2026
Strategy Reset

Investor presentation
30 June 2026

NZX: AIR / ASX: AIZ / US OTC: ANZLY

STAR ALLIANCE

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Our Future

Overview

- The past few years has seen a period of significant operational and financial pressure, including aircraft and engine availability constraints, a weak New Zealand economy, increasing aviation system costs and the recent fuel market disruption.
- The Board asked the CEO to undertake a full strategy review when taking up the CEO role in October 2025.
- Our Future strategy reset is the result of an extensive internal piece of work and focuses on returning Air New Zealand to profitability and generating strong returns for shareholders over time, with implementation well under way, and focus on three strategic priorities:
    - ***Customer First:*** Delivering top tier reliability and punctuality with a relentless focus on priority segments. We are already seeing positive outcomes, including on-time-performance improvement FY26 year-to-date, reflecting the focus the airline has put into reliability, punctuality, and disrupt management. This focus will continue.
    - ***Targeted Growth:*** Growing a profitable network and building our presence in larger, resilient markets to generate returns and support New Zealand tourism. We have already announced new Christchurch routes to Japan, Singapore, and Perth. We are fine-tuning our premium service flow and product offering, and allocating more resources to our highest return-on-capital areas.
    - ***Resilient and Future Fit:*** Transforming our cost base and applying rigorous capital allocation discipline. We are delivering on the cost-out programme with circa. $100m of annualised benefits forecast to flow from FY27, while creating momentum for ongoing cost transformation. We are working with aircraft manufacturers to reprofile our aircraft deliveries to smooth capital expenditure.
- On 14 May 2026, Air New Zealand announced it expected an FY26 loss before taxation in the range of $340 million to $390 million. That guidance remains unchanged. Today's announcement shares the company’s direction, priorities and actions. It is not a full medium-term financial framework, and no new financial targets are being provided today.
- Further commentary will be provided at FY26 annual results and a future Investor Day, currently planned for November 2026.

Our Future

Air New Zealand is moving from post-Covid and engine-disruption recovery into a new phase

From

Survive Covid

Priorities: Protect liquidity, keep New Zealand connected, then rebuild the team afterwards.

Unprecedented engine issues

Priorities: Lease additional aircraft and engines, manage engine costs, secure the network and schedule, negotiate compensation.

Invest in foundations

Priorities: Digital modernisation, aircraft retrofits, people capability, paying off infrastructure deficit e.g. hangars, ground service equipment.

To

Customer first

Must Wins: Safe, reliable, punctual operations and a uniquely Kiwi service. Focus on key segments, e.g. business travellers and inbound premium tourists. Optimise marketing, sales, and distribution.

Targeted growth

Must Wins: moderated wide-body growth, stimulating inbound premium flows, continue loyalty transformation and partner expansion, and diversify revenue across flight-adjacencies

Resilient and future fit

Must Wins: Cost discipline, capex discipline, sustainable regional network and efficient aviation system in New Zealand.

Fuel context

External headwind: fuel price and crack spreads remain elevated and volatile.

