

STAR ALLIANCE 

AIR NEW ZEALAND 

24 September 2026

Annual Shareholders' Meeting 2026





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The following non-GAAP measures are not audited: Adjusted CASK, Net Debt, and EBITDA. Amounts used within the calculations are derived from the audited Group financial statements and Five-Year Statistical Review contained in the 2026 Annual Report. The non-GAAP measures are used by management and the Board of Directors to assess the underlying financial performance of the Group in order to make decisions around the allocation of resources.

Refer to Slide 39 for a glossary of the key terms used in this presentation.

Order of meeting

Chair's address

CEO's address

Questions on 2026 performance

Resolutions and voting

General questions



Board of Directors



Virtual meeting platform and online assistance



The screenshot displays the Air New Zealand Virtual Meeting platform interface. At the top, a black header bar contains the Air New Zealand logo, the text "AIR NEW ZEALAND", a "HELP NUMBER" (0800 200 220 (NZ) / 1800 990 363 (AU)), and three teal buttons: "Ask a Question", "Get a Voting Card", and "Exit Meeting". The main content area features a large image of an Air New Zealand aircraft flying over a purple-hued sky. Below this image, there are two teal buttons: "Get a Voting Card" (marked with a plus sign) and "Ask a Question" (marked with a question mark). To the right of these buttons is a "Downloads" section listing "Notice of meeting", "Annual report", and "Virtual Meeting Guide". A footer bar at the bottom contains the text "Virtual Meeting" on the left and "POWERED BY MUFG CORPORATE MARKETS, A DIVISION OF MUFG PENSION & MARKET SERVICES. FOR PRIVACY INFORMATION SEE [PRIVACY POLICY](#)" on the right. Four purple callout circles with arrows point to specific elements: "Help Number" points to the header, "Voting Card" points to the "Get a Voting Card" button, "Question Box" points to the "Ask a Question" button, and another "Question Box" points to the "Ask a Question" button in the downloads list.

Help Number

Voting Card

Question Box

Question Box

Get a Voting Card

Ask a Question

Downloads

- Notice of meeting
- Annual report
- Virtual Meeting Guide

Virtual Meeting

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Chair's address

Dame Therese Walsh – Chair



2026 was a year of rebuilding our fleet, demonstrating operational resilience and setting Our Future strategy

Financial performance was significantly and adversely impacted by **high fuel prices** resulting from the Middle East conflict and by engine availability issues

Through the extraordinary efforts of our people across the airline, we delivered a significant **step-change in operational performance**, with on-time performance and customer satisfaction reaching strong levels by the end of 2026

Engine availability improved late in the financial year. Residual risks remain but the airline enters 2027 in a considerably more reliable fleet position

Continuing to build momentum on underlying cost management and profit improvement – delivered \$94m of incremental transformation benefits in 2026 and identified an additional ~\$135m of annualised savings, to accrue from 2027

We reset our strategy around three strategic pillars; customer first, targeted growth, and resilient and future fit, to deliver sustainable returns to shareholders over time



2026 year in review

External forces impacted earnings but we delivered improvements in operational performance



\$336m loss before taxation Compared to earnings before taxation of \$164m¹ in 2025

~\$465m adverse impact to 2026 earnings before tax
Engine issues ~\$190m², net fuel price impact ~\$135m and \$139m³ higher aircraft maintenance costs

\$94m of incremental transformation benefits

\$6.1b passenger revenue
up 4.8% on 2025

ASKs up 1.3%

Return of grounded aircraft offset by capacity response to elevated fuel prices

RASK up 3.4%

Increased yield in response to higher fuel prices on constrained capacity

Passenger Load Factor
83.7% up 0.3pts on 2025

16.0m passengers flown
up 0.6% on 2025

On-time Performance³
84.0% H2 2026, up 6.5pts from 2025

Customer satisfaction
84.5 H2 2026, up 0.9pts from 2025

> 5.4m loyalty members
Up 8.3% on 2025

AirlineRatings.com
Seven Star PLUS
safety-rated airline 2026

1. 2025 earnings before taxation restated. Refer to Note 27 of the 2026 Group financial statements.

2. This estimate was calculated based on internal modelling using operational assumptions, including capacity, passenger demand, revenue yield, disruption costs and historical performance across affected routes.

3. Total maintenance cost year on year increase was \$144 million, including FX.

4. On-time performance (OTP) refers to 'A15', which is an industry-standard measure of arrivals within 15 minutes of scheduled arrival time.

2027 Outlook



Prior to the Middle East conflict, the airline would have expected, in its central case, to return to profitability in the 2027 financial year, reflecting the underlying improvements in the business.

However, as mentioned at the 2026 year end result, there remains uncertainty surrounding the Middle East conflict, and in fact the volatility of jet fuel prices has escalated further since then. Jet fuel prices have increased from around US\$150 per barrel at the end of August to currently around US\$170 per barrel – and this fluctuates by the day. As a result, the airline is not in a position to provide earnings guidance for the 2027 financial year at this time.

But we are controlling what we can control and while the major factors that impacted the 2026 financial result are expected to have some impact in the 2027 financial year, these will all be to a lesser extent:

- Disruption from engine availability is reducing substantially as aircraft return to service, with a financial impact of between \$70 million to \$90 million in 2027 from residual committed costs, compared with \$190 million impact in 2026.
- Maintenance costs are expected to be \$50 million to \$100 million lower in 2027 than in 2026.

We are also seeing encouraging inbound demand, with strong forward bookings into New Zealand. This is a positive signal for tourism and for the country more broadly. New Zealand remains a highly desirable destination, and our investment in our onboard product and unique Kiwi hospitality puts Air New Zealand in a strong position to bring more international visitors to our shores.

