

**STOCK EXCHANGE ANNOUNCEMENT**

24 February 2025

**Chorus half year result**

The following are attached in relation to Chorus' half year result for the period to 31 December 2024:

1. Media Release
2. Investor Presentation
3. Management Commentary and Financial Statements (including auditor review report)
4. NZX Results Announcement
5. NZX Distribution Notice.

Chief Executive Officer Mark Aue and Chief Operating Officer Drew Davies will discuss the half year result by webcast at 10.00am New Zealand time today. The webcast will be available at [www.chorus.co.nz/webcast](http://www.chorus.co.nz/webcast).

Authorised by:

Drew Davies  
Chief Operating Officer

**ENDS**

For further information:

Brett Jackson  
Investor Relations Manager  
Phone: +64 4 896 4039  
Mobile: +64 (27) 488 7808  
Email: [Brett.Jackson@chorus.co.nz](mailto:Brett.Jackson@chorus.co.nz)

Vicki Gan  
Media and Content Manager  
Mobile: +64 (22) 075 0159  
Email: [vicki.gan@chorus.co.nz](mailto:vicki.gan@chorus.co.nz)

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24 February 2025

## Fibre growth underpins another steady Chorus result

### Key HY25 results

- Increase in fibre connections: by 14,000 to a total of 1,098,000
- Fibre uptake increased to 71.7% of addresses
- Remaining copper connections: down 22% to 123,000
- Monthly average data use on fibre at a record 644GB in December
- Operating revenue \$500m (HY24: \$503m)
- EBITDA<sup>1</sup> \$346m (HY24: \$347m)
- Net loss after tax \$5m (HY24: net profit \$5m)
- Unimputed interim dividend of 23 cents per share

Chorus has released another steady financial result for the six months ended 31 December 2024, despite the challenges of New Zealand's prolonged economic recession.

EBITDA was \$346 million for HY25, just below HY24 EBITDA of \$347 million. Revenues of \$500 million were down \$3 million from HY24 largely due to the ongoing decline in legacy copper connections and revenues.

New property development revenues were about \$2 million lower due to the slowed economy, while there was strong growth in the lower revenue 50Mbps broadband plan largely reflecting cost-of-living pressures. About 21,000 residential connections were added to this plan in HY25, while business and residential fibre connections on plans of 500Mbps or more grew by 17,000 lines. Multi-gigabit Hyperfibre connections continued to grow in popularity and recently passed 5,000 lines. About a quarter of residential customers are on 1Gbps speeds or faster.

Total fibre connections grew by 14,000 lines in the six months, with fibre uptake lifting to 71.7 per cent of the more than 1.5 million addresses passed. This growth in connections helped lift fibre broadband revenues to \$361 million, up \$20 million from HY24, and accounted for 72% of total revenues.

Operating expenditure of \$154 million was \$2 million lower than HY24, as Chorus' strategy to simplify its business and reduce legacy costs helped offset inflationary cost pressures and costs to explore new revenue opportunities.

<sup>1</sup> Earnings before interest, income tax, depreciation and amortisation (EBITDA) is a non-GAAP profit measure without a standardised meaning for comparison between companies. We monitor EBITDA as a key performance indicator and we believe it assists investors in assessing the performance of the core operations of our business. EBITDA is reconciled in the Notes on page 11 of the HY25 half year financial statements.

Gross capital expenditure was \$199 million, down \$33 million from HY24, reflecting disciplined cost control and fewer fibre installations.

The acceleration of depreciation on copper-related assets, as Chorus retires its legacy copper network, drove a net loss after tax of \$5 million, compared to a profit of \$5 million in HY24.

### **Copper retirement accelerates in fibre areas**

New Zealand is amongst global leaders for the uptake of fibre and would rank fourth amongst European telco networks - behind Portugal, Sweden and Spain, but just ahead of Bulgaria – for copper retirement.

Chorus CEO Mark Aue said Chorus is making rapid progress in its shift to become a simpler all-fibre digital infrastructure company, with just 10% of Chorus' connections remaining on copper.

“We’ll soon have issued closure notices to all the copper customers in our fibre areas. We expect those remaining 28,000 copper connections to have been withdrawn by the end of FY26, about six months earlier than we’d originally planned.

“The benefits of this programme include significantly fewer network faults and an almost four per cent reduction in our electricity usage compared to HY24,” he said.

Chorus has approximately 80,000 copper connections remaining outside of areas where fibre is currently available. This total has reduced by 21% in the last year as customers migrate to better alternative technologies. The number of addresses without fibre available is shrinking further as Chorus completes its project to take fibre to approximately 10,000 more premises across 59 communities by mid-2025. About 40 per cent of these premises have registered their interest in connecting and 500 are already connected.

The Commerce Commission is scheduled to review the possible deregulation of copper services in non-fibre areas by the end of 2025. Chorus is targeting the retirement of the copper network by 2030.

### **Average data usage keeps growing, with more daytime peaks**

Average monthly usage for fibre connections grew to an all-time high of 644 gigabytes (GB) in December, with 17.5% of fibre users consuming more than 1,000GB. This is expected to be the monthly average across all fibre customers by 2029, underpinned by more customers switching their TV viewing from broadcast to streaming platforms.

Most of this data usage is occurring during peak times, with average daily peak traffic 10 per cent higher in HY25 than during HY24. Chorus is seeing a growing number of peak traffic events, with 10 events in HY25, up from just four in HY24. While Fortnite upgrades have

been the main driver of these peaks in the past, live sporting events like Netflix's boxing match in November are emerging as another common contributor.

"Fibre is made to deliver the consistent and reliable service needed to support these significant bandwidth events. That's why we're doing more to help educate customers about the benefits of fibre compared to other broadband technologies," Aue added.

### **Chorus launches proof-of-concept trial for digitally excluded households**

As part of its newly established purpose - "Unleashing potential through connectivity. Enabling better futures for Aotearoa" - Chorus looks to address growing digital affordability and equity challenges.

"Recent statistics show nearly 400,000 households in New Zealand are unable to afford meaningful digital access. In the case of digital exclusion, we recognise the potential role we can play in driving positive social outcomes, both through and beyond connectivity," says Aue.

Over the next six months, Chorus will work with retail service providers in a proof-of-concept that aims to initially bring an equitable fibre product to 1,500 low-income and digitally excluded households.

"The results of this will inform our ability to play a broader role across the industry," Aue said.

### **Dividend and FY25 guidance**

Chorus has confirmed it will pay an unimputed interim dividend of 23 cents per share in April 2025. The dividend reinvestment plan remains suspended.

FY25 guidance is subject to no material adverse changes in circumstances or outlook.

- **Dividend:** 57.5 cents per share, unimputed, with 23 cents to be paid on 15 April 2025
- **EBITDA:** unchanged \$700 million to \$720 million – tracking to lower half of range
- **Gross capital expenditure:** unchanged \$400 million to \$440 million
- **Sustaining capital expenditure** unchanged \$200 million to \$220 million – tracking to lower half of range

### **ENDS**

Chorus Chief Executive Mark Aue and Chief Operating Officer Drew Davies will discuss the HY25 result at a briefing from **10.00 am on Monday, 24 February 2025** (NZDT). The webcast will be available at [www.chorus.co.nz/webcast](http://www.chorus.co.nz/webcast).

**For further information:**

**Vicki Gan**

Media and content manager

ph: +64 22 075 0159 | e: vicki.gan@chorus.co.nz

**Brett Jackson**

Investor relations manager

m: +64 27 488 7808 | e: brett.jackson@chorus.co.nz

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CHORUS

HY25

# Investor Presentation

For the six months ended 31 December 2024



# Disclaimer

This presentation:

- Is provided for general information purposes and does not constitute investment advice or an offer of or invitation to purchase Chorus securities.
- Includes forward-looking statements. These statements are not guarantees or predictions of future performance. They involve known and unknown risks, uncertainties and other factors, many of which are beyond Chorus' control, and which may cause actual results to differ materially from those contained in this presentation.
- Includes statements relating to past performance which should not be regarded as reliable indicators of future performance.
- Is current at the date of this presentation, unless otherwise stated. Except as required by law or the NZX Main Board and ASX listing rules, Chorus is not under any obligation to update this presentation, whether as a result of new information, future events or otherwise.
- Should be read in conjunction with Chorus' audited consolidated financial statements for the year to 30 June 2024 and NZX and ASX market releases.
- Includes non-GAAP financial measures such as "EBITDA". These measures do not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities. They should not be used in substitution for, or isolation of, Chorus' audited consolidated financial statements. We monitor EBITDA as a key performance indicator, and we believe it assists investors in assessing the performance of the core operations of our business. EBITDA is reconciled in the Notes on page 11 of the HY25 half year financial statements.
- Has been prepared with due care and attention. However, Chorus and its directors and employees accept no liability for any errors or omissions.
- Contains information from third parties Chorus believes reliable. However, no representations or warranties (express or implied) are made as to the accuracy or completeness of such information.

# Agenda

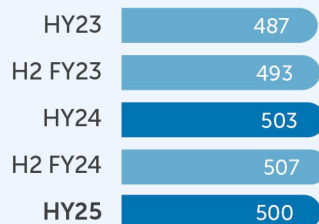
Mark Aue, CEO	HY25 overview, 2030 strategy and opportunities	4-6
	○ Lead	7-9
	○ Expand	10
	○ Adapt	11
	○ Pioneer	12
Drew Davies, COO	Financial results	13-16
	Capex and net debt	17-19
	Dividend and FY25 guidance	20-21
Mark Aue, CEO	Outlook for H2 FY25	21-24
Appendices	▪ Market information	26-29
	▪ Financial information	30-33
	▪ Regulatory information	34-36

# Half year result overview 2025

% COMPARISONS ARE HY25 VS HY24

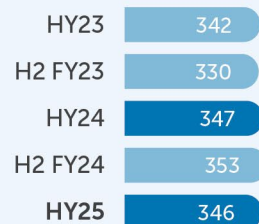
-1%

REVENUE (\$ million)



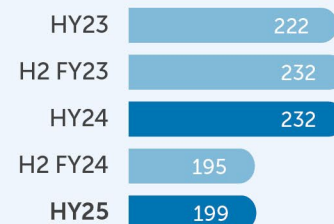
-1%

EBITDA<sup>1</sup> (\$ million)



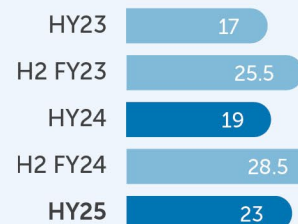
-14%

CAPITAL EXPENDITURE (\$ million)



+21%

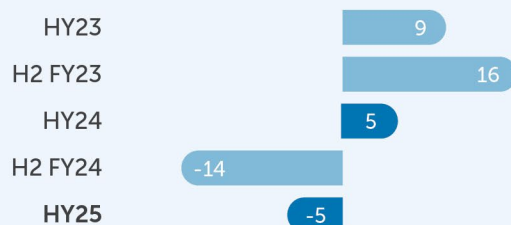
DIVIDEND (cents per share)



## STEADY RESULT DESPITE ONGOING RECESSION

- EBITDA steady despite broader market headwinds
- Revenues down slightly due to accelerated copper migration and legacy product decline
- Focus on retirement of copper and removal of legacy costs delivered lower opex
- Strong growth of 50Mbps plan driven largely by off-net demand and recessionary pressures on customers
- Multi-gigabit *Hyperfibre* plans gaining momentum
- Average monthly data usage lifts to record 644GB
- Fibre demand grew to 71.7% from 70.6% (HY24)
- Fibre regulatory process complete with maximum allowable revenue confirmed to 2029

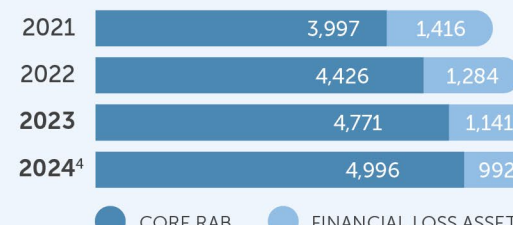
### NET LOSS / EARNINGS (\$ million)<sup>2</sup>



### FIBRE CONNECTIONS



### REGULATORY ASSET BASE-RAB (\$ million)<sup>3</sup>

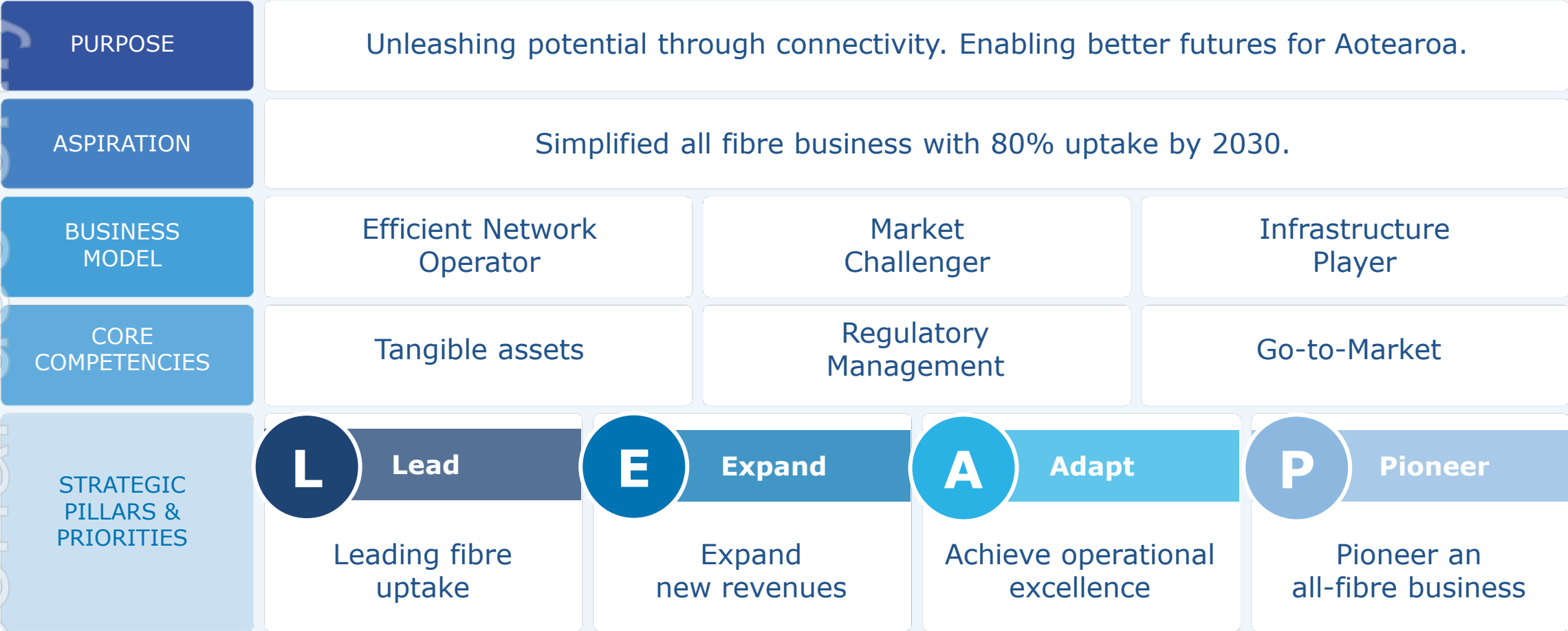


- Earnings before interest, income tax, depreciation and amortisation (EBITDA) is a non-GAAP profit measure without a standardised meaning for comparison between companies. We monitor EBITDA as a key performance indicator and we believe it assists investors in assessing the performance of the core operations of our business.
- Net earnings have been impacted by the increasing acceleration of depreciation on various copper assets since FY22. H2 FY24 also included a one-off \$15 million non-cash tax expense following the removal of deductibility of tax depreciation for buildings.
- Closing amount at 31 December.
- Based on Commerce Commission forecasts, 13 December 2024.

