



# Financial and Operational Results

**HALF YEAR ENDING 31 December 2025**

Presentation Date: 20 February 2026



# Disclaimer

This presentation contains forward-looking statements.

Forward-looking statements often include words such as “anticipates”, “estimates”, “expects”, “intends”, “plans”, “believes” and similar words in connection with discussions of future operating or financial performance.

The forward-looking statements are based on management's and directors' current expectations and assumptions regarding Vector's businesses and performance, the economy and other future conditions, circumstances and results.

As with any projection or forecast, forward-looking statements are inherently susceptible to uncertainty and changes in circumstances. Vector's actual results may vary materially from those expressed or implied in its forward-looking statements.

# Agenda

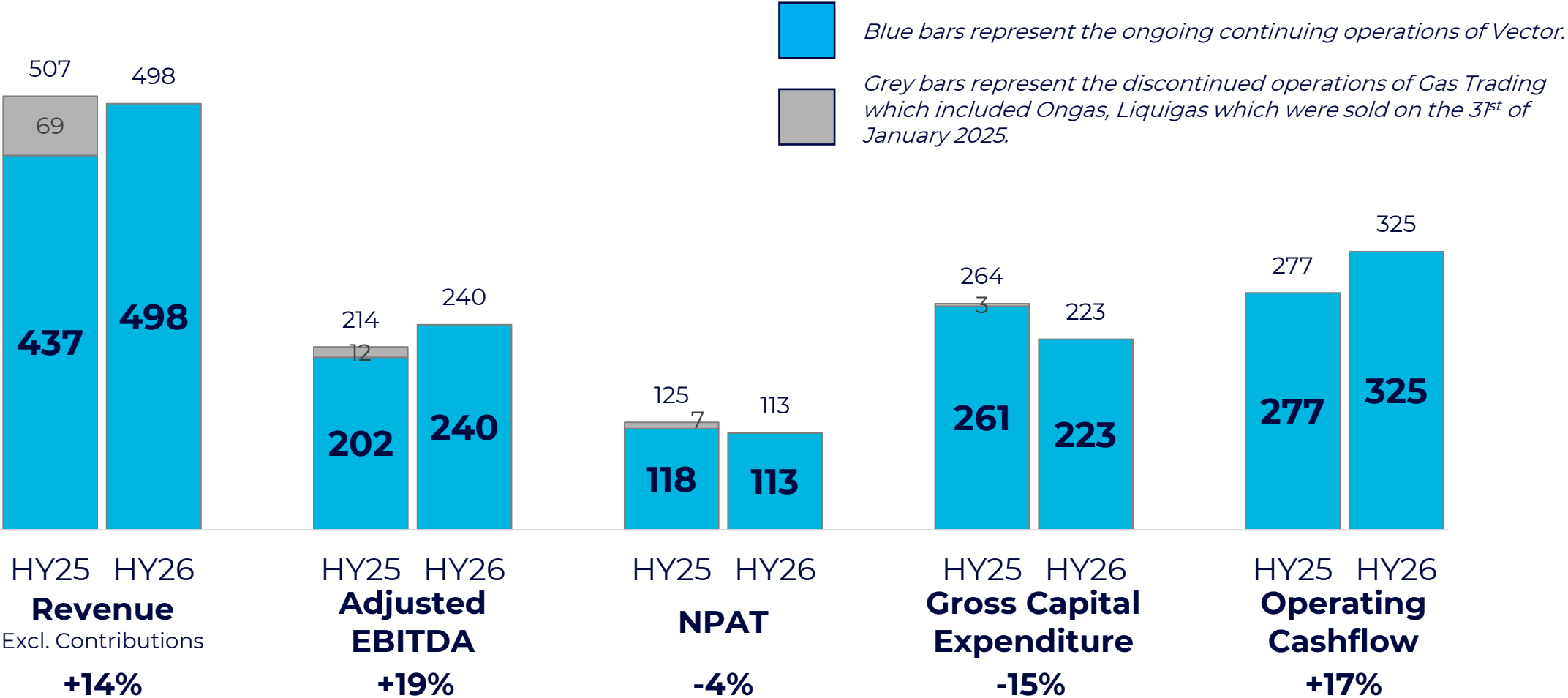
- Overview of Financial Performance
- Financial Performance
- Segment Performance
- Outlook & Market Commentary
- Q&A

