



Spark New Zealand H1 FY22 Results Summary

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Results overview

H1 FY22 Results Summary

- Strong first half performance with revenue, EBITDAI, and NPAT in growth.
- Standout performance in mobile, with Endless plans and precision marketing delivering the highest connection growth in the market⁽¹⁾, and increasing consumer demand for data driving ARPU growth.
- Successful launch of simplified broadband plans stabilising base at 702k connections, while wireless broadband (WBB) growth maintained gross margins. Refreshed WBB plans launched into market in H2 to maintain momentum behind wireless strategy.
- Accelerated 5G rollout progressing to plan, with 10 additional locations supporting future growth in mobile and WBB. Government agreement with Māori on spectrum allocation to pave the way for C-band spectrum auction.
- Cloud growth driven by demand for public cloud, and growth in the health sector. Service management growth trajectory impacted by access to client sites, however pipeline remains strong.
- Momentum building in Future Markets in support of long-term growth. Strong revenue growth in the half across Spark Health, Spark Sport, and Spark IoT.
- Material upgrade of Mayoral Drive exchange and construction of new data hall at Takanini Datacentre underway with up to 8MW of capacity already contracted. Multi-year investment supporting future cloud growth and development of multi-access edge compute capability.
- Establishment of Spark TowerCo to drive improved performance, utilisation, and capital efficiency of Spark's passive mobile assets, including ~1,500⁽²⁾ mobile sites. Intend to commence a process in the second half to explore the introduction of third-party capital.
- Continued improvement of ESG performance and progress on inclusivity – Skinny Jump connections up more than 5k, ethnicity data capture among our people up 12pp, and Beyond Binary Code launched since conclusion of the half.
- Confirmed total FY22 dividend guidance of 25.0cps (100% imputed), supported by first half free cash flow of \$183m.

⁽¹⁾Market share estimates sourced from IDC

⁽²⁾Approximately 250 sites relate to outbound co-location on third party owned infrastructure (e.g. Rural Broadband Initiative (RBI) 1 sites)

H1 FY22 Financial Snapshot

Focussed execution against 2023 strategy driving growth and strong operational and financial performance



\$1,890m

REVENUE⁽¹⁾

5.2% increase vs. H1 FY21



\$538m

EBITDAI⁽²⁾

7.6% increase vs. H1 FY21⁽³⁾



\$179m

NPAT

21.8% increase vs. H1 FY21⁽³⁾



\$218m

CAPEX

14.7% increase vs. H1 FY21⁽³⁾



\$183m

FREE CASH FLOW

61.9% increase vs. H1 FY21⁽³⁾



12.5c

H1FY22 DIVIDEND

**Total FY22 Dividend Guidance
confirmed at 25.0cps**

⁽¹⁾ Operating revenues and other gains

⁽²⁾ Earnings before finance income and expense, income tax, depreciation, amortisation and net investment income (EBITDAI) is a non-Generally Accepted Accounting Practice performance measure that is defined and reconciled to net earnings in Spark New Zealand's interim Financial Statements

⁽³⁾ Adjusted for the impact of cloud accounting standards change

H1 FY22 Established Market Performance



\$441m

MOBILE SERVICE
REVENUE

5.0% increase vs. H1 FY21

#1 Mobile Service Revenue⁽¹⁾



\$324m

BROADBAND
REVENUE

(3.9%) decrease vs. H1 FY21

#1 Broadband⁽¹⁾



\$224m

CLOUD, SECURITY, &
SERVICE MANAGEMENT

3.2% increase vs. H1 FY21

#1 Hybrid Cloud⁽²⁾

Fastest growing NZ mobile provider by connections and revenues⁽¹⁾

Growth in ARPU underpinned by customer demand for data with 48% YoY growth in Endless plans

Gross margin expansion of (2pp) due to strong YoY growth in service revenue and focus on product cost efficiencies through simplification

Successful launch of simplified broadband plans resulting in stabilisation of base, closing the half at 702k connections

Revenue impacted by competitive market pressures

Gross margin maintained as benefits of wireless broadband growth offset higher fibre input costs

Public cloud growth continues driven by strong customer demand. Private cloud growth in health sector being offset by portfolio re-price

Growth momentum in service management expected to increase in H2 with delayed transformation projects recommencing and strength of pipeline

