# Spark New Zealand

## Group result - reported

Reported revenue, expenses, EBITDAI and NPAT exclude the results of the data centre business which has been classified as a discontinued operation in the Financial Statements in FY26.

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| Operating revenues and other gains | 1,956 | 1,864 | 1,916 | 1,809 | 1,893 | 2,056 | 3,725 | 3,949 | 224 | 6.0% |
| Operating expenses | (1,437) | (1,242) | (1,510) | (1,162) | (1,445) | (1,209) | (2,672) | (2,654) | 18 | 0.7% |
| **EBITDAI** | **519** | **622** | **406** | **647** | **448** | **847** | **1,053** | **1,295** | **242** | **23.0%** |
| Finance income | 14 | 16 | 15 | 16 | 14 | 9 | 31 | 23 | (8) | (25.8%) |
| Finance expense | (63) | (81) | (75) | (74) | (69) | (72) | (149) | (141) | 8 | 5.4% |
| Depreciation and amortisation | (244) | (268) | (293) | (297) | (304) | (298) | (590) | (602) | (12) | (2.0%) |
| Net investment income / (loss) | (3) | (5) | - | 2 | (1) | - | 2 | (1) | (3) | NM |
| **Net earnings before income tax** | **223** | **284** | **53** | **294** | **88** | **486** | **347** | **574** | **227** | **65.4%** |
| Tax income / (expense) | (69) | (127) | (22) | (73) | (34) | (54) | (95) | (88) | 7 | 7.4% |
| Net earnings from continuing operations | 154 | 157 | 31 | 221 | 54 | 432 | 252 | 486 | 234 | 92.9% |
| Net earnings from discontinued operations | 2 | 3 | 4 | 4 | 10 | 3 | 8 | 13 | 5 | 62.5% |
| **Total net earnings for the period** | **156** | **160** | **35** | **225** | **64** | **435** | **260** | **499** | **239** | **91.9%** |
| | | | | | | | | | | |
| BAU Capital expenditure | 267 | 210 | 238 | 163 | 217 | 184 | 401 | 401 | - | -% |
| Strategic Capital expenditure | 19 | 22 | 14 | 14 | 54 | 12 | 28 | 66 | 38 | NM |
| **Capital expenditure excluding spectrum** | **286** | **232** | **252** | **177** | **271** | **196** | **429** | **467** | **38** | **8.9%** |
| | | | | | | | | | | |
| Reported EBITDAI margin | 26.5% | 33.4% | 21.2% | 35.8% | 23.7% | 41.2% | 28.3% | 32.8% | 4.5pp | |
| Reported effective tax rate | 30.9% | 44.7% | 41.5% | 24.8% | 38.6% | 11.1% | 27.4% | 15.3% | (12.1pp) | |
| Capital expenditure to operating revenues and other gains | 14.6% | 12.4% | 13.2% | 9.8% | 14.3% | 9.5% | 11.5% | 11.8% | 0.3pp | |
| Reported basic EPS[1] (cents) from continuing operations | 8.4 | 8.7 | 1.6 | 12.0 | 2.9 | 22.8 | 13.6 | 25.7 | 12.1 | 89.0% |
| Reported diluted EPS (cents) from continuing operations | 8.4 | 8.8 | 1.6 | 12.0 | 2.9 | 22.8 | 13.6 | 25.7 | 12.1 | 89.0% |
| Reported basic EPS (cents) from discontinued operations | 0.1 | 0.2 | 0.2 | 0.3 | 0.5 | 0.2 | 0.4 | 0.7 | 0.3 | 75.0% |
| Reported diluted EPS (cents) from discontinued operations | 0.1 | 0.3 | 0.2 | 0.3 | 0.5 | 0.2 | 0.4 | 0.7 | 0.3 | 75.0% |

[1]Earnings per share

NM denotes 'not meaningful'

## Group result - adjusted

Spark's policy is to present 'adjusted EBITDAI' and 'adjusted net earnings' when a financial year includes one-off significant items (such as gains, expenses and impairments) individually greater than $25 million. In the year ended 30 June 2026, the net gain on sale of the data centre business in January 2026 amounted to $278 million and any associated tax impact were deemed significant to adjust. In the year ended 30 June 2025, the net gain on sale of the remaining Connexa investment of $71 million, the transformation costs associated with Spark's SPK-26 Operate Programme amounted to $53 million and any associated tax impacts were deemed significant to adjust.

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| Adjusted operating revenues and other gains | 1,976 | 1,885 | 1,939 | 1,761 | 1,917 | 1,783 | 3,700 | 3,700 | - | -% |
| Adjusted operating expenses | (1,446) | (1,252) | (1,491) | (1,149) | (1,446) | (1,219) | (2,640) | (2,665) | (25) | (0.9%) |
| **Adjusted EBITDAI** | **530** | **633** | **448** | **612** | **471** | **564** | **1,060** | **1,035** | **(25)** | **(2.4%)** |
| Finance income | 14 | 16 | 15 | 16 | 14 | 9 | 31 | 23 | (8) | (25.8%) |
| Finance expense | (63) | (81) | (75) | (74) | (69) | (72) | (149) | (141) | 8 | 5.4% |
| Depreciation and amortisation | (251) | (276) | (300) | (304) | (304) | (298) | (604) | (602) | 2 | 0.3% |
| Adjusted net investment income / (loss) | (3) | (5) | - | 2 | (1) | - | 2 | (1) | (3) | NM |
| **Adjusted net earnings before income tax** | **227** | **287** | **88** | **252** | **111** | **203** | **340** | **314** | **(26)** | **(7.6%)** |
| Adjusted income tax expense | (70) | (102) | (32) | (81) | (38) | (51) | (113) | (89) | 24 | 21.2% |
| **Adjusted net earnings for the period** | **157** | **185** | **56** | **171** | **73** | **152** | **227** | **225** | **(2)** | **(0.9%)** |
| | | | | | | | | | | |
| BAU Capital expenditure | 267 | 210 | 238 | 163 | 217 | 184 | 401 | 401 | - | -% |
| Strategic Capital expenditure | 19 | 22 | 14 | 14 | 54 | 12 | 28 | 66 | 38 | NM |
| Capital expenditure excluding spectrum | **286** | **232** | **252** | **177** | **271** | **196** | **429** | **467** | **38** | **8.9%** |
| | | | | | | | | | | |
| Free cash flows excluding spectrum | (100) | 219 | 58 | 202 | 107 | 201 | 260 | 308 | 48 | 18.5% |
| | | | | | | | | | | |
| Adjusted EBITDAI margin | 26.8% | 33.6% | 23.1% | 34.8% | 24.6% | 31.6% | 28.6% | 28.0% | (0.6pp) | |
| Adjusted effective tax rate | 30.8% | 35.5% | 36.4% | 32.1% | 34.2% | 25.1% | 33.2% | 28.3% | (4.9pp) | |
| Capital expenditure to adjusted operating revenues and other gains | 14.5% | 12.3% | 13.0% | 10.1% | 14.1% | 11.0% | 11.6% | 12.6% | 1.0pp | |
| Adjusted basic EPS (cents) | 8.6 | 10.1 | 3.1 | 9.2 | 3.9 | 8.0 | 12.3 | 11.9 | (0.4) | (3.3%) |
| Adjusted diluted EPS (cents) | 8.5 | 10.2 | 3.1 | 9.2 | 3.9 | 8.0 | 12.3 | 11.9 | (0.4) | (3.3%) |

