

Changes to external reporting

Changes to external reporting from FY24

From FY24 we will update our revenue and product cost reporting

This updated reporting is designed to:

1. Support external communication of our strategy
2. Better inform modelling, in particular with regards to data centre operations
3. Enable simpler comparisons to peers and market data

Principle	Key Changes
<p>Structure disclosures to align with Spark's latest three-year strategy:</p> <ol style="list-style-type: none">1. Telco: Mobile, Broadband and Voice2. Data Centres3. IT: IT Products, IT Services, Procurement and Partners<ul style="list-style-type: none">• IT Products: Cloud, Collaboration, Managed Data and Network• IT Services: Service Management and Security• Procurement and Partners4. High-tech: Qrious, IoT, MATTR5. Other	<ul style="list-style-type: none">• Split Data Centres out from Cloud, and split co-location out from Other to create a combined Data Centre category• Move Qrious, IoT, and MATTR out of Other and combine into a new category called 'High-tech'• Digital Health Platform to remain under 'Other' with Health revenue to be reported separately as a footnote
<p>Refine Security to focus on cyber security services, by moving network related security revenues to Managed Data and Networks</p>	<ul style="list-style-type: none">• Split existing Security revenues into Network Security (reported within Managed Data and Networks) and Security
<p>Update KPIs for IT Products and Services where either a) additional information is beneficial for modelling or b) modelling is best informed by revenue run-rate rather than volumetric KPIs</p>	<ul style="list-style-type: none">• To align with peers, update Data Centre KPIs to provide further information on capacity, utilisation and power efficiency• Remove existing Cloud, Security and Service Management KPIs

Operating revenue disclosure changes

Current	FY22 vs FY23				New	FY22 vs FY23				Variance			
	FY22 \$m	FY23 \$m	FY22 vs FY23 \$m	%		FY22 \$m	FY23 \$m	FY22 vs FY23 \$m	%	FY22 \$m	FY23 \$m	FY22 vs FY23 \$m	Note
Operating revenues					Operating revenues								
Mobile					Telco								
Service revenue	899	980	81	9.0%	Mobile								
Non-service revenue	452	490	38	8.4%	Service revenue	899	980	81	9.0%				
	1,351	1,470	119	8.8%	Non-service revenue	452	490	38	8.4%				
					Mobile	1,351	1,470	119	8.8%	-	-	-	
Voice													
Access	109	82	(27)	(24.8%)	Voice	285	231	(54)	(18.9%)	-	-	-	
Calling	138	113	(25)	(18.1%)	Broadband ¹	639	626	(13)	(2.0%)	-	-	-	
Other voice revenue	38	36	(2)	(5.3%)	Total Telco	2,275	2,327	52	2.3%				
	285	231	(54)	(18.9%)									
Broadband ¹	639	626	(13)	(2.0%)	IT products								
					Cloud	214	208	(6)	(2.8%)	(19)	(20)		(1) Removal of Data centres
Cloud	233	228	(5)	(2.1%)	Managed data and network	220	222	2	0.9%	15	14		(1) Addition of Network Security
Managed data and network	205	208	3	1.5%	Collaboration	78	79	1	1.3%	-	-		-
Collaboration	78	79	1	1.3%	Total IT products revenue	512	509	(3)	(0.6%)				
Service management	176	163	(13)	(7.4%)	IT services								
Security	37	45	8	21.6%	Service management and security	198	194	(4)	(2.0%)	22	31		9 Addition of Security (excl. Network security)
Procurement and partners	538	584	46	8.6%	Procurement and partners	538	584	46	8.6%	(37)	(45)		Security split into Network security (under Managed data and network) and (8)Other Security (under Service management and security)
					Total IT Revenue	1,248	1,287	39	3.1%	-	-		-
Other product revenues ²	152	241	89	58.6%	Data centres	23	24	1	4.3%	23	24		1 Data centres (moved from Cloud) and Co-Location (moved from 'Other')
					High-Tech excl. Health	57	65	8	14.6%	57	65		8 Qrious, IOT, MATTR moved from 'Other'
Total operating revenues	3,694	3,875	181	4.9%	Other product revenues ²	91	172	81	88.6%	(61)	(69)		Qrious, IOT, MATTR moved to 'High-Tech excl. Health' and Co-location moved to (8)'Data centres'
Other gains	26	33	7	26.9%	Total operating revenues	3,694	3,875	181	4.9%	-	-		-
Adjusted operating revenues and other gains	3,720	3,908	188	5.1%	Other gains	26	33	7	26.9%				
					Adjusted operating revenues and other gains	3,720	3,908	188	5.1%				

