

MARKET RELEASE – Friday, 7 November 2025

Chair's address and Chief Executive Officer's review delivered at Spark New Zealand Limited's 2025 Annual meeting, held at 9.30am on 7 November 2025

Chair's Address (Justine Smyth)

Nau mai, haere mai ki tēnei hui ā-tau.

Ngā mihi nui, tēnā koutou katoa.

Good morning, my name is Justine Smyth, and I am Chair of Spark New Zealand.

On behalf of the Board, I'd like to welcome you to Spark's 2025 Annual Meeting of Shareholders.

Before we get started, some housekeeping matters.

Bathrooms are located in the atrium. In the unlikely event of an emergency, please leave the venue using the nearest exit and follow the instructions of Spark employees who will be on hand to direct you outside to the assembly point.

With that taken care of, I would now like to declare the meeting open.

Based on the information conveyed to me I confirm there is a quorum of shareholders, and the meeting is duly convened.

Today you will hear from me as Chair of the Board and from our CEO Jolie Hodson. We will then put forward the resolutions as described in the Notice of Meeting and respond to general questions put to us by shareholders.

For those of you joining us virtually, you'll be able to vote and submit questions during the meeting. We will respond to questions on the resolutions when we get to that part of the proceedings, and we will also have time to respond to general questions after the resolutions.

I would like to introduce my fellow Directors who are on stage with me today.

From the left of the stage David Havercroft, Lindsay Wright, Tarek Robbiati, Jolie Hodson, Vince Hawksworth, Lisa Nelson and Warwick Bray.

Also present today is our Chief Financial Officer, Chief Legal Officer, our Company Secretary, auditors from Deloitte, lawyers from Russell McVeagh, and our share registrar.

I'd now like to turn to our performance over the past year.

The past twelve months have been one of the toughest periods in Spark's history as we faced economic headwinds and lower customer spending.

We acknowledge that not all the challenges we faced were beyond our control and understand our shareholders will be rightly concerned by our share price performance.

At our AGM last year, I outlined the actions we would take to improve performance.

This included refocusing Spark on our core business of connectivity, simplifying our portfolio by divesting non-core assets, expanding our cost-reduction programme, and generating value through our data centre strategy.

Good progress has been made against these priorities.

Connectivity is at the heart of Spark, accounting for 80% of the group's gross margins. This is why we have renewed our focus on our core, and in particular building our momentum in the mobile market.

To support this focus and recycle capital into our core business, we undertook a strategic review of non-core assets. As a result, we completed the sale of our remaining stake in cell towers business, Connexa, and we disposed of our small shareholding in Hutchison Telecommunications Australia, delivering combined proceeds of \$356 million.

We introduced four new global partnerships into our network and IT operations, to improve customer experiences while supporting significant cost reductions.

And at the start of August, we announced an agreement to sell a 75% interest in our data centres to Pacific Equity Partners – valuing the business at up to \$705 million and securing a funding pathway to build out our significant data centres development pipeline.

This partnership allows us to realise value for our data centre assets in the short term, while retaining a 25% stake in this growing market to create value for our shareholders over the long term.

There is still more work to do, and we remain focused on delivering what we said we would.

I would like to recognise our Spark people for their commitment as we have reshaped the business to respond to our changed operating environment, and to set Spark up for a stronger future.

Turning now to our FY25 financial performance.

Our results include reported and adjusted figures following the Connexa transaction and transformation costs connected to our operating model changes. Reported results also exclude the data centre business, as it was classified as an asset held for sale.

Both reported and adjusted year-on-year comparisons are provided on screen now, and I will speak to the adjusted numbers to provide a like-for-like performance comparison.

On an adjusted basis FY25 revenue declined 4% to \$3.7 billion, EBITDAI declined 9% to \$1,060 million, and net profit after tax declined 34% to \$227 million.

Free cash flow of \$330 million was the same as in FY24 despite lower earnings, as we reduced total capex by 17% to \$429 million.