The airline expects the 2027 financial year to be both a transition and recovery year, with operational performance continuing to improve despite elevated fuel prices weighing on profitability. We also expect the range of initiatives implemented in response to higher fuel costs to offset a greater proportion of the impact compared with the prior year.

We remain focused on executing our strategic priorities, improving financial performance and positioning the airline for long-term sustainable returns.

CEO's address

Nikhil Ravishankar – CEO



Te Pae Hou | Our Future: delivering against three strategic priorities

Customer first

- Safe, reliable and punctual
- Unique Kiwi service and innovative products
- Deliver smarter, more relevant offers

What we are doing now

- Granular, clean-sheet schedule implementation
- Fine tune premium service, product and lounges
- Investment in new aircraft and interior product
- Further improve disruption management
- Dual Koru lounge proposition
- Deliver transition to offer order / NDC (Next Gen retailing)
- Shift from above-the-line to precision marketing

Delivered to Date

84.0%

H2 2026 OTP¹
(+6.5pts vs. 2025)

84.5

H2 2026 CSAT
(+0.9pts vs. 2025)

Targeted growth

- Targeted, profitable network growth
- Loyalty transformation and partner expansion
- Revenue diversification

What we are doing now

- Pivot to inbound premium leisure growth
- New 787s and A321neos – fit for mission
- Strengthen hub advantage and alliance network
- Grow SME market share
- Optimise inbound tourism to domestic network
- Regional connectivity and partnerships
- Maximise flight-adjacent revenue growth
- Continue loyalty partner expansion

11 / 14

787 retrofits complete;
the balance by end of
November 2026

Up to 20%

CASK efficiency²
from new/returning fleet

Resilient and future fit

- Cost transformation
- Financially sustainable regional network
- Delivering on our capital management metrics

What we are doing now

- Cost out and labour productivity programmes
- Engineering and maintenance team transformation
- Unwind of cost inefficiencies as fleet returns
- New deliveries to drive superior operating economics
- Rephase 787 aircraft deliveries
- Restore capital management metrics post fuel crisis
- Advocacy and bilateral airport negotiations

\$94 million

**incremental
transformation benefits;**
Additional \$135 million
annualised cost savings
identified

#1

**Randstad NZ #1 most
attractive employer**
for three consecutive
years (2023 - 2025) and
nine times overall

1. On-time performance (OTP) refers to 'A15', which is an industry-standard measure of arrivals within 15 minutes of scheduled arrival time.

2. Relative unit economics of A321neo vs. A320ceo and of 787 vs. 777-300ER depends on sector flown and fuel price, among other factors.



Key customer metrics improved in 2026

Investment in the customer proposition, operating reliability and in our people are delivering positive customer results

	2025	H2 2026	H2 2026 vs 2025
On-time performance ¹	77.5%	84.0%	 +6.5pts
Customer satisfaction ("CSAT")	83.6	84.5	 +0.9pts
Controllable cancellations	2.2%	1.3%	 +0.9pts

- On-time performance finished the 2026 year with continued momentum, at 84.0% in the second half of the year, up from 77.5% in 2025
- Granular, clean-sheet schedule implementation
- Commenced the Next Gen Kiosk rollout and a new and improved web check-in
- Successfully trialled Starlink on the domestic network
- Improved disrupt self-service for customers, empowering customers to find a new flight that suits them best
- Continued introduction of retrofitted aircraft, with Business Premier +3% CSAT higher than the previous product
- On time performance improved further in August, with 85.3% of flights arriving within 15 minutes of schedule – up from 83.1% in July and 81.8% for the same time last year. This is well above the global average for airline on-time performance which was 73.1% in August.

1. On-time performance (OTP) refers to 'A15', which is an industry-standard measure of arrivals within 15 minutes of scheduled arrival time.

Higher inbound volumes across international markets. New Zealand outbound and domestic demand remains soft



ASIA

- Higher inbound passenger fares from across Asia
- Premium cabin mix and revenue growth in Q4 driving elevated RASK
- Softer cargo volumes through 2026, with improved yields

Passengers	(0.6%)
ASKs	(4.3%)
Load factor change	+2.8 pts
RASK ²	+12.1%

TASMAN & PACIFIC ISLANDS

- Solid passenger growth, underpinned by strong inbound Australian demand across 2026
- Capacity growth through delivery of two new A321neo leased aircraft in the past 2 years

Passengers	+5.2%
ASKs	+7.7%
Load factor change	(1.4 pts)
RASK ²	(0.1%)

NORTH AMERICA

- Flat inbound passenger demand from North America
- Sales from New Zealand remained soft, impacted by weak NZD
- Softer cargo volume through 2026, with improved yields

Passengers	+0.4%
ASKs	+1.1%
Load factor change	(0.5 pts)
RASK ²	+1.6%

PRODUCT MIX

Premium cabin revenue growth	+14%
Economy cabin revenue growth	+3%
Ancillary revenue	+12%

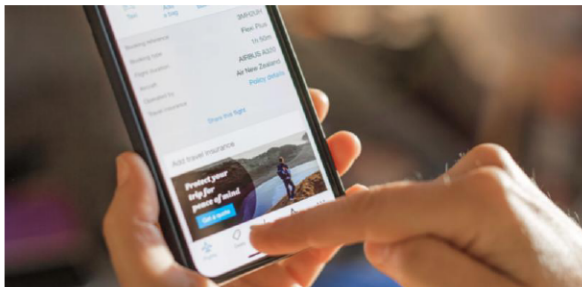
NEW ZEALAND DOMESTIC

- Reduced passenger demand offset by increased yield in response to increased fuel price
- Capacity management to match demand, with up-gauging being explored on routes with strong demand

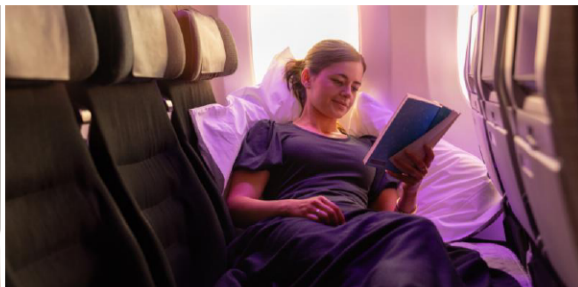
Passengers	(0.9%)
ASKs	+0.5%
Load factor change	+0.2 pts
RASK ²	0.2%

1. Figures represent year-on-year change in 2026 compared to 2025.
2. RASK is excluding FX and unused customer credit breakage.