HY25: Six months ended 31 December 2024  
 HY24: Six months ended 31 December 2023  
 H2 FY24: Six months ended 30 June 2024

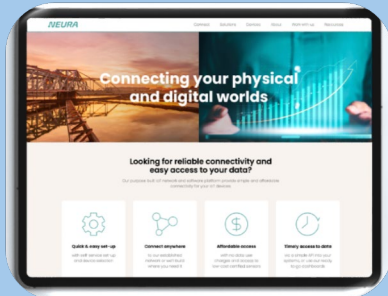
# Our Road to 2030

## Growth, Simplicity & Efficiency



# Exploring a range of new revenue options

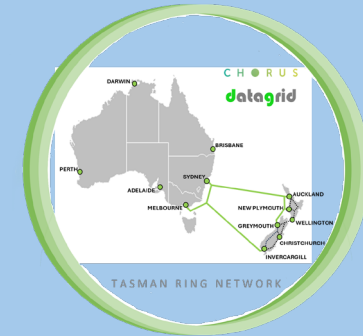
## Option 1: IoT Solutions



## Option 2: Scale EdgeCentres



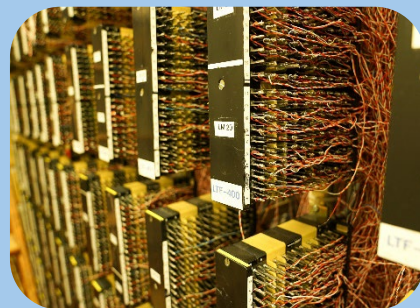
## Option 3: Trans-Tasman Ring



## Option 4: Fibre Expansion



## Option 5: Copper recovery



## Option 6: Property optimisation

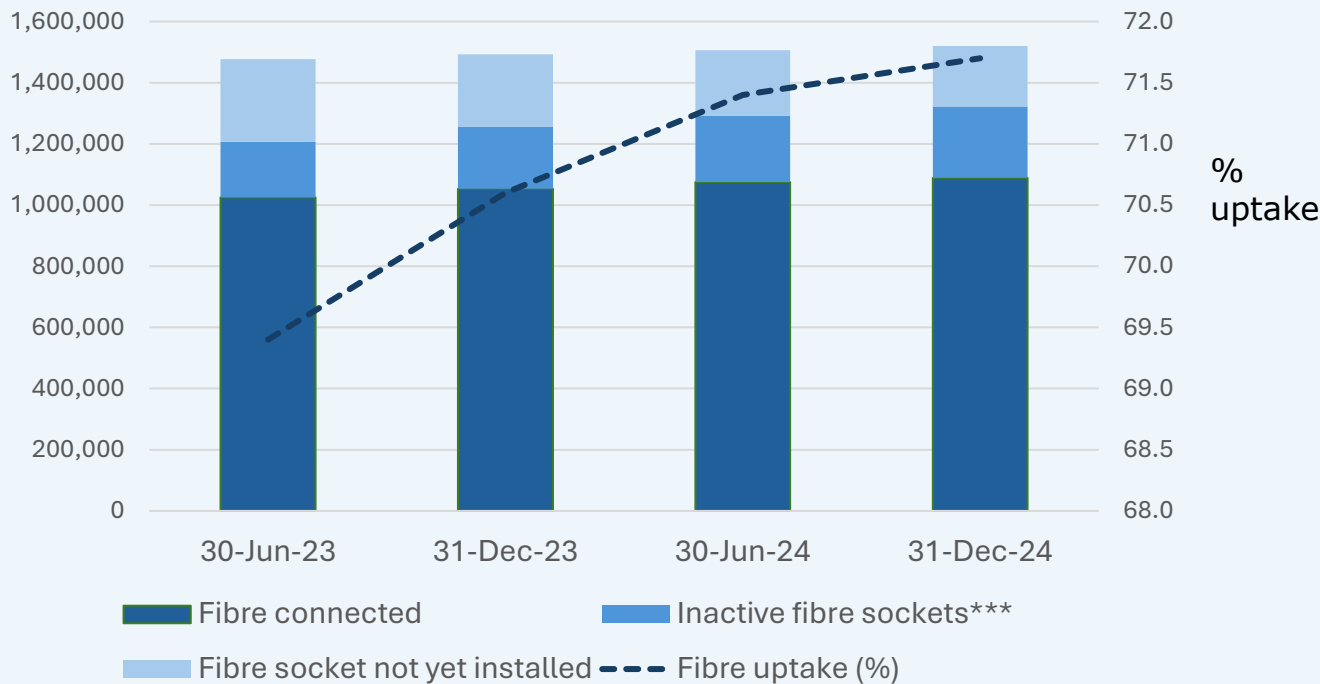




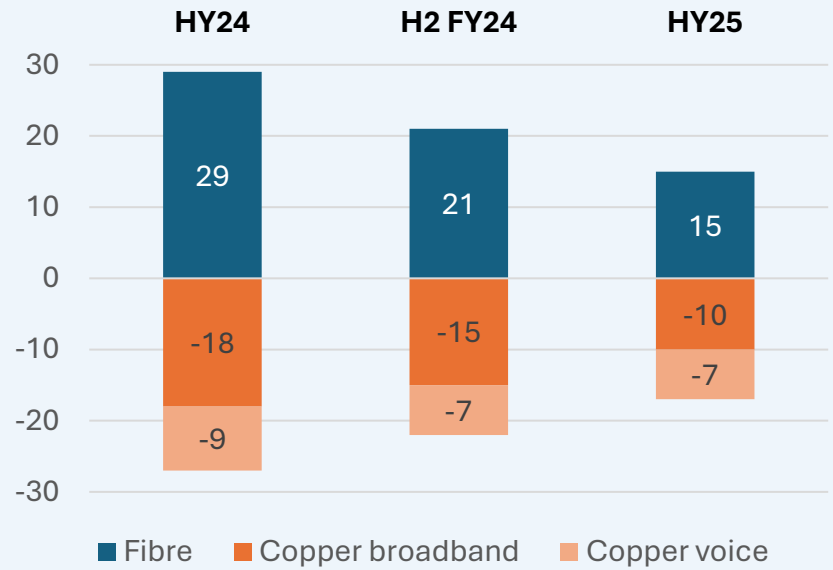
# Fibre growth continues in slower market

- 71.7% fibre uptake across Chorus fibre area (FY24: 71.4%; target: 80% by 2030)
- mass market fibre connections up 15k in HY25, with slowing tailwind from copper migration
- fibre footprint +14k in HY25 to 1,520,000 addresses passed

Fibre uptake in Chorus fibre area (% of addresses passed)



Change in mass market connections in Chorus fibre area ('000s)

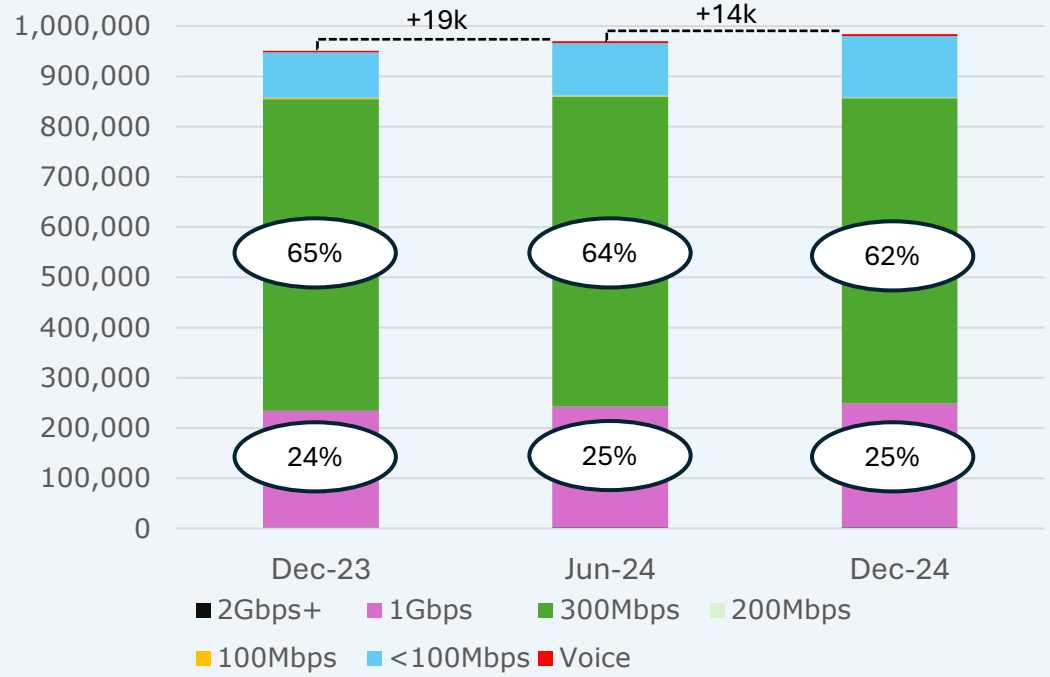




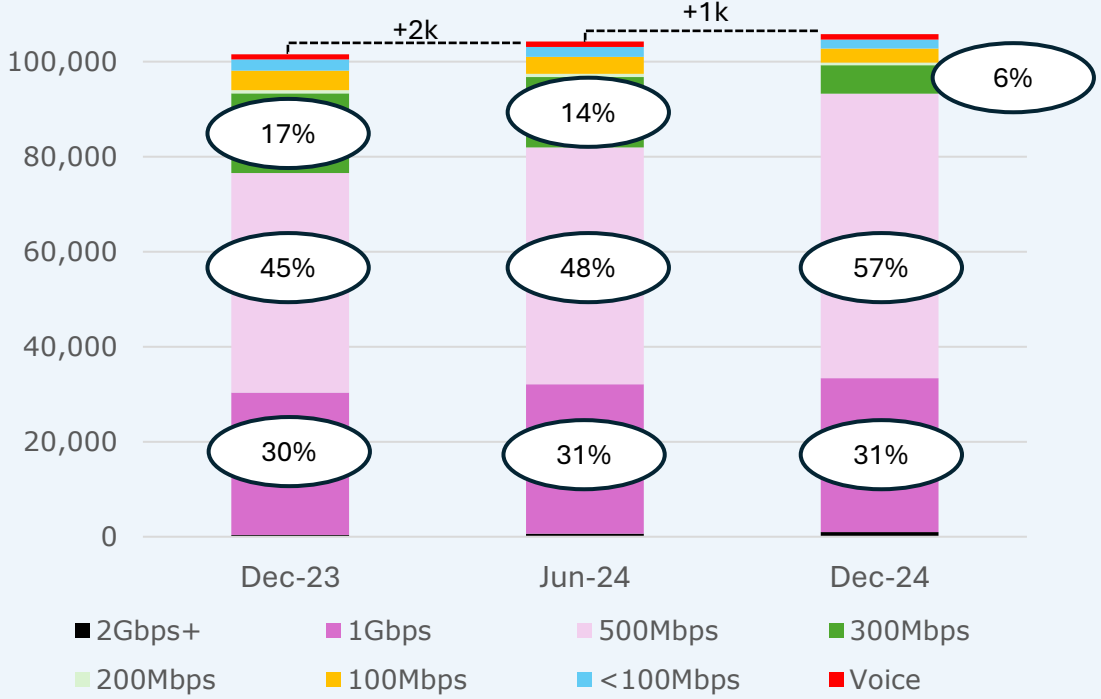
# Entry level plan meets cost-of-living need

- Home Fibre Starter (50Mbps) connections grew by 21k to 68k in HY25
- business and residential connections of 500Mbps+ grew by 17k
- demand for multi-gigabit Hyperfibre plans (2Gbps and above) gained momentum, nearing 5k connections
- 88% of business connections are on 500Mbps or faster; 25% of residential plans are on 1Gbps or faster