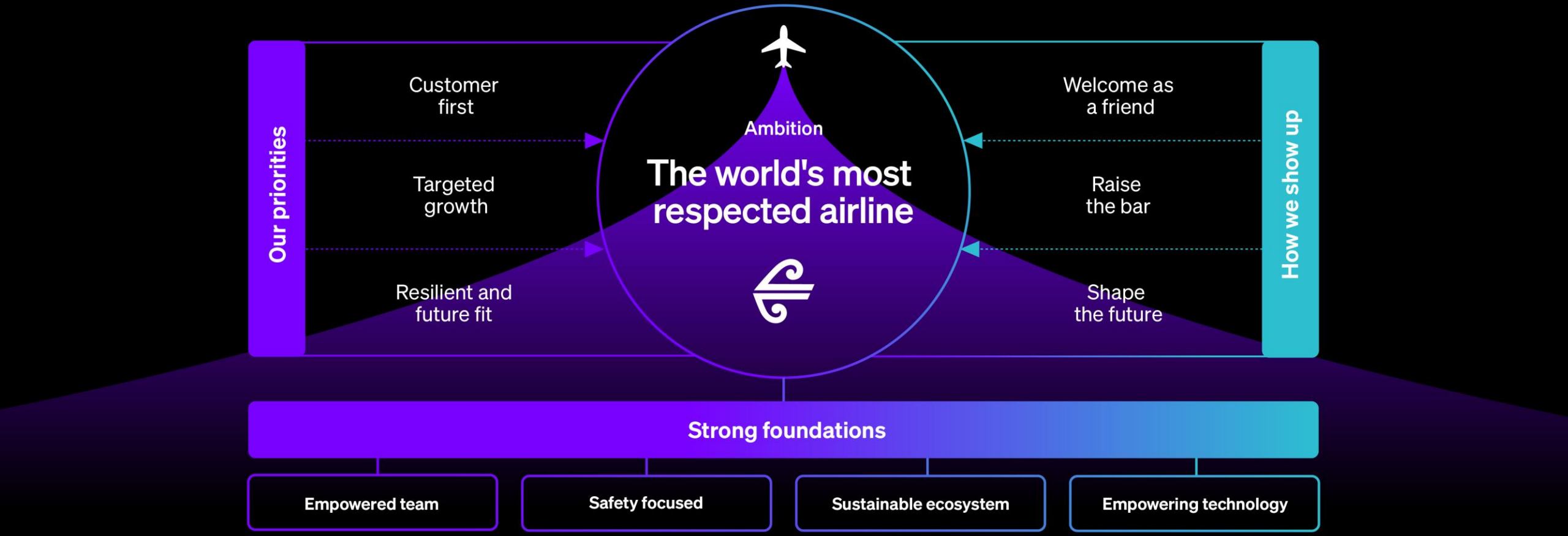
Our Future

Te Pae Hou

Our Future

Purpose

Enrich our country by connecting New Zealanders to each other and New Zealand to the world



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Our Future focuses on three clear strategic priorities

Customer first

Safe, reliable, punctual

Unique Kiwi service and products

Modern marketing, sales and distribution

Targeted growth

Targeted, profitable network growth

Continue loyalty transformation and partner expansion

Revenue diversification (flight and flight-adjacent)

Resilient and future fit

Cost transformation

Financially sustainable regional network

Efficient aviation system for New Zealand

These priorities are centered on taking cost out of the business, ensuring the invested capital profile is appropriate for the growth outlook, and targeted TRASK growth

Customer first

World leading reliability is at the core of the customer proposition, with a relentless focus on priority segments.

Our objectives

Safe, reliable, punctual

Unique Kiwi service and products

Modern marketing, sales and distribution

What we've done

- ✓ Introduced Domestic clean-sheet schedule design to improve reliability
- ✓ Lifted on-time-performance (FY26 YTD A15[1] +2.9pt to 80.9%)
- ✓ 9 out of 14 787-9 retrofits completed, the balance complete by Nov 26
- ✓ Refreshed the in-flight product offering
- ✓ Step-changed passenger self-service
- ✓ Built precision marketing platform

What we are doing now

- Targeting top 5 on-time airline in the world for on-time performance
- International clean-sheet schedule implementation
- Fine tune premium service flow and product offering, including 777 retrofit
- Further improve disrupt management
- Dual Koru lounge proposition
- Deliver transition to offer order / NDC ('next gen retailing')
- Shift from above-the-line to precision marketing

Premium Leisure

Long-haul inbound

High-value VFR and Leisure

Short-haul outbound

Business and SME

Domestic

Our Future

1. On time performance measured as arrivals within 15 minutes.

Targeted growth

Grow a profitable network and building our presence in larger resilient markets that generate returns through the cycle.