Group capital expenditure disclosure changes

Current

	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	%
Maintenance Capex				
Cloud	15	19	4	26.7%
Converged communications network (CCN) ¹	22	17	(5)	(22.7%)
International cable construction and capacity purchases	7	25	18	NM
IT systems	150	116	(34)	(22.7%)
Mobile network ¹	100	98	(2)	(2.0%)
Core sustain and resiliency	53	69	16	30.2%
Other	7	15	8	NM
Total maintenance capital expenditure excluding spectrum	354	359	5	1.4%
Growth Capex				
5G acceleration	25	42	17	68.0%
Data centres	31	114	83	NM
Total growth capital expenditure excluding spectrum	56	156	100	NM
Total capital expenditure excluding spectrum	410	515	105	25.6%

New

	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	%
Maintenance Capex				
Cloud	15	19	4	26.7%
Fixed network & International cable capacity	68	93	25	36.8%
IT systems	150	116	(34)	(22.7%)
Mobile network	100	98	(2)	(2.0%)
Property	16	23	7	43.8%
Other	5	10	5	100.0%
Total maintenance capital expenditure excluding spectrum	354	359	5	1.4%
Growth Capex				
SA readiness	25	42	17	68.0%
Data centres	31	114	83	NM
Total growth capital expenditure excluding spectrum	56	156	100	NM
Total capital expenditure excluding spectrum	410	515	105	25.6%

Variance

	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	Note
	-	-	-	
	68	93	25	Includes CCN, International cable construction & capacity and Core sustain and resiliency (less Property-related core sustain)
	(22)	(17)	5	Moved to Fixed network & International cable capacity
	(7)	(25)	(18)	Moved to Fixed network & International cable capacity
	-	-	-	
	-	-	-	
	(53)	(69)	(16)	Split into Fixed network & International cable capacity and Property
	16	23	7	Retail stores (moved from 'Other') and part of Core sustain resiliency
	(2)	(5)	(3)	Removal of retail stores
	-	-	-	
	-	-	-	
	-	-	-	
	-	-	-	

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Group result - reported

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Operating revenues and other gains	1,796	1,797	1,890	1,830	2,534	1,957	3,720	4,491	771	20.7%
Operating expenses	(1,296)	(1,178)	(1,352)	(1,218)	(1,492)	(1,277)	(2,570)	(2,769)	(199)	(7.7%)
EBITDAI	500	619	538	612	1,042	680	1,150	1,722	572	49.7%
Finance income	17	17	14	12	16	16	26	32	6	23.1%
Finance expense	(43)	(38)	(37)	(37)	(43)	(56)	(74)	(99)	(25)	(33.8%)
Depreciation and amortisation	(262)	(259)	(257)	(263)	(248)	(256)	(520)	(504)	16	3.1%
Net investment income	-	(1)	(1)	-	(1)	2	(1)	1	2	NM
Net earnings before income tax	212	338	257	324	766	386	581	1,152	571	98.3%
Tax income /(expense)	(65)	(104)	(78)	(93)	71	(88)	(171)	(17)	154	90.1%
Net earnings for the period	147	234	179	231	837	298	410	1,135	725	NM
Capital expenditure excluding spectrum	190	159	218	192	250	265	410	515	105	25.6%
Free cash flows excluding spectrum ¹	132	352	164	269	115	374	433	489	56	12.9%
Reported EBITDAI margin	27.8%	34.4%	28.5%	33.4%	41.1%	34.7%	30.9%	38.3%	7.4pp	
Reported effective tax rate	30.7%	30.8%	30.4%	28.7%	(9.3%)	22.8%	29.4%	1.5%	(27.9pp)	
Capital expenditure to operating revenues and other gains	10.6%	8.8%	11.5%	10.5%	9.9%	13.5%	11.0%	11.5%	0.5pp	
Reported basic earnings per share (cents)	8.0	12.5	9.6	12.4	44.7	16.0	21.9	60.7	38.8	NM
Reported diluted earnings per share (cents)	8.0	12.5	9.6	12.4	44.6	16.0	21.9	60.6	38.7	NM

¹As reported in H2 FY22 the free cash flow has been redefined from FY23 to minimise the impact of short-term working capital volatility and to support incremental growth capital expenditure. Comparative periods have been updated to reflect the new definition.

Group result - adjusted

Spark's policy is to present 'adjusted EBITDAI' and 'adjusted net earnings' when a financial year includes significant items (such as gains, expenses and impairments) individually greater than \$25 million. In the year ended 30 June 2023, the net gain on sale of TowerCo of \$583 million together with the subsequent \$5 million net gain arising from the dilution of the investment in the Connexa group and the one off provision of \$54 million for Spark Sport were deemed significant items to adjust. There were no significant items to adjust for the year ended 30 June 2022.