**Residential**



**Business**

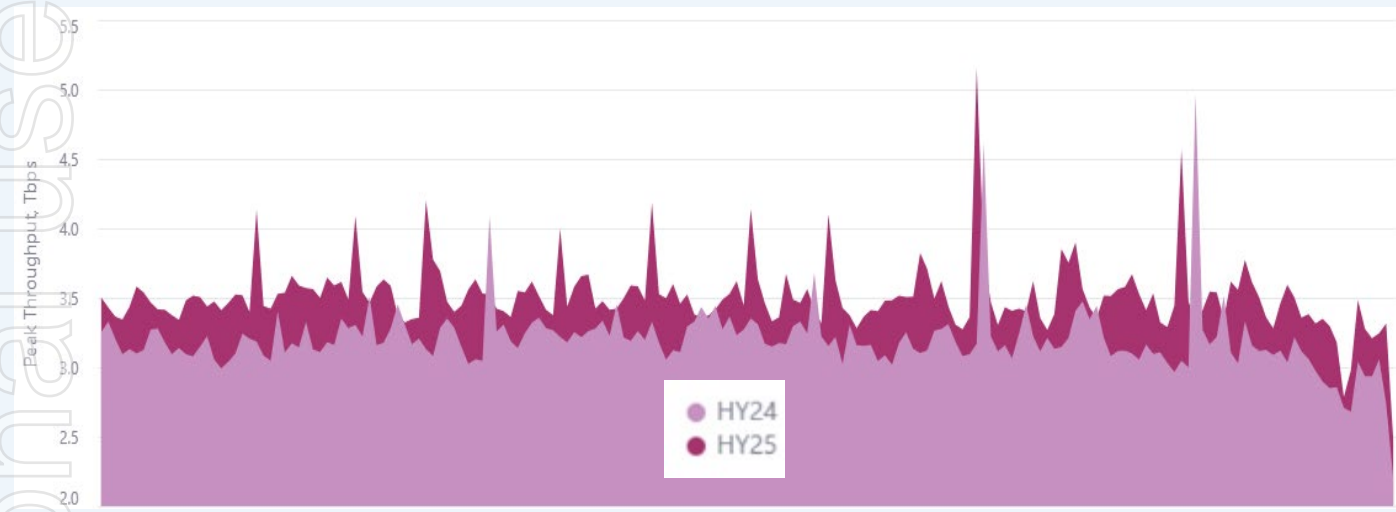




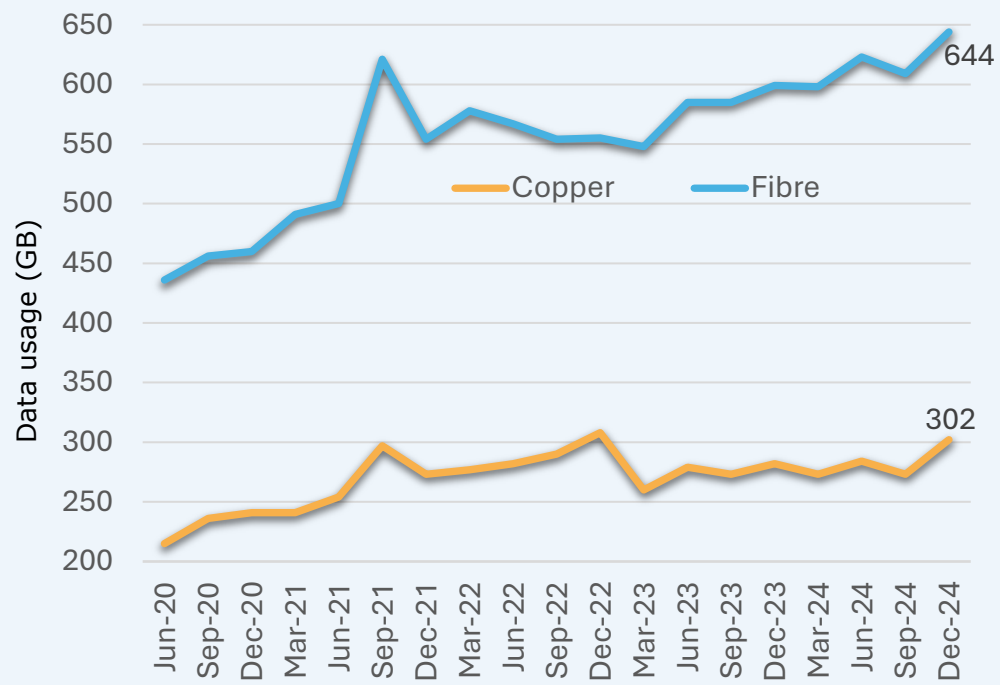
# Record data use and more peak events

- monthly average data usage on fibre increased strongly to 644GB (June: 623GB)
- the proportion of fibre connections using more than 1 terabyte of data was 17.5% (June: 16%)
- HY25 average daily peak traffic 10% higher than HY24
- 10 peak traffic events in HY25 vs 4 in HY24

Daily peak traffic on fibre network, July-December



Monthly average data usage per connection\*



\* includes upstream traffic

E

Expand



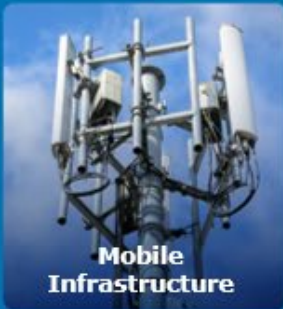
## Driving digital infrastructure revenue growth

- Infrastructure revenues \$77m in HY25 (target: annual \$180m-\$200m by 2030)
- 'greenfield' property activity stabilising back at pre-Covid levels (~20k-25k lots p.a.)
- steady growth in data connectivity demand (e.g. smart locations, mobile backhaul, EdgeCentre)
- IoT: proof of value trials with councils/utilities
- Tasman Ring Network: feasibility work underway following MoU with Datagrid in December

### Existing expertise and revenues

### Exploring adjacent opportunities

FOCUS  
AREAS



**A**

Adapt



## Regulatory certainty on fibre to 2029

- final MAR decision (December) defers \$256m of core fibre asset depreciation from PQP2
- we expect opening core RAB to grow from \$4.99bn (Commission forecast at 13 Dec 2024) to ~\$5.4bn through PQP2, based on final capex allowances and core asset depreciation

PQP2 MAR	2025	2026	2027	2028
Final MAR	\$956.9m	\$1,001.0m	\$1,040.8m	\$1,079.7m
PQP2 allowances	2025	2026	2027	2028
Opex*	\$197.0m	\$203.6m	\$208.0m	\$210.9m
Capex**	\$327.6m	\$290.6m	\$261.3m	\$260.0m

\* opex allowance excludes ~\$20m p.a. of pass-through costs included in MAR. Chorus expects to add \$10m-\$20m opex p.a. (to be recovered via wash-up) as copper shuts down in CNU fibre areas.

\*\* capex allowance may increase subject to installation demand and any future incentive proposal



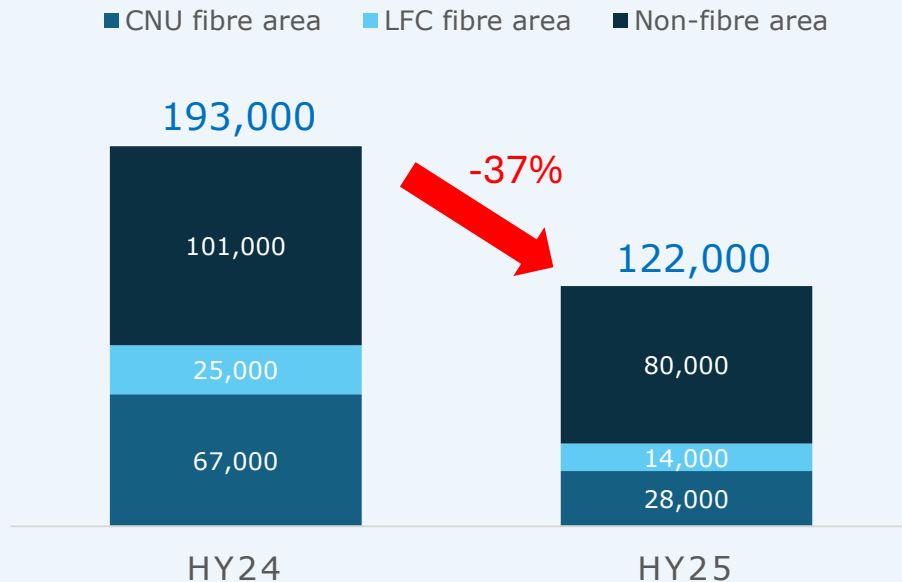
Pioneer



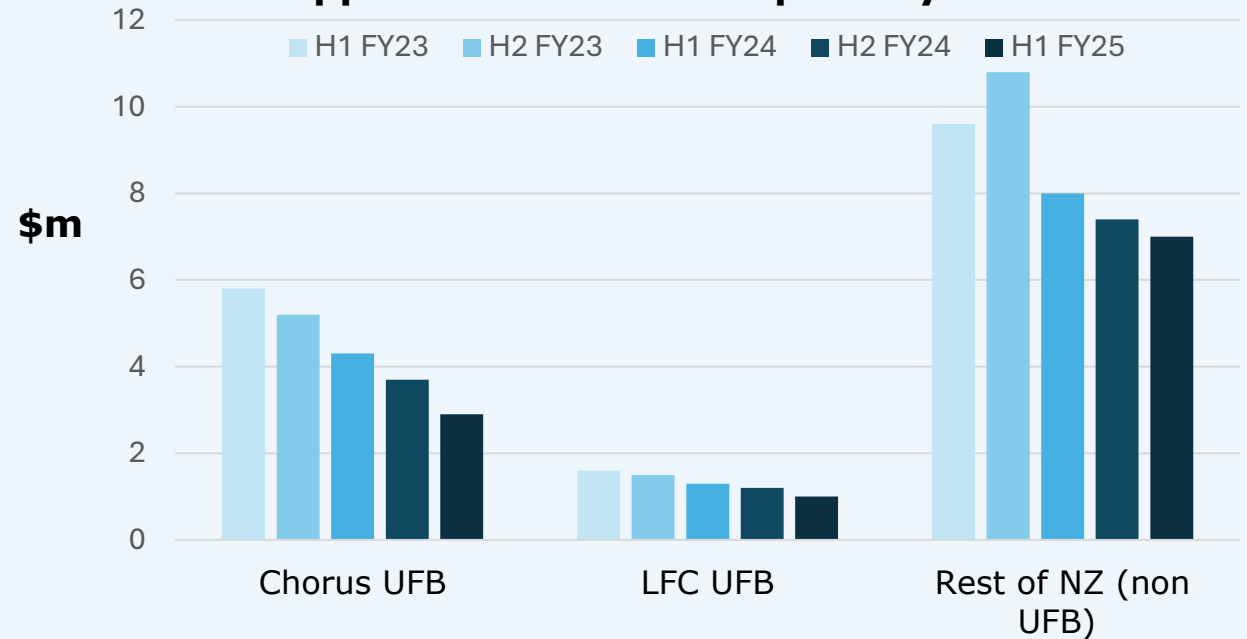
# Copper retirement is coming into focus

- shutdown of copper in Chorus fibre areas now expected by end FY26; fewer than 28k lines in service
- 21% reduction in non-fibre area copper lines since HY24 (target: copper shutdown by 2030)
- 1.5k remote radio customers: ~30% of addresses have moved to an alternative service
- ~10k premises rollout: 1.6k premises passed and 500 connected (4k expressions of interest to date)

## Remaining copper lines



## Copper – reactive fault spend by area





# Financial Performance

Drew Davies,

Chief Operating Officer

# Income Statement

	H1 FY25 \$m	H2 FY24 \$m	H1 FY24 \$m	
Operating revenue	500	507	503	▪ decline in legacy revenues offsetting fibre growth
Operating expenses	(154)	(154)	(156)	▪ legacy costs reducing, but savings partly offset by inflation and spend to explore new revenue opportunities
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>346</b>	<b>353</b>	<b>347</b>	
Depreciation and amortisation	(235)	(234)	(228)	▪ \$48m total depreciation across copper assets, up from \$45m in HY24 due to acceleration on copper related poles
Earnings before interest and income tax	111	119	119	
Net interest expense	(109)	(110)	(107)	▪ weighted average interest rate on debt reduced from 5.8% to 5.7% (includes accounting adjustments)
Net earnings before income tax	2	9	12	
Income tax expense	(7)	(23)	(7)	▪ H2 FY24 included \$15m non-cash expense from law change for deductibility of tax depreciation on buildings
<b>Net (loss)/earnings</b>	<b>(5)</b>	<b>(14)</b>	<b>5</b>	

# Revenue

	H1 FY25 \$m	H2 FY24 \$m	H1 FY24 \$m	
Fibre broadband (GPON)	361	356	341	<ul style="list-style-type: none"> <li>growing uptake; ARPU: \$55.34 (Dec 2024) vs \$55.71 (June 2024) due to growth of entry level plan and delay of fibre price changes to 1 Jan 2025</li> </ul>
Fibre premium (P2P)	32	34	35	<ul style="list-style-type: none"> <li>growing demand for mobile access and backhaul offset by withdrawal of legacy enterprise services</li> </ul>
Copper based broadband	31	38	45	<ul style="list-style-type: none"> <li>copper revenues declining as customers migrate to Chorus fibre or competing fibre/wireless/satellite networks</li> <li>CPI increase of 2.15% applied to some services from mid-December</li> </ul>
Copper based voice	10	13	15	
Data services copper	1	2	1	
Field services	34	33	34	<ul style="list-style-type: none"> <li>greenfields revenue \$12m (HY24:\$14m); roadworks \$6m (HY24: \$5m)</li> </ul>
Infrastructure	17	17	16	
Value added network services	13	13	13	<ul style="list-style-type: none"> <li>demand beginning to reduce for legacy services</li> </ul>
Other	1	1	3	<ul style="list-style-type: none"> <li>HY24 included revenue from property optimisation</li> </ul>
<b>Total</b>	<b>500</b>	<b>507</b>	<b>503</b>	

# Expenses

	H1 FY25 \$m	H2 FY24 \$m	H1 FY24 \$m
Labour	43	41	39
Network maintenance	25	26	27
IT	20	21	23
Other network costs	17	18	19
Rent, rates and property maintenance	14	13	14
Electricity	11	12	10
Advertising	5	5	6
Insurance	3	2	3
Consultants	6	3	3
Regulatory levies	5	4	5
Provisioning	0	1	0
Other	5	8	7
<b>Total</b>	<b>154</b>	<b>154</b>	<b>156</b>

- 45% capitalisation rate (HY24: 48%) as fibre investment reduces; \$1m change costs
- reducing fault volumes partly offset by service company CPI increases
- reducing as legacy systems are exited
- \$1m of copper exit costs
- CPI impact and spike in spot prices offset 3.6% lower consumption vs HY24
- additional spend to support exploration of new revenue opportunities

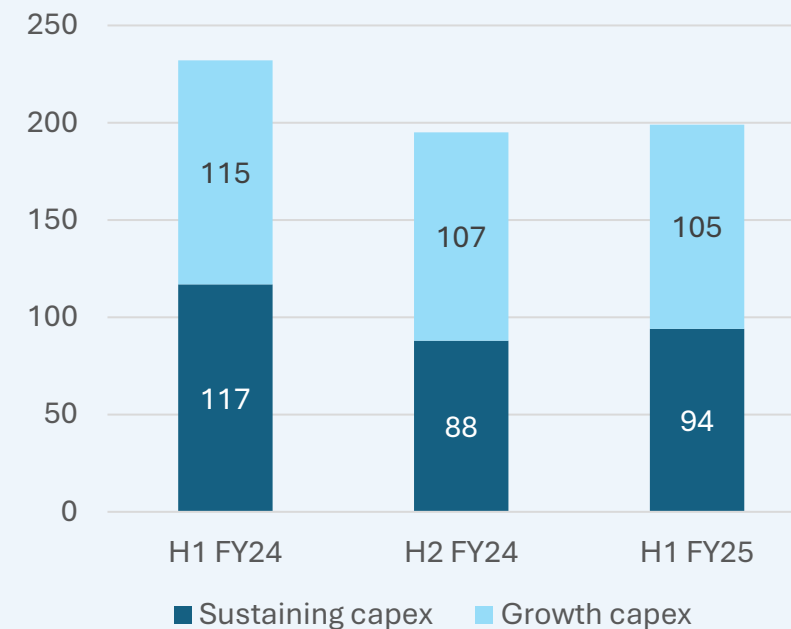
# Capex

Gross capex	H1 FY25 \$m	H2 FY24 \$m	H1 FY24 \$m
Sustaining capex*	94	88	117
Discretionary growth capex	105	107	115
<b>Gross capex</b>	<b>199</b>	<b>195</b>	<b>232</b>
Less Third-party contributions**	(24)	(25)	(30)
<b>Net capex</b>	<b>175</b>	<b>170</b>	<b>202</b>

\*Sustaining capex is investment to maintain, replace or improve an existing asset.

