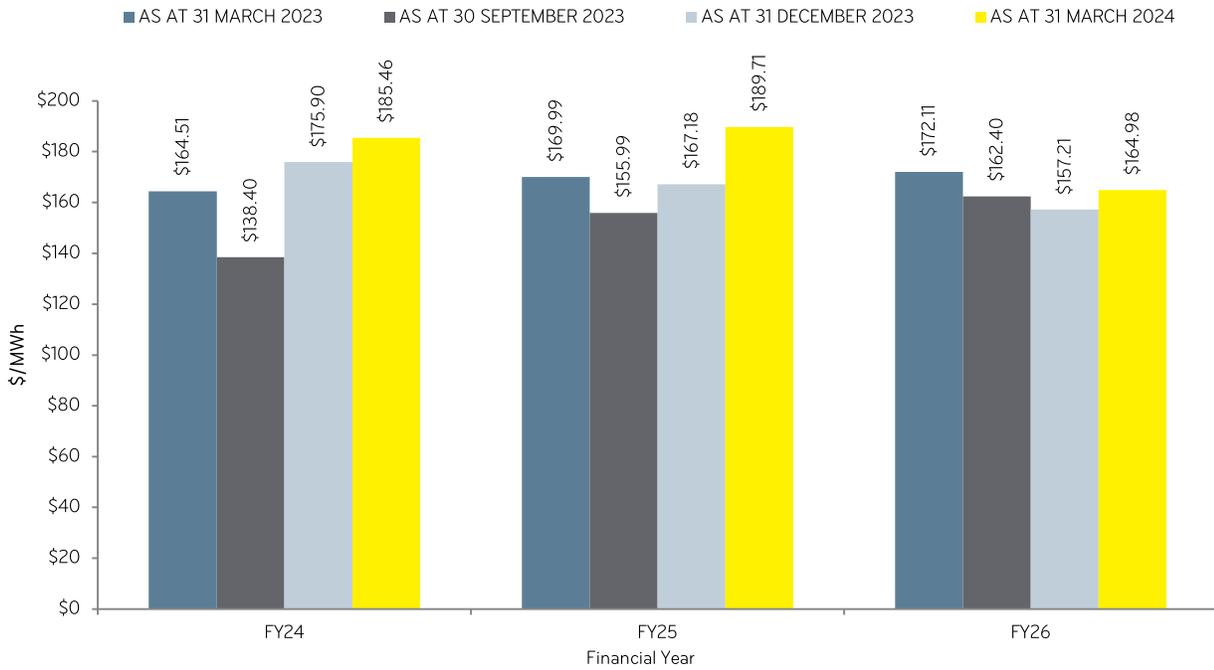
Source: NZX Hydro and NZEM Pricing Manager (NZX)