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Adjusted operating revenues and other gains	1,796	1,797	1,890	1,830	1,950	1,958	3,720	3,908	188	5.1%
Adjusted operating expenses	(1,296)	(1,178)	(1,352)	(1,218)	(1,440)	(1,275)	(2,570)	(2,715)	(145)	(5.6%)
Adjusted EBITDAI	500	619	538	612	510	683	1,150	1,193	43	3.7%
Finance income	17	17	14	12	16	16	26	32	6	23.1%
Finance expense	(43)	(38)	(37)	(37)	(43)	(56)	(74)	(99)	(25)	(33.8%)
Depreciation and amortisation	(262)	(259)	(257)	(263)	(248)	(256)	(520)	(504)	16	3.1%
Adjusted net investment income	-	(1)	(1)	-	(1)	(3)	(1)	(4)	(3)	NM
Adjusted net earnings before income tax	212	338	257	324	234	384	581	618	37	6.4%
Adjusted income tax expense	(65)	(104)	(78)	(93)	(69)	(116)	(171)	(185)	(14)	(8.2%)
Adjusted net earnings for the period	147	234	179	231	165	268	410	433	23	5.6%
Capital expenditure excluding spectrum	190	159	218	192	250	265	410	515	105	25.6%
Free cash flows excluding spectrum ¹	132	352	164	269	115	374	433	489	56	12.9%
Adjusted EBITDAI margin	27.8%	34.4%	28.5%	33.4%	26.2%	34.9%	30.9%	30.5%	(0.4pp)	
Adjusted effective tax rate	30.7%	30.8%	30.4%	28.7%	29.5%	30.2%	29.4%	29.9%	0.5pp	
Capital expenditure to adjusted operating revenues and other gains	10.6%	8.8%	11.5%	10.5%	12.8%	13.5%	11.0%	13.2%	2.2pp	
Adjusted basic earnings per share (cents)	8.0	12.5	9.6	12.4	8.8	14.4	21.9	23.2	1.3	5.9%
Adjusted diluted earnings per share (cents)	8.0	12.5	9.6	12.4	8.8	14.3	21.9	23.1	1.2	5.5%

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Gross margin by product

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Mobile	407	430	437	467	477	507	904	984	80	8.8%
Voice	87	93	86	79	71	62	165	133	(32)	(19.4%)
Broadband	166	173	166	152	149	149	318	298	(20)	(6.3%)
IT products	160	153	146	144	136	143	290	279	(11)	(3.8%)
IT services	83	89	86	85	77	84	171	161	(10)	(5.8%)
Procurement and partners	20	23	26	27	27	40	53	67	14	26.4%
Data centres	10	12	11	11	12	10	22	22	-	-%
High-Tech (excl. Health)	19	20	23	20	23	23	43	46	3	7.0%
Other products	7	20	8	26	25	58	34	83	49	NM
Total product gross margin	959	1,013	989	1,011	997	1,076	2,000	2,073	73	3.7%
Other gains	4	24	16	10	588	28	26	616	590	NM
Total gross margin	963	1,037	1,005	1,021	1,585	1,104	2,026	2,689	663	32.7%

Connections

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	000's	000's	000's	000's	000's	000's	000's	000's	000's	%
Mobile connections ¹	2,431	2,421	2,445	2,503	2,629	2,728	2,503	2,728	225	9.0%
Voice connections by type ²										
POTS and ISDN ³	217	190	163	136	112	91	136	91	(45)	(33.1%)
VoIP	69	69	69	66	60	59	66	59	(7)	(10.6%)
Voice over wireless ⁴	23	24	20	17	14	8	17	8	(9)	(52.9%)
	309	283	252	219	186	158	219	158	(61)	(27.9%)
Broadband connections by technology										
Copper	157	131	113	95	79	64	95	64	(31)	(32.6%)
Fibre	381	395	402	415	423	426	415	426	11	2.7%
Wireless ⁴	166	178	187	194	202	209	194	209	15	7.7%
	704	704	702	704	704	699	704	699	(5)	(0.7%)
IoT connections	372	476	623	832	1,160	1,461	832	1,461	629	75.6%

¹Mobile connections excluding MVNO connections but including legacy machine to machine and SIM based SmartWatch connections.

²Voice connections include all voice technology types, including POTS, ISDN, VoIP and wireless voice. Voice connections exclude connections where Spark also provide a bundled broadband service, but include all wholesale voice connections (including those where the underlying customer has a bundled broadband service).

³Connection numbers have been restated to reflect updated POTS connection numbers.

⁴Basic wireless broadband customers reclassified from voice to broadband in H2 FY23.

Group FTEs

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
FTE permanent	4,961	4,889	4,921	4,924	4,976	5,189	4,924	5,189	265	5.4%
FTE contractors	121	150	190	208	182	143	208	143	(65)	(31.3%)
Total FTE	5,082	5,039	5,111	5,132	5,158	5,332	5,132	5,332	200	3.9%

Dividends

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
Ordinary dividends (cents per share)	12.50	12.50	12.50	12.50	13.50	13.50	25.00	27.00	2.00	8.0%
Special dividends (cents per share)	-	-	-	-	-	-	-	-	-	-%
	12.50	12.50	12.50	12.50	13.50	13.50	25.00	27.00	2.00	8.0%