## Declared Dividends

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| Ordinary dividends (cents per share) | 13.50 | 14.00 | 12.50 | 12.50 | 8.00 | 8.00 | 25.00 | 16.00 | (9.00) | (36.0%) |
| Total dividend (cents per share) | 13.50 | 14.00 | 12.50 | 12.50 | 8.00 | 8.00 | 25.00 | 16.00 | (9.00) | (36.0%) |

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## Group operating revenues and other gains

| Connectivity | H1 FY24 $m | H2 FY24 $m | H1 FY25 $m | H2 FY25 $m | H1 FY26 $m | H2 FY26 $m | FY25 $m | FY26 $m | FY26 vs FY25 $m | % |
|---|---|---|---|---|---|---|---|---|---|---|
| Mobile service revenue | 510 | 500 | 491 | 496 | 499 | 499 | 987 | 998 | 11 | 1.1% |
| Mobile non-service revenue | 239 | 225 | 248 | 218 | 255 | 264 | 466 | 519 | 53 | 11.4% |
| Total mobile | 749 | 725 | 739 | 714 | 754 | 763 | 1,453 | 1,517 | 64 | 4.4% |
| Voice | 94 | 86 | 78 | 72 | 65 | 61 | 150 | 126 | (24) | (16.0%) |
| Broadband[1] | 309 | 304 | 302 | 306 | 303 | 293 | 608 | 596 | (12) | (2.0%) |
| Other connectivity[2] | 184 | 189 | 182 | 181 | 163 | 164 | 363 | 327 | (36) | (9.9%) |
| Total connectivity | 1,336 | 1,304 | 1,301 | 1,273 | 1,285 | 1,281 | 2,574 | 2,566 | (8) | (0.3%) |
| **Other** | | | | | | | | | | |
| Cloud | 109 | 116 | 118 | 117 | 120 | 113 | 235 | 233 | (2) | (0.9%) |
| IT service management | 68 | 64 | 61 | 55 | 49 | 55 | 116 | 104 | (12) | (10.3%) |
| Procurement and partners | 339 | 209 | 332 | 206 | 344 | 219 | 538 | 563 | 25 | 4.6% |
| Other products | 105 | 109 | 104 | 102 | 95 | 105 | 206 | 200 | (6) | (2.9%) |
| Total other | 621 | 498 | 615 | 480 | 608 | 492 | 1,095 | 1,100 | 5 | 0.5% |
| **Adjusted operating revenues** | 1,957 | 1,802 | 1,916 | 1,753 | 1,893 | 1,773 | 3,669 | 3,666 | (3) | (0.1%) |
| Other gains | 19 | 83 | 23 | 8 | 24 | 10 | 31 | 34 | 3 | 9.7% |
| **Adjusted operating revenues and other gains** | 1,976 | 1,885 | 1,939 | 1,761 | 1,917 | 1,783 | 3,700 | 3,700 | - | -% |
| Adjusting items - net gain on sale[3] | - | - | - | 71 | - | 278 | 71 | 278 | 207 | NM |
| Operating revenues from discontinued operations | (20) | (21) | (23) | (23) | (24) | (5) | (46) | (29) | 17 | 37.0% |
| **Reported operating revenues and other gains** | 1,956 | 1,864 | 1,916 | 1,809 | 1,893 | 2,056 | 3,725 | 3,949 | 224 | 6.0% |

[1]Wireless broadband revenues and connections are included in broadband revenues and connections.
[2]Other connectivity includes IoT, managed data and networks, security and collaboration.
[3] FY25 is net gain on sale of Connexa and FY26 is net gain on sale of data centres.