> TAUPO STORAGE



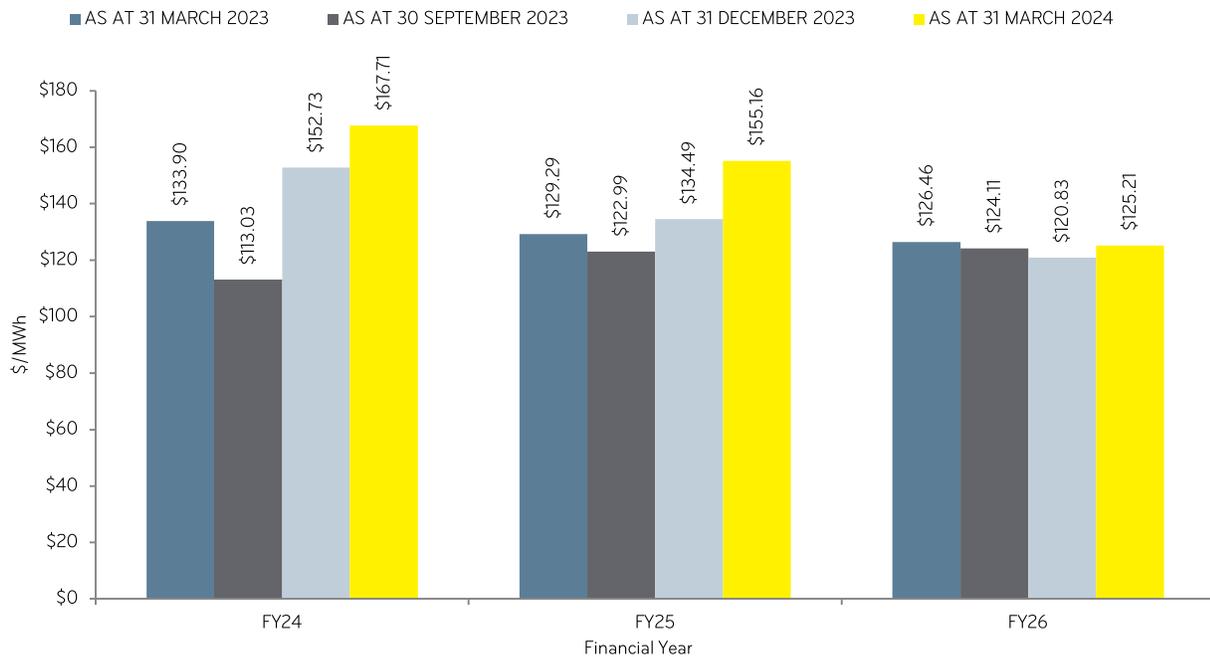
Source: NZX Hydro

> OTAHUHU ASX FUTURES SETTLEMENT PRICE



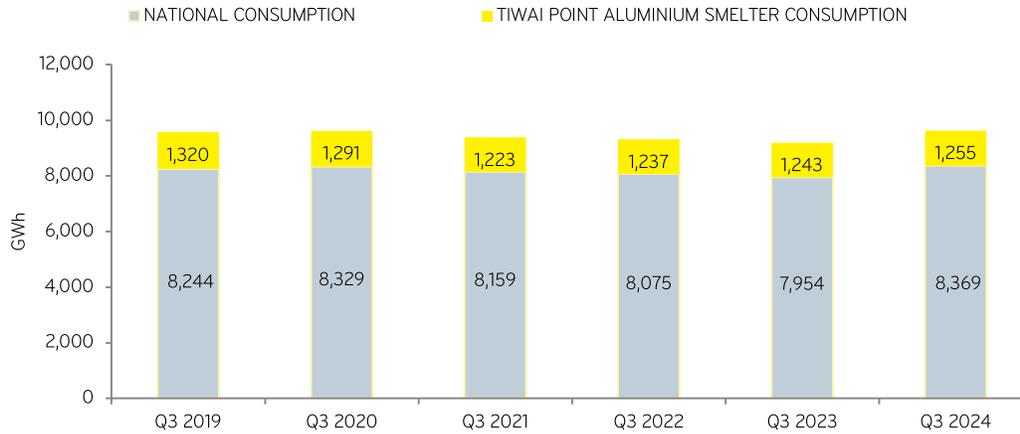
Source: ASX

> BENMORE ASX FUTURES SETTLEMENT PRICE



Source: ASX

> NATIONAL CONSUMPTION (NON-TEMPERATURE ADJUSTED)



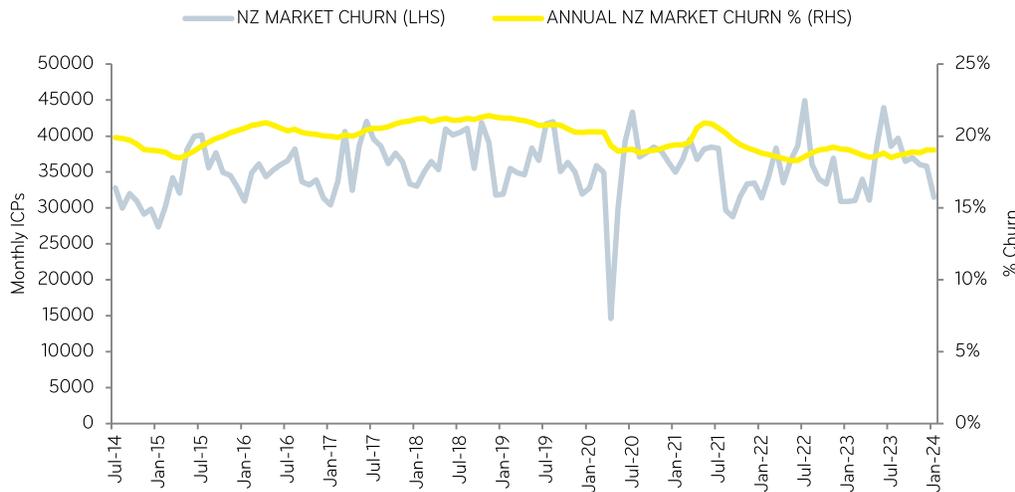
Source: Transpower Information Exchange

> AUCKLAND CLIMATE SUMMARY (°C)

FINANCIAL YEAR	Q1	Q2	Q3	Q4
2024	12.2	16.8	19.6	-
2023	12.9	17.2	19.2	15.1
2022	12.2	17.8	20.8	15.1
2021	12.3	16.9	19.5	14.8
2020	12.3	16.7	19.5	14.4
Historical Average (since 1999)	11.9	16.2	19.5	14.2

Source: Met Service

> MONTHLY TOTAL CONSUMER RETAIL SWITCHING (ICPs)



Source: Electricity Authority