Spark New Zealand

Group operating revenues and other gains

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Telco										
Mobile										
Service revenue	420	432	441	458	480	500	899	980	81	9.0%
Non-service revenue	231	228	237	215	252	238	452	490	38	8.4%
Mobile	651	660	678	673	732	738	1,351	1,470	119	8.8%
Voice	154	154	146	139	122	109	285	231	(54)	(18.9%)
Broadband ¹	337	333	324	315	313	313	639	626	(13)	(2.0%)
Total Telco	1,142	1,147	1,148	1,127	1,167	1,160	2,275	2,327	52	2.3%
IT products										
Cloud	105	106	110	104	105	103	214	208	(6)	(2.8%)
Managed data and networks	115	115	110	110	110	112	220	222	2	0.9%
Collaboration	33	35	38	40	39	40	78	79	1	1.3%
Total IT products revenue	253	256	258	254	254	255	512	509	(3)	(0.6%)
IT services										
Service management and security	96	102	97	101	91	103	198	194	(4)	(2.0%)
Procurement and partners	236	178	301	237	319	265	538	584	46	8.6%
Total IT revenue	585	536	656	592	664	623	1,248	1,287	39	3.1%
Data centres	10	12	11	12	13	11	23	24	1	4.3%
High-Tech (excl. Health)	23	25	29	28	31	34	57	65	8	14.0%
Other products ²	32	53	30	61	71	101	91	172	81	89.0%
Total operating revenues	1,792	1,773	1,874	1,820	1,946	1,929	3,694	3,875	181	4.9%
Other gains	4	24	16	10	4	29	26	33	7	26.9%
Adjusted operating revenues and other gains	1,796	1,797	1,890	1,830	1,950	1,958	3,720	3,908	188	5.1%
Net gain on sale of Connexa	-	-	-	-	584	(1)	-	583	583	100.0%
Total operating revenues and other gains	1,796	1,797	1,890	1,830	2,534	1,957	3,720	4,491	771	20.7%

High-Tech inc. Health³

Total High-Tech including Health (excl Telco and pr	58	63	77	82	77	80	159	157	(2)	(1.3%)
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¹Wireless broadband revenues and connections are included in broadband revenues and connections.

²Included in other products is revenue from mobile infrastructure, Spark Sport and exchange building sharing arrangements.

³Health revenues are included across a range of product categories above.

Operating revenues and other gains by customer segment

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Operating revenues and other gains										
Consumer	769	779	777	757	797	782	1,534	1,579	45	2.9%
Business	935	897	1,018	952	1,019	976	1,970	1,995	25	1.3%
Wholesale and other	92	121	95	121	718	199	216	917	701	NM
	1,796	1,797	1,890	1,830	2,534	1,957	3,720	4,491	771	20.7%

Finance income

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Finance income										
Finance lease interest income	6	7	6	3	4	4	9	8	(1)	(11.1%)
Other interest income	11	10	8	9	12	12	17	24	7	41.2%
	17	17	14	12	16	16	26	32	6	23.1%

Net investment income

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Net investment income										
Share of associates' and joint ventures' net losses	-	(1)	(1)	-	(3)	(9)	(1)	(12)	(11)	NM
Interest income on loans receivable from associates and joint ventures	-	-	-	-	2	6	-	8	8	100.0%
Adjusted net investment income	-	(1)	(1)	-	(1)	(3)	(1)	(4)	(3)	NM
Net gain on dilution of the investment in the Connexa group	-	-	-	-	-	5	-	5	5	100.0%
Reported net investment income	-	(1)	(1)	-	(1)	2	(1)	1	2	NM

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Group operating expenses

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Product costs										
Mobile	244	230	241	206	255	231	447	486	39	8.7%
Voice	67	61	60	60	51	47	120	98	(22)	(18.3%)
Broadband	171	160	158	163	164	164	321	328	7	2.2%
IT products	93	103	112	110	118	112	222	230	8	3.6%
IT services	13	13	11	16	14	19	27	33	6	22.2%
Procurement and partners	216	155	275	210	292	225	485	517	32	6.6%
Data centres	-	-	-	1	1	1	1	2	1	100.0%
High-Tech (excl. Health)	4	5	6	8	8	11	14	19	5	35.7%
Other product costs	25	33	22	35	46	43	57	89	32	56.1%
	833	760	885	809	949	853	1,694	1,802	108	6.4%
Labour	256	237	263	232	269	242	495	511	16	3.2%
Other operating expenses										
Network support costs	44	42	44	21	45	20	65	65	-	-%
Computer costs	51	50	55	56	57	52	111	109	(2)	(1.8%)
Accommodation costs	32	35	30	35	40	43	65	83	18	27.7%
Advertising, promotions and communication	44	28	34	26	33	23	60	56	(4)	(6.7%)
Bad debts	(1)	(6)	3	1	4	5	4	9	5	NM
Impairment expense	-	2	2	-	-	-	2	-	(2)	(100.0%)
Other	37	30	36	38	43	37	74	80	6	8.1%
	207	181	204	177	222	180	381	402	21	5.5%
Adjusted operating expenses	1,296	1,178	1,352	1,218	1,440	1,275	2,570	2,715	145	5.6%
Spark Sport provision	-	-	-	-	52	2	-	54	54	100.0%
Total operating expenses	1,296	1,178	1,352	1,218	1,492	1,277	2,570	2,769	199	7.7%

