



SPARK FINANCE LIMITED

Interim financial statements

For the six months ended 31 December 2025

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These interim financial statements do not include all the notes and information normally included in the annual financial statements. Accordingly, they should be read in conjunction with the annual financial statements for the year ended 30 June 2025.

Directors' report

Spark Finance Limited ('Spark Finance' or 'the Company') is a wholly-owned subsidiary of Spark New Zealand Limited ('Spark New Zealand' and together with its subsidiaries, the 'Spark New Zealand Group').

Principal activities

The principal activity of Spark Finance is that of a finance company for the Spark New Zealand Group and was incorporated in 1991. Spark Finance raises debt funding in New Zealand and internationally. The majority of these funds are then advanced to other members of the Spark New Zealand Group in order to assist in funding their operations.

Principal risks

The key risks to Spark Finance are currency, interest rate, credit and liquidity risks. A summary of these risks and Spark Finance's risk management objectives and policies are set out in note 10 in the Company's financial statements for the year ended 30 June 2025. The Directors of Spark Finance do not believe there is any significant financial risk to Spark Finance as financial assets are matched by financial liabilities with similar characteristics. Spark Finance enters into derivative financial instruments in order to manage the currency and interest rate risks associated with its borrowings, as well as to manage the currency risk associated with the operations of the Spark New Zealand Group. As the proceeds of debt are advanced to other members of the Spark New Zealand Group, the ability of Spark Finance to meet its obligations under the debt issues depends upon the payment of principal and interest due from other Spark New Zealand Group companies.

Business review

Spark Finance recorded net earnings after tax for the six months ended 31 December 2025 of \$98 million (31 December 2024: \$95 million).

The net assets of Spark Finance as at 31 December 2025 were \$977 million compared to \$1,068 million as at 30 June 2025. The share capital of Spark Finance as at 31 December 2025 is \$883 million (30 June 2025: \$883 million) consisting of 882,872,600 issued and fully paid shares, of which 342,872,600 are ordinary shares. Spark Finance did not acquire any of its own shares during the six months ended 31 December 2025 (31 December 2024: nil).

On 29 August 2025, Spark Finance paid a dividend of 21.52 cents per share or \$190 million to Spark New Zealand Limited, which was paid through the intercompany current account (31 December 2024: 18.69 cents per share or \$165 million).

On 27 November 2025, Spark Finance announced it has extended the term of its existing \$125 million committed revolving sustainability linked loan facility with MUFG Bank, Ltd. by one year, to mature on 30 November 2026.

On 7 July 2025, a \$24 million loan receivable from SNZL matured and was settled through the intercompany current account.

On 31 December 2025, a \$488 million loan receivable from Spark NZ Trading Limited (SNT) matured and was similarly settled through the intercompany current account.

The Directors of Spark Finance consider the results of the Company to be satisfactory and the Company to be in a sound financial position.

Spark Finance solely lends to other companies within the Spark New Zealand Group and, accordingly, its financial performance should be considered in conjunction with the financial performance of the Spark New Zealand Group. A copy of the Spark New Zealand Group's results for the six months period ended 31 December 2025 can be found at investors.sparknz.co.nz.

Based on current expectations, Spark Finance will continue to operate as the principal finance company for the Spark New Zealand Group. Spark Finance does not engage in research and development activities.

On behalf of the Board

Signed by:

82A5F119167B415...
Stewart Taylor
DIRECTOR

DocuSigned by:

EAE6EF45F755407...
Matthew Sheppard
DIRECTOR

Date: 25 February 2026

Financial statements

Statement of profit or loss and other comprehensive income

| | NOTE | 2025 | 2024 |
|--|------|------------------|------------------|
| | | UNAUDITED \$M | UNAUDITED \$M |
| SIX MONTHS ENDED 31 DECEMBER | | | |
| Finance income | 2 | 211 | 215 |
| Finance expense | 2 | (75) | (83) |
| Net finance income | | 136 | 132 |
| Net earnings before income tax | | 136 | 132 |
| Income tax expense | | (38) | (37) |
| Net earnings for the period | | 98 | 95 |
| Other comprehensive income | | | |
| <i>Items that may be reclassified to profit or loss:</i> | | | |
| Change in hedge reserves net of tax | | 1 | (34) |
| Other comprehensive income for the period | | 1 | (34) |
| Total comprehensive income for the period | | 99 | 61 |

See accompanying notes to the financial statements.