Our return on invested capital was 8.7%, which continues to outperform the majority of our global peers.

The Board declared a final dividend of 12.5 cents per share, in line with guidance, bringing the total FY25 dividend to 25 cents per share.

In line with our focus on transformation, the Board undertook a review of Spark's capital management settings during the year with the aim to maximise shareholder value.

Our updated Capital Management Framework has three core focus areas – maintaining financial strength, ensuring an appropriate return on our investments, and sustainable shareholder returns.

From FY26, we have made changes to our Dividend Policy to support a sustainable dividend funded by free cash flow.

Our definition of free cash flow now includes changes in working capital and capital expenditure used to operate our core business. Moving forward, the only capital expenditure excluded from free cash flow will be spectrum and strategic investments outside our core business, such as data centres.

We have also changed our target dividend payout ratio to 70–100% of free cash flow, to provide flexibility if needed in the future.

This means the dividend guidance we provide each year will be aligned to forecast free cash flows.

This brings me to FY26 guidance, which reaffirms what was provided to the market at our FY25 resultst:

- **Adjusted EBITDAI:** \$1,010 million - \$1,070 million. This assumes that the data centre sale completes by the end of December 2025, and excludes any gain on that sale.
- **BAU capital expenditure:** \$380 million - \$410 million
- **Strategic capital expenditure (data centres):** \$50 million - \$70 million
- **Free cash flow:** \$290 million - \$330 million
- **Dividend payout ratio:** 100% of FY26 free cash flow

As we look ahead, we are firmly focused on returning Spark to topline growth and improving shareholder returns.

Recognising our environment has changed significantly since we announced our last strategy in April 2023, the Board has approved a new five-year strategy – SPK-30.

SPK-30 takes a long-term view, and provides our shareholders with clarity around Spark's strategic priorities, and where we will invest to differentiate ourselves from our competitors.

We are refocusing Spark from a broader digital services ambition to our core business of connectivity.

Capital allocation will be prioritised to our core, and we will continue to build a scalable cost base through partnerships and AI.

By focusing our investment on what matters most to our customers – our network and customer experiences – we will give our customers more reasons to keep choosing Spark.

Jolie will take you through the strategy in more detail shortly, but our focus over the next five years is on returning Spark to its history of stable performance, with predictable free cash flow and growing dividends for our shareholders.

In a year of significant change for Spark we have also taken the opportunity to undertake Board renewal, to bring further depth and breadth to an already experienced board.

Lindsay Wright, Vince Hawksworth, and Tarek Robbiati bring broad governance and senior management experience, and deep sector knowledge across the telecommunications, capital markets, infrastructure investment, and retail customer sectors. You will hear more from each of our new Directors this morning.

Before I wrap up, I am offering myself for re-election today.

Recognising my tenure, the Board remains focused on identifying a new Chair for Spark, and this succession process continues.

As such, my intention is to serve for a period of up to 12 months to facilitate a successful transition to a new Chair and to support ongoing stability for Spark as it embarks on its new strategy.

As I offer myself for re-election, I want to say what an honour and a privilege it has been to serve you, our shareholders, as a director for the past fourteen years and as Chair for the past seven.

I acknowledge recent years have been especially tough, and restoring market confidence is my number one priority as Chair. We have made strong progress in transforming the business, and we have started FY26 with renewed focus and determination.

The Board and I remain committed to realising our ambitions in the years ahead and thank you for your continued support.

Nō reira, tēnā koutou, tēnā koutou, tēnā tatou katoa.

I will now invite Jolie to address the meeting.

Chief Executive Officer's Review (Jolie Hodson)

Tēnā koutou katoa, ngā mihi nui kia koutou.

Thank you, Justine, and good morning everyone.

I want to begin by thanking our shareholders for your support, and our Spark people for their considerable efforts, as we have worked hard to transform our business and respond to the challenges we have faced in recent times.

Justine has provided details on the actions that we've taken to transform during FY25 and our high-level financial results.