Finance expense

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Finance expense										
Finance expense on long-term debt	21	22	23	22	22	28	45	50	5	11.1%
Other interest and finance expense	6	4	4	7	7	5	11	12	1	9.1%
Lease interest expense	15	11	10	9	15	24	19	39	20	NM
Leased customer equipment interest expense	4	4	3	4	4	3	7	7	-	-%
	46	41	40	42	48	60	82	108	26	31.7%
Capitalised interest	(3)	(3)	(3)	(5)	(5)	(4)	(8)	(9)	(1)	(12.5%)
	43	38	37	37	43	56	74	99	25	33.8%

Depreciation and amortisation expense

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Depreciation and amortisation expense										
Depreciation - property, plant and equipment	124	118	116	118	114	113	234	227	(7)	(3.0%)
Depreciation - right-of-use assets	35	42	40	40	36	39	80	75	(5)	(6.3%)
Depreciation - leased customer equipment assets	19	17	18	19	19	17	37	36	(1)	(2.7%)
Amortisation - intangible assets	84	82	83	86	79	87	169	166	(3)	(1.8%)
	262	259	257	263	248	256	520	504	(16)	(3.1%)

Spark New Zealand

Analysis & KPIs - Mobile

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23		
Mobile revenue by type (Consumer and Business)	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Mobile service revenue	415	427	435	451	472	489	886	961	75	8.5%	
Mobile non-service revenue ¹	223	221	229	205	231	218	434	449	15	3.5%	
	638	648	664	656	703	707	1,320	1,410	90	6.8%	
Wholesale and other customer segment mobile revenue ²	13	12	14	17	29	31	31	60	29	93.5%	
Total mobile revenue	651	660	678	673	732	738	1,351	1,470	119	8.8%	
Mobile product costs ³	(244)	(230)	(241)	(206)	(255)	(231)	(447)	(486)	(39)	(8.7%)	
Mobile gross margin	407	430	437	467	477	507	904	984	80	8.8%	
Mobile gross margin %	62.5%	65.2%	64.5%	69.4%	65.2%	68.7%	66.9%	66.9%	-pp		
Total mobile revenue by customer segment	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23		
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%	
Consumer	438	441	454	444	486	486	898	972	74	8.2%	
Business	200	207	210	212	217	221	422	438	16	3.8%	
Wholesale and other	13	12	14	17	29	31	31	60	29	93.5%	
	651	660	678	673	732	738	1,351	1,470	119	8.8%	
Average revenue per user (ARPU) - 6 month (Consumer and Business)	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23		
	\$ per	\$ per	\$ per	\$ per	\$ per	\$ per	\$ per	\$ per	\$ per	%	
Total ARPU	28.51	29.66	30.19	30.84	31.19	30.59	30.52	30.89	0.37	1.2%	
Pay-monthly ARPU	39.97	40.31	40.17	41.01	41.59	41.48	40.60	41.54	0.94	2.3%	
Prepaid ARPU	14.36	15.42	16.26	16.47	17.11	16.66	16.37	16.89	0.52	3.2%	
Number of mobile connections at period end - 6 month active (Consumer and Business) ⁴	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23		
	000's	000's	000's	000's	000's	000's	000's	000's	000's	%	
Pay-monthly connections	1,355	1,386	1,416	1,437	1,471	1,509	1,437	1,509	72	5.0%	
Prepaid connections	1,047	1,008	1,001	1,038	1,131	1,194	1,038	1,194	156	15.0%	
Internal connections	4	4	4	4	4	4	4	4	-	-%	
Total mobile connections	2,406	2,398	2,421	2,479	2,606	2,707	2,479	2,707	228	9.2%	

¹Mobile non-service revenue includes handset sales and mobile interconnect.

²Includes MVNO revenue.

³Includes handset, interconnect and cellphone tower access costs.

⁴Excludes MVNO connections but includes SIM based SmartWatch connections.

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Analysis & KPIs - Voice

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Revenue by type										
Access	62	67	57	52	45	37	109	82	(27)	(24.8%)
Calling	71	67	70	68	59	54	138	113	(25)	(18.1%)
Other voice revenue	21	20	19	19	18	18	38	36	(2)	(5.3%)
Total voice revenue	154	154	146	139	122	109	285	231	(54)	(18.9%)
Voice product costs ¹	(67)	(61)	(60)	(60)	(51)	(47)	(120)	(98)	22	18.3%
Voice gross margin	87	93	86	79	71	62	165	133	(32)	(19.4%)
Voice gross margin %	56.5%	60.4%	58.9%	56.8%	58.2%	56.9%	57.9%	57.6%	(0.3pp)	