Demand for collaboration products and services in support of flexible working continues to increase, with revenue up \$5m or 15.2% YoY⁽³⁾

⁽¹⁾Market share estimates sourced from IDC. Broadband market share estimate by revenue and connections

⁽²⁾Spark's estimate based on independent market share data

⁽³⁾Collaboration revenues reported in managed data, network and services

Strategy update

Strategic Update: World Class Capabilities and Culture

Core capabilities fuelling growth in established and future markets while delivering clear customer, financial, and operational benefits

| | FY23 Aspiration Revenue ⁽¹⁾ | FY23 Aspiration Cost efficiencies ⁽¹⁾ | FY23 Aspirations Operational | H1 FY22 Highlights |
|--|--|--|------------------------------|---|
| Simple Intuitive Customer Experiences | ~\$30m-\$40m On Track | ~\$40m-\$50m Solid Progress | On Track | <ul style="list-style-type: none"> Digital interface pilot allowing frontline team and customers to interact using the same journeys - improving speed of resolution and customer experience Simplification programme continues with removal of a further 38 legacy mobile and broadband plans and 66k customers migrated onto new 'right sized' plans in the half In-App home WiFi and broadband checker capability now live with over 17k customers using self-diagnosis tool |
| Deep Customer Insights | | | On Track | <ul style="list-style-type: none"> Increased coverage of household view to ~88% of New Zealand households - improving our ability to understand and serve the needs of Kiwis 29 machine learning models, enabling highly targeted marketing campaigns resulting in a 16% uplift in precision marketing conversion Return on marketing investment continues with YoY improvement in marketing efficiency of 16% |
| Smart Automated Network | | ~\$55m-\$65m Solid Progress | On Track | <ul style="list-style-type: none"> Accelerated 5G rollout progressing with 10 additional locations and on track to upgrade ~50% of sites nationally by the end of calendar year 2022 Optical Transport Network 2.0 project now over 50% complete, supporting pathway towards unconstrained core network capacity Accelerating copper PSTN decommissioning - targeting ~50 switches by end of FY22 and reducing reliance on grandfathered technology |
| Growth Mindsets | | | On Track | <ul style="list-style-type: none"> Highest people engagement achieved during half Leadership and development programme fostering innovation and growth mindsets capabilities across the business Increase in ethnicity data collection to support targeted initiatives to improve ethnic representation Launched Mahi Tahi Wellbeing Framework to support our people and productivity Developed Te Ao Māori learning modules to uplift Tikanga Māori capability internally |

Revenue aspirations and cost efficiencies reflect the gross benefits of executing the 3-year strategy. However, total revenues will be impacted by market pressures, revenue declines in legacy products and cost-in to support growth, also some cost efficiencies may be re-invested. Therefore not all the value created will be captured by shareholders

⁽¹⁾Aspiration represents FY23 in year revenues and cost efficiencies

Strategic Update: Future Markets

Momentum building in support of long-term growth – on track for overall FY23 revenue aspirations



IoT

- **IoT revenue and connection growth:** strong growth across metering, transport, emergency services, smart environments, and asset management, ending half with YoY connection growth of 31% to 623k connections
- **Enhanced Spark's IoT bridge platform for smart environments monitoring:** including temperature, humidity, occupancy and power usage, with key trial customer fully onboarded and additional customers contracted
- **Sector product development:** full partner re-seller model launched with Adroit in water, soil, and air quality solutions – now one of Spark IoT's fastest growing IoT solutions



Digital Health

- **Strong Spark Health revenue growth:** up 51% YoY (25% excl procurement), driven by continued growth in cloud and health customers who are digitally transforming and COVID-19 Response
- **Introduced Digital Health Platform 'Kete Waiora':** via national virtual roadshow, and one of New Zealand's largest primary health organisations completing proof of concept assessment. Focus on onboarding vendors and customers by end of FY22
- **Supporting the digitisation of healthcare in Aotearoa:** Spark Health won the first national contract for digital services under the newly established Health New Zealand, and MATTR supported the Ministry of Health's creation of the domestic My Vaccine Pass, the international vaccination certificates, and the software supporting the Verification App



Sport

- **H1 Revenue grew:** despite sporting calendar being significantly impacted by COVID-19. Now entering second summer of cricket delivery
- **Future revenue growth:** likely to be slower than originally expected. Considering impact of loss of Premier League
- **Partnerships:** accelerating strategic partnering options to drive improved returns