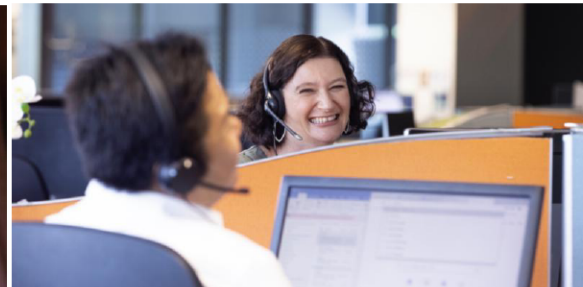
Transformation initiatives delivered an incremental \$94 million of benefits in 2026



Next Generation revenue management across the full network



Direct Ancillary buy-ups



Contact Centre efficiencies, including the roll out of Live Chat



Koru programme transformation



Automated disrupt rebooking system



Cargo Revenue Management transformation

Return of grounded aircraft means the airline ends 2026 in a materially better place than when it started



The airline is focused on mitigating residual risk and unwinding engine availability related costs



- Last of the 787s returned from long-term storage in June 2026, expect up to 2 x A320/1neos to be AOG through 2027
- Of the four short-term leased aircraft used in 2026, one has been returned, one is being returned now, and the remaining two in 2028
- Renegotiating new compensation terms with Rolls-Royce and Pratt & Whitney
- While grounded aircraft are returned from long-term storage, there will still be residual risks and costs to work through, but the airline enters 2027 in a considerably more reliable fleet position

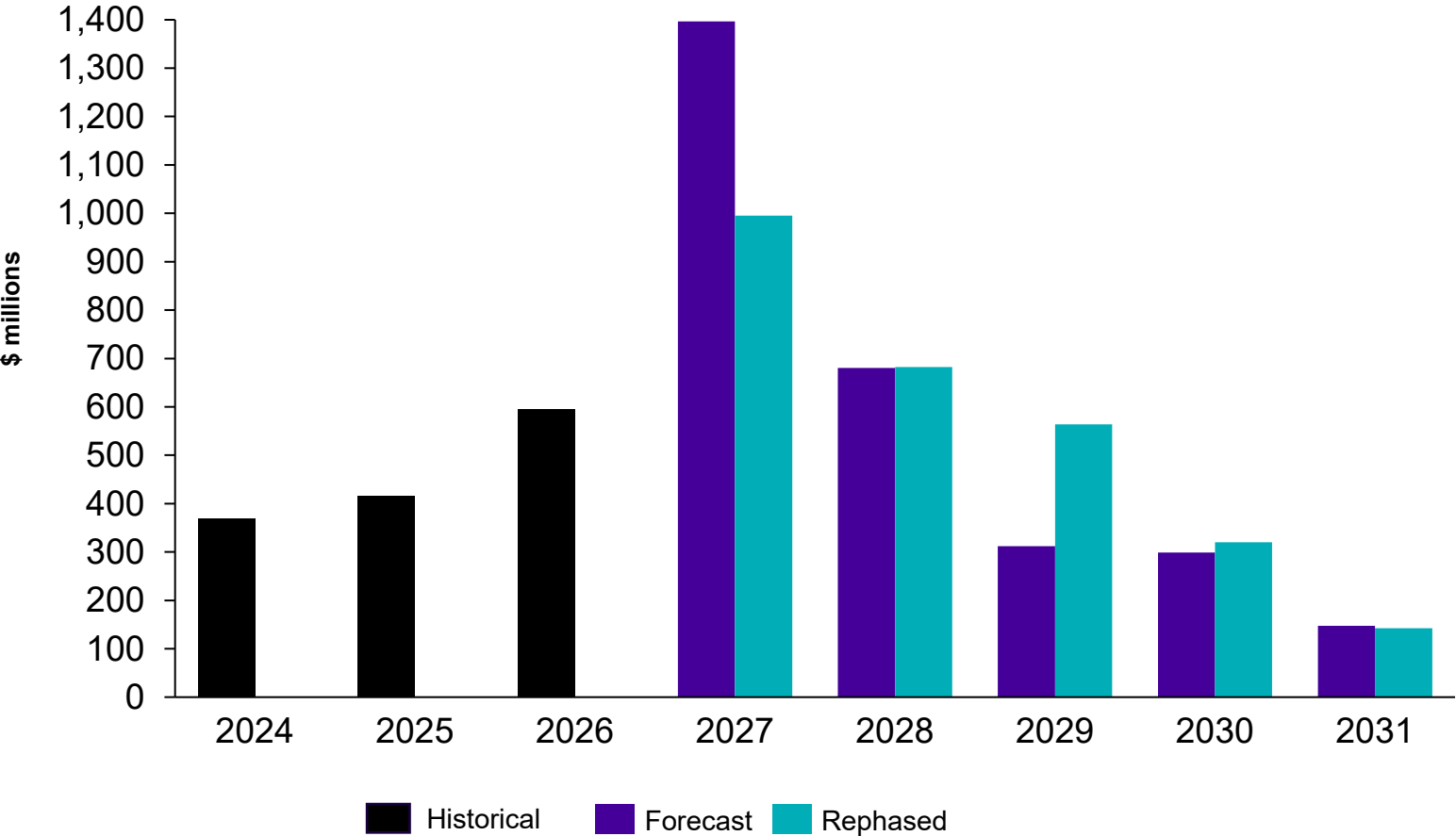
1. Aircraft On Ground or "Grounded Aircraft". Presented in this slide as aircraft grounded solely as a result of the engine issues. Does not include 2 aircraft currently in maintenance and retrofit.