## Group operating expenses

| Product costs | H1 FY24 $m | H2 FY24 $m | H1 FY25 $m | H2 FY25 $m | H1 FY26 $m | H2 FY26 $m | FY25 $m | FY26 $m | FY26 vs FY25 $m | % |
|---|---|---|---|---|---|---|---|---|---|---|
| **Connectivity** | | | | | | | | | | |
| Total mobile | (253) | (231) | (251) | (206) | (258) | (232) | (457) | (490) | (33) | (7.2%) |
| Voice | (43) | (38) | (36) | (32) | (30) | (27) | (68) | (57) | 11 | 16.2% |
| Broadband | (161) | (164) | (162) | (169) | (162) | (156) | (331) | (318) | 13 | 3.9% |
| Other connectivity | (98) | (108) | (96) | (100) | (85) | (86) | (196) | (171) | 25 | 12.8% |
| **Other** | | | | | | | | | | |
| Cloud | (38) | (47) | (61) | (50) | (63) | (58) | (111) | (121) | (10) | (9.0%) |
| IT service management | (9) | (21) | (18) | (15) | (13) | (17) | (33) | (30) | 3 | 9.1% |
| Procurement and partners | (315) | (168) | (307) | (166) | (325) | (197) | (473) | (522) | (49) | (10.4%) |
| Other product costs | (27) | (28) | (34) | (29) | (23) | (30) | (63) | (53) | 10 | 15.9% |
| Total product costs | (944) | (805) | (965) | (767) | (959) | (803) | (1,732) | (1,762) | (30) | (1.7%) |
| **Labour** | (279) | (233) | (271) | (172) | (216) | (169) | (443) | (385) | 58 | 13.1% |
| **Other operating expenses** | | | | | | | | | | |
| Network support costs | (40) | (33) | (52) | (27) | (57) | (50) | (79) | (107) | (28) | (35.4%) |
| Computer costs | (52) | (63) | (74) | (58) | (75) | (80) | (132) | (155) | (23) | (17.4%) |
| Accommodation costs | (29) | (29) | (29) | (26) | (27) | (23) | (55) | (50) | 5 | 9.1% |
| Electricity - Data Centres[1] | (2) | (2) | (3) | (4) | (4) | - | (7) | (4) | 3 | 42.9% |
| Electricity - non Data Centres | (17) | (17) | (16) | (18) | (17) | (17) | (34) | (34) | - | -% |
| Advertising, promotions and communication | (33) | (21) | (31) | (27) | (42) | (27) | (58) | (69) | (11) | (19.0%) |
| Bad debts | (7) | (8) | (10) | (9) | (10) | (6) | (19) | (16) | 3 | 15.8% |
| Other | (43) | (41) | (40) | (41) | (39) | (44) | (81) | (83) | (2) | (2.5%) |
| | (223) | (214) | (255) | (210) | (271) | (247) | (465) | (518) | (53) | (11.4%) |
| **Adjusted operating expenses** | (1,446) | (1,252) | (1,491) | (1,149) | (1,446) | (1,219) | (2,640) | (2,665) | (25) | (0.9%) |
| Transformation costs | - | - | (29) | (24) | - | - | (53) | - | 53 | 100.0% |
| Operating expenses from discontinued operations | 9 | 10 | 10 | 11 | 10 | 1 | 21 | 11 | (10) | (47.6%) |
| Separation costs | - | - | - | - | (9) | 9 | - | - | - | -% |
| **Reported operating expenses** | (1,437) | (1,242) | (1,510) | (1,162) | (1,445) | (1,209) | (2,672) | (2,654) | 18 | 0.7% |

[1]Estimated electricity costs to run Spark Group's dedicated data centres.

## Group FTEs

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| FTE permanent | 5,356 | 5,072 | 4,456 | 3,792 | 3,584 | 3,292 | 3,792 | 3,292 | (500) | (13.2%) |
| FTE contractors | 97 | 70 | 94 | 55 | 48 | 25 | 55 | 25 | (30) | (54.2%) |
| Total FTE | 5,453 | 5,142 | 4,550 | 3,847 | 3,632 | 3,317 | 3,847 | 3,317 | (530) | (13.8%) |

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## Gross margin by product

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| Total mobile | 496 | 494 | 488 | 508 | 496 | 531 | 996 | 1,027 | 31 | 3.1% |
| Voice | 51 | 48 | 42 | 40 | 35 | 34 | 82 | 69 | (13) | (15.9%) |
| Broadband | 148 | 140 | 140 | 137 | 141 | 137 | 277 | 278 | 1 | 0.4% |
| Other connectivity | 86 | 81 | 86 | 81 | 78 | 78 | 167 | 156 | (11) | (6.6%) |
| Cloud | 71 | 69 | 57 | 67 | 57 | 55 | 124 | 112 | (12) | (9.7%) |
| IT service management | 59 | 43 | 43 | 40 | 36 | 38 | 83 | 74 | (9) | (10.8%) |
| Procurement and partners | 24 | 41 | 25 | 40 | 19 | 22 | 65 | 41 | (24) | (36.9%) |
| Other products | 78 | 81 | 69 | 73 | 72 | 75 | 142 | 147 | 5 | 3.5% |
| Adjusted product gross margin | 1,013 | 997 | 950 | 986 | 934 | 970 | 1,936 | 1,904 | (32) | (1.7%) |
| Other gains | 19 | 83 | 23 | 8 | 24 | 10 | 31 | 34 | 3 | 9.7% |
| **Adjusted gross margin** | 1,032 | 1,080 | 974 | 994 | 958 | 980 | 1,968 | 1,938 | (30) | (1.5%) |
| Gross margin from discontinued operations | (20) | (20) | (23) | (22) | (24) | (5) | (45) | (29) | 16 | 35.6% |
| Gain on sale/divestment of Connexa & data centres | - | - | - | 71 | - | 278 | 71 | 278 | 207 | NM |
| **Reported gross margin** | 1,012 | 1,060 | 951 | 1,043 | 934 | 1,253 | 1,994 | 2,187 | 193 | 9.7% |

## Finance expense & income

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| **Finance expense** | | | | | | | | | | |
| Finance expense on debt | (33) | (42) | (41) | (38) | (35) | (31) | (79) | (66) | 13 | 16.5% |
| Other interest and finance expenses | (8) | (15) | (10) | (10) | (10) | (15) | (20) | (25) | (5) | (25.0%) |
| Lease interest expense | (24) | (24) | (25) | (26) | (26) | (25) | (51) | (51) | - | -% |
| Leased customer equipment interest expense | (4) | (4) | (3) | (3) | (2) | (3) | (6) | (5) | 1 | 16.7% |
| | (69) | (85) | (79) | (77) | (73) | (74) | (156) | (147) | 9 | 5.8% |
| Capitalised interest | 6 | 4 | 4 | 3 | 4 | 2 | 7 | 6 | (1) | (14.3%) |
| | (63) | (81) | (75) | (74) | (69) | (72) | (149) | (141) | 8 | 5.4% |
| **Finance income** | | | | | | | | | | |
| Finance lease interest income | 4 | 4 | 4 | 4 | 4 | 4 | 8 | 8 | - | -% |
| Other interest income | 10 | 12 | 11 | 12 | 10 | 5 | 23 | 15 | (8) | (34.8%) |
| | 14 | 16 | 15 | 16 | 14 | 9 | 31 | 23 | (8) | (25.8%) |

## Depreciation and amortisation expense

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| **Depreciation and amortisation expense** | | | | | | | | | | |
| Depreciation - property, plant and equipment | (112) | (123) | (147) | (138) | (139) | (131) | (285) | (270) | 15 | 5.3% |
| Depreciation - right-of-use assets | (42) | (47) | (50) | (55) | (53) | (58) | (105) | (111) | (6) | (5.7%) |
| Depreciation - leased customer equipment assets | (17) | (16) | (13) | (14) | (13) | (14) | (27) | (27) | - | -% |
| Amortisation - intangible assets | (80) | (90) | (90) | (97) | (99) | (95) | (187) | (194) | (7) | (3.7%) |
| **Adjusted depreciation and amortisation expense** | (251) | (276) | (300) | (304) | (304) | (298) | (604) | (602) | 2 | 0.3% |
| Depreciation and amortisation expense from discontinued operations | 7 | 8 | 7 | 7 | - | - | 14 | - | (14) | (100.0%) |
| **Reported depreciation and amortisation expense** | (244) | (268) | (293) | (297) | (304) | (298) | (590) | (602) | (12) | (2.0%) |