I will now take you through the steps we are taking to drive momentum in our business before detailing our new strategy.

Connectivity is our core business, and mobile our number one priority.

We have a significant programme of activity supporting mobile that is driving momentum in FY26 – including new high data plans, new brand campaigns, and new price points across the market.

This is moving the dial and Spark remains the #1 mobile provider by some distance, with 41.4% total market revenue share.

Broadband remains competitive, with connections declining by 3.8%. Positively the revenue decline we experienced in the first half stabilised in the second. This remains a key part of our core connectivity portfolio.

In IT we saw cloud revenues continue to grow off the back of strong public cloud growth, however this shift from private cloud put pressure on margins. IT services revenue declined due to lower market demand. As we look ahead, we will continue to simplify this portfolio.

During the year we expanded the focus of our cost-reduction programme, and undertook a significant redesign of our operations.

We also transformed our technology delivery model, which refers to how we operate our IT and network functions across the business. Our new technology delivery model includes four key partnerships which allow

us to leverage our partners' global expertise and investments in AI and automation to deliver better customer experiences in a more efficient way.

Across all these partnerships Spark retains our critical assets, and control over all components of competitive advantage.

This transformation has brought significant change for our people. It is never easy to make changes that impact our teams, and we do not do so lightly.

But to deliver a leaner, more competitive business in a changing market, we have had to make tough but necessary choices to set Spark up for future growth, and to ensure our cost base is sustainable.

Overall, we delivered an \$85 million cost reduction in the second half, compared with the same period in FY24. This ensures we are in a stronger position as we move into FY26 and embark on our new five-year strategy.

After the first quarter of FY26, trading is tracking in line with our expectations, with the new brand campaign, iPhone launch, and price increases supporting mobile service revenue growth.

The FY26 productivity programme is on track, with significant savings delivered across labour, and more of the savings realised in product costs than in opex in H1 FY26.

As noted in August, we have upweighted our advertising costs in H1 to support growth in a competitive market and we have also seen the impacts of some additional partnership costs in opex, which are more than offset by the labour reductions.

Turning now to the future.

We know that connectivity will only become more central to our customers' lives. Data usage on our mobile network has averaged around 14% growth each year over the past three years.

This also drives up demand for cost-effective cloud and data centre solutions.

Rapid AI advancements will enable us to do things differently, both within our own business and for our customers.

In the near term we expect economic conditions to remain subdued, but we are hopeful of improvement as we continue to see quantitative easing and incentives for businesses to invest.

We know our competitive environment will continue to change, and this makes our adaptability as a business, and the scalability of our cost base, critical to our success.

It is important to remember that we are building on strong foundations. This can be overlooked during times when performance has been challenged.

We have leading positions in our markets, in our network quality, and in our brand strength.

We have privileged positions in the highest value mobile segments, with high levels of customer loyalty.

Our customer experience net-promoter score has grown every year for five years to an all-time high.

We have a significant customer base across consumer, SME, and enterprise, and a highly valuable asset base that reaches almost all New Zealanders.

And our return on investment continues to outperform global peers.

The focus of our new strategy is to strengthen and grow this position.

This brings us to our FY30 strategy.

Our purpose, on the left, is enduring. We see ourselves as an enabling business that is here to help all of NZ win big in a digital world.

Our ambition for the next five years is **It's better with Spark**.

Whether it's our financial performance, network performance, customer experiences, or workplace culture. We want it to be better with Spark.

Better than our competitors, but also, better than we are now – continually improving in the things that matter most.

That's our ambition for the next five years.

This is underpinned by a focus on delivering a better network, and better customer experiences.

In network we will invest where it matters for our customers, leverage AI and automation to proactively resolve network issues, and uplift regional resilience. We will also explore new commercialisation opportunities from our leading 5G Standalone investment.

Customer experience remains core to our success, and we aim to continue improving every year by being there for our customers when it matters, being simple and easy to deal with, and by valuing our loyal customers.

We have then made two clear strategic choices – to lead in core connectivity and simplify and optimise beyond the core.