2. Teal indicates aircraft on ground; purple indicates aircraft available.

Fleet investment update



Actual and forecast aircraft capital expenditure¹



1. Includes progress payments on aircraft and aircraft improvements (e.g. refurbishment); excludes engine maintenance. Assumes NZD/USD FX rate of 0.59.
2. Based on expected delivery dates, not contractual delivery dates.

- Forecast investment of **~\$2.7 billion** in aircraft and associated assets through to 2031²
 - We are in active negotiations with Boeing to rephase the delivery profile of 787 aircraft, smoothing the capital investments to support capacity growth
 - There are further deliveries beyond 2031
- Chart includes the cost of interior retrofit of 14 existing 787 aircraft and refresh of seven 777 aircraft
 - **Estimated remaining cost of ~\$200 million** for both programmes over the next ~2 years
 - 787 retrofit **completed by end of calendar year 2026**
 - First 777 cabin refresh starting **early calendar year 2027**
- In 2027 we expect incremental depreciation of between \$110 million to \$130 million, driven largely by 787 retrofit and new 787 deliveries.

A photograph of an Air New Zealand aircraft cabin. A flight attendant in a patterned vest and striped shirt is serving a basket of snacks to a smiling woman and her young daughter. The daughter is wearing headphones and looking out the oval window. The cabin interior is brightly lit by the windows.

Questions on 2026 performance

Resolutions for voting

Resolution 1

Re-election of Dean Bracewell

Resolution 2

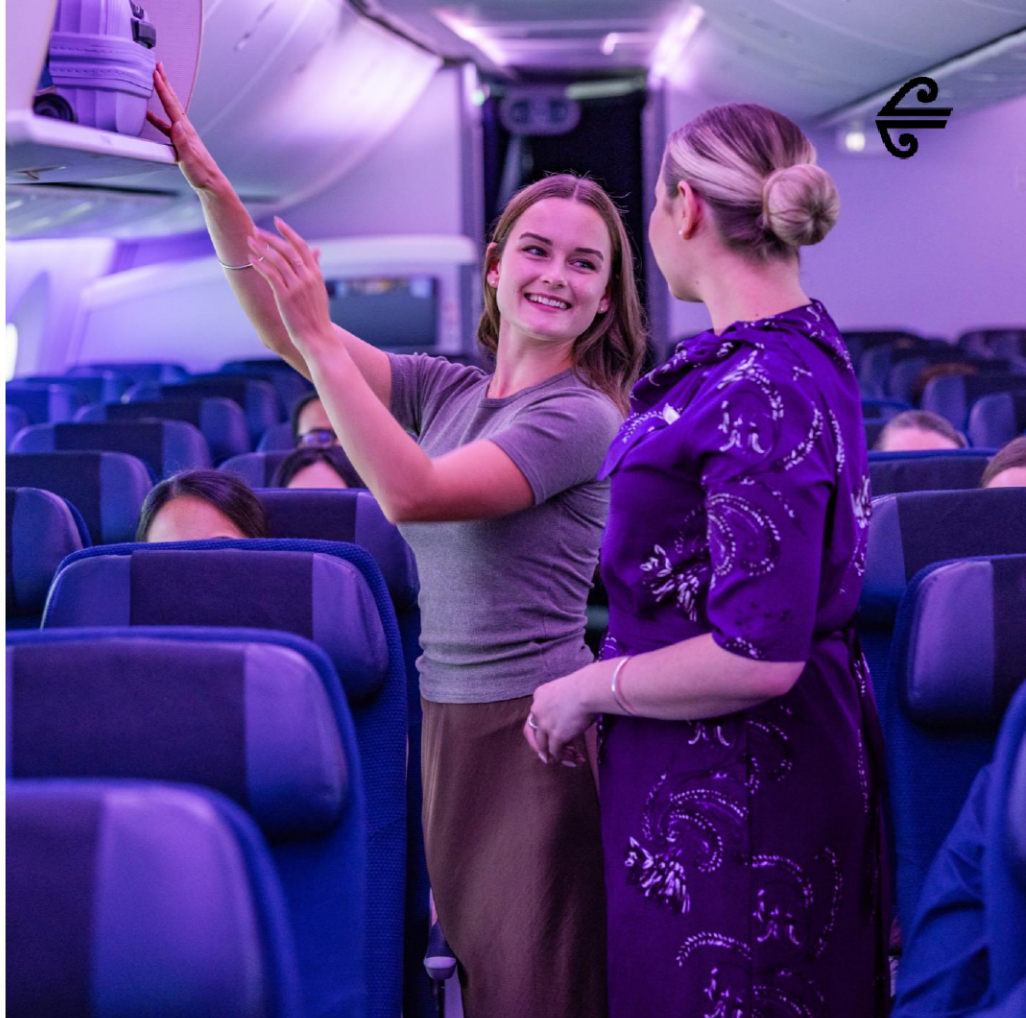
Re-election of Laurissa Cooney

Resolution 3

Election of Robert McDonald

Resolution 4

Election of Campbell Wilson



Proxies and postal votes received

As at 23 September



	Proxy and Postal Votes			
	For	Against	Abstain	Discretion
Resolution 1: Re-election of Dean Bracewell	2,081,030,532 97.40%	43,964,629 2.06%	3,213,315 -	11,512,113 0.54%
Resolution 2: Re-election of Laurissa Cooney	2,076,429,436 97.22%	47,981,449 2.25%	3,812,859 -	11,496,845 0.54%
Resolution 3: Election of Robert McDonald	2,118,983,346 99.18%	6,068,219 0.28%	3,126,401 -	11,542,623 0.54%
Resolution 4: Election of Campbell Wilson	2,120,418,999 99.22%	5,064,395 0.24%	2,693,216 -	11,543,979 0.54%