# OVERVIEW OF FINANCIAL PERFORMANCE

# Overview of financial performance

Figures shown in  
\$NZD Millions

Half Year FY26 vs Half Year FY25



Variance  
excludes  
Discontinued  
Operations

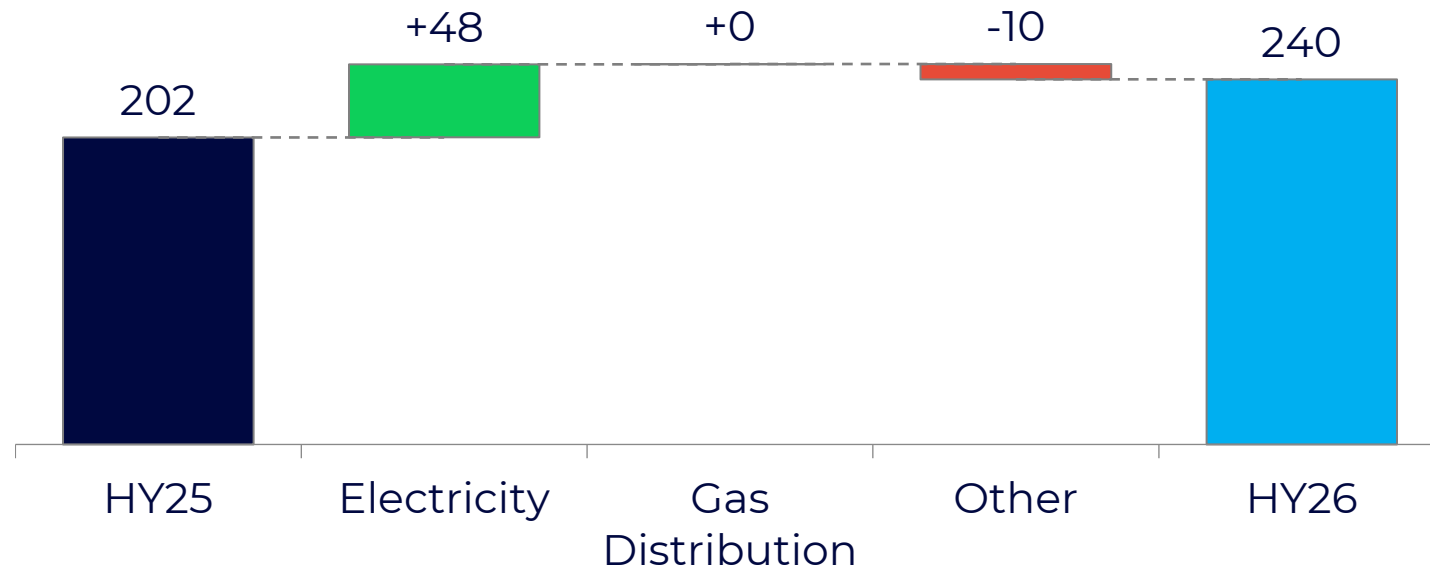


Adjusted EBITDA is not a GAAP measure of profit. For a reconciliation of adjusted EBITDA to EBITDA and net profit refer to the appendix of this presentation.  
HY25 refers to Half Year 25 for the six months ending 31 December 2024. HY26 refers to Half Year 26 for the six months ending 31 December 2025.

# FINANCIAL PERFORMANCE

# Adjusted EBITDA (from continuing operations) up \$38m / 19%

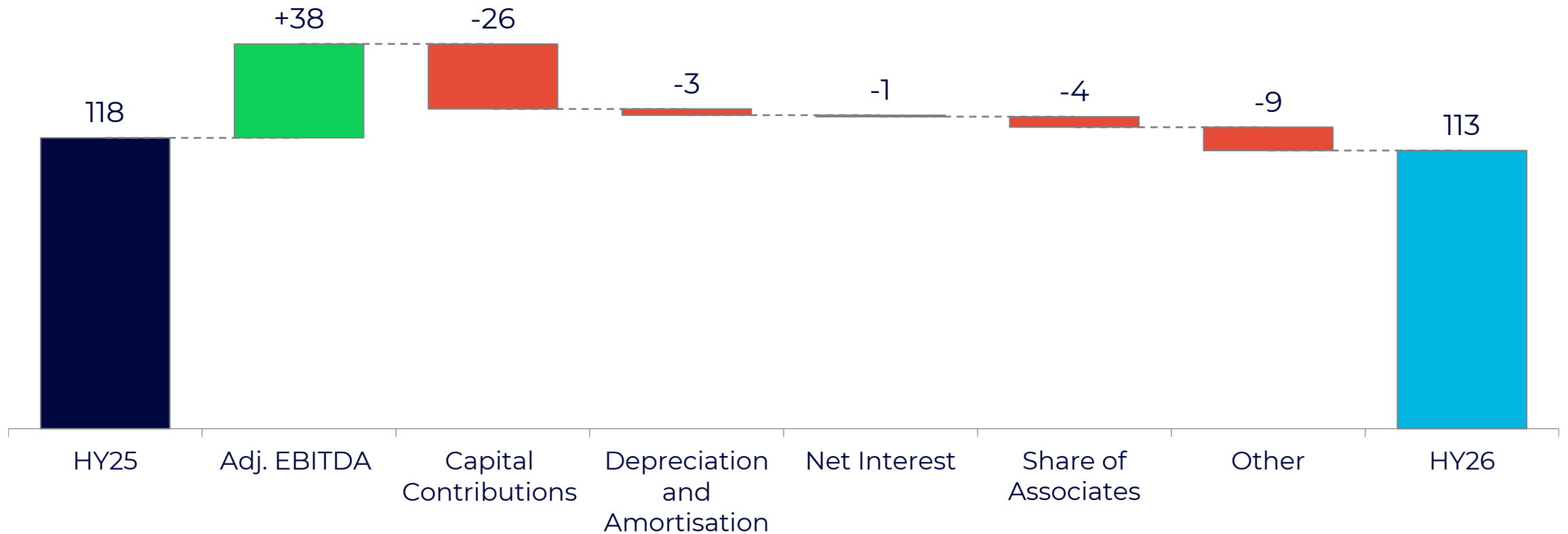
FY26 Half Year adjusted EBITDA movement vs prior year (\$M)