\*\* Third-party contributions included \$2m of government grants that were applied to the balance sheet for specific projects. Other contributions were recognised as revenue.

### Sustaining vs growth capex



# Capex

<b>RAB capex*</b>	<b>H1 FY25 \$m</b>	<b>H2 FY24 \$m</b>	<b>H1 FY24 \$m</b>
Extending the network – growth	45	26	29
Installations – growth	54	70	81
IT & Support - sustaining	27	33	31
Network capacity - sustaining	35	26	39
Network sustain & enhance - sustaining	18	16	19
<b>Gross RAB capex</b>	<b>179</b>	<b>171</b>	<b>199</b>
less Third-party contributions**	(18)	(15)	(24)
<b>Net RAB capex</b>	<b>161</b>	<b>156</b>	<b>175</b>

<b>Non-RAB capex</b>	<b>H1 FY25 \$m</b>	<b>H2 FY24 \$m</b>	<b>H1 FY24 \$m</b>
Copper - growth	2	4	1
Copper - sustaining	4	6	12
Other - growth	4	7	4
Other - sustaining	10	7	16
<b>Gross non-RAB capex</b>	<b>20</b>	<b>24</b>	<b>33</b>
less Third-party contributions	(6)	(10)	(6)
<b>Net non-RAB capex</b>	<b>14</b>	<b>14</b>	<b>27</b>

\* HY25 unaudited. Final allocation for HY25 to be determined for 2025 Information Disclosure.

\*\*Third-party contributions are deducted from capex when calculating the value of RAB assets

# Leverage: 4.54x net debt/EBITDA

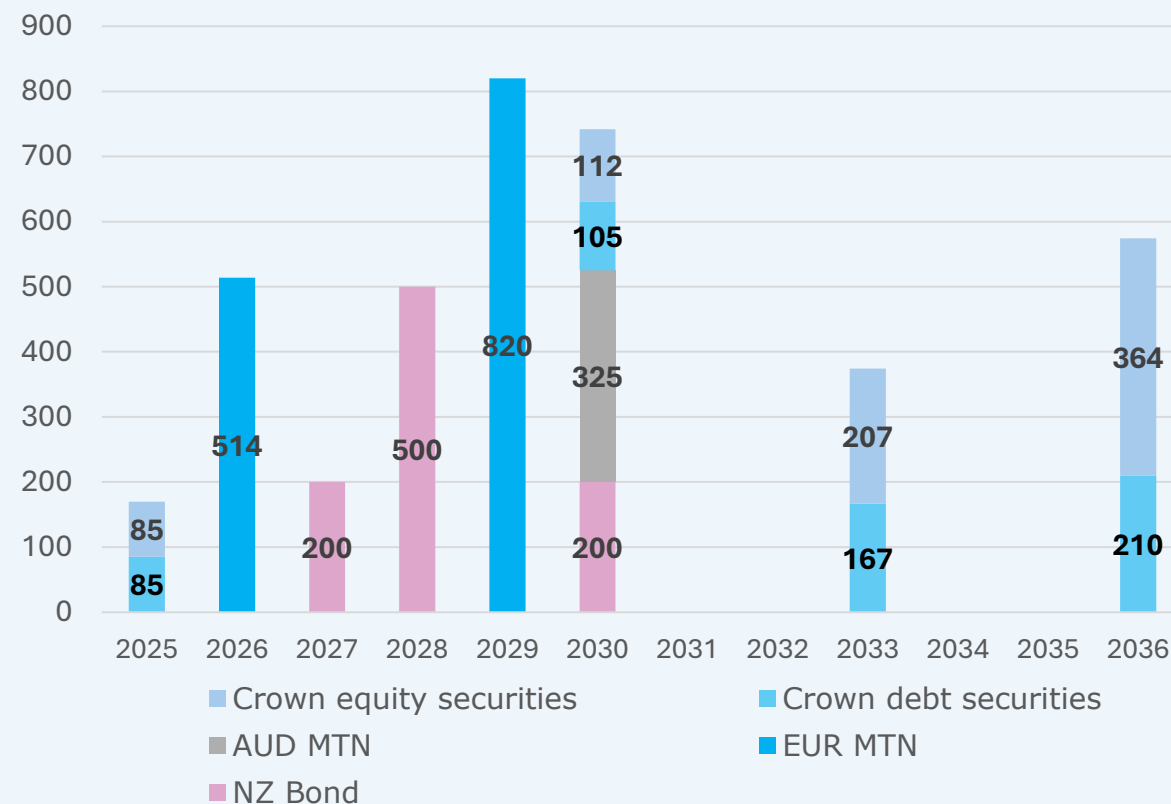
## As at 31 Dec 2024 (\$m)

Borrowings	2,774
+ PV of CIP debt securities (senior)	314
+ Net leases payable	166
Sub total	3,254
- Cash	83
<b>Total net debt</b>	<b>3,171</b>
Net debt/EBITDA*	4.54x

NZ \$M

- prior periods ND/EBITDA: HY24 4.56x; FY24 4.42x
- \*based on S&P and bank covenant methodologies
- ratings agency thresholds: S&P 5.0x, Moody's 5.25x,
- financial covenants require senior debt ratio to be no greater than 5.5x
- borrowings increased \$105m from \$2,669 million (FY24)
  - long term bank facilities of \$450m (\$215m drawn)
  - ~70% of interest rate exposure fixed for 3 years – see slide 30

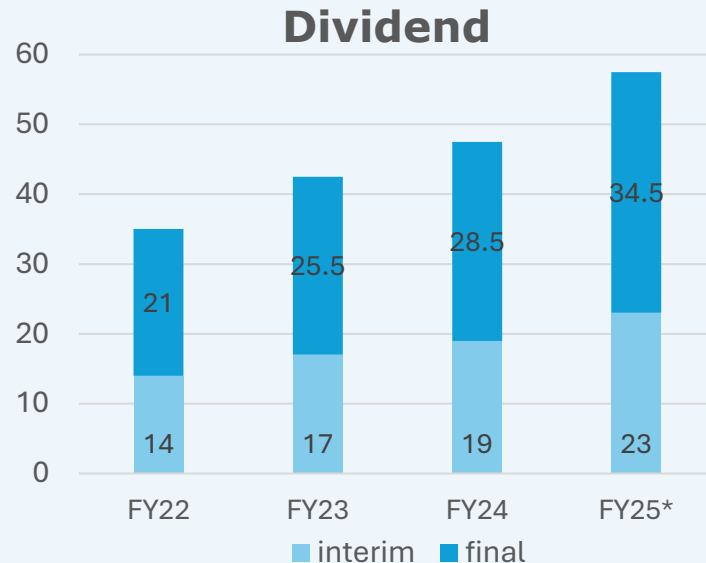
## Debt maturity profile



# HY25 dividend and FY25 guidance (unchanged)

- **HY25 interim dividend**
  - 23cps, unimputed
    - **record date:** 18 March 2025
    - **payment date:** 15 April 2025
    - Dividend Reinvestment Plan not available
- **FY25 dividend guidance\*:** 57.5cps
  - dividends remain unimputed in medium term

cents  
per  
share



- **FY25 EBITDA \$700m to \$720m\***
  - tracking to lower half of range
  - original guidance excluded exploratory opex for subsea cable
  - fibre price increases applied from January 2025
- **FY25 gross capex \$400m to \$440m**
  - unchanged
- **FY25 sustaining capex \$200m to \$220m**
  - tracking to lower half of range

\* subject to no material adverse changes in circumstances or outlook

# Getting future fit

Mark Aue,

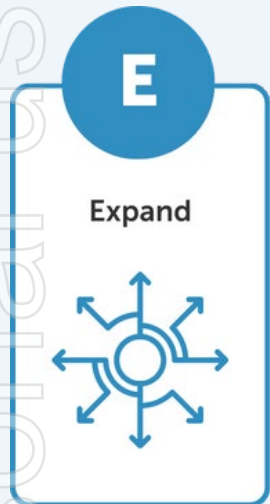
Chief Executive Officer



# Fast track to an all-fibre business



- fibre price changes effective 1 January
- fibre speed 'boost' from end FY25 (50/10Mbps > 100/20; 300/100Mbps > 500/100)
- final Commission decision on broadband marketing guidelines expected Q3
- new RSP-led propositions tailored to market segments: (e.g. retirement villages, pan-LFC inactive ONT incentive campaign)
- proof-of-concept launched to connect low-income and digitally excluded households



- Tasman Ring Network (Option 3)
  - proposed ~6,000km subsea network to underpin NZ's burgeoning data centre ecosystem and leverage South Island hydro capacity
  - launched to prospective customers at Pacific Telecom Conference in January
  - investment subject to pre-build commitments meeting return hurdles
  - indicative build completion in CY28



# Fast track to an all-fibre business (cont.)

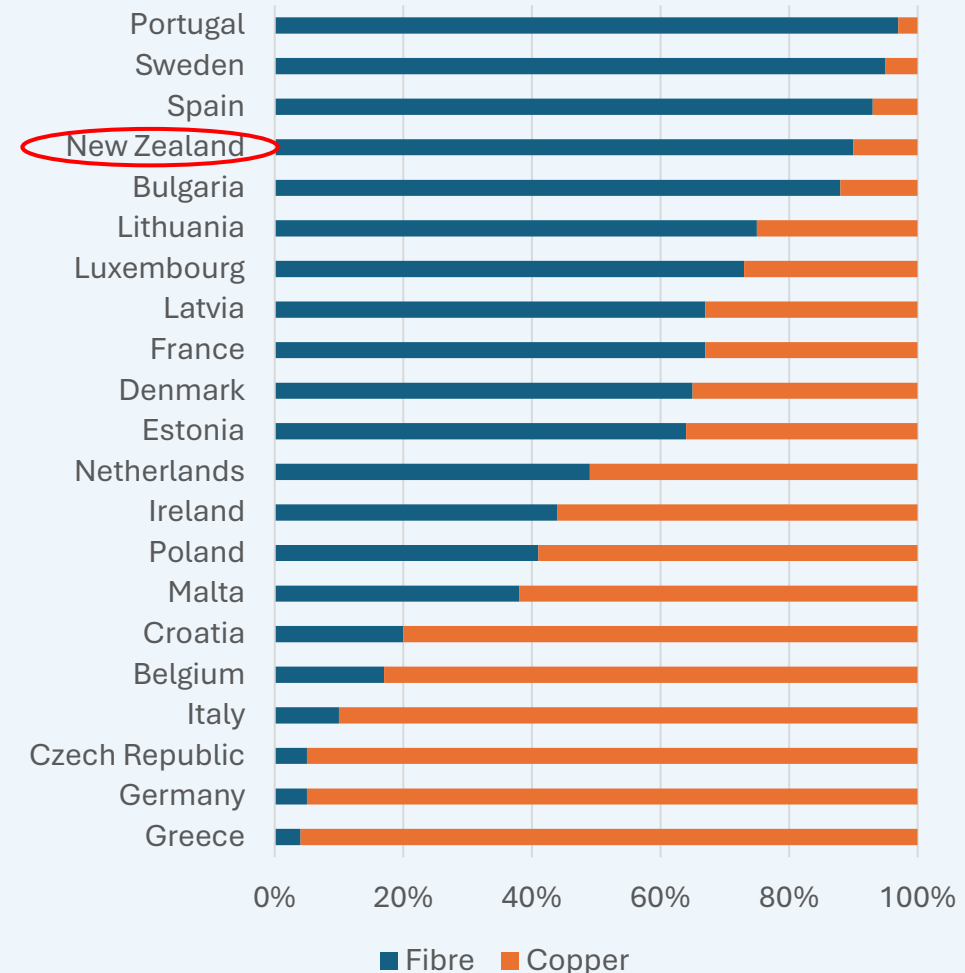
**A**  
Adapt

- Chorus internal focus on getting 'future fit' for Horizon 2 (FY26-29) with ongoing iteration of operating model
- Commission draft decision on copper services deregulation expected Q3 and final decision Q4
- Commission review of possible deregulation for fibre transport and voice services (timeline TBC)

**P**  
Pioneer

- *copper recovery (Option 5)*: cable trial underway; expect ~3-7 year programme with \$30m-\$50m net proceeds
- *property optimisation (Option 6)*: ~\$20m 'high sites' and ~\$75m other land & buildings in LFC and other non-UFB areas that may be optimised or sold
- *rural fibre (Option 4)*: submission to govt Infra Priorities Programme that fibre's socio-economic benefits should be evaluated like roading

**International copper retirement progress**  
(% of incumbent network lines on fibre vs copper)



Source: FTTH Council Europe

# Simpler, more focused, more competitive

- Chorus' business remains resilient, but ongoing recessionary headwinds expected in H2
- we have regulatory clarity on fibre for next 4 years
- copper retirement is enabling removal of legacy costs; clarity required on copper policy settings
- we're exploring new market adjacencies to leverage our infrastructure assets and capabilities
- we're embracing our new market challenger posture as we strive for 80% fibre uptake by 2030
- our operating model is evolving as we move quickly to become a simpler all-fibre business by 2030



# Appendices



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# Appendix A: Market information

	30 Sept 2023	31 Dec 2023	31 March 2024	30 June 2024	30 Sept 2024	31 Dec 2024
Baseband copper (no broadband)	64,000	57,000	51,000	45,000	40,000	34,000
Copper ADSL (includes naked)	75,000	68,000	62,000	56,000	49,000	44,000
VDSL (includes naked)	75,000	68,000	62,000	55,000	49,000	44,000
Data services (copper)	1,000	1,000	1,000	1,000	1,000	1,000
Fibre broadband (GPON)	1,041,000	1,052,000	1,064,000	1,074,000	1,083,000	1,089,000
Fibre premium (P2P)	10,000	10,000	10,000	10,000	9,000	9,000
<b>Total connections*</b>	<b>1,266,000</b>	<b>1,256,000</b>	<b>1,250,000</b>	<b>1,241,000</b>	<b>1,231,000</b>	<b>1,221,000</b>