Resolution 1

Re-election of Dean Bracewell



Resolution 2

Re-election of Laurissa Cooney



Resolution 3

Election of Robert McDonald



Resolution 4

Election of Campbell Wilson





General Questions



AIR NEW ZEALAND 

Thank you

A STAR ALLIANCE MEMBER 

Supplementary Information



Key capital management metrics



	30 Jun 2026	30 Jun 2025	Capital management targets
Gross debt ¹	(3,188)	(2,838)	
Cash, restricted deposits and net open derivatives ¹	1,264	1,758	
Net debt ¹	(1,924)	(1,080)	
Gross debt/EBITDA	6.2x	3.0x	
Net debt/EBITDA	3.8x	1.2x	Net Debt to EBITDA ratio of 1.5x to 2.5x
Gearing	53.3%	35.9%	
Return on invested capital (ROIC) ²	(7.8)%	7.3%	ROIC above pre-tax WACC
Total liquidity ¹	1,593	1,686	\$1.2 billion to \$1.5 billion
Moody's rating	Baa1 negative (investment grade)	Baa1 stable (investment grade)	Investment grade
Shareholder distributions	No dividends declared	1.25 cps interim and 1.25 cps final unimputed ordinary dividends	Ordinary dividend payout ratio of 40% to 70% of net profit after taxation (NPAT) ³

1. In \$ millions.

2. Operating earnings before finance costs and taxation divided by the average capital employed.

3. NPAT is calculated on a rolling twelve-month basis.

Financial overview



	Jun 2026 \$M	Jun 2025 \$M	Movement \$	Movement %
Operating revenue	7,016	6,755	261	3.9%
(Loss) / earnings before taxation	(336)	164	(500)	(305%)
Net (loss) / profit after taxation	(242)	108	(350)	(324%)
Operating cash flow	819	940	(121)	(13%)
Cash position	989	1,436	(447)	(31%)
Ordinary dividends declared	-	2.50 cps	(2.50) cps	(100%)

Group performance metrics



	Jun 2026	Jun 2025	Movement ¹ %
Passengers carried ('000s)	16,010	15,907	0.6%
Available seat kilometres (ASKs, millions)	41,046	40,501	1.3%
Revenue passenger kilometres (RPKs, millions)	34,346	33,769	1.7%
Load factor	83.7%	83.4%	0.3 pts
Passenger revenue per ASKs as reported (RASK, cents)	14.9	14.4	3.4%
Passenger revenue per ASKs, excluding FX (RASK, cents)	14.8	14.4	2.2%
Passenger revenue per ASKs excluding FX and unused credit breakage (RASK, cents) ²	14.7	14.4	2.6%

1. Calculation based on numbers before rounding.

2. This is RASK excluding \$11 million in unused customer flexibility credit breakage (June 2025: \$35 million) which has been recognised within passenger revenue.

Domestic



	Jun 2026	Jun 2025	Movement ¹ %
Passengers carried ('000s)	10,048	10,142	(0.9%)
Available seat kilometres (ASKs, millions)	6,439	6,409	0.5%
Revenue passenger kilometres (RPKs, millions)	5,351	5,311	0.8%
Load factor	83.1%	82.9%	0.2 pts
Passenger revenue per ASKs as reported (RASK, cents)	30.1	30.1	0.3%
Passenger revenue per ASKs, excluding FX (RASK, cents)	30.0	30.1	(0.2%)
Passenger revenue per ASKs excluding FX and unused credit breakage (RASK, cents) ²	30.0	29.9	0.2%

1. Calculation based on numbers before rounding.

2. This is RASK excluding \$3 million in unused customer flexibility credit breakage (June 2025: \$10 million) which has been recognised within passenger revenue.

Tasman & Pacific Islands



	Jun 2026	Jun 2025	Movement ¹ %
Passengers carried ('000s)	4,041	3,840	5.2%
Available seat kilometres (ASKs, millions)	12,454	11,562	7.7%
Revenue passenger kilometres (RPKs, millions)	10,657	10,055	6.0%
Load factor	85.6%	87.0%	(1.4) pts
Passenger revenue per ASKs as reported (RASK, cents)	13.3	13.3	0.5%
Passenger revenue per ASKs, excluding FX (RASK, cents)	13.2	13.3	(0.6%)
Passenger revenue per ASKs excluding FX and unused credit breakage (RASK, cents) ²	13.1	13.2	(0.1%)

1. Calculation based on numbers before rounding.

2. This is RASK excluding \$4 million in unused customer flexibility credit breakage (June 2025: \$11 million) which has been recognised within passenger revenue.