- Adjusted EBITDA increase driven by the DPP4 allowable return and related higher interest rate environment relative to DPP3. DPP4 reset was effective 1 April 2025
- Other is a non-reportable segment and includes VTS, HRV, Vector Fibre, Equalise and group eliminations.

# NPAT from continuing operations is down \$5m

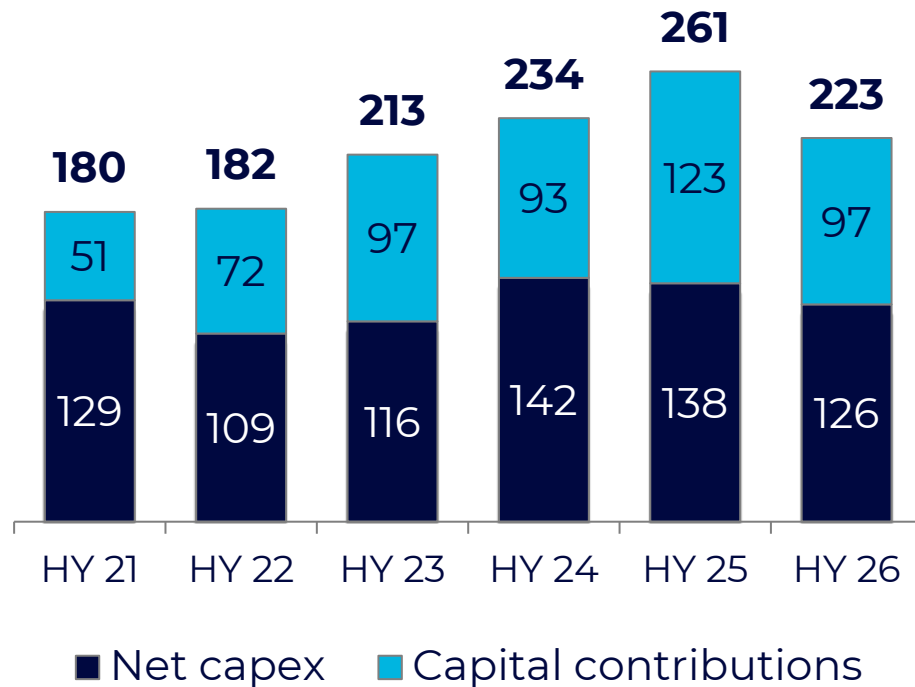
FY26 Half Year NPAT from continuing operations movement vs prior year (\$M)