Copper connections declined 16k in Q2 and total 123k

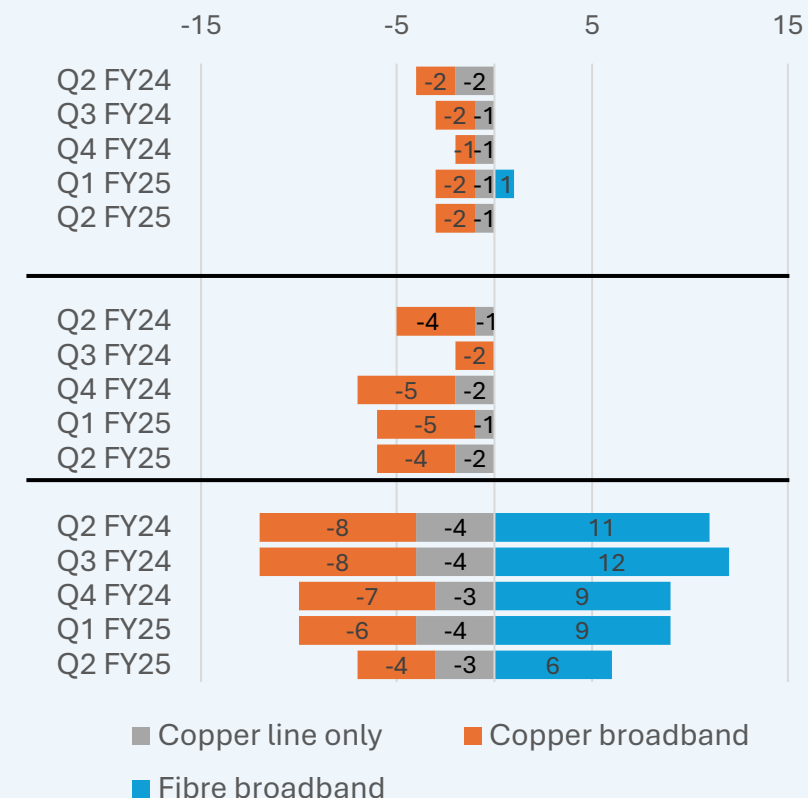
Total fibre connections grew 6k in Q2 and total 1,098k

\*includes ~2,000 broadband connections Chorus is subsidising for lower socio-economic households

# Connection changes by zone (indicative as at 31 December)

<b>Other fibre company (LFC) zone</b>	Copper lines (no broadband)	6,000	Local Fibre Company and fixed wireless provider activity is driving a gradual decline in copper connections.
	Copper broadband lines	8,000	
	Fibre broadband lines (GPON)	4,000	
	<b>TOTAL</b>	<b>18,000</b>	
<b>Non-fibre addresses (i.e. Chorus fibre not available)</b>	Copper lines (no broadband)	15,000	Ongoing decline in copper connections due to mobile/fixed wireless/satellite footprint expansion.
	Copper broadband lines	65,000	
	<b>TOTAL</b>	<b>80,000</b>	
<b>Chorus fibre zone</b>	Copper lines (no broadband)	13,000	Covers all addresses outside of LFC UFB rollout zone where Chorus fibre is available. Fibre footprint is growing as a result of new property development. Copper connections are reducing as Chorus retires its copper network.
	Copper broadband lines	15,000	
	Fibre broadband lines (GPON)	1,083,000	
	<b>TOTAL</b>	<b>1,111,000</b>	

## Quarterly change ('000s) by zone



\* Excludes ~12k fibre premium, data services (copper) and smart location connections

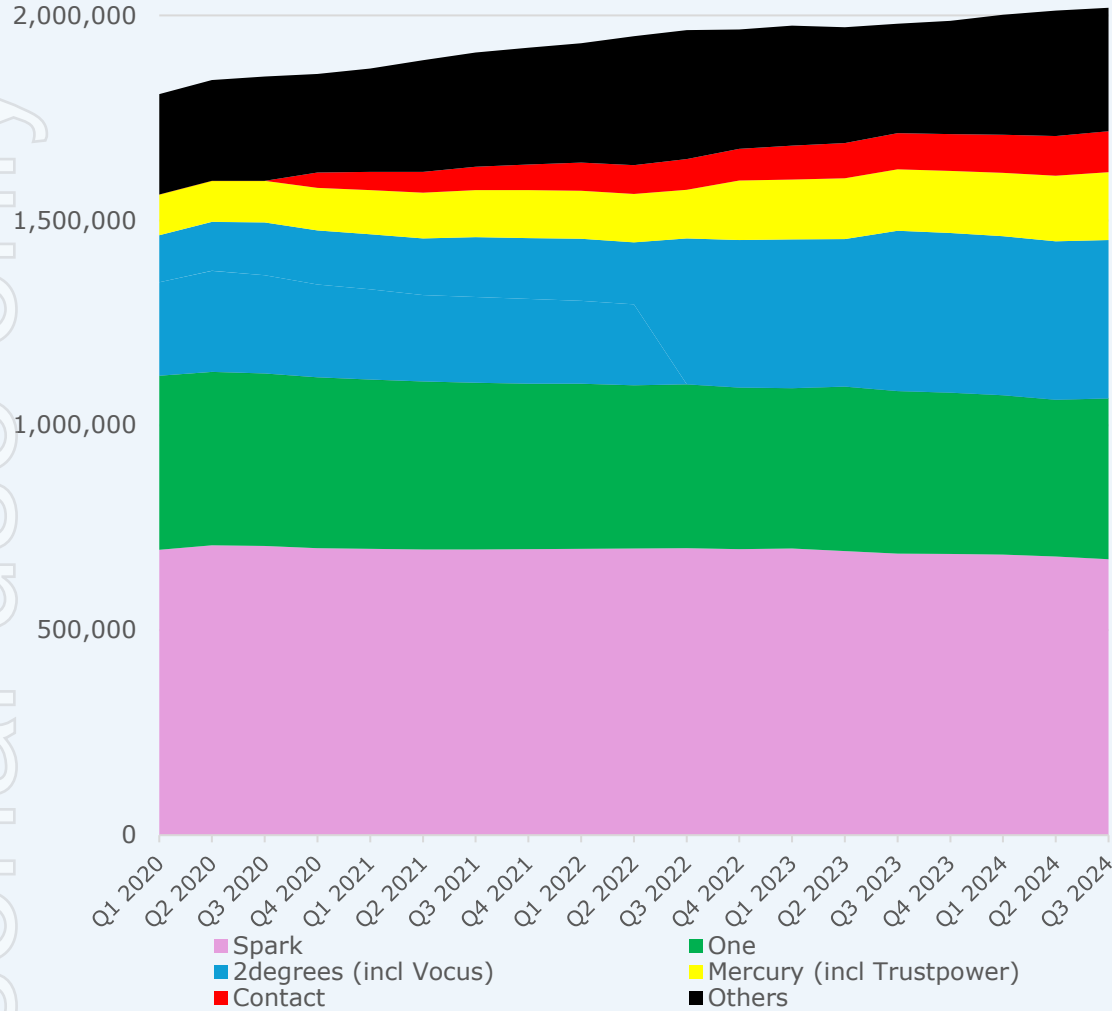
# Pricing update

Fibre plan - consumer	Current wholesale price	Price before 1 Jan 2025	Notes
Voice line	\$30.59	\$29.11	
Home starter 50/10Mbps	\$38	\$35	Wholesale price applies where retail price is \$65. 50/10Mbps upgrades to 100/20Mbps from end FY25.
50/10Mbps	\$53.96	\$50.43	
100/20Mbps 300/100Mbps	\$56.28	\$53.54	100Mbps is anchor service. 300/100Mbps service upgrades to 500/100Mbps from end FY25.
1Gbps	\$66.19	\$61.86	
Hyperfibre 2Gbps	\$74.90	\$70	
Hyperfibre 4Gbps	\$90.95	\$85	
Hyperfibre 8Gbps	\$117.70	\$110	

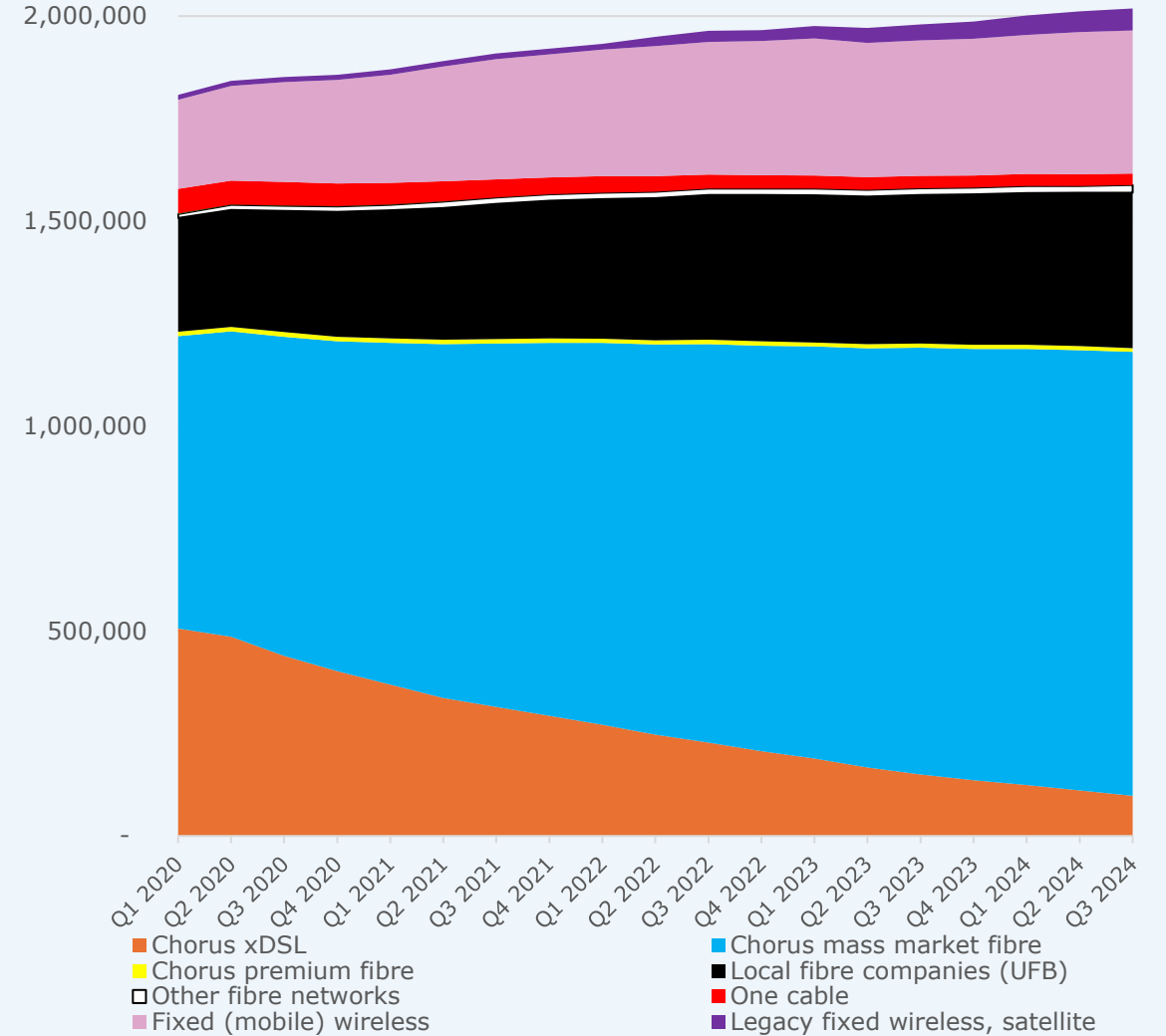
Copper pricing	Current wholesale price	Price before 16 Dec 2024	Notes
Copper line	\$39.03	\$38.21	Annual CPI adjustment mid-December 2024
Copper broadband	\$52.18	\$51.08	

# Market composition

## NZ broadband market – by retailer



## NZ broadband market – by technology



Source: IDC

# Appendix B: Additional financial information

## Interest rate hedges

Bond	Amount (NZ\$m)	Current hedge profile
EMTN 2026	514	100% fixed for life of bond at 3.39%
NZD 2027	200	100% fixed for life of bond at 1.98%
NZD 2028	500	100% fixed for life of bond at 6.21% from Dec 2023
EMTN 2029	820	Swapped to a margin over floating (BKBM) through cross currency interest rate swaps. ~67% fixed at 6.17%
NZD 2030	200	100% fixed at 2.5%
AMTN 2030	325	Swapped to a margin of 1.73% over floating (BKBM) through cross currency interest rate swaps. ~30% is fixed using an interest rate collar of 5.48% to 6.05% from March 2025

## Crown financing summary

Crown securities \$m	30 June 2025	30 June 2030	30 June 2033	30 June 2036	TOTAL
Equity securities (cumulative total)	85.3	197.0	404.0	768.5	768.5
Debt securities (maturity profile)	85.3	104.7	166.7	210.2	566.9

### Crown equity securities

- unique class of security with no voting rights but a repayment preference on liquidation
- an increasing portion attract dividend payments from 30 June 2025 onwards based on 180-day NZ bank bill rate, plus 6% p.a. margin
- redeemable by cash payment of total issue price or the issue of Chorus shares (at a 5% discount to the 20-day VWAP for Chorus shares)

### Crown debt securities

- unsecured, non-interest bearing and carry no voting rights
- to be redeemed in tranches from 30 June 2025 to 2036 by repaying the issue price to the holder