International long-haul



	Jun 2026	Jun 2025	Movement ¹ %
Passengers carried ('000s)	1,921	1,925	(0.2%)
Available seat kilometres (ASKs, millions)	22,153	22,530	(1.7%)
Revenue passenger kilometres (RPKs, millions)	18,338	18,403	(0.4%)
Load factor	82.8%	81.7%	1.1 pts
Passenger revenue per ASKs as reported (RASK, cents)	11.4	10.6	7.5%
Passenger revenue per ASKs, excluding FX (RASK, cents)	11.2	10.6	5.7%
Passenger revenue per ASKs excluding FX and unused credit breakage (RASK, cents) ²	11.2	10.6	6.1%

1. Calculation based on numbers before rounding.

2. This is RASK excluding \$4 million in unused customer flexibility credit breakage (June 2025: \$14 million) which has been recognised within passenger revenue.

Glossary of key terms



Available Seat Kilometres (ASKs)	Number of seats operated multiplied by the distance flown (capacity)
Cost/ASK (CASK)	Operating expenses divided by the total ASK for the period
Earnings before interest, tax, depreciation and amortisation (EBITDA)	Operating earnings before depreciation and amortisation, finance costs and taxation
Gross Debt	Interest-bearing liabilities and lease liabilities
Net Debt	Interest-bearing liabilities and lease liabilities less bank and short-term deposits, net open derivatives held in relation to interest-bearing liabilities and lease liabilities, and interest-bearing assets
Cash, restricted deposits and net open derivatives	Bank and short-term deposits, interest-bearing assets and net open derivatives held in relation to interest-bearing liabilities and lease liabilities
Liquidity	Cash and cash equivalents (which excludes restricted deposits) plus the outstanding amount of any revolving facility available to be drawn
Passenger Load Factor	RPKs as a percentage of ASKs
Passenger Revenue/ASK (RASK)	Passenger revenue for the period divided by the total ASKs for the period
Revenue Passenger Kilometres (RPKs)	Number of revenue passengers carried multiplied by the distance flown (demand)
Return on Invested Capital (ROIC)	Operating earnings before net finance costs and taxation divided by the average capital employed

The following non-GAAP measures are not audited: Adjusted CASK, Net Debt and EBITDA. Amounts used within the calculations are derived from the Group financial statements and Five-Year Statistical Review contained in the 2026 Annual Report. The non-GAAP measures are used by management and the Board of Directors to assess the underlying financial performance of the Group in order to make decisions around the allocation of resources.



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Sustainability: <https://www.airnewzealand.co.nz/sustainability>

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AIR NEW ZEALAND 

A STAR ALLIANCE MEMBER 

**ANNUAL SHAREHOLDERS' MEETING
THURSDAY 24 SEPTEMBER 2026**

CHAIR'S ADDRESS

As we take a moment to reflect on the past year, I want to start by acknowledging the strength and determination of the Air New Zealand team.

2026 was a year that asked a lot from Air New Zealanders. As highlighted in our 2026 annual results – as we come to the end of dealing with engine availability disruption, we were faced with the Middle East conflict and the unprecedented surge in fuel prices which impacted our operations and our financial performance. But our team took decisive and immediate action, and adjusted operations, schedules, capacity and fares to mitigate as much of this impact as possible – for our customers, our operations, and our financial resilience.

Once again, our people delivered. Through persistent disruption, they remained committed to our customers, to each other, and to the success of this airline. I want to sincerely thank each and every one of them for their efforts. Their efforts have delivered significant improvements in our customer satisfaction and on-time performance – and that matters to our customers.

Financially, FY26 was a very difficult year. Our financial performance was significantly and adversely impacted by high fuel prices. This came on top of the ongoing impact of engine availability issues, and maintenance and aviation system cost pressures. And I will address these financial impacts shortly.

Standing back from financial performance specifically, I would like to call out five operational milestones during the year in review.

First, the operational performance of the airline, in terms of reliability and punctuality, improved significantly throughout the year – with on-time performance in the top-decile amongst global comparable airlines. This is the result of an extraordinary effort from Air New Zealanders across the business.

Second, our team has worked relentlessly with Rolls-Royce and Pratt & Whitney to return grounded aircraft to service earlier than expected, and aircraft availability improved by the end of the financial year. There are still residual risks and costs to work through, but we enter 2027 in a considerably more reliable fleet position than we have had in the last 2-3 years.

Third, we continue to make progress on the things we can control and are accelerating the cost improvement at pace. We have delivered \$94 million of incremental transformation benefits during the year. And we have now identified an additional \$135 million of annualised savings including both direct and indirect costs, which will accrue from the 2027 financial year to improve our overall cost base and offset expected inflation. This is an increase from the \$100 million identified annualised cost savings previously announced in May and this work is ongoing.

And fourth, we have reset our strategy around three strategic pillars; customer first, targeted growth, and resilient and future fit, to deliver sustainable returns to shareholders over time.

In addition, aviation system costs inflation continues to impact our financial performance. New Zealand aviation costs have risen at more than twice the rate of inflation since 2019. Air New Zealand and our customers' share of these aviation system charges across New Zealand and the offshore ports we fly to, was \$1.2 billion in 2026, a price increase of \$142 million on 2025. However, remedying this will be a longer journey and we continue to advocate for an affordable aviation system for all New Zealanders.

We recorded a loss before taxation of \$336 million, compared with earnings before taxation of \$164 million in the prior year, and slightly better than the guidance range provided to the market in May 2026.

Approximately \$465 million of the profit before tax impact came from three areas, namely:

- the ongoing global engine availability issues, which had an impact, net of compensation, of approximately \$190 million;
- fuel price, which had an adverse impact of \$135 million in the year. From an initial fuel price impact of \$328 million, our hedging protection recovered \$123 million of this cost increase, and through adjusting capacity and fares in response we have been able to mitigate about a third of this post-hedged fuel impact; and
- An increase of \$139 million in maintenance costs excluding FX, driven by additional lifecycle maintenance and maintenance costs on leased engines associated with additional engines leased to maintain capacity and schedules during the engine availability issues.