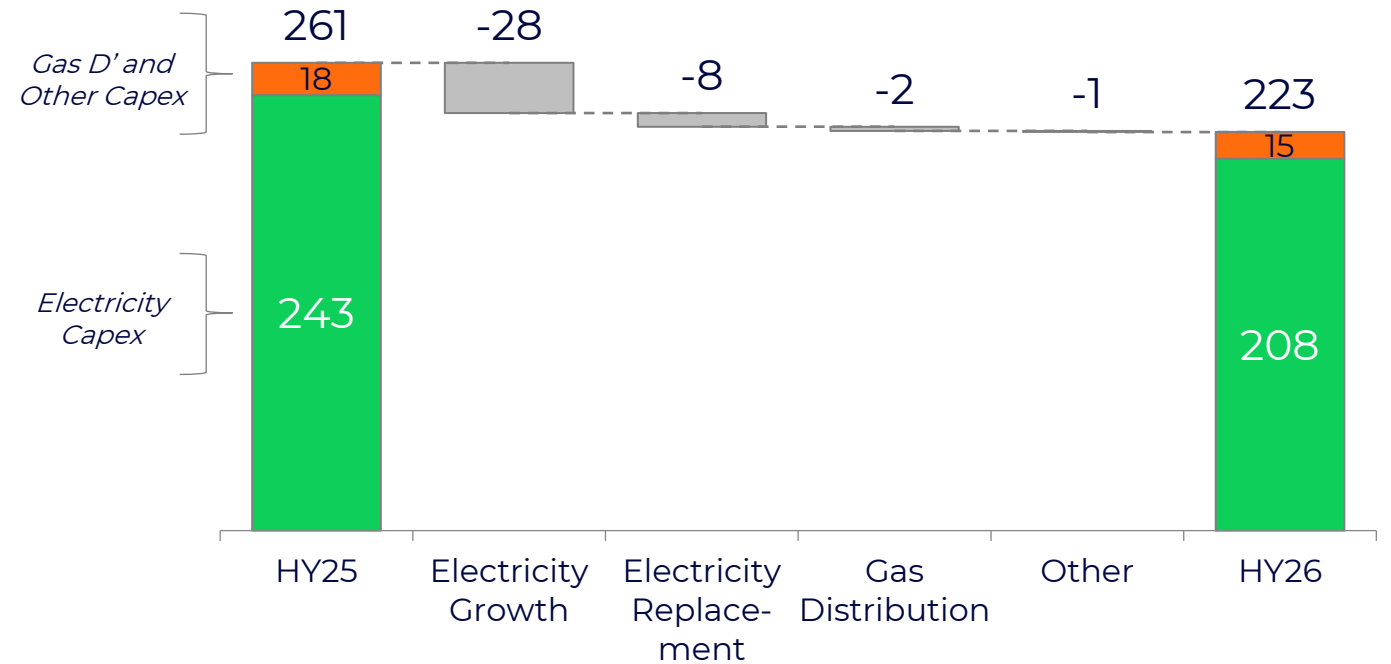


# Gross capex lower in H1 but expected to lift in H2

Gross Capital Expenditure (\$M)



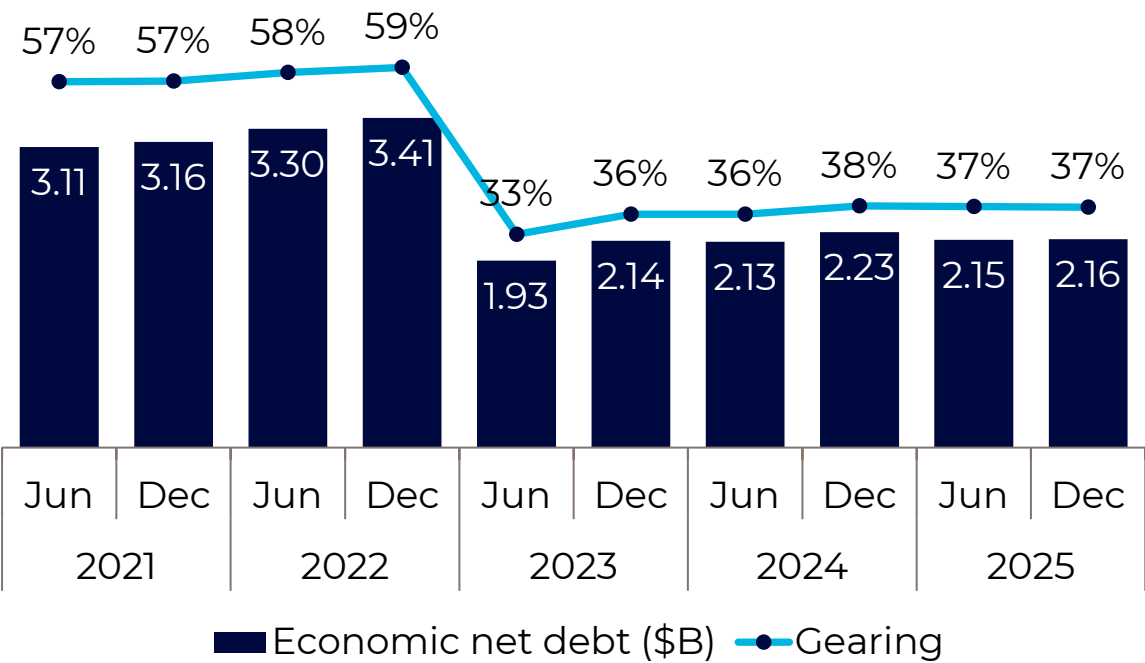
FY26 Half Year Gross Capex movement vs prior year (\$M)