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	000's	000's	000's	000's	000's	000's	000's	000's	000's	%
Voice connections by type²										
POTS and ISDN	217	190	163	136	112	91	136	91	(45)	(33.1%)
VoIP	69	69	69	66	60	59	66	59	(7)	(10.6%)
Voice over wireless	23	24	20	17	14	8	17	8	(9)	(52.9%)
Total voice connections³	309	283	252	219	186	158	219	158	(61)	(27.9%)

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	000's	000's	000's	000's	000's	000's	000's	000's	000's	%
Voice connections by customer segment²										
Consumer	74	77	64	54	46	32	54	32	(22)	(40.7%)
Business	154	144	139	126	111	104	126	104	(22)	(17.5%)
Wholesale and other	81	62	49	39	29	22	39	22	(17)	(43.6%)
Total voice connections³	309	283	252	219	186	158	219	158	(61)	(27.9%)

¹Includes voice access (baseband), interconnect, and international calling costs.

²Connection numbers have been restated to reflect updated POTS connection numbers and basic wireless broadband customers reclassified from voice to broadband in H2 FY23.

³Excludes Cloud Telephony which has been moved to managed networks.

Analysis & KPIs - Broadband

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Total broadband revenue	337	333	324	315	313	313	639	626	(13)	(2.0%)
Broadband product costs ⁴	(171)	(160)	(158)	(163)	(164)	(164)	(321)	(328)	(7)	(2.2%)
Broadband gross margin	166	173	166	152	149	149	318	298	(20)	(6.3%)
Broadband gross margin %	49.3%	52.0%	51.2%	48.3%	47.6%	47.6%	49.8%	47.6%	(2.2pp)	

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	000's	000's	000's	000's	000's	000's	000's	000's	000's	%
Broadband connections by technology										
Copper	157	131	113	95	79	64	95	64	(31)	(32.6%)
Fibre	381	395	402	415	423	426	415	426	11	2.7%
Wireless	166	178	187	194	202	209	194	209	15	7.7%
Total broadband connections⁵	704	704	702	704	704	699	704	699	(5)	(0.7%)

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	000's	000's	000's	000's	000's	000's	000's	000's	000's	%
Broadband connections by customer segment										
Consumer	598	595	593	595	594	589	595	589	(6)	(1.0%)
Business	103	105	105	104	104	102	104	102	(2)	(1.9%)
Wholesale and other	3	4	4	5	6	8	5	8	3	60.0%
Total broadband connections⁵	704	704	702	704	704	699	704	699	(5)	(0.7%)

⁴Includes broadband access (UBA/UCLL/Fibre), modem and e-mail platform support costs.

⁵Basic wireless broadband customers reclassified from voice to broadband in H2 FY23.

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Analysis & KPIs - Data centres

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Data centre revenue	10	12	11	12	13	11	23	24	1	4.3%
Data centre product cost	-	-	-	(1)	(1)	(1)	(1)	(2)	(1)	100.0%
Data centre gross margin	10	12	11	11	12	10	22	22	-	-
Data centre gross margin %	100.0%	100.0%	100.0%	91.7%	92.3%	90.9%	95.7%	91.7%	(4.0pp)	
Data centre KPIs	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
Data centre capacity completed (in MW)	10	10	10	10	11	11	10	11	1	10.0%
Data centre capacity under construction (in MW)	-	-	12	12	11	11	12	11	(1)	(8.3%)
Data centre development pipeline (in MW)	31	31	19	19	19	19	19	19	-	-
Total capacity	41	41	41	41	41	41	41	41	-	-
Weighted average lease term with options (WALE)	N/A	N/A	16.6	16.6	16.6	16.6	16.6	16.6	-	-
Contracted utilisation dedicated data centres ¹	84%	86%	87%	87%	84%	84%	87%	84%	(3.0pp)	(3.4%)
Target power usage effectiveness (PUE)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	-
PUE - Legacy data centre assets	1.58	1.54	1.61	1.54	1.54	1.56	1.54	1.56	(0.02)	(1.3%)
PUE - Dedicated purpose built data centres	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		

¹Includes contracted and reserved racks at dedicated data centres and exchanges.

Analysis & KPIs - IT products

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Cloud revenue	105	106	110	104	105	103	214	208	(6)	(2.8%)
Cloud product costs	(24)	(33)	(35)	(37)	(39)	(33)	(72)	(72)	-	-
Cloud gross margin	81	73	75	67	66	70	142	136	(6)	(4.2%)
Cloud gross margin %	77.1%	68.9%	68.2%	64.4%	62.9%	68.0%	66.4%	65.4%	(1.0pp)	
Managed data and networks revenue	115	115	110	110	110	112	220	222	2	0.9%
Managed data and networks product costs ²	(57)	(57)	(62)	(58)	(64)	(64)	(120)	(128)	(8)	6.7%
Managed data and networks gross margin	58	58	48	52	46	48	100	94	(6)	(6.0%)
Managed data and networks gross margin %	50.4%	50.4%	43.6%	47.3%	41.8%	42.9%	45.5%	42.3%	(3.1pp)	
Collaboration revenue	33	35	38	40	39	40	78	79	1	1.3%
Collaboration product costs	(12)	(13)	(15)	(15)	(15)	(15)	(30)	(30)	-	-
Collaboration gross margin	21	22	23	25	24	25	48	49	1	2.1%
Collaboration gross margin %	63.6%	62.9%	60.5%	62.5%	61.5%	62.5%	61.5%	62.0%	0.5pp	

²Includes wide area network access, international data, network backhaul and videoconferencing platform costs.