Our attention is firmly on mitigating these external pressures as much as possible, controlling what we can control today, and improving the commercial and financial pathway for the company.

We carried around the same number of passengers as last year, at 16 million passengers, while passenger revenue increased 4.8% to \$6.1 billion. While RASK increased 3.4% it was not enough to cover the significant increase in fuel cost, with about 30% of increased fuel price recovered through mitigating capacity and fare activities from March through to June.

Given the price sensitivity of air travel, airlines globally have not been able to recover the full increase in fuel costs. We took quick and decisive action through fare adjustments and capacity reductions to balance affordability for customers and maximise recovery and will continue to do so.

Capacity increased 1.3%, and while above prior year, second half capacity was about 5% below our original plan as we adjusted to the sharp increase in jet fuel price from March.

Our customer and operational metrics continue to move in the right direction. Our on-time performance increased to 84.0% in the second half of the year, up from 77.5% in 2025, and in the global top-decile amongst comparable airlines.

Our rebranded Koru loyalty programme and new multi-tier membership are resonating well with our customers, with 5.4 million loyalty members, up 8.3 percent on 2025.

Safety will always be our utmost priority. We are proud to be awarded AirlineRatings.com's Seven Star Plus safety rating in 2026.

Prior to the Middle East conflict, the airline would have expected, in its central case, to return to profitability in the 2027 financial year, reflecting the underlying improvements in the business.

However, as mentioned at the 2026 year-end result, there remains uncertainty surrounding the Middle East conflict, and in fact the volatility of jet fuel prices has escalated further since then. Jet fuel prices have increased from around US\$150 per barrel at the end of August to currently around US\$170 per barrel – and this fluctuates by the day. As a result, the airline is not in a position to provide earnings guidance for the 2027 financial year at this time.

But we are controlling what we can control and while the major factors that impacted the 2026 financial result are expected to have some impact in the 2027 financial year, these will all be to a lesser extent:

- Disruption from engine availability is reducing substantially as aircraft return to service, with a financial impact of between \$70 million to \$90 million in 2027 from residual committed costs, compared with \$190 million impact in 2026.
- Maintenance costs are expected to be \$50 million to \$100 million lower in 2027 than in 2026.

We are also seeing encouraging inbound demand, with strong forward bookings into New Zealand. This is a positive signal for tourism and for the country more broadly. New Zealand remains a highly desirable destination, and our investment in our onboard product and unique Kiwi hospitality puts Air New Zealand in a strong position to bring more international visitors to our shores.

The airline expects the 2027 financial year to be both a transition and recovery year, with operational performance continuing to improve despite elevated fuel prices weighing on profitability. We also expect the range of initiatives implemented in response to higher fuel costs to offset a greater proportion of the impact compared with the prior year.

We remain focused on executing our strategic priorities, improving financial performance and positioning the airline for long-term sustainable returns.

And with that, I will now hand you over to Chief Executive Officer, Nikhil Ravishankar,

This is Nikhil's first Annual Shareholder Meeting as CEO. We are thrilled to have made an internal CEO appointment for the next phase of Air New Zealand's journey, and Nikhil has hit the ground running, and done an excellent job in an extremely difficult and volatile operating environment in the last 12 months.

CEO ADDRESS

Tēnā koe Therese.

Tēnā koutou e ōku rangatira,

Ki ngā mana whenua, ki a tātou katoa. Ka nui te mihi.

Kia ora and good afternoon everyone.

When we announced Our Future in June, we set out three strategic priorities.

The first priority is putting **Customers First**.

Providing safe, reliable and punctual service for our customers, delivering unique Kiwi service and innovative products, and increasing customer reach and sales with smarter, more relevant offers.

We have already rolled out simplified, granular, and airport specific scheduling across our Domestic and Regional network, which means realistic turnaround times, and have invested in both tooling and procedures for our frontline teams. In combination, these are translating to significantly improved on-time performance. We are expanding this to our Trans-Tasman, Pacific and long-haul networks to further improve reliability and punctuality. We are investing in our service proposition and lounges grounded in our unique Kiwi hospitality, improving disruption management and continuing to modernise the way we market to customers and how they buy from and interact with Air New Zealand.

The second priority is **Targeted Growth**, including profitable network growth, transforming our loyalty programme in line with industry leading practice, and thoughtfully diversifying our revenue streams where opportunities exist.

This means winning on key customer segments across our network including inbound premium leisure customers on our long-haul markets, leisure and VFR customers on our short-haul network, and enterprise, SME and corporate customers on our domestic routes.

This priority leverages our new and retrofitted Boeing widebody and Airbus narrowbody aircraft which are fit for mission, as well as strengthening our alliance networks, transforming our loyalty programme, and expanding flight-adjacent revenue.

And third, **Resilient and Future Fit**. Removing cost and complexity, improving labour productivity, transforming engineering and maintenance, developing a financially sustainable regional network, unwinding the temporary inefficiencies created by fleet disruption and delivering on our capital management metrics.

I will now go through each of these in turn.

The Customer First strategic initiatives we are putting in place are already delivering benefits for our customers.

Our on-time performance increased from 77.5% in 2025 to 84% in the second half of 2026.

Customer satisfaction increased from 83.6 to 84.5.

And controllable cancellations reduced from 2.2% to 1.3%.

Pleasingly, on time performance improved further in August, with 85.3% of flights arriving within 15 minutes of schedule – up from 83.1% in July and 81.8% for the same time last year. This is well above the global average for airline on-time performance, which was 73.1% in August.

These improvements matter to our customers – and have been the result of a detailed operational and resilience-driven review of our schedule that included a focused programme of initiatives across our team, and the rollout of new digital tooling in support of operational communication and decision making. We continue to invest in this area with a goal of consistently being in the top 5 airlines in the world for reliable and punctual operations.