# Copper cost outlook

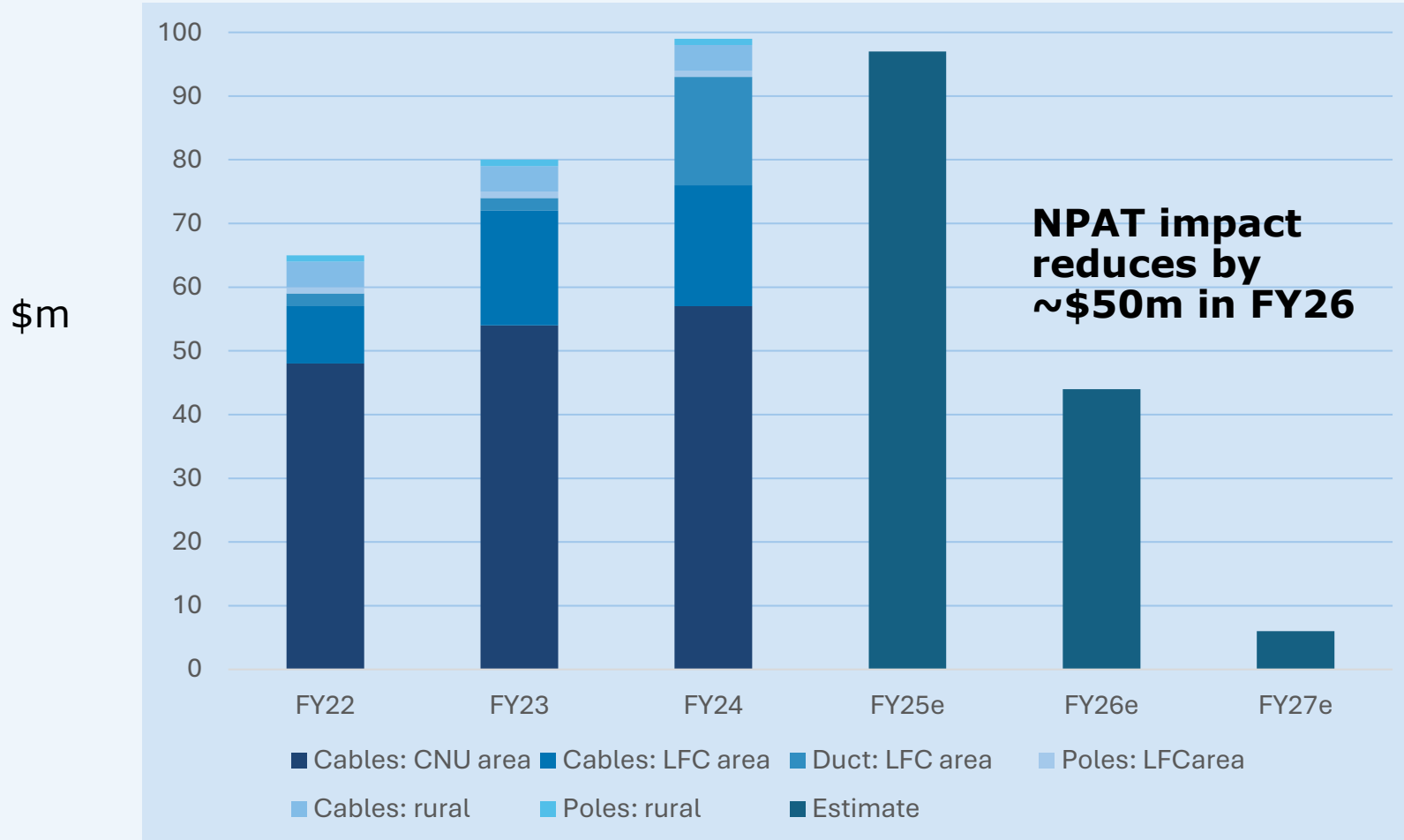
## Tight cost control keeps direct copper revenues and costs FCF positive

- Copper capex, net of contributions, \$15m (FY24) and declining as activity transitions to fibre
- Direct copper opex of ~\$54m (FY24) steps down as copper customers migrate to other networks, or to fibre with a lower cost to serve

Direct copper expenses*	FY24 \$m	Outlook to 2030 copper retirement
Network maintenance	27	Reducing as customers migrate to alternative networks: includes faults from the exchange and/or cabinet, through to customer premises
IT	10	Step-change once customer numbers remove need for scale systems
Other network costs	5	\$4m of exit costs in FY24; ongoing exit costs subject to pace of copper retirement and copper recycling programme
Electricity	12	Steady decline as network equipment shuts down
<b>TOTAL</b>	<b>54</b>	

*\*Note: this summary excludes shared costs and potential property maintenance savings from property optimisation*

# Accelerated copper depreciation rolls off rapidly



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# Capital management principles and policy

## A digital infrastructure business maximising long-term value and returns

Dividend policy: pay an ordinary dividend of 70% to 90% (on average, over time) of net cash flow from operating activities less sustaining capital expenditure

Net cash flow from operating activities

Less sustaining capital expenditure

= Free cash flow for capital allocation

Less ordinary dividend  
(70% to 90% of free cash flow  
for capital allocation)

= Surplus free cash flow for allocation

Share buy  
backs

Additional  
dividends

Discretionary  
growth capex

Capital allocation  
underpinned by  
free cash flow  
from an essential  
regulated  
infrastructure  
asset

Deliver a  
sustainable  
growing dividend,  
at least in real  
terms

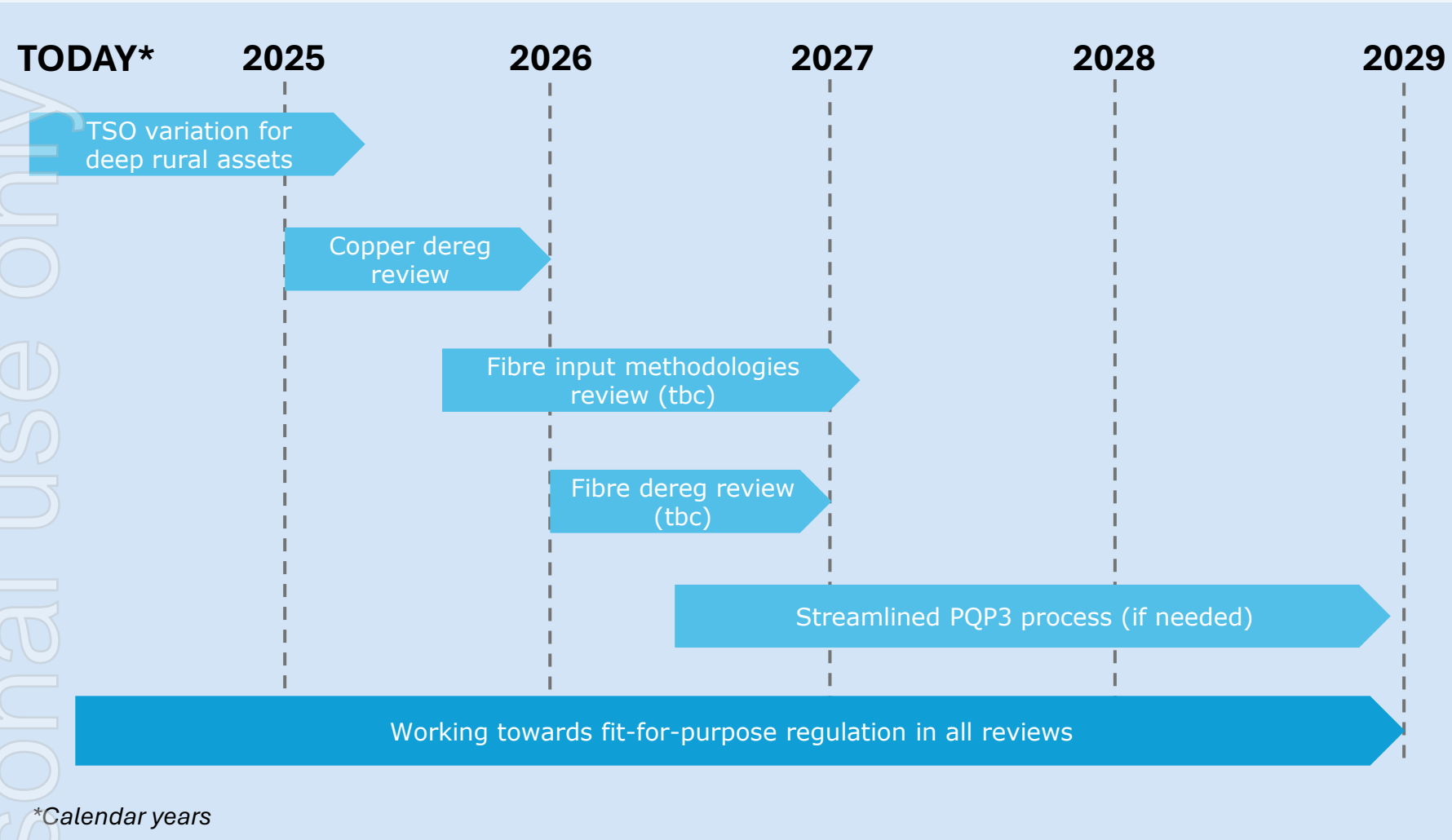
Use balance sheet  
to fund  
discretionary  
growth capex - up  
to 4.75x  
ND/EBITDA

Discretionary  
growth capex  
must deliver  
greater value  
than returning  
funds to  
shareholders

# Appendix C: Regulatory information

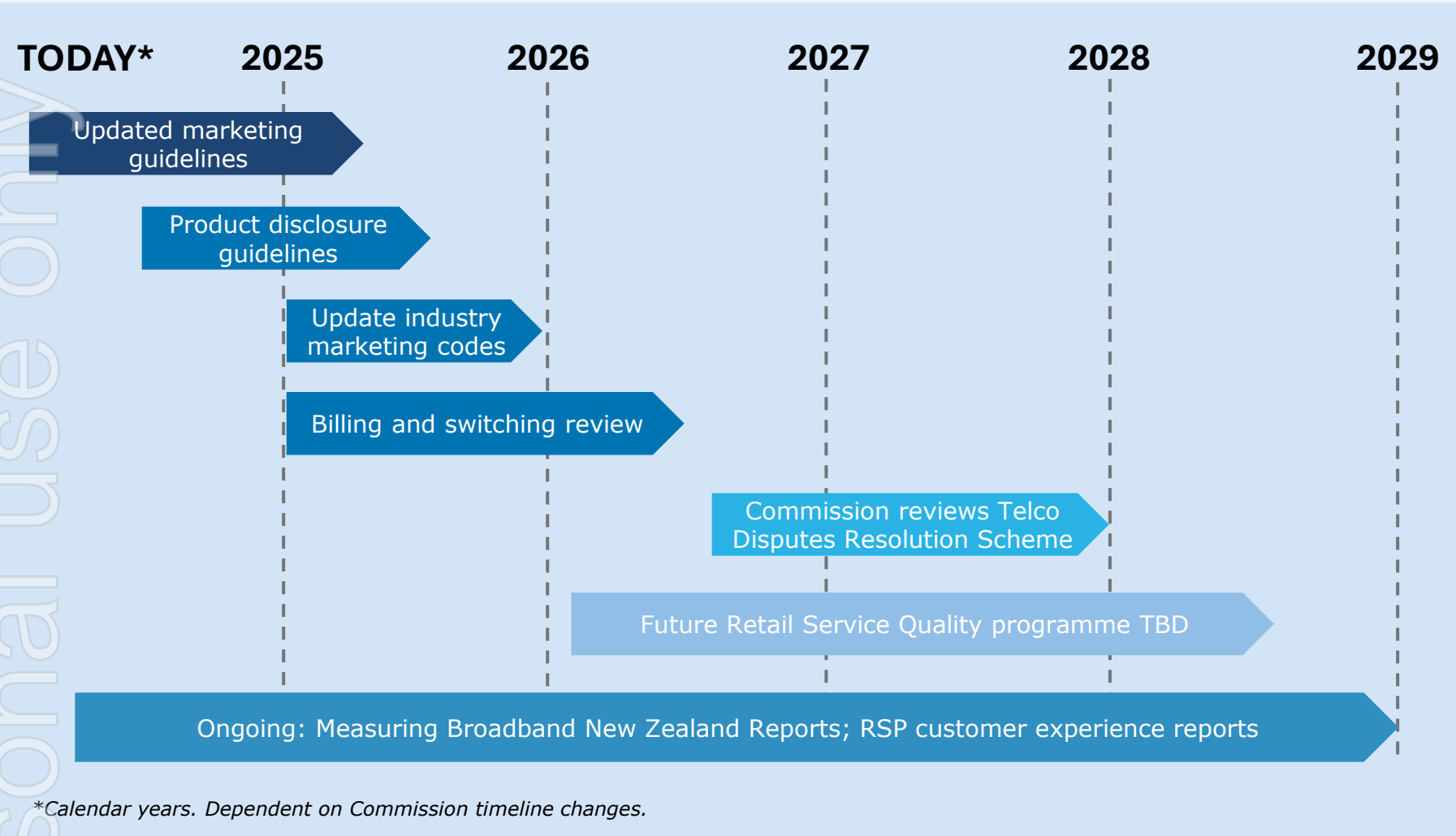
Final building blocks revenue components (\$m, nominal)	2025	2026	2027	2028
<b>Total return on capital</b>	<b>255.1</b>	<b>270.4</b>	<b>269.4</b>	<b>266.1</b>
Return on assets (RAB x WACC), Core fibre assets	384.6	396.6	404.3	408.5
Return on assets (RAB x WACC), Financial loss assets	74.0	63.8	54.6	46.2
Revaluations	-127.1	-116.7	-116.1	-115.3
Ex-ante stranding allowance	6.0	6.0	6.0	5.9
Benefit of Crown finance	-84.9	-81.9	-81.8	-81.7
TCS D allowance	2.5	2.5	2.5	2.4
<b>Opex allowance</b>	<b>197.0</b>	<b>203.6</b>	<b>208.0</b>	<b>210.9</b>
<b>Total depreciation</b>	<b>452.8</b>	<b>447.3</b>	<b>450.8</b>	<b>439.4</b>
Core fibre assets	299.4	310.0	327.5	328.3
Financial loss assets	153.4	137.2	123.3	111.1
<b>Tax allowance</b>	<b>0.0</b>	<b>0.0</b>	<b>28.3</b>	<b>101.6</b>
<b>In-period smoothing</b>	<b>-13.3</b>	<b>11.6</b>	<b>13.5</b>	<b>-11.4</b>
<b>Total building blocks revenue</b>	<b>891.5</b>	<b>932.8</b>	<b>970.2</b>	<b>1,006.6</b>
<b>Pass-through costs</b>	<b>19.6</b>	<b>20.2</b>	<b>20.8</b>	<b>21.4</b>
<b>Wash-up amount (smoothed)</b>	<b>45.8</b>	<b>47.9</b>	<b>49.8</b>	<b>51.7</b>
<b>TOTAL</b>	<b>956.9</b>	<b>1,001.0</b>	<b>1,040.8</b>	<b>1,079.7</b>

# Pathway to simplification by 2030



\*Calendar years

# Consumer transparency opportunities



*\*Calendar years. Dependent on Commission timeline changes.*

CHORUS

# Half Year Result 2025

For the six months ended 31 December 2024

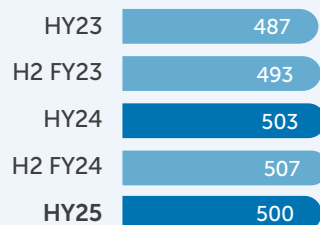
- 01 Half year result overview
- 02 Management commentary
- 04 Financial statements

# Half year result overview

% COMPARISONS ARE HY25 VS HY24

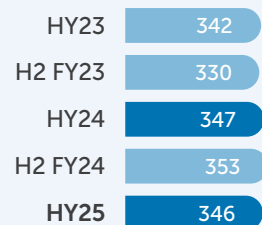
-1%

REVENUE (\$million)



