

16 February 2026

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Contact to advance new battery, solar and geothermal investment; \$525m equity raise announced

	Six months ended 31 December 2025 1H26*		Six months ended 31 December 2024 1H25
EBITDAF ⁱ	\$500m	↑	24% from \$404m
Profit	\$205m	↑	44% from \$142m
Profit per share	20.9c	↑	17% from 17.9 c
Operating free cash flow ⁱⁱ	\$249m	↑	80% from \$138m
Stay-in-business capital expenditure (cash)	\$59m	↓	9% from \$65m
Growth capital expenditure (cash)	\$166m	↓	7% from \$179m

* Includes Manawa from 11 July 2025. Prior period does not include Manawa.

Key strategic highlights

- Launched Contact31+ strategy to lead New Zealand's renewable energy future.
- Completed Manawa acquisition; more than 80% of announced cost synergies secured to date.
- Offer made to purchase the remaining 25% of King Country Energy.
- Glenbrook-Ohurua battery, Kōwhai Park solar and Te Mihi Stage 2 geothermal builds on track.
- Contracted 50MW HFOⁱⁱⁱ to manage dry year risk and support security of supply.
- More than 150,000 customers taking advantage of off-peak energy through Time-of-Use plans.^{iv}
- Launched The Good Initiative; more than 15,000 customers and nearly 50 community groups supported.
- \$525 million equity raise announced to advance the execution and potential upsizing of renewable energy projects which would accelerate the Contact31+ strategy:
 - Confirmed investment in a new 200MW battery, Glenbrook battery 2.0.
 - Contact board-approved investment in the 150MWac Glorit solar farm JV.^v
 - Pre-FID drilling on Tauhara 2 geothermal to advance steamfield development and explore upsizing target capacity to 60-70MW.

Financial performance

Contact Energy has reported net profit of \$205m in 1H26 and operating earnings (EBITDAF) of \$500m. The period includes the acquisition of Manawa Energy from 11 July 2025, which contributed to the uplift in earnings. Reported figures also include \$22m of Manawa transaction and integration costs. Excluding these costs, EBITDAF was \$522m, up 26% on 1H25.^{vi}

The improved operating result was driven by a significant lift in renewable generation, with output 97% renewable in 1H26. This reflected the addition of the Manawa hydro assets and its contracted PPAs (wind and geothermal) totalling 1.3TWh, along with a full period of generation at Contact's new Te Huka 3 geothermal plant. Higher renewable output supported increased contracted sales. Pricing was lower on CFD sales as well as gas purchases and acquired generation, all of which were elevated in 1H25 when fuel was scarce.

With national hydro inflows in 1H26 at 128% of mean, and New Zealand's hydro storage ending the period 129% of mean, market conditions contrasted sharply with those of 1H25.

The acquired Manawa irrigation business contributed to a lift in other income. In 1H25 other income was affected by losses on the sale of excess gas to Methanex. Operating costs reflected the combined operations of Contact and Manawa. More than 80% of cost-reduction synergies have been secured on a run-rate basis, with \$6m recognised in 1H26 within other operating costs.

"1H26 was transformational, with the completion of the Manawa acquisition and the welcoming of its people and assets to Contact. The strong performance of the combined entity set us up well for the year ahead as we take significant steps to execute the Contact31+ strategy," said Chief Executive Mike Fuge.

Operating free cash flow of \$249m was up 80% on 1H25, driven by the acquisition, improved operating performance, lower maintenance capex and lower movement in working capital, partly offset by higher interest paid.

Glenbrook battery 2.0, Glorit solar and Tauhara 2 drilling investments

The Contact board has confirmed the company will build the Glenbrook battery 2.0 – a 200MW, 400MWh-duration battery – that would take Contact's total installed battery capacity to 300MW at the Glenbrook site, close to Auckland load and major transmission infrastructure. The battery is expected to add new renewable flexibility to help manage market volatility as more intermittent generation (wind and solar) comes online, and natural gas supply continues to decline.

The total estimated project cost is \$235m. The battery is expected to be online in Q1 CY2028. Tesla has been selected to supply its Megapack 2 XL battery energy storage system and to provide commissioning and long-term maintenance services. Contact will oversee the project. Construction commences immediately.

The Contact board has also confirmed a final investment decision on the Glorit solar farm, subject to funding arrangements. The 150MWac / 285GWh p.a. solar farm, located on the Kaipara Coast near Auckland, is expected to be online in Q3 CY2028, bringing new renewable generation to the market to support contracted new demand in the summer-weighted dairy sector.