Our capital investment will be prioritised behind core connectivity, which covers mobile, broadband, and business connectivity – such as managed data networks, IoT, collaboration, and voice.

When we look beyond the core, to cloud, IT services, and procurement, our focus will be on simplifying and optimising these businesses.

We have leading positions in these areas in the New Zealand market, and when we compare ourselves with global peers with similar scale IT businesses, we have favourable profit margins.

That aside, we operate in more fragmented competitive environments in these segments, where changing mix and demand is impacting profitability.

So, this requires a different approach to our focus in the core.

Finally, our strategy is enabled by four key areas – people and culture, technology and AI, financial discipline, and sustainability.

As Justine noted our focus over the next five years is on returning Spark to its history of stable performance, with predictable free cash flow and growing dividends over time. With an ambition of growing return on invested capital to 11-13% by FY30.

I will finish today with our value proposition.

This remains a profitable business, with strong foundations within our sector.

Our core connectivity business is supported by positive tailwinds as connectivity becomes more central in our customers' lives and data usage increases YoY. We have leading market positions across all connectivity segments.

We have leading AI capability and access to new global partnerships that will enhance our competitive advantage in NZ.

We have a proven track record of cost discipline and adapting our business when we need to, and portfolio management to support shareholder returns.

Our focus is clear, and our ambition is to deliver growing returns for our shareholders.

And finally, as I offer myself for re-election as an executive director this year, I want to finish by saying that it has been my absolute privilege to lead our team of incredible people here at Spark and to serve on the Board.

The past couple of years have been incredibly challenging, and I acknowledge the impact this has had on our shareholders. We have taken decisive action to transform our business within this changing environment, and I am committed to seeing this through and returning Spark to growth.

I would like to acknowledge the support of you, our shareholders.

Nō reira, tēnā koutou, tēnā koutou, tēnā tatou katoa.

Authorised by:

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Annual Shareholder Meeting 2025





Chair's Address

Justine Smyth CNZM



Order of meeting

1. Introductions
2. Chair's address – Justine Smyth
3. CEO's review – Jolie Hodson
4. Resolutions (including Q&A)
5. Conduct of Polls & Voting
6. General Q&A

Introductions



David Havercroft



Lindsay Wright



Tarek Robbiati



Jolie Hodson (CEO)



Vince Hawksworth



Lisa Nelson



Warwick Bray

Transforming today, for a stronger tomorrow

Focus on telco core

Drive momentum in
core connectivity
business

Review portfolio

Review non-core assets and
simplify Enterprise and
Government

Transform cost base

Expand cost-out to deliver
higher savings over
multiple years

Data centre strategy

Secure a capital partner
for our data centre
business

FY25 Financial performance

Adjusted revenue ⁽¹⁾⁽³⁾ \$3,700 million 4.2% decrease vs. FY24	Adjusted EBITDAI ^{(3) (4)} \$1,060 million 8.9% decrease vs. FY24	Adjusted NPAT ⁽³⁾ \$227 million 33.6% decrease vs. FY24
Reported revenue ⁽²⁾ \$3,725 million 2.5% decrease vs. FY24	Reported EBITDAI ^{(2) (4)} \$1,053 million 7.7% decrease vs. FY24	Reported NPAT \$260 million 17.7% decrease vs. FY24
Capex ⁽⁴⁾ \$429 million 17.2% decrease vs. FY24	Free cash flow ⁽⁴⁾ \$330 million Flat vs. FY24	FY25 final dividend Final dividend of 12.5cps, taking total FY25 dividend to 25.0 cps
Overall return on invested capital ROIC ⁽⁵⁾ of 8.7%		

⁽¹⁾ Operating revenues and other gains

⁽²⁾ Reported revenue and EBITDAI exclude the results of the data centre business which has been classified as a discontinuing operation in the Financial Statements

⁽³⁾ Adjusted revenue and EBITDAI include the data centre business and exclude the Connexa transaction gain on sale (\$71m) and transformation costs (\$53m) associated with the cost out programme. In addition, FY24 NPAT has been adjusted to include the data centre business results and exclude the \$26 million impact of the government change to tax depreciation rules.