Strategic Update: Sustainability

Environment

- Following the Science-Based Target Initiative's (SBTi) verification of Spark's emissions reduction target, the reduction requirements have been embedded into Spark's new electricity purchasing agreement
- Published independently assured Greenhouse Gas Inventory Report and are now designing and implementing an emissions reduction and energy efficiency plan

Social

- Continued to bridge the digital divide, connecting an additional ~5k households to Skinny Jump - with a total of ~20k households now benefiting from subsidised broadband
- Continue to champion inclusivity within Spark and Aotearoa. Have increased internal ethnicity data capture (up 12pp to date) to support ethnic diversity initiatives, and this week launched the Beyond Binary Code - a free tool that can be used by businesses to improve gender representation and data collection online and create more inclusive spaces for all New Zealanders

Governance

- In November established Spark's inaugural Sustainability Linked Loans (SLL) by refinancing three existing loans totalling NZ\$425 million. The SLL's are tied to progress against Spark's emissions reduction target and 40:40:20 gender diversity target
- A key focus in FY22 is strengthening supply chain risk management processes and aligning assessment and audit processes with global industry peers
- In the process of formalising Spark's commitment to upholding human rights with the development of a Human Rights Policy and will publish a Modern Slavery Framework in Spark's FY22 Modern Slavery Statement, to provide further transparency over how these risks are managed within the supply chain

**A POSITIVE
DIGITAL FUTURE FOR ALL OF
NEW ZEALAND**

We will work **alongside New Zealand** to harness the **power of technology** and create a **positive digital future for all**.

FY22 indicators of success

| Strategic Pillar | Focus Area | Measure | Target 30 June 2022 | Status |
|----------------------------|----------------------------|--|--------------------------------|--------------------|
| World class capability | Customer experience | Consumer and small business iNPS | +6 point lift | On Track |
| | Data driven insights | Uplift in data driven marketing campaign conversion ⁽¹⁾ | 15% | On Track |
| | Smart automated networks | Accelerate 5G | 10-15 locations ⁽²⁾ | Exceeding |
| | Growth mindsets | eNPS | +70 | Exceeding |
| Grow established markets | Wireless | Mobile service revenue growth | 2-4% | Exceeding |
| | Broadband | Wireless broadband connections | +15-20k | On Track |
| | Cloud | Cloud, security and service management revenue growth | 5-8% | Improvement Needed |
| Accelerate future markets | IoT | Growth in number of connected IoT devices | +300k | On Track |
| | Spark Health | Growth in Spark Health revenues | 8-10% | Exceeding |
| | | Successful launch of Digital Health Platform | 5 DHP customers onboarded | Improvement Needed |
| Lowest cost provider | Deliver best cost | EBITDAI margin | 31% | On Track |
| Build a sustainable future | Championing digital equity | Skinny Jump connections | +5k | On Track |
| | Sustainable Spark | Establish emissions reduction programme | 30 June 2022 | On Track |

⁽¹⁾ Spark consumer base

⁽²⁾ This includes a mix of new locations and existing locations where our 5G footprint will be expanded

Infrastructure Assets – Portfolio Management

Infrastructure asset portfolio update

Investments progressing against three classes of infrastructure assets identified in FY21.



INVEST

& GROW

IMPORTANT FOR COMPETITIVE
ADVANTAGE AND RESILIENCE

- Active mobile
- Critical network exchanges
- Datacentre capacity
- Multi-access edge compute

Critical network investments that will support future growth in mobile, WBB, and cloud:

- Accelerated 5G rollout: progressing to plan, with ~50% sites to be upgraded by end 2022
- Takanini Datacentre capacity expansion: up to 8MW now contracted and new data hall construction underway
- Mayoral Drive Exchange upgrade: commenced to create a strategically valuable point of interconnect and develop multi-access edge compute capability



OPTIMISE

INVESTMENT

ASSETS THAT ARE IMPORTANT
FOR NETWORK RESILIENCE

- Regional and local network exchanges
- Sub-sea cables
- Spark's satellite station

Investing in international capacity to keep NZ connected to the world:

- SX Next build project: on track despite COVID-19 disruption with go live scheduled mid-2022, triggering Southern Cross' customer billing and revenue stream. Final equity contributions expected to be paid in April 2022
- Southern Cross dividends: remain suspended and are not expected to resume until at least FY23