Contact's 50/50 joint venture with Lightsource bp is expected to build, own and operate the Glorit solar farm, at a total estimated construction cost of \$305m^{vii}. Engineering, procurement and construction of the solar farm would be delivered by the joint venture under a comprehensive EPC contract. The build is expected to be >70% project financed, with funding arrangements expected to be completed in the next few weeks.^v

"These projects represent significant milestones in the acceleration of the execution of our Contact31+ strategy to lead New Zealand's renewable energy future. We are rapidly deploying solar to meet new summer-weighted demand and, with 300MW of batteries, expect to be able to free up natural gas used in peak demand periods, reallocating this to customers," said Mr Fuge.

Updated reservoir modelling for the Tauhara 2 geothermal development option indicates that a plant of 50-70MW can be supported (vs. the original 50MW identified).

Contact is undertaking a \$30m drilling programme to advance steamfield development and confirm its modelling estimates, refining conceptual design, and has engaged suppliers to identify the technology that best optimises returns. Contact is targeting a final investment decision in FY27.

Contact has today separately announced it has made an offer to purchase the remaining 25% of King Country Energy from King Country Trust. For details see the release "Contact offers to purchase remaining 25% of King Country Energy".

Renewable developments underway

Construction continued in 1H26 on 1.1TWh p.a. of renewable generation across solar and geothermal, along with 100MW of battery capacity.

Contact's 100MW Glenbrook-Ohurua battery is now construction-complete, with Transpower and system integration nearing completion. Commissioning started in early February and the battery is expected to be online in Q1 2026 as planned.

At Kōwhai Park, installation continues on the 150MWac / 275GWh p.a. solar farm built through Contact's joint venture with Lightsource bp. The structural framework is well advanced, with more than 80% of tracker tubing and more than 50% of solar panels installed. The solar farm remains on track to be online at the end of Q2 CY2026.

Site construction by the EPC contractor is progressing to schedule at Contact's Te Mihi Stage 2; a 101MW geothermal development. The plant is scheduled to be online in Q3 CY2027, delivering baseload renewable generation to partly replace output from the 1950s-built Wairakei geothermal station.

In the last five years, Contact has committed \$2.4 billion to invest in renewable electricity projects, including the approved projects announced today.

"Contact has maintained a continuous infrastructure build programme since 2021 with the Tauhara and Te Huka 3 geothermal plants completed and our three solar, geothermal and battery projects underway. This has led to strong continuity of our major project execution expertise, key staff, suppliers and contractors, setting us up well to deliver the new investments announced today," said Mr Fuge.

Retail

In 1H26, Contact's total retail connections were up ~31,000 on 1H25, with a continued focus on multi-product customer growth.

Supporting customers, Contact continues to see growth in its Time-of-Use 'Good' plans, with more than 150,000 households taking advantage of off-peak energy as at 31 December 2025, a seven per cent increase in the past six months. Since launching in August 2021, Contact's customers have benefited from 345 million hours of free power. Contact expanded its Hot Water Sorter programme to 26,000 New Zealand households, supporting the shift of more than 9MW of electricity load away from peak demand times on average each day.

Continuing its focus on supporting customers in energy hardship, Contact launched The Good Initiative in August 2025. So far more than 15,000 customers have been directly supported and nearly 50 community groups throughout New Zealand have been given free power. The company's partnership with Women's Refuge continues, covering the costs of power and broadband at its refuges and safe houses nationwide.

Equity raise

Contact has announced a \$525 million equity raise (Equity Raise) to advance the execution and potential upsizing of renewable energy projects which would accelerate the Contact31+ strategy. This includes funding for pre-FID drilling on Tauhara 2 to advance steamfield development and explore upsizing capacity from 50MW to 60-70MW, the Glenbrook battery 2.0 and Contact's investment in the Glorit solar farm. The proceeds are also expected to enhance Contact's ability to accelerate development pipeline opportunities which are in line with the Contact31+ capital allocation framework.

"Contact is taking significant steps to ensure its readiness to support New Zealand's growing electricity demand, with 3-5TWh of new grid demand expected in the next five years," said Mr

Fuge. “We’re investing in the infrastructure required to support a more renewable, resilient and affordable energy future for New Zealand.”