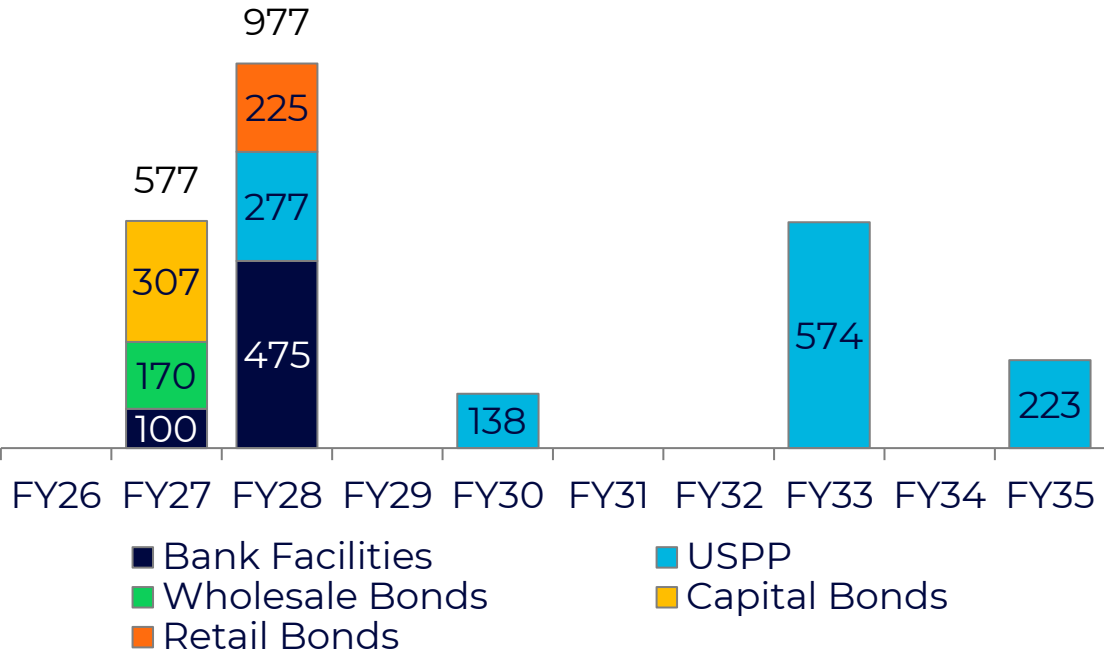
# Strong Balance Sheet

Vector’s Standard and Poor’s credit rating is BBB+ with a stable outlook

Net Economic Debt (\$B) and Gearing



Debt Maturity Profile (\$M)



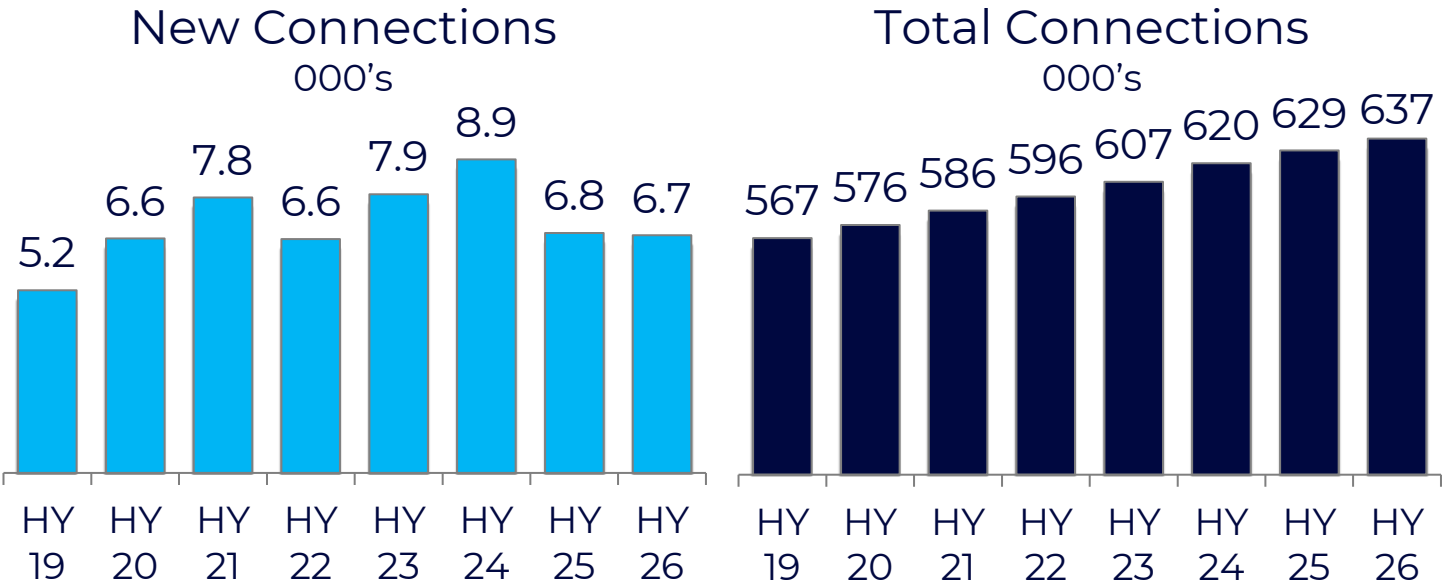
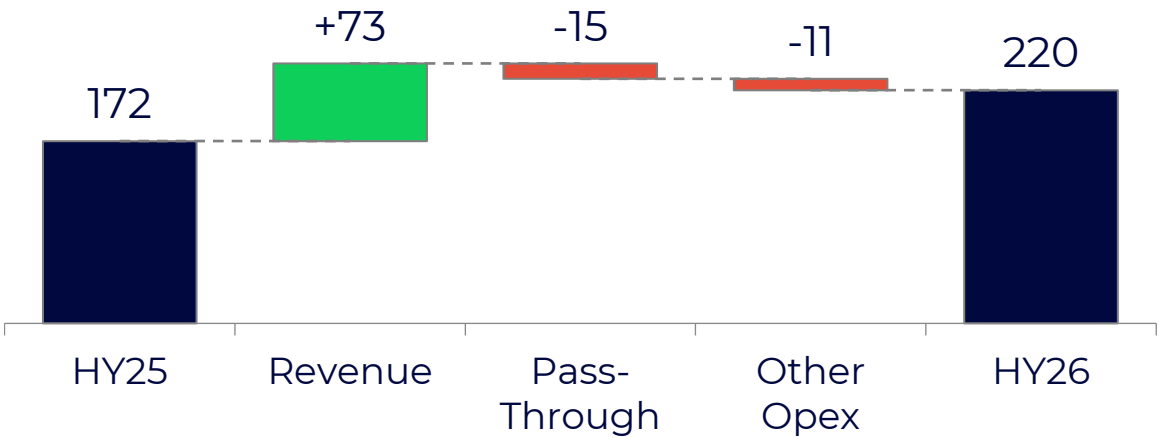
Note. Gearing is defined as economic net debt to economic net debt plus adjusted equity. Adjusted equity means total equity adjusted for hedge reserves.