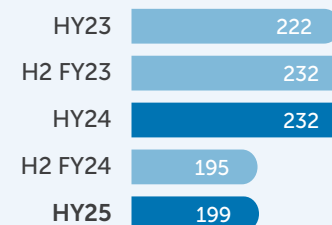
-1%

EBITDA<sup>1</sup> (\$million)



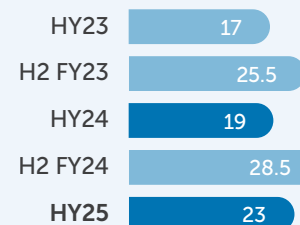
-14%

CAPITAL EXPENDITURE (\$million)

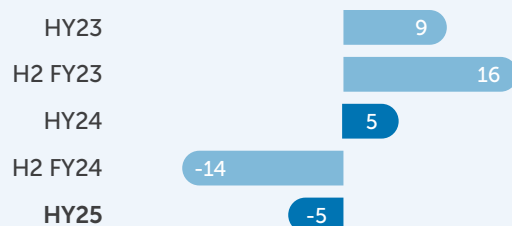


+21%

DIVIDEND (cents per share)



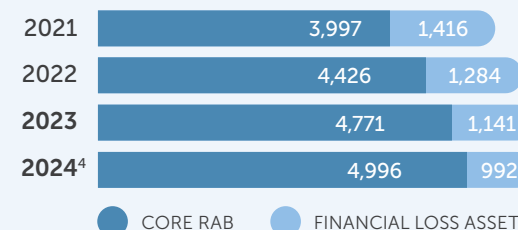
NET LOSS / EARNINGS (\$million)<sup>2</sup>



FIBRE CONNECTIONS



REGULATORY ASSET BASE-RAB (\$million)<sup>3</sup>



- Earnings before interest, income tax, depreciation and amortisation (EBITDA) is a non-GAAP profit measure without a standardised meaning for comparison between companies. We monitor EBITDA as a key performance indicator and we believe it assists investors in assessing the performance of the core operations of our business.
- Net earnings have been impacted by the increasing acceleration of depreciation on various copper assets since FY22. H2 FY24 also included a one-off \$15 million non-cash tax expense following the removal of deductibility of tax depreciation for buildings.
- Closing amount at 31 December.
- Based on Commerce Commission forecasts, 13 December 2024.

HY25: Six months ended 31 December 2024  
 HY24: Six months ended 31 December 2023  
 H2 FY24: Six months ended 30 June 2024

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# HY25 Management commentary

We report earnings before interest, income tax, depreciation, and amortisation (EBITDA) of \$346 million for the six months ended 31 December 2024 (HY25). This was consistent with HY24 EBITDA of \$347 million, despite the challenges of New Zealand's ongoing economic recession.

The acceleration of depreciation on copper related assets, as we transition to an all-fibre business, drove a net loss after tax of \$5 million, compared to a profit of \$5 million in HY24.

## Operating revenue

Revenues of \$500 million were down \$3 million from HY24 revenues. This was due to the ongoing decline in legacy copper revenues.

We ended HY25 with about 1,221,000 fixed line connections, down about 20,000 lines during HY25. This reflected a reduction of 34,000 copper lines nationwide, as customers migrate to more modern technologies in some areas. In areas where our fibre network is available, copper connections declined by approximately 17,000 lines.

Our total fibre connections increased by about 14,000 to 1,098,000 during HY25 and comprise 90% of Chorus' total connections. Overall fibre uptake grew to 71.7% of addresses where Chorus fibre is available, excluding local fibre company areas, up from 70.6% at the end of HY24.

	CONNECTIONS 31 DECEMBER 2024	CONNECTIONS 31 DECEMBER 2023	CONNECTIONS 30 JUNE 2024
Fibre broadband (GPON)	1,089,000	1,052,000	1,074,000
Fibre premium (P2P)	9,000	10,000	10,000
Copper VDSL	44,000	68,000	55,000
Copper ADSL	44,000	68,000	56,000
Data services over copper	1,000	1,000	1,000
Baseband copper	34,000	57,000	45,000
<b>Total fixed line connections*</b>	<b>1,221,000</b>	<b>1,256,000</b>	<b>1,241,000</b>

\*includes several thousand partly subsidised education connections.

## Fibre broadband revenues

Fibre broadband accounted for 72% of total revenues compared to 68% in HY24. The ongoing growth in fibre connections, together with price increases applied midway through HY24, saw HY25 fibre broadband revenues up \$20 million compared to HY24. The timing for adjustments to fibre pricing was delayed from October 2024 until January 2025 to better align with the start of the new regulatory period and allow for an expectation that the regulated revenue cap for fibre could constrain pricing in 2024.

Average monthly revenue per fibre user decreased from \$56.05 in December 2023 to \$55.34 in December 2024. This shift was driven by cost-of-living pressures and strong uptake of our entry-level 50Mbps Home Fibre Starter plan, with growth of approximately 21,000 connections in HY25. Plans below 300Mbps make up 12% of residential connections while 25% are on 1Gbps or faster.

## Fibre premium revenues

Fibre premium revenues reduced by \$3 million from HY24 as we withdraw some legacy point-to-point fibre services and customers transition to cheaper fibre broadband inputs.

## Copper revenues

Connection revenues across copper voice and data services continued to decline as customers migrated to fibre or alternative services. Together, copper broadband and copper voice revenues were down by \$19 million in HY25 from HY24. A 2.15% inflation-related price increase was applied to copper voice and broadband services in mid-December 2024.

## Field services revenues

Field services revenues were flat. This was despite the challenging economic conditions reducing new property development revenues by \$2 million from HY24.

## Other revenues

Other revenues were down by \$2 million because HY24 included a sale of property benefit that was not repeated in HY25. We're continuing to explore opportunities to optimise our property portfolio.

## Expenses

Our focus on cost management saw total operating expenses reduce by \$2 million to \$154 million in HY25. This was despite ongoing inflationary cost pressures and investment in exploring non-regulated revenue opportunities.

### Labour

Labour costs of \$43 million were up \$4 million from HY24. This was largely due to reduced capitalisation of labour costs, from 48% to 45%, as fibre rollout and connection activity decreases.

The number of permanent and fixed term employees reduced from 852 to 849 between the end of HY24 and HY25. As we transition to an all-fibre network operator there is an ongoing focus on organisational simplification.

### Network maintenance

Network maintenance costs decreased by \$2 million in HY25 compared to HY24. The savings from fewer copper connections, and their comparatively higher fault rate than fibre connections, were partly offset by inflationary increases in maintenance costs.

### Information technology

Information technology costs in HY25 were down \$3 million from HY24 as we continued to exit legacy systems.

### Other network costs

Other network costs were down \$2 million from HY24. FY25 spend on copper network optimisation is weighted more to the second half of FY25.

### Consultants

Consultant spend increased by \$3 million in HY25 because we are exploring the potential development of new revenue opportunities, such as a trans-Tasman submarine cable.

### Depreciation and amortisation

Accelerated depreciation of copper related poles drove an \$8 million increase of depreciation expense compared to HY24.

Copper cables in Chorus UFB1 and UFB2 rollout areas will be fully depreciated by June 2025 and June 2026 respectively. Copper related assets in areas without fibre are currently being depreciated with an end date of 2032.

### Finance expense

HY25 finance costs were \$1 million higher than HY24. Our weighted average interest rate decreased from 5.8% to 5.7% between HY24 and HY25. Approximately 70% of our floating interest rate exposure was hedged with fixed interest rate swaps at the end of HY25.

<sup>1</sup> HY25 allocations to RAB capital expenditure are un-audited and will be finalised in the CY24 Information Disclosure announcement due in May 2025.

## Capital expenditure

Gross capital expenditure in HY25 was \$199 million, down \$33 million from HY24. Within this total, there was \$105 million of discretionary growth capital expenditure. This was \$10 million lower than HY24 due to disciplined cost control and about 16,000 fewer fibre installations, which more than offset a \$10 million increase in spend on fibre network extension.

Sustaining capital expenditure - to maintain, replace or improve an existing asset - reduced by \$23 million to \$94 million. This reflected reduced spend on the copper network and for fibre network capacity in HY25.

Gross capital expenditure was supported by \$2 million of Crown funding and \$22 million of customer contributions for activity related to roadworks, new property development, and rural broadband upgrades. Capital expenditure attributable to the regulated asset base (RAB) for fibre, which excludes capital contributions, is estimated to be about \$161 million.<sup>1</sup>

## Dividends, equity and capital management

We will pay an unimputed interim dividend of 23 cents per share on 15 April 2025 to all holders registered at 5:00pm on 18 March 2025.

The dividend reinvestment plan will not be available for the interim dividend.

A final unimputed dividend of 34.5 cents per share is expected to be declared in August 2025, subject to no material adverse changes in circumstances or outlook.

The Board considers that a 'BBB' or equivalent credit rating is appropriate for a company such as Chorus. It intends to maintain capital management and financial policies consistent with these credit ratings. It is Chorus' intention that in normal circumstances the ratio of net debt to EBITDA will not materially exceed 4.75 times. At 31 December 2024, we had a long-term credit rating of BBB/stable outlook by Standard & Poor's and Baa2/stable by Moody's Investors Service.

# Financial statements

## Condensed consolidated income statement

For the six months ended 31 December 2024

	Notes	SIX MONTHS ENDED 31 DECEMBER 2024 UNAUDITED \$M	SIX MONTHS ENDED 31 DECEMBER 2023 UNAUDITED \$M	YEAR ENDED 30 JUNE 2024 AUDITED \$M
Fibre broadband (GPON)		361	341	697
Fibre premium (P2P)		32	35	69
Copper connection revenues		42	61	114
Field services products		34	34	67
Infrastructure		17	16	33
Value added network services		13	13	26
Other		1	3	4
<b>Total operating revenue</b>		<b>500</b>	<b>503</b>	<b>1,010</b>
Labour		(43)	(39)	(80)
Network maintenance		(25)	(27)	(53)
Information technology		(20)	(23)	(44)
Other network costs		(17)	(19)	(37)
Electricity		(11)	(10)	(22)
Rent and rates		(7)	(6)	(13)
Property maintenance		(7)	(8)	(14)
Advertising		(5)	(6)	(11)
Consultants		(6)	(3)	(6)
Other		(13)	(15)	(30)
<b>Total operating expenses</b>		<b>(154)</b>	<b>(156)</b>	<b>(310)</b>
<b>Earnings before interest, income tax, depreciation and amortisation</b>		<b>346</b>	<b>347</b>	<b>700</b>
Depreciation	1, 6	(193)	(185)	(374)
Amortisation	2, 3	(42)	(43)	(88)
<b>Earnings before interest and income tax</b>		<b>111</b>	<b>119</b>	<b>238</b>
Finance income		1	2	5
Finance expense		(110)	(109)	(222)
<b>Net earnings before income tax</b>		<b>2</b>	<b>12</b>	<b>21</b>
Income tax expense		(7)	(7)	(30)
<b>Net (loss)/earnings for the period</b>		<b>(5)</b>	<b>5</b>	<b>(9)</b>
<b>Earnings per share</b>				
Basic (loss)/earnings per share (dollars)		(0.02)	0.02	(0.02)
Diluted (loss)/earnings per share (dollars)		(0.02)	0.01	(0.02)

The accompanying notes are an integral part of these consolidated financial statements.

## Condensed consolidated statement of comprehensive income

For the six months ended 31 December 2024

Notes	SIX MONTHS ENDED 31 DECEMBER 2024 UNAUDITED \$M	SIX MONTHS ENDED 31 DECEMBER 2023 UNAUDITED \$M	YEAR ENDED 30 JUNE 2024 AUDITED \$M
<b>Net (loss)/earnings for the period</b>	<b>(5)</b>	<b>5</b>	<b>(9)</b>
<b>Other comprehensive income</b>			
Movements in effective cash flow hedges	9 (51)	(22)	(12)
Amortisation of de-designated cash flow hedges transferred to Income statement	9 3	3	5
Movement in cost of hedging reserve	9 (2)	(8)	(9)
<b>Items that will be reclassified subsequently to the income statement when specific conditions are met, net of tax</b>	<b>(50)</b>	<b>(27)</b>	<b>(16)</b>
Net revaluation of land and buildings	-	-	7
<b>Items that will not be reclassified subsequently to the income statement when specific conditions are met, net of tax</b>	<b>-</b>	<b>-</b>	<b>7</b>
<b>Total comprehensive loss for the period net of tax</b>	<b>(55)</b>	<b>(22)</b>	<b>(18)</b>

The accompanying notes are an integral part of these consolidated financial statements.

# Condensed consolidated statement of financial position

As at 31 December 2024

The accompanying notes are an integral part of these consolidated financial statements.

The financial statements are approved and signed on behalf of the Board.