SHARED OWNERSHIP

MODELS

ASSETS THAT CAN BE SHARED

- Passive mobile
- Fibre

Plan to establish Spark TowerCo as a subsidiary company, to improve the performance, utilisation, and capital efficiency of Spark's passive mobile assets

Spark TowerCo – Strategic review update

STRATEGIC REVIEW UPDATE

- Spark plans to transfer its passive mobile tower assets into a separate subsidiary, Spark TowerCo
- Spark’s active mobile assets drive competitiveness – including the core network and radio equipment. Passive mobile assets include the physical towers that support this active equipment, and are generally not a source of differentiation in the market
- Separating these assets into a subsidiary model will improve this utilisation through increased tenancy, while delivering cost efficiencies as Spark expands coverage across Aotearoa
- There will be no change for our customers, and we will continue to invest in modernising our mobile network and improving coverage for Aotearoa

EXPLORING THE INTRODUCTION OF THIRD PARTY CAPITAL

- Spark intends to commence a process in H2 FY22 to explore the introduction of third party capital into Spark TowerCo
- If third party capital is introduced, Spark intends to retain a shareholding and will be a key anchor tenant, with appropriate agreements in place on arms-length terms for operations and services
- No decision has been made to introduce third party capital and there is no certainty that a transaction will proceed. The process is expected to take a number of months and we will update the market at the conclusion of this process

Spark TowerCo - Business snapshot

SPARK TOWERCO ASSET SCOPE

- Spark TowerCo will:
 - Manage a significant portfolio of critical infrastructure assets, and own the passive infrastructure associated with ~1,250 of these sites
 - Provide passive equipment facilities such as power and will hold some freehold property sites
 - Deliver a significant build-to-suit ("BTS") program for Spark to support its network expansion and densification requirements - with demand for data and expanding WBB base expected to drive tower growth

SPARK TOWERCO KEY HIGHLIGHTS

- Well positioned to:
 - Improve asset utilisation through, coverage expansion, future service innovation and increased tenancy
 - Achieve efficiencies in build, maintenance, technology, and lease costs
 - Support Spark's network densification objectives driven by increasing mobile data use and Spark's wireless broadband objectives
 - Maintain safety and reliability of tower assets

SPARK TOWERCO ASSET STRUCTURE

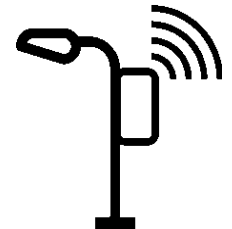
~1,500⁽¹⁾ mobile sites with a tenancy ratio of 1.07



~70% macro towers



~15% on buildings



~15% on light poles



Power
(incl. battery)



Land rights and
selected freehold sites



53% urban

15% regional

32% rural

⁽¹⁾Approximately 250 sites relate to outbound co-location on third party owned infrastructure (e.g. Rural Broadband Initiative (RBI) 1 sites)

Summary

Benefits of three-year strategy flowing through to better customer outcomes and market differentiation

Strong momentum in established markets

Future markets making a significant contribution to overall revenue growth

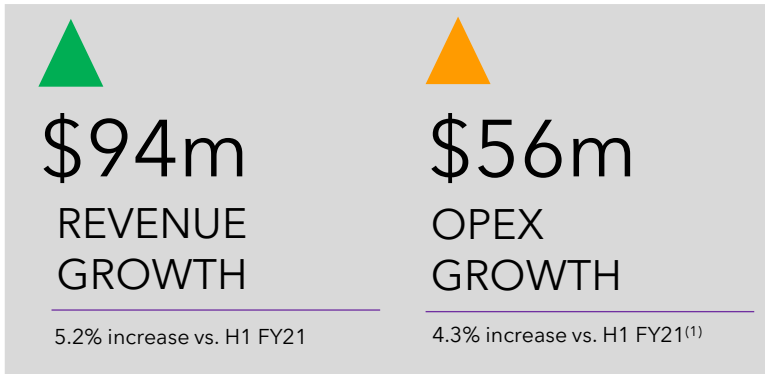
Strategic infrastructure investments supporting future growth, while Spark TowerCo will improve utilisation and efficiency of passive mobile

Growth underpinned by long-term focus on ESG outcomes and building a high-performance culture