⁽⁴⁾ Earnings before finance income and expense, income tax, depreciation, amortisation and net investment income (EBITDAI) and capital expenditure (CAPEX) are non-Generally Accepted Accounting Principles (non-GAAP) performance measures that are defined in note 2.5 of Spark's Annual Report. Free cash flow is also a non-GAAP measure and is defined on page 7 of Spark's detailed KPIs.

⁽⁵⁾ ROIC is calculated as net operating profit (EBITDAI less depreciation and amortisation) after tax (at 28%) as a percentage of Invested Capital (total debt including leases plus equity)

Capital Management Framework

1	Maintaining financial strength	Focused on a strong balance sheet, targeting metrics consistent with current credit rating			
2	Investment and portfolio management	BAU Capex – used to sustain and grow the core business organically (excluding spectrum)	Strategic Capex – capital investment outside the core business that meet Spark’s hurdle rates	Investment and M&A for growth must meet hurdle rates	Hurdle rates: NPV positive and ROIC greater than cost of capital Long-run Capex to revenue ratio of 10-12%
3	Sustainable shareholder returns	Dividend payout ratio of 70-100% of Free Cash Flow (FCF)	Dividend Reinvestment Plan utilised when appropriate, currently suspended	Growth in return on invested capital	

Definitions:

Free Cash Flow: Reported EBITDAI, less adjusting items and non-cash gains or losses; BAU Capex; interest costs; tax; lease costs; impact of changes in working capital, and excluding strategic and spectrum Capex	Strategic Capex: Capex that is allocated to key strategic projects outside the core business that is expected to meet specific return thresholds (for example, data centres)
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FY26 Guidance ⁽¹⁾

	FY26 Guidance (incl. data centres) ⁽²⁾	FY26 Guidance (excl. data centres) ⁽³⁾
Adjusted EBITDAI	\$1,020m - \$1,080m	\$1,010m - \$1,070m
BAU capex	\$380m - \$410m	\$380m - \$410m
Strategic capex (data centres)	\$50m-\$70m (committed capex to data centres) ⁽⁴⁾	
Free cash flow	\$290m - \$330m	\$290m - \$330m
Dividend	100% of FCF	100% of FCF

⁽¹⁾ Subject to no material adverse change in operating outlook

⁽²⁾ FY26 Guidance (incl data centres) is provided on the basis that the data centres business continues to be owned 100% through FY26

⁽³⁾ FY26 Guidance (excluding data centres) assumes that the data centres transaction completes on 31 December 2025 and for the whole of H2 26 data centres is accounted for as an associate (i.e. earnings below the EBITDAI line). Any gain on sale from the data centres transaction is excluded from the adjusted EBITDAI

⁽⁴⁾ Spark has committed to \$50m-\$70m of capex in H1 26 associated with the data centres business – this is planned as part of the data centres transaction when it completes, but will not be included in the free cash flow calculation

Looking to the future: SPK-30



To grow competitive advantage and shareholder returns

Our new strategy:

- 1 Refocuses Spark on our core business of connectivity - and in particular mobile - from a broader digital services ambition
- 2 Prioritises capital allocation to our core business, as new data centre partnership provides clarity on development pipeline funding
- 3 Is grounded in what matters most to our customers - our mobile network and customer experiences
- 4 Future proofs a scalable cost base through partnerships and AI

This creates

More reasons for customers to join and stay loyal to Spark

A performance driven culture, delivering great customer and people experiences

This will deliver

Stable annuity-like returns, with predictable free cash flow and growing dividends over time for our shareholders