Statement of changes in equity

| | NOTE | SHARE | RETAINED | HEDGE | TOTAL |
|--|------|------------|------------|-------------|------------|
| | | CAPITAL | EARNINGS | RESERVES | EQUITY |
| SIX MONTHS ENDED 31 DECEMBER 2025 | | | | | |
| | | \$M | \$M | \$M | \$M |
| Balance at 1 July 2025 | | 883 | 206 | (21) | 1,068 |
| Net earnings for the period | | - | 98 | - | 98 |
| Other comprehensive income for the period | | - | - | 1 | 1 |
| Total comprehensive income for the period | | - | 98 | 1 | 99 |
| Dividends | 4 | - | (190) | - | (190) |
| Balance at 31 December 2025 | | 883 | 114 | (20) | 977 |

| | NOTE | SHARE | RETAINED | HEDGE | TOTAL |
|--|------|------------|------------|-------------|------------|
| | | CAPITAL | EARNINGS | RESERVES | EQUITY |
| SIX MONTHS ENDED 31 DECEMBER 2024 | | | | | |
| | | \$M | \$M | \$M | \$M |
| Balance at 1 July 2024 | | 883 | 178 | 11 | 1,072 |
| Net earnings for the period | | - | 95 | - | 95 |
| Other comprehensive loss for the period | | - | - | (34) | (34) |
| Total comprehensive income for the period | | - | 95 | (34) | 61 |
| Dividends | 4 | - | (165) | - | (165) |
| Balance at 31 December 2024 | | 883 | 108 | (23) | 968 |

See accompanying notes to the financial statements.

Financial statements

Statement of financial position

| | | AS AT 31 DECEMBER 2025 UNAUDITED \$M | AS AT 30 JUNE 2025 AUDITED \$M |
|--|------|--|--|
| | NOTE | | |
| Current assets | | | |
| Cash | | 1 | 1 |
| Short-term derivative assets | | 9 | 4 |
| Due from other Spark New Zealand Group companies | | 4,645 | 4,785 |
| Total current assets | | 4,655 | 4,790 |
| Non-current assets | | | |
| Long-term prepayments | | 1 | 1 |
| Due from other Spark New Zealand Group companies | | 555 | 1,330 |
| Long-term derivative assets | | 15 | 11 |
| Deferred tax assets | | 8 | 8 |
| Total non-current assets | | 579 | 1,350 |
| Total assets | | 5,234 | 6,140 |
| Current liabilities | | | |
| Bank overdraft | | 3 | 6 |
| Taxation payable | | 113 | 75 |
| Due to other Spark New Zealand Group companies | | 2,667 | 3,499 |
| Short-term derivative liabilities | | 3 | 7 |
| Current debt | 3 | 459 | 380 |
| Accrued interest | | 4 | 3 |
| Total current liabilities | | 3,249 | 3,970 |
| Non-current liabilities | | | |
| Long-term derivative liabilities | | 37 | 60 |
| Non-current debt | 3 | 971 | 1,042 |
| Total non-current liabilities | | 1,008 | 1,102 |
| Total liabilities | | 4,257 | 5,072 |
| Equity | | | |
| Share capital | | 883 | 883 |
| Reserves | | (20) | (21) |
| Retained earnings | | 114 | 206 |
| Total equity | | 977 | 1,068 |
| Total liabilities and equity | | 5,234 | 6,140 |

See accompanying notes to the financial statements.

On behalf of the Board of Spark Finance Limited

Signed by:

 82A5F119167B415...
Stewart Taylor
 DIRECTOR

DocuSigned by:

 EAE6FF45F755407...
Matthew Sheppard
 DIRECTOR

Authorised for issue on: 25 February 2026

Financial statements

Statement of cash flows

| | 2025 | 2024 |
|---|-------------|--------------|
| | UNAUDITED | UNAUDITED |
| | \$M | \$M |
| SIX MONTHS ENDED 31 DECEMBER | | |
| Cash flows from operating activities | | |
| Receipts from interest | - | 1 |
| Payments for interest | (39) | (50) |
| Net deposits from / (advances to) other Spark New Zealand Group companies | 61 | (112) |
| Net cash flows from operating activities | 22 | (161) |
| Cash flows from financing activities | | |
| Proceeds from current debt | 1,473 | 1,297 |
| Repayments of current debt | (1,528) | (1,166) |
| Proceeds from non-current debt | 4,495 | 4,129 |
| Repayments of non-current debt | (4,465) | (4,060) |
| Net cash flows from financing activities | (25) | 200 |
| Net cash flows | (3) | 39 |
| Opening cash position | 1 | 1 |
| Closing cash position | (2) | 40 |
| Cash | 1 | 40 |
| Bank overdraft | (3) | - |
| Closing cash position | (2) | 40 |