Financials

H1 FY22 Financial Performance Summary

Revenue, EBTIDAI and NPAT in growth generating free cash flow to support sustainable dividend

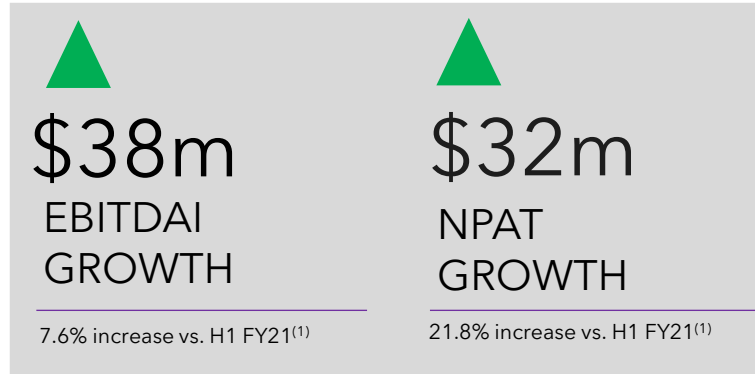


Top line revenue of \$1,890m in growth driven by:

- market leading⁽²⁾ performance in mobile service revenue;
- high procurement software licencing volumes; and
- momentum in future markets

Revenue growth includes cycling of non-recurring wire maintenance reparation reported in H1 FY21

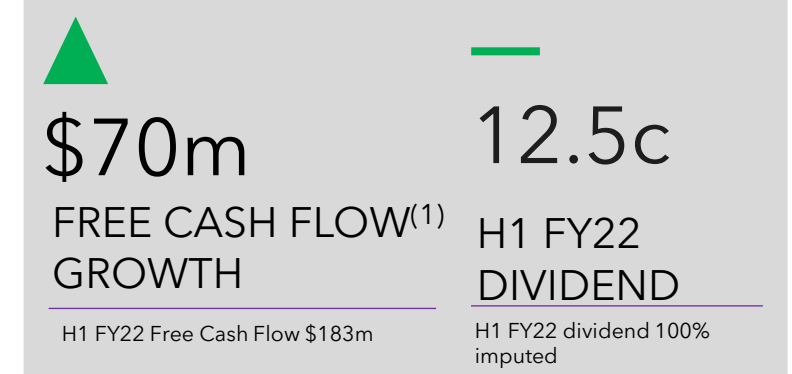
Operating expenses of \$1,352 up 4.3% YoY, with benefits of cost out reinvested in support of growth



Reported EBTIDAI of \$538m up 7.6% YoY and tracking around the top half of guidance range

NPAT improved 21.8% as a result of:

- reduction in finance expense due to lower debt and lease liability interest;
- lower depreciation due to an increase in value of assets that were fully depreciated in FY21; partially offset by
- Increase in tax expense in line with earnings growth



Delivered free cash flow of \$183m with cash conversion of 110%

Reported net debt to EBITDAI ratio within Spark's internal threshold of 1.4x

Total FY22 dividend of 25.0cps confirmed in line with guidance

The Dividend Reinvestment Plan (DRP) has been retained with the H1 FY22 dividend at a zero discount⁽³⁾

⁽¹⁾Adjusted for the impact of cloud accounting standards change

⁽²⁾Market share estimates sourced from IDC

⁽³⁾Dividend Reinvestment Plan (DRP) has been retained for the H1 FY22 dividend. Shares issued under the DRP will be issued at prevailing market price as determined around the time of issue⁽²⁾

Financials

| | H1 FY21 ⁽¹⁾ \$m | H1 FY22 \$m | CHANGE |
|---|-------------------------------|----------------|---------|
| Operating revenues and other gains | 1,796 | 1,890 | 5.2% |
| Operating expenses | (1,296) | (1,352) | 4.3% |
| EBITDAI | 500 | 538 | 7.6% |
| Finance income | 17 | 14 | (17.6%) |
| Finance expense | (43) | (37) | 14.0% |
| Depreciation and amortisation | (262) | (257) | 1.9% |
| Net investment income | - | (1) | NM |
| Net earnings before tax expense | 212 | 257 | 21.2% |
| Tax expense | (65) | (78) | (20.0%) |
| Net earnings after tax expense | 147 | 179 | 21.8% |
| Capital expenditure ⁽²⁾ | 190 | 218 | |
| Free cash flow | 113 | 183 | |
| EBITDAI margin | 27.8% | 28.5% | |
| Effective tax rate | 30.7% | 30.4% | |
| Capital expenditure to operating revenues | 10.6% | 11.5% | |
| Earnings per Share | 8.0 | 9.6 | |
| Total Dividend per Share | 12.5c | 12.5c | |