## Net investment income / (loss)

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Net investment income** | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| Share of associates' and joint ventures' net losses | (8) | (9) | (6) | - | (1) | (1) | (6) | (2) | 4 | 66.7% |
| Interest income on loans receivable from associates and joint ventures | 6 | 6 | 6 | 2 | - | - | 8 | - | (8) | (100.0%) |
| Impairment of investments | - | (2) | - | - | - | - | - | - | - | -% |
| Net disposal and remeasurement of equity accounted investments | (1) | - | - | - | - | - | - | - | - | -% |
| Fair value gain on receivables measured at FVTPL | - | - | - | - | - | 1 | - | 1 | 1 | NM |
| Adjusted net investment income | (3) | (5) | - | 2 | (1) | - | 2 | (1) | (3) | NM |
| Reported net investment income | (3) | (5) | - | 2 | (1) | - | 2 | (1) | (3) | NM |

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## Other connectivity

### Analysis & KPIs - Voice

| Voice connections by type | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 000's | 000's | 000's | 000's | 000's | 000's | 000's | 000's | 000's | % |
| POTS and ISDN | 69 | 59 | 49 | 39 | 27 | 13 | 39 | 13 | (26) | (66.7%) |
| VoIP | 53 | 51 | 48 | 49 | 46 | 47 | 49 | 47 | (2) | (4.1%) |
| Voice over wireless | 8 | 6 | 6 | 5 | 5 | 4 | 5 | 4 | (1) | (20.0%) |
| Total voice connections | 130 | 116 | 103 | 93 | 78 | 64 | 93 | 64 | (29) | (31.2%) |

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| Total voice revenue | 94 | 86 | 78 | 72 | 65 | 61 | 150 | 126 | (24) | (16.0%) |
| Voice product costs[1] | (43) | (38) | (36) | (32) | (30) | (27) | (68) | (57) | 11 | 16.2% |
| Voice gross margin | 51 | 48 | 42 | 40 | 35 | 34 | 82 | 69 | (13) | (15.9%) |
| Voice gross margin % | 54.3% | 55.8% | 53.8% | 55.6% | 53.8% | 55.7% | 54.7% | 54.8% | 0.1pp | |

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

### Analysis & KPIs - Broadband

| Broadband connections by technology | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 000's | 000's | 000's | 000's | 000's | 000's | 000's | 000's | 000's | % |
| Copper | 54 | 43 | 36 | 26 | 20 | 16 | 26 | 16 | (10) | (38.5%) |
| Fibre | 427 | 428 | 424 | 422 | 417 | 408 | 422 | 408 | (14) | (3.3%) |
| Wireless | 214 | 216 | 218 | 213 | 212 | 205 | 213 | 205 | (8) | (3.8%) |
| Total broadband connections | 695 | 687 | 678 | 661 | 649 | 629 | 661 | 629 | (32) | (4.8%) |

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| Total broadband revenue | 309 | 304 | 302 | 306 | 303 | 293 | 608 | 596 | (12) | (2.0%) |
| Broadband product costs[2] | (161) | (164) | (162) | (169) | (162) | (156) | (331) | (318) | 13 | 3.9% |
| Broadband gross margin | 148 | 140 | 140 | 137 | 141 | 137 | 277 | 278 | 1 | 0.4% |
| Broadband gross margin % | 47.9% | 46.1% | 46.4% | 44.8% | 46.5% | 46.8% | 45.6% | 46.6% | 1.0pp | |

[2]Includes broadband access (UBA/UCLL/Fibre) and modem costs.

### Analysis & KPIs - Other connectivity[3]

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| Other connectivity revenue | 184 | 189 | 182 | 181 | 163 | 164 | 363 | 327 | (36) | (9.9%) |
| Other connectivity product costs | (98) | (108) | (96) | (100) | (85) | (86) | (196) | (171) | 25 | 12.8% |
| Other connectivity gross margin | 86 | 81 | 86 | 81 | 78 | 78 | 167 | 156 | (11) | (6.6%) |
| Other connectivity gross margin % | 46.7% | 42.9% | 47.3% | 44.8% | 47.9% | 47.6% | 46.0% | 47.7% | 1.7pp | |

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 000's | 000's | 000's | 000's | 000's | 000's | 000's | 000's | 000's | % |
| Total IoT connections | 1,799 | 2,048 | 2,250 | 2,376 | 2,429 | 2,498 | 2,376 | 2,498 | 122 | 5.1% |

[3]Other connectivity includes IoT, managed data and networks, security and collaboration.

# Spark New Zealand

## Core Connectivity

### Analysis & KPIs - Mobile

| Consumer & SME | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Pay monthly** | | | | | | | | | | |
| Connections (k)[1] | 1,188 | 1,199 | 1,207 | 1,205 | 1,203 | 1,198 | 1,205 | 1,198 | (7) | (0.6%) |
| ARPU ($) | 45.51 | 44.34 | 44.03 | 44.90 | 46.23 | 45.95 | 44.46 | 46.08 | 1.62 | 3.6% |
| **Prepaid** | | | | | | | | | | |
| Connections (k) | 1,210 | 1,173 | 1,106 | 1,112 | 1,077 | 1,072 | 1,112 | 1,072 | (40) | (3.6%) |
| ARPU ($) | 16.09 | 15.88 | 16.21 | 16.00 | 15.98 | 15.98 | 16.10 | 15.98 | (0.12) | (0.7%) |
| Total Consumer & SME mobile service revenue ($m) | 438 | 431 | 428 | 433 | 437 | 436 | 861 | 873 | 12 | 1.4% |
| | | | | | | | | | | |
| **Enterprise & Government** | | | | | | | | | | |
| **Pay monthly** | | | | | | | | | | |
| Connections (k)[1] | 337 | 318 | 312 | 312 | 308 | 310 | 312 | 310 | (2) | (0.6%) |
| ARPU ($) | 30.48 | 29.50 | 27.18 | 26.54 | 25.05 | 24.59 | 26.74 | 24.82 | (1.92) | (7.2%) |
| Total Enterprise & Government mobile service revenue ($m) | 62 | 58 | 51 | 49 | 47 | 46 | 100 | 93 | (7) | (7.0%) |
| | | | | | | | | | | |
| **Wholesale & other[2]** | | | | | | | | | | |
| Mobile service revenue ($m) | 10 | 11 | 12 | 14 | 15 | 17 | 26 | 32 | 6 | 23.1% |
| Total mobile service revenue | 510 | 500 | 491 | 496 | 499 | 499 | 987 | 998 | 11 | 1.1% |