Reconciliation of net earnings to net cash flows from operating activities

| | | 2025 | 2024 |
|---|------|-----------|--------------|
| | | UNAUDITED | UNAUDITED |
| | | \$M | \$M |
| SIX MONTHS ENDED 31 DECEMBER | | | |
| Net earnings for the period | NOTE | 98 | 95 |
| Adjustments to reconcile net earnings to net cash flows from operating activities | | | |
| Non-cash intercompany income | 2 | (211) | (214) |
| Non-cash intercompany expenses | 2 | 36 | 34 |
| Non-cash tax expense | | 38 | 37 |
| Revaluation of debt in a fair value hedge | | 26 | 37 |
| Revaluation of derivatives in a fair value hedge | | (34) | (36) |
| Movement in amounts with Spark New Zealand Group companies | | 69 | (113) |
| Accrued interest and other expenses | | - | (1) |
| Net cash flows from operating activities | | 22 | (161) |

See accompanying notes to the financial statements.

Notes to the financial statements

Note 1 About this report

These unaudited interim financial statements are for Spark Finance Limited ('Spark Finance') for the six months ended 31 December 2025.

Spark Finance is incorporated and domiciled in New Zealand, registered under the Companies Act 1993 and is an FMC reporting entity under the Financial Markets Conduct Act 2013.

Basis of preparation

The interim financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with New Zealand equivalents to International Accounting Standard 34: *Interim Financial Reporting* and International Accounting Standard 34: *Interim Financial Reporting*, as appropriate for profit-oriented entities.

The accounting policies adopted are consistent with those followed in the preparation of Spark Finance's annual financial statements for the year ended 30 June 2025. The preparation of the interim financial statements requires management to make judgements, estimates and assumptions. Spark Finance has been consistent in applying the judgements, estimates and assumptions adopted in the annual financial statements for the year ended 30 June 2025.

Financial instruments are either carried at amortised cost, less any provision for impairment, or fair value. The only significant variances between instruments held at amortised cost and their fair value relate to long-term debt. There were no changes in valuation techniques during the period. Spark Finance's derivatives are held at fair value, calculated using discounted cash flow models and observable market rates of interest and foreign exchange prices. This represents a level two measurement under the fair value measurement hierarchy, being inputs other than quoted prices included within level one that are observable for the asset or liability. The fair value of forward foreign exchange contracts is determined using forward exchange rates at the period end date, with the resulting value discounted back to present value.

New and amended standards

NZ IFRS 18 *Presentation and Disclosure in Financial Statements* (NZ IFRS 18) will replace NZ IAS 1 *Presentation of Financial Statements* and may have a material impact on Spark Finance's disclosures. NZ IFRS 18 has been issued but is not yet effective until periods commencing on or after 1 January 2027.

NZ IFRS 18 sets out the requirements for the presentation and disclosure of information in financial statements, and will not change net profit reported, but how results are presented on the statement of profit or loss and other comprehensive income and what information is disclosed in the notes. Spark Finance is yet to determine the disclosure impacts of this standard and whether it will adopt it prior to the year ending 30 June 2028. The key changes of NZ IFRS 18 are expected to be:

- A more structured statement of profit or loss and other comprehensive income, including new subtotals, and income and expenses classified into three categories (operating, investing and financing).
- Non-GAAP, management performance measures are required to be disclosed in the financial statements and subject to audit.
- New disclosures are required for items currently labelled as 'other', with enhanced guidance on how to group information within the financial statements.

The amendments will take effect for annual reporting periods starting on or after 1 January 2026. Spark Finance is yet to determine the disclosure impacts of this standard.

There are no other new standards, amendments or interpretations that have been issued and are not yet effective, that are expected to have a significant impact on the financial statements of Spark Finance.

Note 2 Finance income and expense

| SIX MONTHS ENDED 31 DECEMBER | 2025 | 2024 |
|--|------------------|------------------|
| | UNAUDITED \$M | UNAUDITED \$M |
| Finance income: | | |
| Interest income on loans to other Spark New Zealand Group companies | 211 | 214 |
| Interest income on cash | - | 1 |
| Total finance income | 211 | 215 |
| Finance expense: | | |
| Net finance expense on debt: | | |
| Foreign Currency Medium Term Notes | 13 | 20 |
| Domestic Notes | 12 | 17 |
| Bank Funding | 5 | 13 |
| Other Debt ¹ | 5 | (8) |
| Interest expense on loans from other Spark New Zealand Group companies | 36 | 34 |
| Other interest and finance expense | 4 | 7 |
| Total finance expense | 75 | 83 |

¹ This is net finance expense on interest rate swaps.