⁽¹⁾Adjusted for the impact of cloud accounting standards change

⁽²⁾Excluding expenditure on mobile spectrum

H1 FY22 Operational Performance Summary

Solid first half financial performance – tracking around the top half of FY22 guidance



\$1,890m

REVENUE

5.2% increase vs. H1 FY21⁽¹⁾

- Secured ~60% of total market mobile service revenue growth⁽²⁾, up \$21m or 5.0% YoY
- Total cloud, security and service management growth of \$7m or 3.2% with cloud growth reflecting ongoing shift towards public cloud. Service management growth impacted by site access restrictions due to COVID-19
- Strong growth in procurement revenue primarily driven by national health software licence contract
- Growth in other operating revenue includes Spark Sport, Spark IoT and Qrious
- Broadband revenue decline due to competitive market intensity with refreshed plans stabilising connection base; and
- Lower rate of voice revenue decline due to non-recurring H1 FY21 wire maintenance charges (underlying decline of ~15% in line with previous trends)



\$1,352m

OPERATING EXPENSES

4.3% increase vs. H1 FY21⁽¹⁾

- Operating expenses up YoY, however, excluding procurement are broadly flat
- Disciplined focus on cost-out continues with gross cost out benefits reinvested in support of scaling future market businesses
- Increase in product costs driven by higher procurement volumes and growth in cloud and collaboration
- Reduction in other operating expenses driven by precision marketing savings partially offset by a return to normal levels of bad debt expense due to COVID-19 provision reversal in prior year
- Increase in net labour costs due to investment in future market businesses and talent scarcity
- Targeting further cost reductions in H2 to provide flexibility and optionality



\$538m

EBITDAI

7.6% increase vs. H1 FY21⁽¹⁾

- EBITDAI up \$38m or 7.6% YoY reflecting targeted return to revenue growth
- Prior period includes \$17m of non-recurring wire maintenance reparations. Other one off items are broadly consistent across the periods
- During H2 there will continue to be reinvestment in support of revenue growth
- EBITDAI margin of 28.5% and on track to achieve annual aspiration of 31%

⁽¹⁾Adjusted for the impact of cloud accounting standards change


⁽²⁾Market share estimates sourced from IDC

H1 FY22 Capital investment and free cash flow


\$218m
CAPEX⁽¹⁾

14.7% increase vs. H1 FY21⁽²⁾

- Phasing of capital investment in line with prior year with 55% of spend incurred in H1 FY22
- Uplift in mobile RAN investment in support of accelerated 5G rollout
- Increased investment in IT systems in support of:
 - Spark ERP system replacement;
 - End of life IT infrastructure refresh; and
 - Deep customer insight capability to unlock further data driven marketing opportunities
- Prioritised capital investment plan in line with guidance of ~\$400m