Under our second strategic priority, targeted growth, the demand picture across the network in 2026 was mixed – but we are seeing solid inbound volumes.

Across Asia, overall passenger growth was flat on reduced capacity, but with higher inbound passenger volumes, and pleasingly strong load factors, and improved revenue per ASK.

North America also delivered strong inbound volumes on slightly higher capacity, although outbound New Zealand sales remained softer, in part reflecting the weak New Zealand dollar, resulting in flat passenger growth overall.

Tasman and Pacific Islands passenger volumes grew on strong capacity growth, supported by strong inbound volumes out of Australia.

Passenger capacity and cargo volumes were impacted in the second half of the year across all international markets, with capacity lower than planned in the second half, as we managed capacity and RASK to mitigate the surge in fuel prices.

Domestic remains challenging. Passenger demand was down and the New Zealand economy remained soft. We have been disciplined in matching capacity to demand and, where appropriate, using yield to respond to the higher fuel environment.

More generally, we continue to see encouraging trends in product and cabin mix, with Premium cabin revenue increasing by 14% and ancillary revenue by 12%.

Going forward – we are targeting sectors, destinations, and target markets to deliver profitable growth. We have completed 11 out of 14 retrofits of our Boeing 787 fleet – and the new interior product is resonating very well with customers. The remaining 787 fleet retrofit will be completed by November this year, and the 777 cabin refresh fit out will be completed in calendar year 2027.

And lastly, resilient and future fit.

We continue to make progress on the things we can control and are accelerating the cost improvement at pace. In 2026 we delivered transformation initiatives generating an

incremental \$94 million of EBITDA benefit in 2026 against 2025. That has come from a broad range of initiatives.

Further, we have now identified an additional \$135 million of annualised savings including both direct and indirect costs, which will accrue from the 2027 financial year to improve our overall cost base and offset expected inflation.

In addition, we continue to work to build a financially sustainable regional network and deliver against our capital management metrics.

It is well known that our operational and financial performance in the last few years has been hindered by our constrained fleet capacity due to the engine availability issues and resulting grounded aircraft.

At the peak of the engine disruption, five of our 14 Boeing 787s, and six of our Airbus A320 and A321neo aircraft were grounded; almost 20% of our total jet fleet. This created disruptions for our customers, operational complexity and significant financial cost.

We have carried the fixed costs of aircraft, people, infrastructure and systems and we incurred additional costs through leased aircraft and engines to protect the network and schedule. While we received some compensation from engine partners, this was not enough to offset the financial costs incurred.

Today the picture is very different.

The last 787 was returned from long-term storage in June – an incredible milestone and a huge thank you to our teams around the business who persevered to make this happen sooner than expected.

And on the narrow-body fleet, we expect the last of these to return to service during calendar year 2027.

There are still residual risks to availability through 2027, and we are still carrying the cost of temporary leased aircraft and engines in the system. It takes time to bring returning aircraft fully into the selling and operating schedule.

We are in continuous discussions with both Rolls-Royce and Pratt & Whitney on extending compensation.

While risk remains, the fundamental point is that the fleet constraint which has shaped this airline over the last three years is materially reducing, and the airline enters the 2027 financial year in a considerably more reliable fleet position. This gives us more options around capacity, network deployment and operating efficiency.

A key decision we have taken is to smooth the aircraft investment profile in the near term and to bring it down medium term.

Following the most recent delays of two Boeing 787s from earlier this year to later this year, and a quicker than expected return of grounded aircraft, we are in negotiations with Boeing to further rephase the delivery profile to smooth capital investment and realign fleet deliveries with our targeted capacity growth.

In the 2027 financial year, given the additional aircraft capital investment, we do expect to see incremental depreciation of between \$110 million to \$130 million compared to 2026, but this depreciation profile will increase at a measured pace with the smoothing of aircraft capex investment.

We want the right aircraft, but we also want them at the right time.

In closing, this has been another demanding year for Air New Zealand, and our people have continued to rise to the challenges we have faced. I am incredibly proud of the commitment, professionalism, and care they have shown for our customers and for each other.

We have a lot of work to do to counter the impact of the fuel crisis, but we enter the new financial year with a clear strategy, a stronger operation and confidence in the future of Air New Zealand.

Our customers remain at the heart of everything we do. We will continue to work hard to maintain and improve our operational performance, while delivering the exceptional product and service experience our customers expect from Air New Zealand.

We have one of the most valuable brands in New Zealand, we have the strongest loyalty programme, we are consistently ranked one of New Zealand's most attractive employers, and we are back to commanding strong customer preference.

Thank you to those investors who have stuck with us over the last six years of crises and continue to support Air New Zealand during this current fuel crisis. It is worth reiterating that, prior to the Middle East conflict, the airline would have expected, in its central case, to return to profitability in the 2027 financial year, controlling what we can control, and reflecting the strong underlying improvements that we continue to deliver.

Thank you. I will now hand you back to Therese to take questions on the 2026 performance and to chair the formal part of the meeting.

Stock exchange listings: New Zealand (NZX: AIR) / Australia (ASX: AIZ) / ADR (OTC: ANZLY)

MARKET ANNOUNCEMENT

24 September 2026

Air New Zealand 2026 Annual Shareholders' Meeting Materials

Please find attached to this announcement the Chair and CEO address, and the meeting presentation, for the Air New Zealand 2026 Annual Shareholders' Meeting which will be held online today, Thursday 24 September 2026, at 2pm.

There is no new material information contained within the speeches or the presentation.

A link to the virtual meeting can be found [here](#).

Further information including the 2026 Notice of Meeting and an online meeting guide are available on the [Company's website](#).

Ends.

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