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total mobile** | **$m** | **$m** | **$m** | **$m** | **$m** | **$m** | **$m** | **$m** | **$m** | **%** |
| Mobile service revenue | 510 | 500 | 491 | 496 | 499 | 499 | 987 | 998 | 11 | 1.1% |
| Mobile non-service revenue[3] | 239 | 225 | 248 | 218 | 255 | 264 | 466 | 519 | 53 | 11.4% |
| Total mobile revenue | 749 | 725 | 739 | 714 | 754 | 763 | 1,453 | 1,517 | 64 | 4.4% |
| Mobile product costs[4] | (253) | (231) | (251) | (206) | (258) | (232) | (457) | (490) | (33) | (7.2%) |
| Mobile gross margin | 496 | 494 | 488 | 508 | 496 | 531 | 996 | 1,027 | 31 | 3.1% |
| Mobile gross margin % | 66.2% | 68.1% | 66.0% | 71.1% | 65.8% | 69.6% | 68.5% | 67.7% | (0.8pp) | |

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **000's** | **000's** | **000's** | **000's** | **000's** | **000's** | **000's** | **000's** | **000's** | **%** |
| Pay monthly connections | 1,525 | 1,517 | 1,519 | 1,517 | 1,511 | 1,508 | 1,517 | 1,508 | (9) | (0.6%) |
| Prepaid connections | 1,210 | 1,173 | 1,106 | 1,112 | 1,077 | 1,072 | 1,112 | 1,072 | (40) | (3.6%) |
| Internal connections | 4 | 4 | 4 | 3 | 3 | 2 | 3 | 2 | (1) | (33.3%) |
| Total mobile connections[5] | 2,739 | 2,694 | 2,629 | 2,632 | 2,591 | 2,582 | 2,632 | 2,582 | (50) | (1.9%) |
| Total ARPU ($) | 30.66 | 30.03 | 30.17 | 30.41 | 31.08 | 30.85 | 30.29 | 30.96 | 0.67 | 2.2% |

[1]The divestment of Digital Island resulted in connection transfers from Enterprise & Government to Consumer & SME, which is reflected in these connection numbers.

[2]Includes MVNO revenue, but excludes other customer segment mobile revenue which is now captured in non-service revenue.

[3]Mobile non-service revenue includes handset sales, mobile interconnect, mobile equipment supplied to customers and partners, and other non-usage mobile revenues

[4]Includes handset, interconnect and cellphone tower access costs.

[5]Mobile connections excluding MVNO connections but including legacy machine to machine, SIM based SmartWatch connections and internal connections.

# Spark New Zealand

## Other

### Analysis & KPIs - Cloud

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| Cloud revenue | 109 | 116 | 118 | 117 | 120 | 113 | 235 | 233 | (2) | (0.9%) |
| Cloud product costs | (38) | (47) | (61) | (50) | (63) | (58) | (111) | (121) | (10) | (9.0%) |
| Cloud gross margin | 71 | 69 | 57 | 67 | 57 | 55 | 124 | 112 | (12) | (9.7%) |
| Cloud gross margin% | 65.1% | 59.5% | 48.3% | 57.3% | 47.5% | 48.7% | 52.8% | 48.1% | (4.7pp) | |

### Analysis & KPIs - IT Service Management

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| IT Service Management revenue | 68 | 64 | 61 | 55 | 49 | 55 | 116 | 104 | (12) | (10.3%) |
| IT Service Management product costs | (9) | (21) | (18) | (15) | (13) | (17) | (33) | (30) | 3 | 9.1% |
| IT Service Management gross margin | 59 | 43 | 43 | 40 | 36 | 38 | 83 | 74 | (9) | (10.8%) |
| IT Service Management gross margin % | 86.8% | 67.2% | 70.5% | 72.7% | 73.5% | 69.1% | 71.6% | 71.2% | (0.4pp) | |

### Analysis & KPIs - Procurement and partners

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| Procurement and partners revenue | 339 | 209 | 332 | 206 | 344 | 219 | 538 | 563 | 25 | 4.6% |
| Procurement and partners product costs | (315) | (168) | (307) | (166) | (325) | (197) | (473) | (522) | (49) | (10.4%) |
| Procurement and partners gross margin | 24 | 41 | 25 | 40 | 19 | 22 | 65 | 41 | (24) | (36.9%) |
| Procurement and partners gross margin % | 7.1% | 19.6% | 7.5% | 19.4% | 5.5% | 10.0% | 12.1% | 7.3% | (4.8pp) | |