\$183m
FREE
CASH FLOW

61.9% increase vs. H1 FY21⁽²⁾

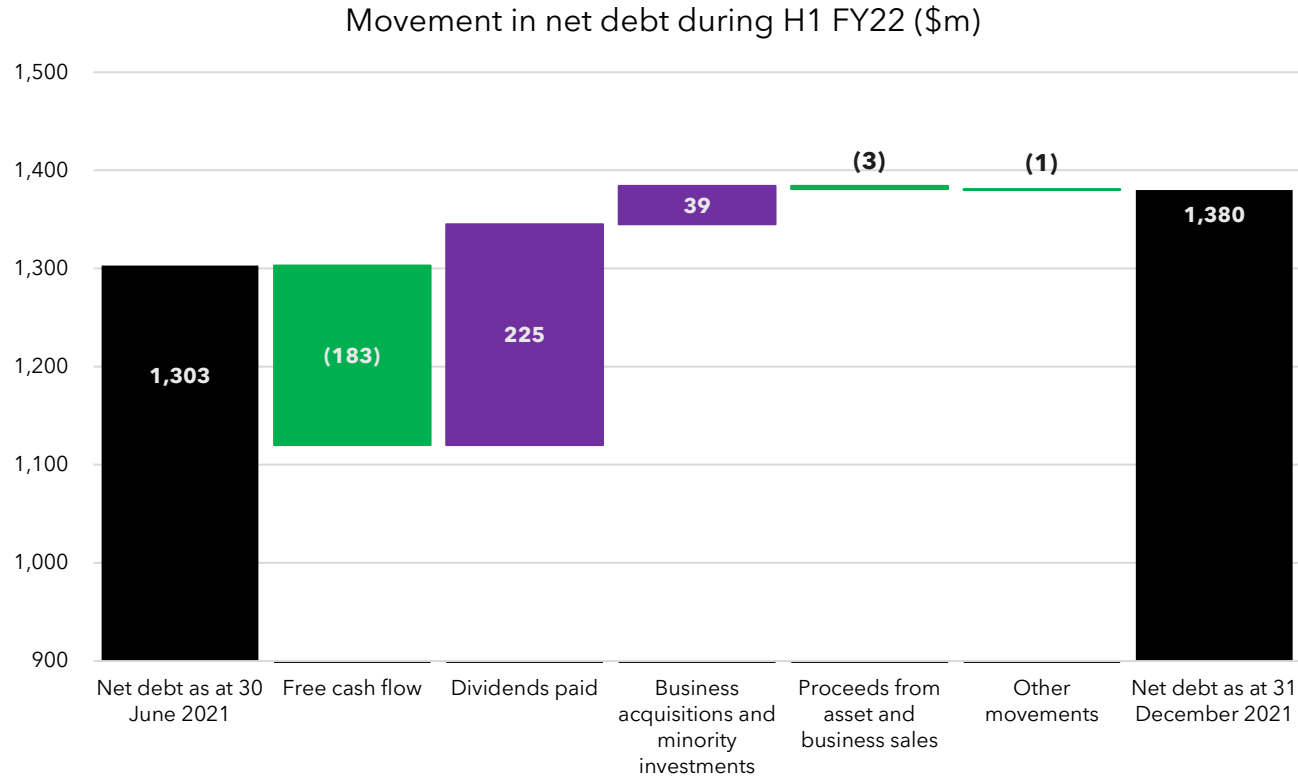
- Free cash flow up \$70m YoY driven by improvement in working capital, EBITDAI growth and lower tax
- Improvement in working capital includes:
 - timing of software license payments with revenue collected in H1 FY22 and payment due in H2 FY22; and offset by
 - additional inventory and prepayments to mitigate against supply chain disruption
- H2 FY22 free cash flow growth expected to be driven by EBITDAI growth and capital expenditure in line with plan
- On track to achieve FY22 free cash flow aspiration of \$420m-\$460m sufficient to fund FY22 dividend of 25.0cps

⁽¹⁾Excluding expenditure on mobile spectrum

⁽²⁾Adjusted for the impact of cloud accounting standards change

Net Debt

Reported net debt up \$77m, including long-term investments in SX Next and rural connectivity



- Reported net debt to EBITDAI ratio of 1.2x⁽¹⁾ consistent with S&P A- credit rating
- Sufficient debt headroom to execute strategy and fund strategic investments
- Established three Sustainability-Linked Loans totalling NZ\$425 million in the half further demonstrating commitment to sustainability

⁽¹⁾ Spark's internal capital management policy is to ensure that on a long-run basis reported net debt to EBITDAI does not exceed 1.4x; which Spark estimates is approximately equivalent to S&P's 1.7x adjusted net debt to EBITDA threshold Spark's internal threshold of 1.4x excludes S&P's adjustments in relation to IFRS16, and captive finance operations

Guidance⁽¹⁾

FY21 Actual⁽²⁾

FY22 Guidance

EBITDAI

\$1,119m

\$1,130m-\$1,160m
Expected to be around top half of range

Capital expenditure⁽³⁾

\$349m

~\$400m

Dividend per share

Total 25.0cps
(100% imputed)

Total 25.0cps⁽⁴⁾
(100% imputed)

