

## **Vector Limited Capital Bonds – Election Notice**

Vector Limited (**Vector**) currently has on issue unsecured, subordinated capital bonds (**Capital Bonds**) (VCT080) subject to the terms of the trust deed dated 25 September 2002 (as amended) (**Trust Deed**). Under the Trust Deed, Bondholders are entitled to make an election to keep or sell some or all of their Capital Bonds or apply to purchase additional Capital Bonds offered through a resale facility, on each election date. The next election date is 15 June 2022.

### **Election Notice**

Vector advises that today it will send an Election Notice and explanatory notes to the registered email or postal address of each holder of Capital Bonds whose name appeared on the Capital Bonds register at close of trading on 28 April 2022. Copies of the Election Notice and explanatory notes are attached to this announcement. Bondholders are encouraged to complete this Election Notice online at [www.vctbondelection.co.nz](http://www.vctbondelection.co.nz).

From 15 June 2022, the Capital Bonds will be subject to a new interest rate, and the next election date for the Capital Bonds will be 15 June 2027.

The election options available to New Zealand Bondholders are to:

- keep all of their Capital Bonds; or
- keep all of their Capital Bonds and apply to purchase additional Capital Bonds through the resale facility to be established by Vector as part of the election process (the **Resale Facility**); or
- offer to sell some of their Capital Bonds through the Resale Facility and keep the balance of their Capital Bonds; or
- offer to sell all of their Capital Bonds through the Resale Facility.

If at the close of trading on 31 May 2022 a Bondholder has a registered address outside New Zealand, all of that Bondholder's Capital Bonds will be automatically offered for sale in the Resale Facility.

### **Interest Rate**

If all Capital Bonds offered for sale through the Resale Facility are sold or redeemed by Vector, the interest rate applicable to the Capital Bonds from 15 June 2022 will be the higher of either:

- 5.50 per cent per annum; or
- the five-year swap rate at or about 3pm on 14 June 2022 plus the Issue Margin of 1.80 per cent per annum.

If any Capital Bonds offered for sale through the Resale Facility are not sold or redeemed by Vector, the interest rate payable by Vector on all Capital Bonds from 15 June 2022 will be the Adjusted Interest Rate. The Adjusted Interest Rate is the aggregate of the:

- five-year swap rate at or about 3pm on 14 June 2022; plus
- Issue Margin for the prior Bond Period (being an Issue Margin of 2.75 per cent per annum); plus
- Specified Margin (being 1.00 per cent per annum).

Vector has not made any decisions as to whether it will purchase or redeem any Capital Bonds which are placed by Bondholders into the Resale Facility. Vector's ability to purchase or redeem any Capital Bonds is subject to it being satisfied it can comply with its obligations under the Replacement Security Deed Poll.<sup>1</sup>

### **Making of election**

New Zealand Bondholders have until 5pm on Tuesday, 31 May 2022 to advise their election in accordance with the instructions set by Vector for the election process. If a Bondholder does not correctly complete and submit an Election Notice in accordance with the applicable instructions, that Bondholder will be deemed to have elected to keep all of its Capital Bonds subject to the new interest rate, new interest payment dates and new election date.

Bondholders with a registered address outside New Zealand at the close of trading on 31 May 2022 should not complete an Election Notice. All Capital Bonds held by such Bondholders will be automatically offered for sale in the Resale Facility.

### **Trading halt**

Trading in the Capital Bonds (VCT080) was suspended at close of trading on Tuesday, 26 April 2022. Trading in the Capital Bonds (under a new ticker VCT110) will commence on Thursday, 16 June 2022, being the trading day immediately following the election date.

### **Interest payment**

Registered holders of Capital Bonds on 31 May 2022 will be entitled to receive all interest accrued, un-cancelled and unpaid up to 15 June 2022.

### **Joint Lead Managers**



0800 269 476



0800 226 263



0800 367 227



0800 284 017

### **ENDS**

#### **Investor contact**

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Chief Financial Officer  
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<sup>1</sup> Details of the Replacement Security Deed Poll are available at [www.vector.co.nz/investors/bonds](http://www.vector.co.nz/investors/bonds)

## **About Vector**

Vector is an innovative New Zealand energy company which runs a portfolio of businesses delivering energy and communication services to more than one million homes and commercial customers across Australasia and the Pacific. Vector is leading the country in creating a new energy future through its Symphony strategy which puts customers at the heart of the energy system. Vector is listed on the New Zealand Stock Exchange with ticker symbol VCT. Our majority shareholder, with voting rights of 75.1%, is Entrust. For further information, visit [www.vector.co.nz](http://www.vector.co.nz)