# SEGMENT PERFORMANCE

# Electricity - adjusted EBITDA up \$48m / 28%

Adjusted EBITDA Movement (\$M)

- Electricity revenue increase driven by the new DPP4 reset from 1 April 2025 with the higher allowance as set by the Commerce Commission reflecting the impact of higher interest rates, high historic inflation and recovery of pass-through costs such as transmission.
- Pass through includes transmission costs, with the increase linked to the new reset period for Transpower. Vector recovers these costs via revenue.
- Higher opex costs linked to increased maintenance activity and higher digital costs.
- Total connections continue to grow with electricity connections up 1.3% on FY25 to 637,247.

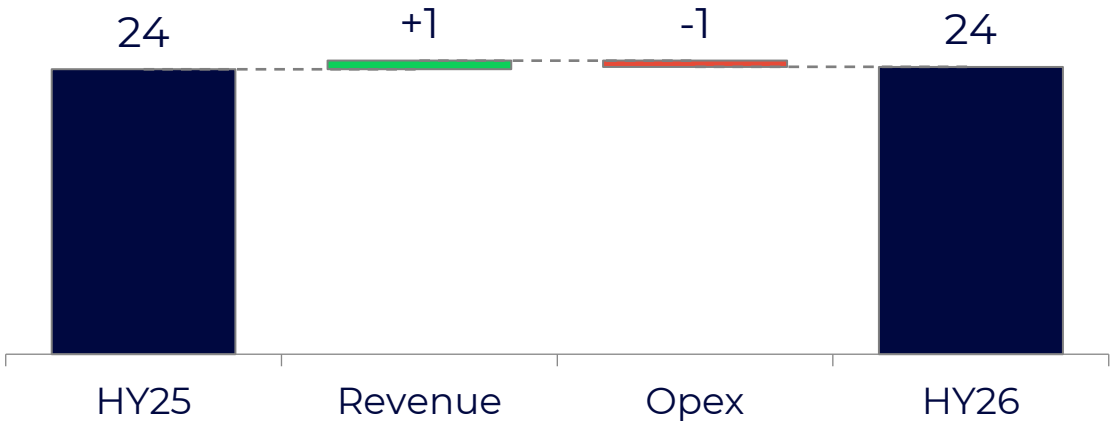


Note 1: New connections refers to gross new connections. Net connections accounts for disconnections and cancellations which represents the movement in total connections.

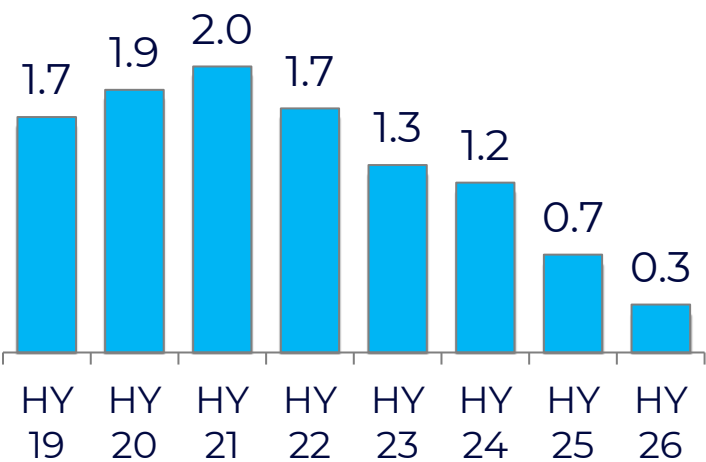
# Gas Distribution - adjusted EBITDA flat at \$24m

- Our Gas Distribution business builds and maintains the gas network within the wider Auckland region.
- Adjusted EBITDA is flat at \$24m with slightly higher revenue being offset by higher costs.
- Gas volumes were down 4.5% on prior year to 6.3PJ's with lower demand across all sectors.
- Total connections have decreased 0.4% vs prior year to 120,304 and new connections while still positive have continued to decline and were just 341 in the past six months.

