



MARKET RELEASE – Tuesday, 12 August 2025

Spark announces sale of 75% of data centre business

Spark New Zealand (Spark) today announced it has entered into an agreement to sell a 75% interest in its data centre business to Pacific Equity Partners (PEP). The investment will be made from PEP's Secure Asset Fund, which invests in infrastructure growth platforms.

The transaction values the business at up to \$705 million¹, representing a FY25 pro-forma EBITDA multiple of 30.8x². As cloud and AI uptake continues to increase demand for data storage and compute in New Zealand, the introduction of a capital partner secures a funding pathway to build out Spark's planned 130MW+ data centre capacity development pipeline.

Spark CEO, Jolie Hodson, said, "We are pleased to reach this agreement with PEP, one of Australia's leading private capital managers with a strong track record of growing businesses across New Zealand and Australia. Through this partnership we will realise value for our data centre assets in the short term, while also continuing to participate in the growing market through our 25% retained stake – creating further value for our shareholders over the long term."

Spark expects to receive cash proceeds of approximately \$486 million³ at completion, with additional deferred cash proceeds of up to approximately \$98 million contingent on the achievement of certain performance-based objectives by the end of the 2027 calendar year. Proceeds will be used to reduce group net debt.

As part of the transaction, Spark will move its data centre assets and operations into a new stand-alone company that is currently being referred to as 'DC Co', which will have its own Board, management team and debt financing facilities (non-recourse to Spark).

Jolie continued, "DC Co has a leading data centre platform in a growing market, with over 23MW of built capacity at 11 operating data centre facilities across New Zealand, and advanced plans in place for a greenfield development on Auckland's North Shore, as well as further extensions at the Takanini site in South Auckland.

"This strategic investment allows DC Co to leverage its strong market position as a high-quality data centre network provider, to capture a significant share of the expected growth in the local data centre

¹ Headline enterprise value comprising base enterprise value of \$575 million and up to a further \$130m of earn-out enterprise value

² Assumes FY25PF EBITDA of \$22.9m for Spark data centre business within the transaction perimeter

³ Final net proceeds subject to completion adjustments

market and position itself as a competitive option for international customers looking to grow their services in New Zealand.”

PEP Managing Directors, Andrew Charlier and Evan Hattersley, said, “PEP’s investment with Spark in its data centre business, aligns well with our Secure Assets strategy of partnering to invest in high quality infrastructure growth platforms. With PEP’s backing and Spark’s partnership, DC Co is positioned for transformative growth, delivering essential infrastructure that will support cloud and AI adoption and data sovereignty in New Zealand.”

The transaction is subject to regulatory and customary consents including Overseas Investment Office approval, with a targeted completion date of 31 December 2025.

Jarden has been appointed as financial advisor to Spark on the transaction.

Authorised by:

Rodney Deacon
Finance Lead Partner – Investor Relations and Commercial

For more information contact:

For media queries please contact:

Althea Lovell
Corporate Relations Lead Partner
(64) 21 222 2992
althea.lovell@spark.co.nz

For investor queries please contact:

Rodney Deacon
Finance Lead Partner – Investor Relations and Commercial
(64) 21 631 074
rodney.deacon@spark.co.nz