Our objectives

Targeted, profitable network growth

Continue loyalty transformation and partner expansion

Revenue diversification across flight and flight-adjacent

What we've done

- ✓ Christchurch route expansion (Japan, Singapore, Perth)
- ✓ Domestic growth – Auckland, Queenstown, Christchurch-Hamilton
- ✓ Engine issue recovery and return of AOG[1]
- ✓ Loyalty re-platform and re-brand
- ✓ Partners expansion (ongoing), including extension of Westpac partnership
- ✓ Negotiating an updated 787 delivery profile (ongoing)

What we are doing now

International

- Pivot to inbound premium leisure growth
- New 787 deliveries, fit for mission and customer
- New A321neos for delivery in FY28
- Western Sydney airport

Alliances

- Strengthen hub advantage
- Optimise alliance partnership network

Domestic

- Grow SME market share
- Optimise inbound tourism flow to domestic network
- Regional connectivity and partnerships
- New A321neos for delivery in FY27

Loyalty and revenue diversification:

- Targeted earn and burn
- Maximising flight adjacent revenue growth
- Continue partner expansion

Our Future

1. Aircraft On Ground or "Grounded Aircraft".

Resilient and future fit

Cost transformation and capital discipline for a resilient airline that delivers in a volatile world.

Our objectives

Cost transformation
Financially sustainable regional network
Efficient aviation system for New Zealand

What we've done

- ✓ Cost out programme (ongoing) including organisational restructure
- ✓ Fuel efficiency programme (ongoing)
- ✓ Mitigated the effects of engine issues on network resilience
- ✓ Commenced programme of work and stakeholder engagement to drive sustainable regional network
- ✓ Established asset-backed, flexible liquidity facility

What we are doing now

- Cost-out and labour productivity programmes
- Tech Ops (Engineering and Maintenance) transformation
- Continued advocacy and bilateral airport negotiations
- Network scale – unwind of cost inefficiencies as grounded aircraft return to service
- Fleet – induct new deliveries to drive superior operating economics
- Early return of AOG aircraft to support capacity growth
- Rephase 787 aircraft deliveries
- Restore capital management metrics post fuel crisis

Near-term cost drivers:

Labour and overhead

~$100m

Annualised savings

New and returning fleet

Up to **20%**

CASK efficiency[1]

Network scale

Last 787 AOG returns to service

June 2026

Our Future

1. Relative unit economics of A321neo vs. A320ceo and of B787-9 vs. B777-300ER depends on sector flown and fuel price, among other factors.

Resilient and future fit

Grounded aircraft are returning to service earlier than expected

Peak AOG		Now	
787-9	A320/1neo	787-9	A320/1neo
5	**6**	**0**	**2**
AOG[1] of 14 aircraft; 4 leases	AOG of 20 aircraft; 15 extra engines	AOG of 14 aircraft; 3 dry leases	AOG of 20 aircraft; 10 extra engines