Analysis & KPIs - IT services

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Service management revenue	85	90	87	89	80	83	176	163	(13)	(7.4%)
Security revenue	11	12	10	12	11	20	22	31	9	40.9%
Service management and security revenue	96	102	97	101	91	103	198	194	(4)	(2.0%)
Service management and security product costs	(13)	(13)	(11)	(16)	(14)	(19)	(27)	(33)	(6)	22.2%
Service management and security gross margin	83	89	86	85	77	84	171	161	(10)	(5.8%)
Service management and security gross margin %	86.5%	87.3%	88.7%	84.2%	84.6%	81.6%	86.4%	83.0%	(3.4pp)	

Analysis & KPIs - Procurement and partners

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Procurement and partners revenue	236	178	301	237	319	265	538	584	46	8.6%
Procurement and partners product costs	(216)	(155)	(275)	(210)	(292)	(225)	(485)	(517)	(32)	(6.6%)
Procurement and partners gross margin	20	23	26	27	27	40	53	67	14	26.4%
Procurement and partners gross margin %	8.5%	13.0%	8.6%	11.4%	8.5%	15.1%	9.9%	11.5%	1.6pp	

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Statement of cash flows

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Cash flows from operating activities										
Receipts from customers	1,828	1,719	1,901	1,755	1,975	1,815	3,656	3,790	134	3.7%
Receipts from interest	16	16	13	11	16	13	24	29	5	20.8%
Payments to suppliers and employees	(1,321)	(1,137)	(1,327)	(1,279)	(1,460)	(1,270)	(2,606)	(2,730)	(124)	(4.8%)
Payments for income tax	(118)	(70)	(93)	(67)	(120)	(70)	(160)	(190)	(30)	(18.8%)
Payments for interest on debt	(23)	(23)	(23)	(25)	(23)	(32)	(48)	(55)	(7)	(14.6%)
Payments for interest on leases	(16)	(10)	(10)	(9)	(15)	(22)	(19)	(37)	(18)	(94.7%)
Payments for interest on leased customer equipm	(4)	(4)	(3)	(3)	(4)	(3)	(6)	(7)	(1)	(16.7%)
Net cash flows from operating activities	362	491	458	383	369	431	841	800	(41)	(4.9%)
Cash flows from investing activities										
Proceeds from sale of property, plant and equipment	-	6	-	-	1	10	-	11	11	NM
Proceeds from sale of business	8	22	-	-	894	(1)	-	893	893	NM
Proceeds from long-term investments	-	6	3	1	-	-	4	-	(4)	(100.0%)
Receipts from finance leases	2	4	2	1	1	2	3	3	-	-%
Receipts from loans receivable	-	1	-	-	-	11	-	11	11	NM
Payments for purchase of businesses, net of cash acquired	-	(25)	-	(7)	-	-	(7)	-	7	100.0%
Payments for, and advances to, long-term investments	(4)	(9)	(39)	(20)	(2)	(1)	(59)	(3)	56	94.9%
Payments for purchase of property, plant and equipment, intangibles (excluding spectrum) and capacity	(212)	(118)	(216)	(209)	(246)	(229)	(425)	(475)	(50)	(11.8%)
Payments for spectrum intangible assets	-	(51)	-	-	-	(6)	-	(6)	(6)	NM
Payments for capitalised interest	(3)	(3)	(3)	(5)	(5)	(4)	(8)	(9)	(1)	(12.5%)
Net cash flows from investing activities	(209)	(167)	(253)	(239)	643	(218)	(492)	425	917	NM
Cash flows from financing activities										
Net proceeds from/(repayments of) debt	100	(138)	99	115	(517)	54	214	(463)	(677)	NM
Payments for dividends	(167)	(163)	(225)	(224)	(234)	(252)	(449)	(486)	(37)	(8.2%)
Payments for share buy-backs	-	-	-	-	-	(146)	-	(146)	(146)	NM
Payments for leases	(20)	(36)	(33)	(36)	(31)	(33)	(69)	(64)	5	7.2%
Payments for leased customer equipment assets	(16)	(18)	(25)	(21)	(15)	(22)	(46)	(37)	9	19.6%
Net cash flows from financing activities	(103)	(355)	(184)	(166)	(797)	(399)	(350)	(1,196)	(846)	NM
Net cash flows	50	(31)	21	(22)	215	(186)	(1)	29	30	NM
Opening cash position	53	103	72	93	71	286	72	71	(1)	(1.4%)
Closing cash position	103	72	93	71	286	100	71	100	29	40.8%