The Equity Raise comprises a fully underwritten placement (Placement) of NZ\$450 million and a non-underwritten retail offer (Retail Offer) to raise up to NZ\$75 million, with the ability to accept oversubscriptions at Contact’s discretion. Additional information regarding the Equity Raise is set out in Section 2A (Details of the Equity Raise) and 2B (Key dates) below.

Interim dividend

The Board has declared an interim dividend of 16 cents per share, in line with 1H25.

The interim dividend will be paid on 25 March 2026 to all shareholders on the register as at 5.00pm on 19 February 2026 (the Record Date). Contact has received a waiver from NZX to enable it to shorten the five business days’ notice period prescribed by the NZX Listing Rules between the announcement of this dividend and its Record Date.

This will mean that new shares issued in the Equity Raise will not be eligible for this interim dividend which the Board considers to be a fair outcome, as these securities were not on issue during the period to which the dividend relates. It also ensures that all persons acquiring shares in the Equity Raise – whether under the Placement or the Retail Offer – are treated equally. Any shareholders wishing to adjust their shareholdings prior to the Record Date for the dividend will need to make any trades prior to market close on 17 February 2026 in order for the adjustment to become effective by the Record Date.

Dividend Reinvestment Plan (DRP)

Shareholders will have the opportunity to participate in Contact’s DRP.

The Board has exercised its discretion in exceptional or unusual circumstances to adjust the volume weighted sale price so that the DRP strike price will be set equal to the lower of (i) the DRP strike price calculated under the usual DRP methodology applying a 2% discount as contemplated under the terms of the DRP; and (ii) the New Zealand dollar issue price payable under the Retail Offer forming part of the Equity Raise (see “Additional information” further below).

The DRP strike price will be announced on 12 March 2026, and allotment of new shares is expected to occur on 25 March 2026.

Outlook

Looking ahead, Contact Chair, Rob McDonald, said this year Contact expects to be rapidly demonstrating the execution of key elements of its Contact31+ strategy, launched in November 2025.

“Contact is ready to lead New Zealand’s renewable energy future, powering expected market growth and bringing new flexibility to support the system as it transitions. The business has a clear plan and will be working at pace to deliver its target returns to shareholders by building the renewable infrastructure New Zealand needs most.”

As previously indicated, Mr McDonald will likely step down at the end of his current term later this year. The Board has appointed an advisor to assist with an orderly succession process.

1/ CONTACT DETAILS

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2/ ADDITIONAL INFORMATION

A. Details of the Equity Raise

Placement

The underwritten Placement will be conducted through a bookbuild in which eligible investors in New Zealand, Australia, and certain other jurisdictions will be invited to participate. A trading halt has been granted by NZX (and been sought from ASX) to facilitate the Placement.

The Placement will comprise the issue of approximately 51.4 million new ordinary shares, representing approximately 5.2% of current issued capital, to raise NZ\$450 million. The issue price under the Placement (Placement Price) of NZ\$8.75 per new share represents a discount of 7.2% to the ex-dividend adjusted^{viii} last closing price of \$9.43^{ix} and a 7.9% discount to the ex-dividend adjusted 5-day volume-weighted average price (VWAP) of NZ\$9.51.^x

It is intended that eligible shareholders who bid for an amount up to their 'pro-rata' share of new shares under the Placement will be allocated their full bid on a best efforts basis^{xi, xii}.

Retail Offer

Contact intends to conduct a non-underwritten Retail Offer to eligible existing shareholders in New Zealand and Australia to raise up to NZ\$75 million, with the ability to scale applications, or accept over subscriptions at Contact's discretion^{xiii}.

Eligible shareholders in New Zealand and Australia will be invited to apply for up to NZ\$100,000 and A\$41,000^{xiv}, respectively of new ordinary shares under the Retail Offer. The maximum application size has been selected with the objective of enabling as many eligible retail shareholders as possible to apply for their pro-rata share of the Equity Raise via the Retail Offer.

New shares to be issued under the Retail Offer will be issued at the lower of the Placement Price or a 2.5% discount to the 5-day VWAP of Contact on the NZX over the five trading day period up to, and including, the closing date of the Retail Offer.

Full details of the Retail Offer will be set out in the Retail Offer Document, which will be released to the NZX and ASX, and made available to eligible shareholders in New Zealand and Australia, on Thursday 19 February. The closing date for applications by eligible shareholders is 5:00pm NZDT on Friday 6 March.