# Spark New Zealand

## Statement of cash flows

| | H1 FY24 $m | H2 FY24 $m | H1 FY25 $m | H2 FY25 $m | H1 FY26 $m | H2 FY26 $m | FY25 $m | FY26 $m | FY26 vs FY25 $m | % |
|---|---|---|---|---|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | | | | | | |
| Receipts from customers[1] | 1,972 | 1,739 | 1,977 | 1,717 | 1,938 | 1,716 | 3,694 | 3,654 | (40) | (1.1%) |
| Receipts from sale of interest-free payment (IFP) receivables | - | - | - | - | 239 | 116 | - | 355 | 355 | NM |
| Payments for collections on derecognised IFP receivables and buy backs | - | - | - | - | - | (117) | - | (117) | (117) | NM |
| Receipts from interest | 13 | 15 | 15 | 14 | 13 | 7 | 29 | 20 | (9) | (31.0%) |
| Payments to suppliers and employees | (1,519) | (1,134) | (1,566) | (1,145) | (1,509) | (1,109) | (2,711) | (2,618) | 93 | 3.4% |
| Payments for income tax (net of refunds) | (101) | (88) | (78) | (108) | (14) | (113) | (186) | (127) | 59 | 31.7% |
| Payments for interest on debt | (31) | (49) | (46) | (44) | (37) | (31) | (90) | (68) | 22 | 24.4% |
| Payments for interest on leases | (23) | (23) | (24) | (26) | (25) | (25) | (50) | (50) | - | -% |
| Payments for interest on leased customer equipment assets | (4) | (3) | (3) | (3) | (2) | (3) | (6) | (5) | 1 | 16.7% |
| Net cash flows from operating activities | 307 | 457 | 275 | 405 | 603 | 441 | 680 | 1,044 | 364 | 53.5% |
| **Cash flows from investing activities** | | | | | | | | | | |
| Proceeds from sale of property, plant and equipment | 14 | 20 | 2 | - | - | 1 | 2 | 1 | (1) | (50.0%) |
| Proceeds from sale of business, net of cash acquired | - | 4 | - | 8 | - | 462 | 8 | 462 | 454 | NM |
| Proceeds from sale of long-term investments | - | - | - | 309 | 48 | - | 309 | 48 | (261) | (84.5%) |
| Proceeds from long-term investments | - | 7 | - | 17 | - | 21 | 17 | 21 | 4 | 23.5% |
| Receipts from finance leases | 1 | - | - | - | - | 1 | - | 1 | 1 | NM |
| Receipts from loans receivable | 10 | - | 3 | - | - | - | 3 | - | (3) | (100.0%) |
| Payments for purchase of business, net of cash acquired | (2) | (3) | (2) | - | - | - | (2) | - | 2 | 100.0% |
| Payments for, and advances to, long-term investments | (1) | - | - | - | - | - | - | - | - | -% |
| Payments for assets classified as held for sale[2] | - | - | - | - | (51) | (11) | - | (62) | (62) | NM |
| Payments for purchase of property, plant and equipment, intangibles (excluding spectrum) and capacity | (347) | (235) | (228) | (204) | (208) | (166) | (432) | (374) | 58 | 13.4% |
| Payments for spectrum intangible assets | - | (8) | - | (10) | (1) | - | (10) | (1) | 9 | 90.0% |
| Payments for capitalised interest | (6) | (4) | (4) | (3) | (4) | (2) | (7) | (6) | 1 | 14.3% |
| Net cash flows from investing activities | (331) | (219) | (229) | 117 | (216) | 306 | (112) | 90 | 202 | NM |
| **Cash flows from financing activities** | | | | | | | | | | |
| Net proceeds from/(repayments of) debt and derivatives | 489 | 21 | 190 | (387) | (42) | (422) | (197) | (464) | (267) | NM |
| Payments for dividends | (249) | (245) | (160) | (142) | (236) | (151) | (302) | (387) | (85) | (28.1%) |
| Payments for share buy-back | (159) | - | - | - | - | - | - | - | - | -% |
| Payments for discounts on derecognised IFP receivables | - | - | - | - | - | (19) | - | (19) | (19) | NM |
| Payments for leases | (38) | (40) | (44) | (48) | (44) | (64) | (92) | (108) | (16) | (17.4%) |
| Receipts from lease incentive | - | - | 22 | - | - | - | 22 | - | (22) | (100.0%) |
| Payments for leased customer equipment assets | (20) | (14) | (11) | (13) | (14) | (19) | (24) | (33) | (9) | (37.5%) |
| Net cash flows from financing activities | 23 | (278) | (3) | (590) | (336) | (675) | (593) | (1,011) | (418) | (70.5%) |
| Net cash flows | (1) | (40) | 43 | (68) | 51 | 72 | (25) | 123 | 148 | NM |
| Opening cash and cash equivalents position | 100 | 99 | 59 | 102 | 34 | 85 | 59 | 34 | (25) | (42.4%) |
| Closing cash and cash equivalents position[3] | 99 | 59 | 102 | 34 | 85 | 157 | 34 | 157 | 123 | NM |

[1]FY26 balances include $99 million of cash collected on behalf of Challenger Limited. See note 1.5 of the Financial Statements for further details.

[2]FY26 payments were for capital expenditure on data centre assets prior to their sale. This expenditure was recovered as part of the proceeds received from the sale of the data centre business. See note 1.4 of the Financial Statements for further details.

[3]FY26 balance comprises $52 million of cash in banks and $105 million of short-term deposits which are classified as cash equivalents.

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

| | H1 FY24 $m | H2 FY24 $m | H1 FY25 $m | H2 FY25 $m | H1 FY26 $m | H2 FY26 $m | FY25 $m | FY26 $m | FY26 vs FY25 $m | % |
|---|---|---|---|---|---|---|---|---|---|---|
| Reported EBITDAI | 519 | 622 | 406 | 647 | 448 | 847 | 1,053 | 1,295 | 242 | 23.0% |
| EBITDAI from discontinued operations | 11 | 11 | 13 | 12 | 14 | 4 | 25 | 18 | (7) | (28.0%) |
| Adjusting items and non cash other gains | (20) | (58) | 6 | (54) | (15) | (295) | (48) | (310) | (262) | NM |
| EBITDAI for free cash flow | 510 | 575 | 425 | 605 | 447 | 556 | 1,030 | 1,003 | (27) | (2.6%) |
| *Less* | | | | | | | | | | |
| Cash paid on BAU capital expenditure | (334) | (207) | (212) | (162) | (212) | (168) | (374) | (380) | (6) | (1.6%) |
| Cash paid on interest | (45) | (60) | (58) | (59) | (51) | (52) | (117) | (103) | 14 | 12.0% |
| Cash paid on tax payments | (101) | (88) | (78) | (108) | (14) | (113) | (186) | (127) | 59 | 31.7% |
| Cash paid on leases | (57) | (54) | (43) | (61) | (58) | (83) | (104) | (141) | (37) | (35.6%) |
| Total cash payments on items above | (537) | (409) | (391) | (390) | (335) | (416) | (781) | (751) | 30 | 3.8% |
| **Change in working capital** | | | | | | | | | | |
| Change in receivables | 27 | (78) | 80 | (57) | 254 | (62) | 23 | 192 | 169 | NM |
| Change in payables | (20) | 65 | 41 | (50) | 75 | 20 | (9) | 95 | 104 | NM |
| Change in inventory | (27) | 18 | (25) | 32 | (42) | 31 | 7 | (11) | (18) | NM |
| Change in contract assets | (8) | 12 | (6) | 4 | (1) | 2 | (2) | 1 | 3 | NM |
| Change in prepayments (excluding CAPEX) | (45) | 36 | (66) | 58 | (78) | 76 | (8) | (2) | 6 | 75.0% |
| IFP adjustment | - | - | - | - | (213) | (6) | - | (219) | (219) | NM |
| Total change in working capital - (increase)/decrease | (73) | 53 | 24 | (13) | (5) | 61 | 11 | 56 | 45 | NM |
| Free cash flow | **(100)** | **219** | **58** | **202** | **107** | **201** | **260** | **308** | **48** | **18.5%** |
| Cash paid on strategic capital expenditure | (19) | (22) | (14) | (32) | (51) | (11) | (46) | (62) | (16) | (34.8%) |
| Free cash flow less strategic capex | (119) | 197 | 44 | 170 | 56 | 190 | 214 | 246 | 32 | 15.0% |