Notes to the financial statements

Note 3 Debt

| | FACILITY | COUPON RATE | MATURITY | AS AT | AS AT |
|--|-----------------|-------------|------------|--------------|--------------|
| | | | | 31 DECEMBER | 30 JUNE |
| | | | | 2025 | 2025 |
| | | | | UNAUDITED | AUDITED |
| | | | | \$M | \$M |
| Current debt | | | | | |
| Commercial paper | | Variable | < 3 months | 120 | 150 |
| | | | | 120 | 150 |
| Bank funding | | | | | |
| MUFG Bank, Ltd. ^{1,2} | 125 million NZD | Variable | 30/11/2026 | - | 125 |
| Westpac New Zealand Limited ¹ | 200 million NZD | Variable | 30/11/2026 | 100 | - |
| | | | | 100 | 125 |
| Domestic notes | | | | | |
| 125 million NZD | | 3.94% | 7/09/2026 | 125 | - |
| | | | | 125 | - |
| Foreign currency Medium Term Notes | | | | | |
| Australian Medium Term Notes - 100 million AUD | | 1.90% | 05/06/2026 | 114 | 105 |
| | | | | 114 | 105 |
| Total current debt | | | | 459 | 380 |
| Non-current debt | | | | | |
| Bank funding | | | | | |
| Commonwealth Bank of Australia ¹ | 100 million NZD | Variable | 28/11/2027 | 100 | 70 |
| | | | | 100 | 70 |
| Domestic notes | | | | | |
| 125 million NZD | | 3.94% | 7/09/2026 | - | 124 |
| 100 million NZD ³ | | 4.37% | 29/09/2028 | 100 | 100 |
| 125 million NZD | | 5.21% | 18/09/2029 | 129 | 129 |
| 175 million NZD | | 5.45% | 18/09/2031 | 181 | 182 |
| | | | | 410 | 535 |
| Foreign currency Medium Term Notes | | | | | |
| Australian Medium Term Notes - 150 million AUD | | 4.00% | 20/10/2027 | 171 | 160 |
| Australian Medium Term Notes - 125 million AUD | | 2.60% | 18/03/2030 | 128 | 123 |
| Norwegian Medium Term Notes - 1 billion NOK ⁴ | | 3.07% | 19/03/2029 | 162 | 154 |
| | | | | 461 | 437 |
| Total non-current debt | | | | 971 | 1,042 |
| Total debt | | | | 1,430 | 1,422 |

¹ These facilities are sustainability linked loans. Spark Finance will receive lower interest rates for the next annual period if it achieves annual sustainability targets or pay higher rates on the loans for the next annual period if it falls short of these annual targets.

² On 27 November 2025, the MUFG facility was extended to mature on 30 November 2026, however it was undrawn as at 31 December 2025.

³ This bond is a sustainability linked bond. The bond includes an interest rate step up depending on the achievement of a sustainability target as at 30 June 2026.

⁴ Norwegian krone.

On 27 November 2025, Spark Finance announced it has extended the term of its existing \$125 million committed revolving sustainability linked loan facility with MUFG Bank, Ltd. by one year, to mature on 30 November 2026.

The fair value of total debt based on market observable prices, was \$1,452million compared to a carrying value of \$1,430 million as at 31 December 2025 (30 June 2025: fair value of \$1,436 million compared to a carrying value of \$1,422 million).

Note 4 Dividends

On 29 August 2025, Spark Finance paid a dividend of 21.52 cents per share or \$190 million to Spark New Zealand Limited, which was paid through the intercompany current account (31 December 2024: 18.69 cents per share or \$165 million).

Contact details

Registered office

The registered office of Spark Finance is:

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New Zealand
Ph +64 4 471 1638 or 0800 108 010

Inquiries

Bondholders with inquiries about transactions, changes of address or interest payments should contact:

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PO Box 91976
Auckland 1142
Ph +64 9 375 5998 (investor inquiries)
spark@cm.mpms.mufg.com
nz.investorcentre.mpms.mufg.com

For inquiries about the operating and financial performance of Spark Finance or the Spark New Zealand Group contact:

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Visit the Spark New Zealand website at www.sparknz.co.nz