For any questions in respect of the Retail Offer, please visit <https://www.contactshareoffer.co.nz> or call MUFG Pension & Market Services on Freephone 0800 800 899 within New Zealand or +64 9 375 5998 between 8.30am and 5.00pm (NZDT) Monday to Friday during the Retail Offer period. For other questions, investors should contact a professional legal advisor.

B. Key dates

Placement	Date / Time
Trading halt and Placement bookbuild	Monday, 16 February 2026
Announcement of results of Placement and trading halt lifted	Tuesday, 17 February 2026
ASX settlement	Thursday, 19 February 2026
NZX settlement	Friday, 20 February 2026
Allotment and commencement of trading of new shares on NZX/ASX	Friday, 20 February 2026

Retail Offer	Date / Time
Record date	7pm NZDT / 5pm AEDT, Friday, 13 February 2026
Expected release of Retail Offer document	Thursday, 19 February 2026
Retail Offer opens	Thursday, 19 February 2026
Retail Offer closes	5pm NZDT / 3pm AEDT, Friday, 6 March 2026
Announcement of results of Retail Offer, together with the issue price (in NZ\$ and A\$) of shares under the Retail Offer	Thursday, 12 March 2026
Allotment of shares on NZX and ASX	Friday, 13 March 2026
Commencement of trading of new shares on NZX	Friday, 13 March 2026
Commencement of trading of new shares on ASX	Monday, 16 March 2026

The above timetable and all dates are indicative only and subject to change (subject to NZX Listing Rules, ASX Listing Rules and applicable laws).

C. Additional information

A conference call will be held at 11am NZDT on 16 February 2026 regarding Contact's interim results announcement, the pre-FID Tauhara drilling, Glenbrook battery 2.0 and Glorit solar investment decisions and the Equity Raise.

If you would like to attend the live presentation, please see the details below to view the webcast off your chosen device:

Click here to enter the webcast: [LIVE EVENT LINK](#)

Or access this link via our website: <https://contact.co.nz/aboutus/investor-centre>

All dollar amounts are in New Zealand dollars (NZD) unless otherwise stated. All times and dates refer to New Zealand Daylight Time (NZDT) unless otherwise stated.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. Investors are encouraged to seek appropriate professional legal advice before making any investment decision.

3 / IMPORTANT NOTICE

A. Forward-looking statements

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of Contact. These forward-looking statements are based on Contact's current expectations, estimates and projections about the industry in which it operates, and beliefs and assumptions. Forward-looking statements can generally be identified by use of words such as 'approximate', 'project', 'foresee', 'plan', 'target', 'seek', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will', 'objective', 'assume', 'guidance', 'outlook' or similar expressions.

Forward-looking statements in this announcement include statements regarding the timetable, conduct and outcome of the Equity Raise and the use of proceeds thereof, statements about the timing, cost and size of the Glenbrook battery 2.0 and Glorit solar projects, the timing, cost and size of under-construction and other potential Contact projects, including Tauhara 2, statements about the New Zealand energy market and the other industries and markets in which Contact operates, and statements about the Contact31+ strategy and the future performance of, and outlook for, Contact's business. Any indications of, or guidance or outlook on, future earnings or financial position or performance and future distributions are also forward-looking statements. All such forward-looking statements are not guarantees or predictions of future performance and involve known and unknown risks, significant uncertainties, assumptions, contingencies, and other factors, many of which are outside the control of Contact, are difficult to predict, and which may cause the actual results or performance of Contact to be materially different from any future results or performance expressed or implied by such forward-looking statements.

Such forward-looking statements speak only as of the date of this announcement. Except as required by law or regulation (including the NZX Listing Rules and the ASX Listing Rules), Contact undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to the date of this announcement or to update or keep current any of the information contained herein.

No guarantee, representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns, statements or tax treatment in relation to future matters contained in this announcement.

Investors are strongly cautioned not to place undue reliance on any forward-looking statements, such as indications of, and guidance on, outlook, future earnings, cash flow, financial position and performance.

B. Financial data

This announcement includes certain financial measures that are "non-GAAP (generally accepted accounting practice) financial information" under Guidance Note 2017: 'Disclosing non-GAAP financial information' published by the New Zealand Financial Markets Authority, "non-IFRS financial information" under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' and "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Exchange Act of 1934, as amended. Disclosure of such non-GAAP financial measures in the manner included in this announcement would not be permissible in a registration statement under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act).