# Spark New Zealand

## Group capital expenditure (Capex)

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| **BAU Capex** | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| Cloud | 24 | 13 | 9 | 2 | 5 | 3 | 11 | 8 | (3) | (27.3%) |
| Fixed network & International cable capacity | 55 | 10 | 37 | 26 | 46 | 42 | 63 | 88 | 25 | 39.7% |
| IT systems | 80 | 67 | 73 | 75 | 81 | 74 | 148 | 155 | 7 | 4.7% |
| Mobile network | 65 | 24 | 91 | 29 | 81 | 59 | 120 | 140 | 20 | 16.7% |
| Property | 7 | 4 | 4 | 3 | 2 | 5 | 7 | 7 | - | -% |
| Other | 4 | 6 | 1 | - | 2 | 1 | 1 | 3 | 2 | NM |
| 5G Acceleration & SA Readiness | 32 | 74 | 23 | 28 | - | - | 51 | - | (51) | (100.0%) |
| Converged tech | - | 12 | - | - | - | - | - | - | - | -% |
| Total BAU capex excluding spectrum | 267 | 210 | 238 | 163 | 217 | 184 | 401 | 401 | - | -% |
| | | | | | | | | | | |
| **Strategic Capex** | | | | | | | | | | |
| Data centres | 19 | 22 | 14 | 14 | 54 | 12 | 28 | 66 | 38 | NM |
| **Total capex excluding spectrum** | 286 | 232 | 252 | 177 | 271 | 196 | 429 | 467 | 38 | 8.9% |
| | | | | | | | | | | |
| Mobile spectrum | 23 | - | - | - | 7 | - | - | 7 | 7 | NM |
| Total capex including spectrum | 309 | 232 | 252 | 177 | 278 | 196 | 429 | 474 | 45 | 10.5% |
| | | | | | | | | | | |
| **Cash Capex** | | | | | | | | | | |
| BAU | 334 | 207 | 212 | 162 | 212 | 168 | 374 | 380 | 6 | 1.6% |
| Strategic | 19 | 22 | 14 | 32 | 51 | 11 | 46 | 62 | 16 | 34.8% |
| Total cash capex excluding spectrum | 353 | 229 | 226 | 194 | 263 | 179 | 420 | 442 | 22 | 5.2% |

Capital expenditure is the additions to property, plant and equipment, and intangible assets (excluding spectrum, goodwill, acquisitions, assets fully funded by customers or vendors, and other non-cash additions that may be required by NZ IFRS, such as decommissioning costs), assets classified as held for sale, and additions to capacity right-of-use assets where such additions are paid up front.

# Spark New Zealand

## Reconciliation of reported to adjusted net earnings

Spark's policy is to present 'adjusted EBITDAI' and 'adjusted net earnings' when a financial year includes one-off significant items (such as gains, expenses and impairments) individually greater than $25 million. In the year ended 30 June 2026, the net gain on sale of the data centre business in January 2026 amounted to $278 million and any associated tax impact were deemed significant to adjust. In the year ended 30 June 2025, the net gain on sale of the remaining Connexa investment of $71 million, the transformation costs associated with Spark's SPK-26 Operate Programme amounted to $53 million and any associated tax impacts were deemed significant to adjust.

| **FY26** | **Reported (continuing operations)** | **Discontinued operations[1]** | **Adjusting items[2]** | **Total adjusted** |
|---|---|---|---|---|
| Operating revenues and other gains | 3,949 | 29 | (278) | 3,700 |
| Operating expenses | (2,654) | (11) | - | (2,665) |
| **Total EBITDAI** | **1,295** | **18** | **(278)** | **1,035** |
| Net finance expense | (118) | - | - | (118) |
| Depreciation and amortisation | (602) | - | - | (602) |
| Net investment income / (loss) | (1) | - | - | (1) |
| **Total net earnings before tax** | **574** | **18** | **(278)** | **314** |
| Net tax expense | (88) | (5) | 4 | (89) |
| **Net earnings** | **486** | **13** | **(274)** | **225** |

| **FY25** | **Reported (continuing operations)** | **Discontinued operations[1]** | **Adjusting items[3]** | **Total adjusted** |
|---|---|---|---|---|
| Operating revenues and other gains | 3,725 | 46 | (71) | 3,700 |
| Operating expenses | (2,672) | (21) | 53 | (2,640) |
| **Total EBITDAI** | **1,053** | 25 | **(18)** | **1,060** |
| Net finance expense | (118) | - | - | (118) |
| Depreciation and amortisation | (590) | (14) | - | (604) |
| Net investment income / (loss) | 2 | - | - | 2 |
| **Total net earnings before tax** | **347** | **11** | **(18)** | **340** |
| Net tax expense | (95) | (3) | (15) | (113) |
| **Net earnings** | **252** | **8** | **(33)** | **227** |

[1]The data centre business was classified as a discontinued operation in FY25, see note 1.4 of the Financial Statements for further details.

[2]FY26 balances include the net gain on sale of the data centre business in January 2026 amounted to $278 million and any associated tax impact.

[3]FY25 balances include the net gain on sale of the remaining Connexa investment of $71 million, the transformation costs associated with Spark's SPK-26 Operate Programme amounted to $53 million and any associated tax impacts.