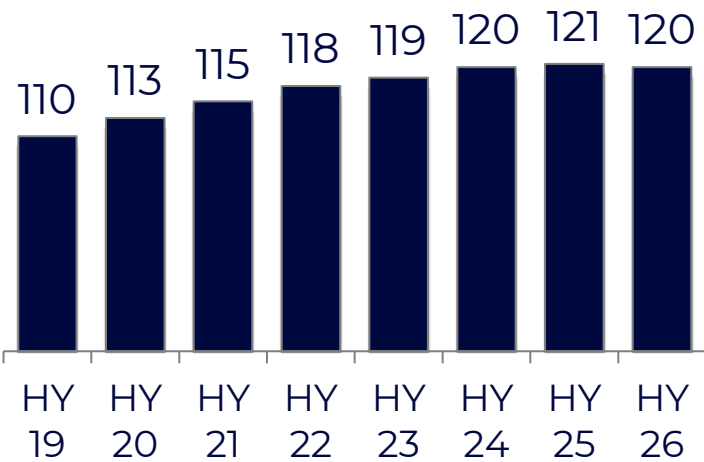
Adjusted EBITDA Movement (\$M)



New Connections  
000's



Total Connections  
000's



Note 1: New connections refers to gross new connections. Net connections accounts for disconnections and cancellations which represents the movement in total connections.

# Investment in Bluecurrent

- Our investment in Bluecurrent continues to perform in line with expectation. Year on year Bluecurrent have increased revenue, driving higher EBITDA and this is flowing through to higher distributions.
- Vector's P&L view represents 50% of Bluecurrent NPAT via the 'share of profit/loss from joint ventures' line. Year on year the loss has grown by \$4.3m driven by Bluecurrent's debt refinancing and related one off, non-cash P&L impact related to the release of unamortised fees but with the overall refinancing resulting in a lower interest rate on their debt book.
- In HY26 we received \$26.6m of distributions in relation to our 50% shareholding.
- The closing carrying value of our investment is \$594m.



# OUTLOOK & MARKET COMMENTARY

# Outlook – FY26

- Full Year Guidance:
  - For the 2026 full year, we are forecasting adjusted EBITDA to be within our guidance range of \$470 to \$490 million. For Capex we are updating Guidance as follows;

	HY26 Actual	FY Guidance Issued Aug. 2025	FY Guidance Current Update
Gross Capex	\$223m	\$520m - \$590m	\$500m - \$540m
Capital Contributions	\$97m	\$180m - \$230m	\$180m - \$215m

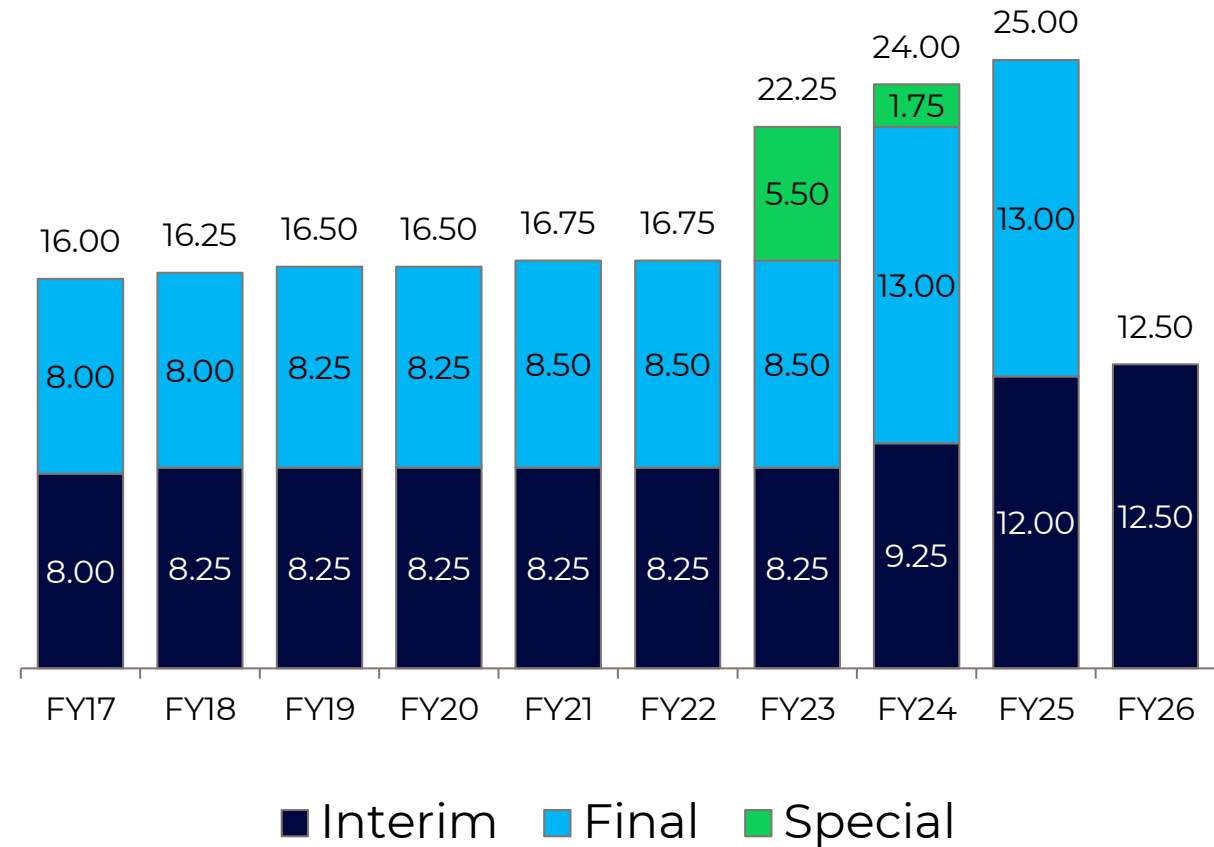
- We have tightened the Gross Capex and Capital Contributions guidance range as we have greater visibility of project timelines through to the end of the reporting period.