Board changes



Lindsay Wright



Vince Hawksworth



Tarek Robbiati

Thank you

CEO Review

Jolie Hodson MNZM



Driving momentum into the future

**Connectivity is our
core business**

**Transformed operating
model and cost reduction**

**New network and
technology partnerships**

SPK-30 builds on our competitive advantages



Leaders in the market	No.1 market share¹ in mobile and broadband	Most reliable mobile network with the widest coverage experience²	Most trusted brand in our sector³
Satisfied, loyal customers	High customer loyalty in mobile base 2.6m+ Mobile connections	Five year growth in customer satisfaction  660k+ Broadband connections	110k+ SME customers +40 iNPS⁴ 1,100+ Enterprise and government customers
Significant and valuable asset base	99% of NZers reached by 4G network	2.3m+ Connections to IoT network	2.2k+ Mobile sites⁵ 350MHz Highest value spectrum holdings Digital Infrastructure data centre and subsea cable shareholdings
Strong return on investment	8.7% ROIC in FY25, outperforming most global peers⁶		

1. Mobile service revenue market share and broadband connection market share sourced from IDC as at 30 June 2025
2. Opensignal Awards - "New Zealand: Mobile Network Experience Report, September 2024, based on independent analysis of mobile measurements recorded during the period June 1 - August 29, 2024" © 2024 Opensignal Limited

3. TRA brand reputation monitor April-June 2025
4. Interaction net promoter score
5. Includes Spark active equipment on 1,600 third party towers, 572 Rural Connectivity Group (RCG) towers and 90 small cells active at 30 June 2025

6. ROIC is calculated as net operating profit (EBITDAI less depreciation and amortisation) after tax (at 28%) as a percentage of Invested Capital (total debt including leases plus equity). Peers are comparable telecommunications companies

SPK-30 Strategy

Our Purpose

To help all of
New Zealand
win big in a
digital world



Our Ambition

It's better
with Spark

Better network
Better customer
experiences



Our Strategic Choices

1
Lead in core
connectivity

2
Simplify and
optimise beyond
the core



Our Enablers



People and
culture



Technology
and AI



Financial
discipline



Sustainable
Spark

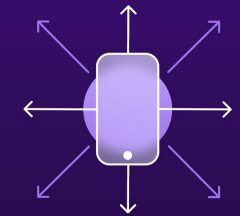


Why Spark?

Positive tailwinds driving connectivity growth



Leading market positions across all connectivity segments



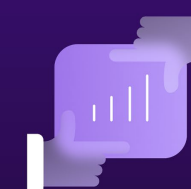
Leading AI capability and global partnerships



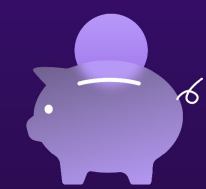
Proven track record of cost discipline and adaptation



Portfolio management supporting shareholder returns



Stable, annuity-like returns and growing dividends over time



Thank you

Resolutions

Resolution 1

Re-election of Lindsay Wright



Resolution 2

Re-election of Tarek Robbiati



Resolution 3

Re-election of Vince Hawksworth



Resolution 4

Re-election of Jolie Hodson



Resolution 5

Re-election of Justine Smyth



Resolution 6

Auditor's Remuneration

Voting

Proxy results

Postal and online votes	Resolution 1: Re-election of Lindsay Wright	Resolution 2: Re-election of Tarek Robbiati	Resolution 3: Re-election of Vince Hawksworth	Resolution 4: Re-election of Jolie Hodson	Resolution 5: Re-election of Justine Smyth	Resolution 6: Auditor's Remuneration
For	1,089,464,720	1,095,004,209	1,095,530,851	1,029,721,506	1,010,157,165	1,091,728,684
Against	2,944,312	2,021,952	1,913,246	55,153,080	78,108,145	6,286,790
Abstain	5,792,748	1,172,621	755,258	13,524,420	10,119,510	498,042
Discretionary	13,523,559	13,526,557	13,525,984	13,326,333	13,340,519	13,211,823
Total	1,111,725,339	1,111,725,339	1,111,725,339	1,111,725,339	1,111,725,339	1,111,725,339

General Questions

Thank you