⁽¹⁾Subject to no adverse change in operating outlook

⁽²⁾Adjusted for the impact of cloud accounting standards change

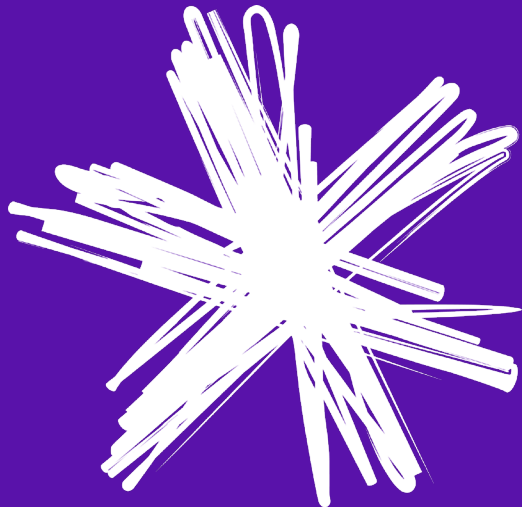
⁽³⁾Excluding expenditure on mobile spectrum

⁽⁴⁾Dividend Reinvestment Plan (DRP) has been retained for the H1 FY22 dividend. Shares issued under the DRP will be issued at prevailing market price as determined around the time of issue

REPORTING

DATE

CHANGE



Spark^{nz}

FY22 Results

Wednesday 24 August 2022
10.00am

Appendix

Cloud accounting standards changes

Cloud Accounting Standards Changes

Implementation of the IFRS interpretations Committee (IFRIC) agenda decision

During the six months ended 31 December 2021, Spark revised its accounting policy in relation to configuration and customisation costs incurred in implementing Software-as-a-Service ('SaaS') cloud computing arrangements. This was in response to the IFRIC agenda decision, issued in April 2021, clarifying its interpretation of how current accounting standards apply to these types of arrangements. The IFRIC decision clarified that because SaaS arrangements are service contracts that provide Spark with the right to access the cloud provider's application software over the contract period, costs to configure or customise this software should be recognised as operating expenses when the services are received.

Spark had previously recorded these configuration and customisation costs as part of the cost of an intangible asset and amortised these costs over the useful life of the software assets. A summary of the impact of the change in accounting policy on Spark's historical statement of profit or losses provided below. Further detail is provided in note 3 of the interim financial statements.

| Adjustments | H1 FY20 | H2 FY20 | H1 FY21 | H2 FY21 | FY20 | FY21 |
|---------------------------------------|------------|------------|------------|------------|------------|------------|
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Operating revenues and other gains | | | | | | |
| Operating expenses | (3) | (3) | (2) | (3) | (6) | (5) |
| EBITDAI | (3) | (3) | (2) | (3) | (6) | (5) |
| Finance income | | | | | | |
| Finance expense | | | | | | |
| Depreciation and amortisation expense | 1 | - | 1 | 1 | 1 | 2 |
| Net investment income | | | | | | |
| Net earnings before income tax | (2) | (3) | (1) | (2) | (5) | (3) |
| Tax expense | - | 1 | - | - | 1 | - |
| Net earnings for the period | (2) | (2) | (1) | (2) | (4) | (3) |

Disclaimer

This announcement may include forward-looking statements regarding future events and the future financial performance of Spark New Zealand. Such forward-looking statements are based on the beliefs of and assumptions made by management along with information currently available at the time such statements were made.

These forward-looking statements may be identified by words such as 'guidance', 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will', 'plan', 'may', 'could', 'ambition', 'aspiration' and similar expressions. Any statements in this announcement that are not historical facts are forward-looking statements. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond Spark New Zealand's control, and which may cause actual results to differ materially from those projected in the forward-looking statements contained in this announcement.

Factors that could cause actual results or performance to differ materially from those expressed or implied in the forward-looking statements are discussed herein and also include Spark New Zealand's anticipated growth strategies, Spark New Zealand's future results of operations and financial condition, economic conditions and the regulatory environment in New Zealand, competition in the markets in which Spark New Zealand operates, risks related to the sharing arrangements with Chorus, any impacts or risks to Spark's anticipated growth strategies, future financial condition and operations, economic conditions or the regulatory environment in New Zealand arising from or otherwise with COVID-19, other factors or trends affecting the telecommunications industry generally and Spark New Zealand's financial condition in particular and risks detailed in Spark New Zealand's filings with NZX and ASX. Except as required by law or the listing rules of the stock exchanges on which Spark New Zealand is listed, Spark New Zealand undertakes no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.