# FY26 Interim Dividend

- Interim dividend of 12.50 cents per share with no imputation.
- Dividend record date of 19 March 2026 and payment date of 31 March 2026

## Dividend Trend (cents per share)



# Q&A

## ANY QUESTIONS?



# APPENDICES



# Segment Results – Continuing Operations

	Electricity				Gas Distribution				Other <sup>1</sup>				Total			
	HY25	HY26	Δ		HY25	HY26	Δ		HY25	HY26	Δ		HY25	HY26	Δ	
Adjusted EBITDA																
Revenue excl. Capital Contributions	372	445	73	+20%	34	35	1	+2%	31	18	(14)	-44%	437	498	60	+14%
Operating Expenses	(200)	(225)	(25)	-13%	(10)	(11)	(1)	-5%	(26)	(22)	4	+14%	(236)	(258)	(22)	-9%
Adjusted EBITDA	172	220	48	+28%	24	24	0	+1%	6	(4)	(10)	n.a.	202	240	38	+19%

## Capex

Growth	130	101	(28)	-22%	6	3	(3)	-49%	7	7	(0)	-0%	143	112	(31)	-22%
Replacement	114	106	(8)	-7%	3	3	1	+21%	2	1	(1)	-35%	119	111	(8)	-7%
Gross Capex	243	208	(36)	-15%	9	6	(2)	-27%	9	9	(1)	-7%	261	223	(39)	-15%
Capital Contributions	(117)	(92)	25	+21%	(6)	(4)	2	+30%	(1)	(0)	0	+11%	(123)	(97)	26	+22%
Net Capex	127	116	(11)	-9%	3	2	(1)	-20%	9	8	(1)	-7%	138	126	(12)	-9%



1. Other is not a reportable segment. Includes VTS, HRV, Vector Fibre, Equalise and inter-segment eliminations,

# GAAP to Non-GAAP Reconciliation

Vector's standard profit measure prepared under New Zealand GAAP is net profit. Vector has used non-GAAP profit measures when discussing financial performance in this document. The directors and management believe that these measures provide useful information as they are used internally to evaluate performance of business units, to establish operational goals and to allocate resources. For a more comprehensive discussion on the use of non-GAAP profit measures, please refer to the policy 'Reporting non-GAAP profit measures' available on our website ([vector.co.nz](http://vector.co.nz)).

Non-GAAP profit measures are not prepared in accordance with NZ IFRS (New Zealand International Financial Reporting Standards) and are not uniformly defined, therefore the non-GAAP profit measures reported in this document may not be comparable with those that other companies report and should not be viewed in isolation or considered as a substitute for measures reported by Vector in accordance with NZ IFRS.

## Definitions

### EBITDA

Earnings before interest, taxation, depreciation, amortisation, impairment, associates and fair value changes.

### Adjusted EBITDA

EBITDA adjusted for third party contributions and significant one-off gains, losses, revenues and/or expenses.

GAAP to Non-GAAP reconciliation	HY25	HY26
Group EBITDA and Adjusted EBITDA	\$M	\$M
Reported net profit for the period (GAAP)- continuing operations	118.1	113.0
Add back: net interest costs	39.0	39.6
Add back: tax (benefit)/expense	50.4	57.4
Add back: depreciation and amortisation	110.7	113.2
Associates (share of net (profit)/loss)	10.8	15.1
Fair value change on financial instruments	(4.4)	(2.0)
<b>EBITDA - continuing operations</b>	<b>324.6</b>	<b>336.3</b>
<i>Adjusted for:</i>		
Capital contributions	(123.0)	(96.6)
<b>Adjusted EBITDA- continuing operations</b>	<b>201.6</b>	<b>239.7</b>
<b>Adjusted EBITDA- discontinued operations</b>	<b>12.0</b>	<b>-</b>
<b>Total Group adjusted EBITDA</b>	<b>213.6</b>	<b>239.7</b>

END