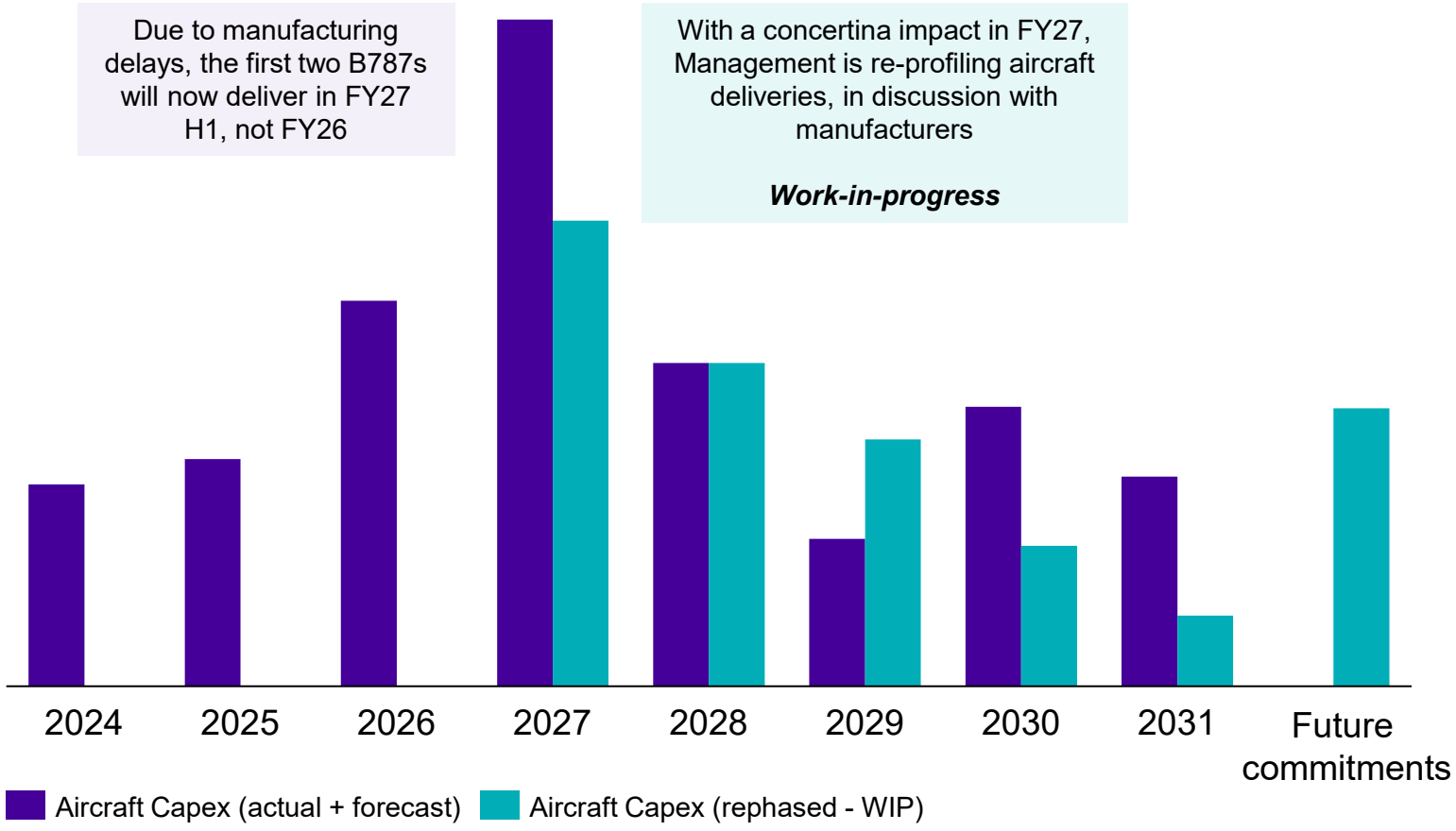
Our Future

1. Aircraft On Ground or “Grounded Aircraft”.
2. Teal indicates aircraft on ground; purple indicates aircraft available.

Resilient and future fit

Capital discipline includes rephasing aircraft deliveries to help smooth investment, aided by improvement in AOG position

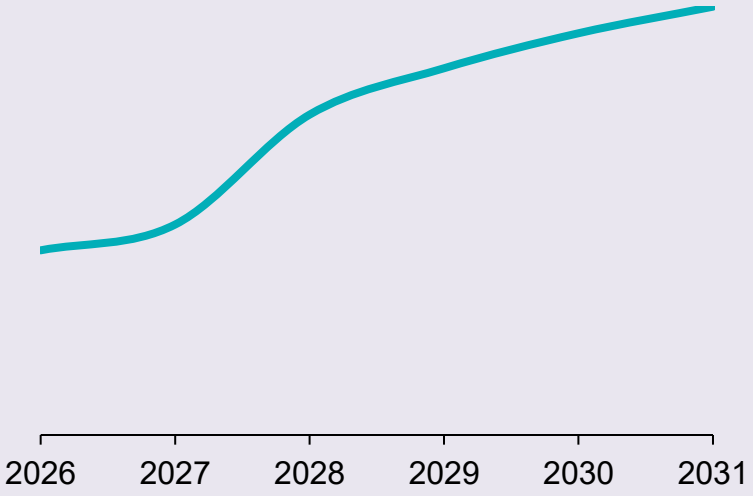
Actual and forecast aircraft capital expenditure[1]



1. Includes 10x contracted B787 deliveries and A321neo deliveries. Does not include any further orders or option aircraft. Delivery dates remain subject to agreement with manufacturers. FY26 capex has not been updated since FY26 interim results. Final FY26 capex figures will be provided at FY26 annual results. FY32 and beyond is single year based on 10x aircraft, not an average capital expenditure p.a..