Such financial information and financial measures (including EBITDAF, operating free cash flow, stay-in-business capital expenditure and growth capital expenditure) have not been subject to audit or review and do not have standardised meanings prescribed under New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), Australian Accounting Standards (AAS) or International Financial Reporting Standards (IFRS) and therefore, may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with NZ IFRS, AAS or IFRS.

C. Equity Raise

Additional important information regarding the Equity Raise is contained in the investor presentation "Accelerating Contact31+ strategy and Equity Raise" accompanying this announcement. That information contains key risks and foreign selling restrictions with respect to the Equity Raise. See also the Important Notice and Disclaimer contained within that investor presentation.

D. Not an offer of securities in the United States

This announcement has been prepared for publication in New Zealand and Australia and may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be illegal. The securities to be offered and sold in the Placement and the Retail Offer have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities to be offered and sold in the Placement may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the securities laws of any state or other jurisdiction of the United States. The securities to be offered and sold in the Retail Offer may only be offered or sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

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- i Refer to slide 33 of the 2026 interim results presentation for a definition and reconciliation between statutory profit and the non-GAAP performance measure earnings before net interest expense, tax, depreciation, amortisation, asset impairment and write-offs, and changes in fair value of financial instruments (EBITDAF).
 - ii Refer to Note A3 of the interim financial statements for a definition and reconciliation between cash flow from operating activities and the non-GAAP measure operating free cash flow. Operating free cash flow represents cash available to repay debt and to fund distributions to shareholders and growth capital expenditure.
 - iii Huntly Firming Option.
 - iv As at 31 December 2025.
 - v Investment remains subject to finalisation of debt funding arrangements. While the joint venture is well advanced with lenders, the final numbers could deviate from those presented once outstanding activities are completed. Until those activities are completed, adverse movement in market conditions, including interest rates and foreign exchange rates, could result in the project not being confirmed to proceed.
 - vi Transaction and integration preparation costs incurred in 1H25 totalled \$10m.
 - vii Includes development costs. Indirect overheads and financing costs of \$42m excluded.
 - viii The placement reference prices have been adjusted to reflect that the new shares issued in the Equity Raise will not be eligible to receive the declared FY26 interim dividend.
 - ix Represents the NZX market closing price of \$9.59 on 13 February 2026 less the declared FY26 interim dividend of \$0.16.
 - x Represents the 5-day VWAP up to and including 13 February 2026 of \$9.67 less the declared FY26 interim dividend of \$0.16.
 - xi For this purpose, an eligible shareholder's 'pro-rata' share will be estimated by reference to Contact's beneficial register on Friday 13 February 2026, but without undertaking any reconciliation and ignoring shares that may be issued under the Retail Offer. Accordingly, unlike in a rights issue, this may not truly reflect the participating shareholder's actual pro-rata share. Nothing in this announcement gives a shareholder a right or entitlement to participate in the Placement and Contact has no obligation to reconcile assumed holdings (e.g., for recent trading or swap positions) when determining a shareholder's 'pro-rata' share. Shareholders who do not reside in New Zealand or Australia or other eligible jurisdictions (as determined by Contact in its sole discretion) will not be able to participate in the Placement.
 - xii Eligible shareholders who bid in excess of their 'pro-rata' share as determined by Contact and the Lead Manager are expected to be allocated a minimum of their 'pro-rata' share on a best-efforts basis as set out in footnote xi above; applications may be subject to scaling.

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- xiii Contact may scale applications or accept over subscriptions at Contact's complete discretion. If Contact decides to scale applications, it will do so by reference only to the number of fully paid ordinary shares held by eligible shareholders accepting the Retail Offer (or, in the case of an application made by a custodian, the relevant beneficial owners(s)) at 7:00pm NZDT on Friday, 13 February. This approach is intended to ensure, as far as is practicable, shareholders who apply for a number of shares that will allow them to maintain their proportionate ownership in Contact will receive those shares. However, Contact's ability to scale in this manner is subject to the overall size of the Retail Offer and regulatory restrictions on the number of shares that can be offered to eligible Australian shareholders. Refer to the Retail Offer Document, when published, for further details regarding Contact's intended approach to scaling.
- xiv If an eligible shareholder in Australia applies for an Australian dollar amount of shares, and the exchange rate varies such that the Australian dollar amount applied for exceeds the NZ\$50,000 regulatory limit (converted in accordance with the Retail Offer Document), shares having a total issue price equal to NZ\$50,000, which may be less than A\$41,000, will be issued to the shareholder (subject to scaling) and they will be refunded the excess cash amount.