# Spark New Zealand

Format below reflects Spark's next step towards SPK-30 distinguishing Core Connectivity from Other Services

## Group operating revenues and other gains

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Connectivity** | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| Mobile service revenue | 510 | 500 | 491 | 496 | 499 | 499 | 987 | 998 | 11 | 1.1% |
| Mobile non-service revenue | 239 | 225 | 248 | 218 | 255 | 264 | 466 | 519 | 53 | 11.4% |
| Total mobile | 749 | 725 | 739 | 714 | 754 | 763 | 1,453 | 1,517 | 64 | 4.4% |
| Voice | 94 | 86 | 78 | 72 | 65 | 61 | 150 | 126 | (24) | (16.0%) |
| Broadband | 309 | 304 | 302 | 306 | 303 | 293 | 608 | 596 | (12) | (2.0%) |
| Other connectivity | 184 | 189 | 182 | 181 | 163 | 164 | 363 | 327 | (36) | (9.9%) |
| **Total connectivity** | 1,336 | 1,304 | 1,301 | 1,273 | 1,285 | 1,281 | 2,574 | 2,566 | (8) | (0.3%) |
| **Digital services** | | | | | | | | | | |
| Cloud | 109 | 116 | 118 | 117 | 120 | 113 | 235 | 233 | (2) | (0.9%) |
| IT service management | 68 | 64 | 61 | 55 | 49 | 55 | 116 | 104 | (12) | (10.3%) |
| Other digital services[1] | 15 | 16 | 15 | 19 | 17 | 18 | 34 | 35 | 1 | 2.9% |
| **Total digital services** | 192 | 196 | 194 | 191 | 186 | 186 | 385 | 372 | (13) | (3.4%) |
| **Other** | | | | | | | | | | |
| Procurement and partners | 339 | 209 | 332 | 206 | 344 | 219 | 538 | 563 | 25 | 4.6% |
| Other products[2] | 90 | 93 | 89 | 83 | 78 | 87 | 172 | 165 | (7) | (4.3%) |
| **Total other** | 429 | 302 | 421 | 289 | 422 | 306 | 710 | 728 | 18 | 2.5% |
| **Adjusted operating revenues** | 1,957 | 1,802 | 1,916 | 1,753 | 1,893 | 1,773 | 3,669 | 3,666 | (3) | (0.1%) |
| Other gains | 19 | 83 | 23 | 8 | 24 | 10 | 31 | 34 | 3 | 9.7% |
| **Adjusted operating revenues and other gains** | 1,976 | 1,885 | 1,939 | 1,761 | 1,917 | 1,783 | 3,700 | 3,700 | - | -% |

## Group product costs

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| **Connectivity** | | | | | | | | | | |
| Total mobile | (253) | (231) | (251) | (206) | (258) | (232) | (457) | (490) | (33) | (7.2%) |
| Voice | (43) | (38) | (36) | (32) | (30) | (27) | (68) | (57) | 11 | 16.2% |
| Broadband | (161) | (164) | (162) | (169) | (162) | (156) | (331) | (318) | 13 | 3.9% |
| Other connectivity | (98) | (108) | (96) | (100) | (85) | (86) | (196) | (171) | 25 | 12.8% |
| **Total connectivity** | (555) | (541) | (545) | (507) | (535) | (501) | (1,052) | (1,036) | 16 | 1.5% |
| **Digital services** | | | | | | | | | | |
| Cloud | (38) | (47) | (61) | (50) | (63) | (58) | (111) | (121) | (10) | (9.0%) |
| IT service management | (9) | (21) | (18) | (15) | (13) | (17) | (33) | (30) | 3 | 9.1% |
| Other digital services[1] | (4) | (3) | (4) | (5) | (4) | - | (9) | (4) | 5 | 55.6% |
| **Total digital services** | (51) | (71) | (83) | (70) | (80) | (75) | (153) | (155) | (2) | (1.3%) |
| **Other** | | | | | | | | | | |
| Procurement and partners | (315) | (168) | (307) | (166) | (325) | (197) | (473) | (522) | (49) | (10.4%) |
| Other products[2] | (23) | (25) | (30) | (24) | (19) | (30) | (54) | (49) | 5 | 9.3% |
| **Total other** | (338) | (193) | (337) | (190) | (344) | (227) | (527) | (571) | (44) | (8.3%) |
| **Adjusted product costs** | (944) | (805) | (965) | (767) | (959) | (803) | (1,732) | (1,762) | (30) | (1.7%) |

## Gross margin by product

| | H1 FY24 | H2 FY24 | H1 FY25 | H2 FY25 | H1 FY26 | H2 FY26 | FY25 | FY26 | FY26 vs FY25 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | $m | $m | $m | $m | $m | $m | $m | $m | $m | % |
| **Connectivity** | | | | | | | | | | |
| Total mobile | 496 | 494 | 488 | 508 | 496 | 531 | 996 | 1,027 | 31 | 3.1% |
| Voice | 51 | 48 | 42 | 40 | 35 | 34 | 82 | 69 | (13) | (15.9%) |
| Broadband | 148 | 140 | 140 | 137 | 141 | 137 | 277 | 278 | 1 | 0.4% |
| Other connectivity | 86 | 81 | 86 | 81 | 78 | 78 | 167 | 156 | (11) | (6.6%) |
| **Total connectivity** | 781 | 763 | 756 | 766 | 750 | 780 | 1,522 | 1,530 | 8 | 0.5% |
| **Digital services** | | | | | | | | | | |
| Cloud | 71 | 69 | 57 | 67 | 57 | 55 | 124 | 112 | (12) | (9.7%) |
| IT service management | 59 | 43 | 43 | 40 | 36 | 38 | 83 | 74 | (9) | (10.8%) |
| Other digital services[1] | 11 | 13 | 10 | 14 | 12 | 18 | 24 | 30 | 6 | 25.0% |
| **Total digital services** | 141 | 125 | 110 | 121 | 105 | 111 | 231 | 216 | (15) | (6.5%) |
| **Other** | | | | | | | | | | |
| Procurement and partners | 24 | 41 | 25 | 40 | 19 | 22 | 65 | 41 | (24) | (36.9%) |
| Other products[2] | 67 | 68 | 59 | 59 | 60 | 57 | 118 | 117 | (1) | (0.8%) |
| **Total other** | 91 | 109 | 84 | 99 | 79 | 79 | 183 | 158 | (25) | (13.7%) |
| **Adjusted product gross margin** | 1,013 | 996 | 950 | 986 | 934 | 970 | 1,936 | 1,904 | (32) | (1.7%) |
| Other gains | 19 | 83 | 23 | 8 | 24 | 10 | 31 | 34 | 3 | 9.7% |
| **Adjusted gross margin** | 1,032 | 1,080 | 974 | 994 | 958 | 980 | 1,968 | 1,938 | (30) | (1.5%) |

[1] Other digital services includes Data, analytics and AI, Ubiquity and Digital Identity.

[2] Other products include network infrastructure delivery and products outside main categories.