Capacity Growth

Subject to economic conditions and demand growth, total network is expected to grow at a CAGR of 3% to 4%



Our Future

Building blocks of sustainable shareholder returns

Illustrative return to profitability

Further commentary on financial targets at FY26 Annual Results and future Investor Day

Normalisation of fuel crisis and engine-related issues

- Unwind of sub-scale network
- Exit engine issue costs
- Alignment of margins post fuel crisis

Customer First

- ✓ Top 5 reliability
- ✓ Product focused on key segments
- ✓ Delivering best offers to customers

Targeted Growth

- ✓ Targeted, profitable network growth
- ✓ Regional connectivity and partnerships
- ✓ Directed Koru earn and burn

Resilient and Future Fit

- ✓ Cost-out programme
- ✓ Tech Ops transformation
- ✓ Re-phased fleet growth

ROIC > or equal to WACC

2026

Our Future

Core to Our Future are four foundations that will not change; these are how we deliver

Strong foundations

Empowered team	Safety focused	Sustainable ecosystem	Empowering technology
An empowered team with a clear plan, who work together and feel empowered to do the right thing.	**Safety is non-negotiable.** It must be built into every decision, every operation and every change we make.	**A sustainable ecosystem** embedded in the choices we make about our fleet, fuel, operations and long-term connectivity.	**Weave technology** into how we work, tools that inform better decisions and enabling better outcomes for customers, our people and our commercial results.

Te Pae Hou

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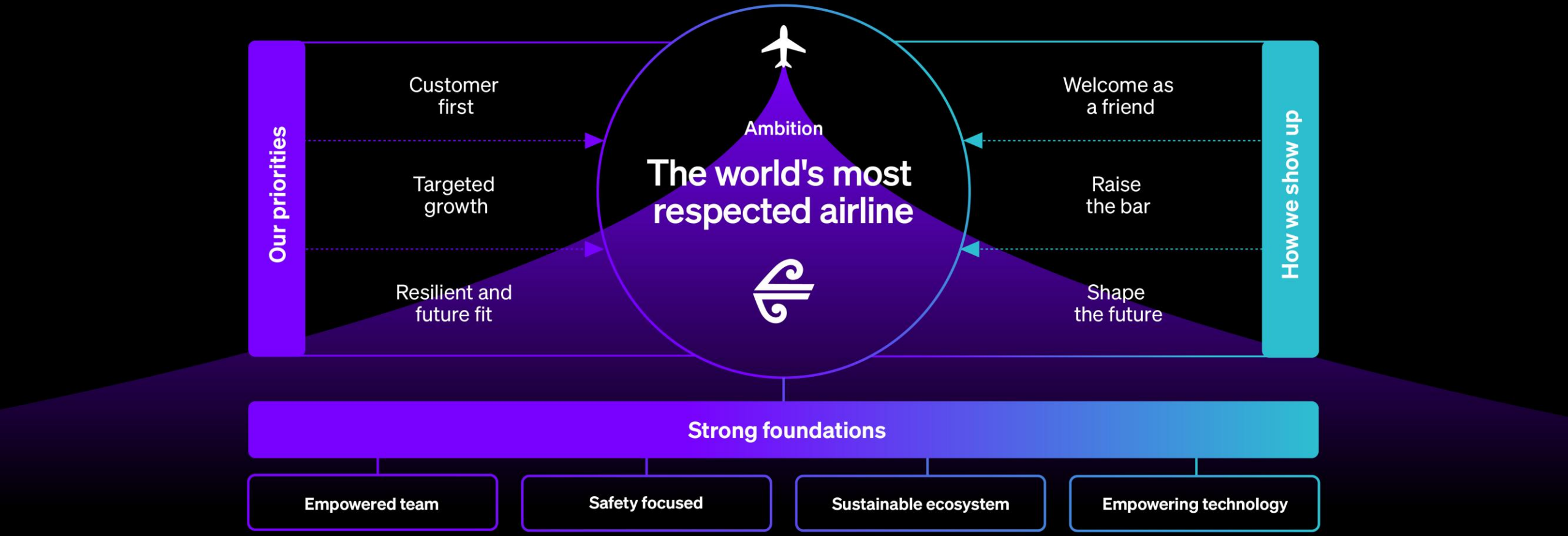

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AIR NEW ZEALAND

A STAR ALLIANCE MEMBER