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Stock Exchange Listings NZX (MEL) ASX (MEZ)

Meridian enters into agreement to acquire NZ Windfarms

19 February 2025

Meridian Energy has entered into a Scheme Implementation Agreement (SIA) with NZ Windfarms Limited (NZWF). Under the terms of the SIA, Meridian will acquire all of the shares in NZWF via a court-approved Scheme of Arrangement for $0.25 cash per share, corresponding to an equity value for NZWF of $91 million. The scheme is conditional on approval from NZWF shareholders and the High Court.

The two companies are already parties to a 50-50 joint venture to repower NZWF's largest asset, the Te Rere Hau Wind Farm in Manawatū, and for Meridian to purchase 100% of the generation from the wind farm. Meridian also currently holds a 19.99% shareholding in NZWF.

The NZWF Board has unanimously recommended shareholders vote in favour of the scheme, subject to the Independent Adviser concluding in its report that the consideration is within or above the Independent Adviser's valuation range for the NZWF shares and in the absence of a superior proposal. Robert Stone and Salt Funds Management, who together own approximately 14% of NZWF, are supportive of the transaction and have entered voting deeds to vote their shares in favour of the scheme.

"Meridian is already the largest shareholder in NZWF and is also party to a 50-50 joint venture to repower NZ Windfarms' largest asset, the Te Rere Hau Wind Farm in Manawatū. If the scheme of arrangement is successful, it will reward NZWF shareholders for the value created to date, while also enabling more efficient financing of the Te Rere Hau repowering project," says Meridian Energy Chief Executive Neal Barclay.

"The Te Rere Hau repowering involves the design, construction and operation of up to 39 new turbines with generation capacity of up to 170MW. It will be New Zealand's first wind farm repowering project and has the potential to generate seven times the annual renewable energy production of the current turbines."

"Our new Harapaki wind farm in Hawke's Bay has shown the benefit of maximising generation through modern turbines on a world-class site, and that's what we've got the opportunity to do at Te Rere Hau. This project will create regional jobs and business opportunities, further strengthen security of supply and create value for both sets of shareholders."

Meridian is being advised by Russell McVeagh and Clare Capital.

ENDS

Neal Barclay
Chief Executive
Meridian Energy Limited

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For investor relations queries, please contact:
Owen Hackston
Investor Relations Manager
021 246 4772

For media queries, please contact:
Philip Clark
Head of Communications
0278 385 710