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Analysis & KPIs - Free cash flows and movement in working capital

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
EBITDAI	500	619	538	612	1,042	680	1,150	1,722	572	49.7%
<i>Excluding</i>										
Other gains and impairments	4	22	14	10	536	11	24	547	523	NM
EBITDAI ex. other gains and impairments	496	597	524	602	506	669	1,126	1,175	49	4.4%
<i>Less</i>										
Cash paid on maintenance capital expenditure	185	104	188	184	200	128	372	328	(44)	(11.8%)
Cash paid on interest	27	21	23	26	26	44	49	70	21	42.9%
Cash paid on tax payments	118	70	93	67	120	70	160	190	30	18.8%
Cash paid on leases	34	50	56	56	45	53	112	98	(14)	(12.5%)
Total cash payments on capital expenditure, interest, tax and lease	364	245	360	333	391	295	693	686	(7)	(1.0%)
Free cash flow¹	132	352	164	269	115	374	433	489	56	12.9%
Change in working capital										
Change in receivables	(92)	104	(42)	104	(59)	126	62	67	5	8.1%
Change in payables	61	(45)	(63)	78	3	(53)	15	(50)	(65)	NM
Change in inventory	(11)	(20)	29	14	1	(28)	43	(27)	(70)	NM
Change in contract assets	(11)	(2)	(5)	3	3	30	(2)	33	35	NM
Change in prepayments (excluding CAPEX)	12	(27)	37	(37)	22	(31)	-	(9)	(9)	NM
Total change in working capital - increase/(decrease)	(41)	10	(44)	162	(30)	44	118	14	(104)	(88.1%)

¹As reported in H2 FY22 the free cash flow has been redefined from FY23 to minimise the impact of short-term working capital volatility and to support incremental growth capital expenditure. Comparative periods have been updated to reflect the new definition.

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Group capital expenditure

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Maintenance Capex										
Cloud	9	11	7	8	11	8	15	19	4	26.7%
Fixed network & International cable capacity	45	34	33	35	35	58	68	93	25	36.8%
IT systems	64	53	87	63	62	54	150	116	(34)	(22.7%)
Mobile network	58	48	62	38	77	21	100	98	(2)	(2.0%)
Property	10	8	6	10	11	12	16	23	7	43.8%
Other	4	4	2	3	4	6	5	10	5	100.0%
Total maintenance capital expenditure excluding spectrum	190	158	197	157	200	159	354	359	5	1.4%
Growth Capex										
SA readiness	-	-	12	13	-	42	25	42	17	68.0%
Data centres	-	1	9	22	50	64	31	114	83	NM
Total growth capital expenditure excluding spectrum	-	1	21	35	50	106	56	156	100	NM
Total capital expenditure excluding spectrum	190	159	218	192	250	265	410	515	105	25.6%
Total capital expenditure excluding spectrum to operating revenue and other gains	10.6%	8.8%	11.5%	10.5%	9.9%	13.5%	11.0%	11.5%		
Total capital expenditure excluding spectrum to adjusted operating revenue and other gains	10.6%	8.8%	11.5%	10.5%	12.8%	13.5%	11.0%	13.2%		
Mobile spectrum	-	51	-	-	-	-	-	-	-	-%
Total capital expenditure including spectrum	190	210	218	192	250	265	410	515	105	25.6%
Total capital expenditure including spectrum to operating revenue and other gains	10.6%	11.7%	11.5%	10.5%	9.9%	13.5%	11.0%	11.5%		
Total capital expenditure including spectrum to adjusted operating revenue and other gains	10.6%	11.7%	11.5%	10.5%	12.8%	13.5%	11.0%	13.2%		

Capital expenditure is the additions to property, plant and equipment and intangible assets (excluding goodwill, acquisitions and other non-cash additions that may be required by NZ IFRS, such as decommissioning costs) and additions to capacity right-of-use assets where such additions are paid upfront.

Analysis & KPIs - Capital expenditure depreciation and amortisation

On adoption of NZ IFRS 16 *Leases*, assets associated with capacity arrangements which were previously recognised within intangible assets have been reclassified to right-of-use assets. Payments for capacity purchases remain within Spark's definition of capital expenditure. Total depreciation on property, plant and equipment, depreciation on capacity right-of-use assets and amortisation of intangible assets is reconciled below:

	H1 FY21	H2 FY21	H1 FY22	H2 FY22	H1 FY23	H2 FY23	FY22	FY23	FY22 vs FY23	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%
Depreciation - property, plant and equipment	124	118	116	118	114	113	234	227	(7)	(3.0%)
Depreciation - right-of-use assets ¹	11	11	11	11	11	11	22	22	-	-%
Amortisation - intangible assets	84	82	83	86	79	87	169	166	(3)	(1.8%)
Total capital expenditure depreciation and	219	211	210	215	204	211	425	415	(10)	(2.4%)

¹Includes depreciation on capacity right-of-use assets only as these are included within Spark's definition of capital expenditure.