Mark Cross  
Chair



Kate Jorgensen  
Chair, Audit & Risk  
Management Committee

Authorised for issue on  
24 February 2025

Notes	31 DECEMBER 2024 UNAUDITED \$M	31 DECEMBER 2023 UNAUDITED \$M	30 JUNE 2024 AUDITED \$M
<b>Current assets</b>			
	83	87	45
	141	152	154
9	5	-	1
	<b>229</b>	<b>239</b>	<b>200</b>
<b>Non-current assets</b>			
9	168	107	98
	5	-	4
3	67	66	67
2	142	146	142
1	5,067	5,206	5,126
1	376	357	375
	<b>5,825</b>	<b>5,882</b>	<b>5,812</b>
	<b>6,054</b>	<b>6,121</b>	<b>6,012</b>
<b>Current liabilities</b>			
	207	240	230
	14	12	12
9	1	1	-
4	215	150	110
	<b>437</b>	<b>403</b>	<b>352</b>
	163	-	160
6	28	27	28
	<b>628</b>	<b>430</b>	<b>540</b>
<b>Non-current liabilities</b>			
	10	2	13
	374	359	386
	61	82	72
	152	167	159
4	2,672	2,526	2,516
	<b>3,269</b>	<b>3,136</b>	<b>3,146</b>
5	607	721	584
6	888	915	901
	<b>4,764</b>	<b>4,772</b>	<b>4,631</b>
	<b>5,392</b>	<b>5,202</b>	<b>5,171</b>
<b>Equity</b>			
	577	578	578
	272	304	322
	(187)	37	(59)
	<b>662</b>	<b>919</b>	<b>841</b>
	<b>6,054</b>	<b>6,121</b>	<b>6,012</b>

## Condensed consolidated statement of changes in equity

For the six months ended 31 December 2024

	Notes	Share capital \$M	Revaluation reserve \$M	Other reserves \$M	Retained earnings \$M	Total \$M
<b>Balance at 1 July 2023</b>		<b>589</b>	<b>265</b>	<b>66</b>	<b>143</b>	<b>1,063</b>
<b>Comprehensive income</b>						
Net loss for the period		-	-	-	(9)	(9)
<b>Other comprehensive income</b>						
Movement in cash flow hedge reserve		-	-	(12)	-	(12)
Amortisation of de-designated cash flow hedges transferred to income statement		-	-	5	-	5
Movement in cost of hedging reserve		-	-	(9)	-	(9)
Movement in revaluation reserve		-	7	-	-	7
<b>Total comprehensive income</b>		<b>-</b>	<b>7</b>	<b>(16)</b>	<b>(9)</b>	<b>(18)</b>
<b>Contributions by and (distributions to) owners</b>						
Dividends	8	-	-	-	(193)	(193)
Share buy-back		(11)	-	-	-	(11)
<b>Total transactions with owners</b>		<b>(11)</b>	<b>-</b>	<b>-</b>	<b>(193)</b>	<b>(204)</b>
<b>Balance at 30 June 2024 (AUDITED)</b>		<b>578</b>	<b>272</b>	<b>50</b>	<b>(59)</b>	<b>841</b>
<b>Comprehensive income</b>						
Net loss for the period		-	-	-	(5)	(5)
<b>Other comprehensive income</b>						
Movement in cash flow hedge reserve		-	-	(51)	-	(51)
Amortisation of de-designated cash flow hedges transferred to income statement		-	-	3	-	3
Movement in cost of hedging reserve		-	-	(2)	-	(2)
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>(50)</b>	<b>(5)</b>	<b>(55)</b>
<b>Contributions by and (distributions to) owners</b>						
Dividends	8	-	-	-	(124)	(124)
Shares vested under LTI scheme		(1)	-	-	1	-
<b>Total transactions with owners</b>		<b>(1)</b>	<b>-</b>	<b>-</b>	<b>(123)</b>	<b>(124)</b>
<b>Balance at 31 December 2024 (UNAUDITED)</b>		<b>577</b>	<b>272</b>	<b>-</b>	<b>(187)</b>	<b>662</b>

The accompanying notes are an integral part of these consolidated financial statements.

## Condensed consolidated statement of changes in equity (continued)

For the six months ended 31 December 2024

Notes	Share capital \$M	Revaluation reserve \$M	Other reserves \$M	Retained earnings \$M	Total \$M
<b>Balance at 1 July 2023</b>	<b>589</b>	<b>265</b>	<b>66</b>	<b>143</b>	<b>1,063</b>
<b>Comprehensive income</b>					
Net earnings for the period	-	-	-	5	5
<b>Other comprehensive income</b>					
Movement in cash flow hedge reserve	-	-	(22)	-	(22)
Amortisation of de-designated cash flow hedges transferred to income statement	-	-	3	-	3
Movement in cost of hedging reserve	-	-	(8)	-	(8)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(27)</b>	<b>5</b>	<b>(22)</b>
<b>Contributions by and (distributions to) owners</b>					
Dividends	8	-	-	(111)	(111)
Share buy-back	(11)	-	-	-	(11)
<b>Total transactions with owners</b>	<b>(11)</b>	<b>-</b>	<b>-</b>	<b>(111)</b>	<b>(122)</b>
<b>Balance at 31 December 2023 (UNAUDITED)</b>	<b>578</b>	<b>265</b>	<b>39</b>	<b>37</b>	<b>919</b>

The accompanying notes are an integral part of these consolidated financial statements.

## Condensed consolidated statement of cash flows

For the six months ended 31 December 2024

	SIX MONTHS ENDED 31 DECEMBER 2024 UNAUDITED \$M	SIX MONTHS ENDED 31 DECEMBER 2023 UNAUDITED \$M	YEAR ENDED 30 JUNE 2024 AUDITED \$M
<b>Operating cash flows</b>			
<i>Cash was provided from/(applied to):</i>			
Receipts from customers	501	500	1,007
Interest received	1	2	5
Payments to suppliers and employees	(168)	(177)	(334)
Interest paid	(77)	(82)	(165)
<b>Net operating cash flows</b>	<b>257</b>	<b>243</b>	<b>513</b>
<b>Investing cash flows</b>			
<i>Cash was provided from/(applied to):</i>			
Purchase of network and intangible assets	(193)	(259)	(442)
Disposal of network and intangible assets	-	-	1
Capitalised interest paid	(1)	(1)	(1)
<b>Net investing cash flows</b>	<b>(194)</b>	<b>(260)</b>	<b>(442)</b>
<b>Financing cash flows</b>			
<i>Cash was provided from/(applied to):</i>			
Payment of lease liabilities	(7)	(7)	(16)
Crown funding (including CIP securities)	2	11	12
Proceeds from debt	200	474	574
Repayment of debt	(95)	(328)	(468)
Repurchase of shares	-	(11)	(11)
Shares vested under LTI scheme	(1)	-	-
Dividends paid	(124)	(111)	(193)
<b>Net financing cash flows</b>	<b>(25)</b>	<b>28</b>	<b>(102)</b>
<b>Net cash flows</b>	<b>38</b>	<b>11</b>	<b>(31)</b>
Cash at the beginning of the period	45	76	76
<b>Cash at the end of the period</b>	<b>83</b>	<b>87</b>	<b>45</b>

The accompanying notes are an integral part of these consolidated financial statements.

# Notes to the consolidated financial statements

## Reporting entity and statutory base

Chorus includes Chorus Limited together with its subsidiary Chorus New Zealand Limited as at and for the six months ended 31 December 2024.

Chorus is New Zealand's largest fixed line communications infrastructure business. It maintains and builds a network predominantly made up of fibre and copper cables, local telephone exchanges and cabinets.

Chorus Limited is a profit-orientated company registered in New Zealand under the Companies Act 1993 and a FMC Reporting Entity for the purposes of the Financial Markets Conduct Act 2013. The condensed consolidated interim financial statements ("financial statements") have been prepared in accordance with the New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). These financial statements do not include all of the information required for the full annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of Chorus as at and for the year ended 30 June 2024.

These financial statements are expressed in New Zealand dollars. All financial information has been rounded to the nearest million, unless otherwise stated.

The measurement basis adopted in the preparation of these financial statements is historical cost, modified by the revaluation of financial instruments, and land and buildings as identified in the specific accounting policies disclosed in the notes to the consolidated financial statements for the year ended 30 June 2024 and described in note 9 to these financial statements.

Some comparatives have been re-presented to reflect the current year classification. This has led to no impact on working capital, the consolidated statements of cash flows, or equity.

## Accounting policies and standards

The accounting policies adopted, and methods of computation have been applied consistently throughout the periods presented in these financial statements. No changes in accounting policies have occurred during the period.

The financial statements for the six months ended 31 December 2024 and comparative information for the six months ended 31 December 2023 are unaudited. The comparative information for the year ended 30 June 2024 is audited.

No new standards, amendments, or interpretations to existing standards that are not yet effective, have been early adopted by Chorus in these financial statements.

## Accounting estimates and judgements

In preparing the financial statements, management have made estimates and assumptions about the future that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

In preparing the financial statements, the significant judgements made by management in applying Chorus' accounting policies were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2024.

Estimates and assumptions are continually evaluated and are based on experience and other factors, including macro-economic and market factors, and expectations of future events that may have an impact on Chorus. All judgements, estimates, and assumptions are believed to be reasonable based on the most current set of circumstances available to Chorus. The principal areas of judgement in preparing these financial statements are set out below.

## Land and buildings

Land and buildings are recorded at fair value. Fair value relating to land and buildings is determined based on a periodic independent valuation using a combination of both an optimised depreciated replacement cost, capitalised income, and a market valuation approach. The valuation technique applied to each asset is determined by the independent valuer, with input and review by Chorus management who are familiar with the nature of the assets. The underlying assumptions used in the valuation are reviewed at each reporting date to ensure the carrying value is not materially different from the fair value. Valuations are performed every three years, or more frequently where indicators exist that the carrying amount of the asset materially differs from its fair value at the end of the reporting period. This may be the result of external factors (e.g. a volatile property market) or internal factors. In instances where indicators of material difference exist, a desktop valuation may be obtained to appropriately adjust the carrying value of the assets. As at 31 December 2024 there were no indicators that fair value was materially different.

The Company adopted a fair value approach on 30 June 2023. The movement in fair value of \$282 million (excluding deferred tax) had been recognised as at that date. There was no movement in fair value as at 31 December 2023.

## Net current liability position

As at 31 December 2024 Chorus has a net current liability position of \$399 million (31 December 2023: \$191 million, 30 June 2024: \$340 million).

The net current liability position reflects the classification of the upcoming repayment of the first tranche of the CIP securities as a current liability. Chorus is refinancing the CIP debt and related CIP equity as each tranche becomes repayable with replacement long term debt arrangements. Including the refinancing, Chorus has sufficient short-term funds, undrawn facilities and forecast positive cashflows available to meet the current liability obligations.

### Earnings before interest and income tax (EBIT) and earnings before interest, income tax, depreciation and amortisation (EBITDA)

Chorus calculates EBIT by adding back finance expense and income tax to, and subtracting finance income from, net earnings/(loss). EBITDA adds back depreciation and amortisation expense to EBIT.

A reconciliation of EBIT and EBITDA is provided below based on amounts taken from, and consistent with, those presented in the financial statements.

Period ended 31 December	SIX MONTHS ENDED 31 DECEMBER 2024 UNAUDITED \$M	SIX MONTHS ENDED 31 DECEMBER 2023 UNAUDITED \$M	YEAR ENDED 30 JUNE 2024 AUDITED \$M
Net (loss)/earnings reported under NZ IFRS	(5)	5	(9)
Add back: income tax expense	7	7	30
Add back: finance expense	110	109	222
Subtract: finance income	(1)	(2)	(5)
<b>EBIT</b>	<b>111</b>	<b>119</b>	<b>238</b>
Add back: depreciation	193	185	374
Add back: amortisation	42	43	88
<b>EBITDA</b>	<b>346</b>	<b>347</b>	<b>700</b>

## Note 1 – Network assets, land and buildings

	31 DECEMBER 2024 UNAUDITED \$M	31 DECEMBER 2023 UNAUDITED \$M	30 JUNE 2024 AUDITED \$M
<b>Cost</b>			
Opening balance	12,491	12,159	12,159
Additions	209	243	443
Disposals	(5)	-	(5)
Transfers from work in progress	(55)	(49)	(116)
Net revaluations through other comprehensive income	-	-	7
Other	(4)	-	3
<b>Closing balance</b>	<b>12,636</b>	<b>12,353</b>	<b>12,491</b>
<b>Accumulated depreciation</b>			
Opening balance	(6,990)	(6,589)	(6,589)
Depreciation	(208)	(201)	(405)
Disposals	5	-	4
<b>Closing balance</b>	<b>(7,193)</b>	<b>(6,790)</b>	<b>(6,990)</b>
<b>Net carrying amount</b>	<b>5,443</b>	<b>5,563</b>	<b>5,501</b>

There are no restrictions on Chorus network assets or any network assets pledged as security for liabilities.

### Crown funding

Chorus received funding from the Crown to finance the capital expenditure associated with the development of the UFB network and continues to receive funding for other services. Where Crown funding is used to construct assets, it is offset against depreciation over the life of the assets constructed. Refer to note 6 for information on Crown funding.

### Impairment

The carrying amounts of non-financial assets including network assets, land and buildings, software and other intangibles, and customer acquisition assets are reviewed at the end of each reporting period for any indicators of impairment.

If any such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognised in earnings whenever the carrying amount of an asset exceeds its estimated recoverable amount. Should the conditions that gave rise to the impairment loss no longer exist, and the assets are no longer considered to be impaired, a reversal of an impairment loss would be recognised immediately in earnings.

The recoverable amount is the greater of an assets value in use and fair value less costs to sell. Chorus' assets do not generate independent cash flows and are therefore assessed from a single cash-generating unit perspective.

### Capital commitments

At 31 December 2024 the contractual commitments for acquisition and construction of the network assets was \$45 million (31 December 2023: \$41 million, 30 June 2024: \$53 million).

## Note 2 – Software and other intangible assets

	31 DECEMBER 2024 UNAUDITED \$M	31 DECEMBER 2023 UNAUDITED \$M	30 JUNE 2024 AUDITED \$M
<b>Cost</b>			
Opening balance	1,038	989	989
Additions	41	28	101
Disposals	-	(4)	(4)
Transfers from work in progress	(16)	-	(48)
<b>Closing balance</b>	<b>1,063</b>	<b>1,013</b>	<b>1,038</b>
<b>Accumulated amortisation</b>			
Opening balance	(896)	(843)	(843)
Amortisation	(25)	(28)	(57)
Disposals	-	4	4
<b>Closing balance</b>	<b>(921)</b>	<b>(867)</b>	<b>(896)</b>
<b>Net carrying amount</b>	<b>142</b>	<b>146</b>	<b>142</b>

There are no restrictions on Chorus software and other intangible assets, or any pledged as security for liabilities.

### Capital commitments

At 31 December 2024 the contractual commitment for acquisition of software and other intangible assets was \$8 million (31 December 2023: \$11 million, 30 June 2024: \$9 million).

## Note 3 – Customer acquisition assets

	31 DECEMBER 2024 UNAUDITED \$M	31 DECEMBER 2023 UNAUDITED \$M	30 JUNE 2024 AUDITED \$M
<b>Opening balance (net carrying amount)</b>	<b>67</b>	<b>60</b>	<b>60</b>
Additions	17	23	42
Amortisation to amortisation expense	(17)	(15)	(31)
Amortisation to operating revenue	-	(2)	(4)
<b>Closing balance (net carrying amount)</b>	<b>67</b>	<b>66</b>	<b>67</b>

### Amortisation of customer acquisition assets

Customer acquisition assets are amortised to the consolidated income statement, either as amortisation expense or operating revenue, based on the nature of the specific costs capitalised.

## Note 4 – Debt

	Due Date	31 DECEMBER 2024 UNAUDITED \$M	31 DECEMBER 2023 UNAUDITED \$M	30 JUNE 2024 AUDITED \$M
Syndicated bank facility		215	150	110
Euro medium term notes (EMTN) EUR	Dec 2026	531	484	488
Euro medium term notes (EMTN) EUR	Sep 2029	929	870	857
Australian medium term notes (AMTN) AUD	Sep 2030	336	329	326
Fixed rate NZD Bonds	Dec 2027	200	200	200
Fixed rate NZD Bonds	Dec 2028	521	500	502
Fixed rate NZD Bonds	Dec 2030	170	161	160
Less: facility fees		(15)	(18)	(17)
<b>Total debt</b>		<b>2,887</b>	<b>2,676</b>	<b>2,626</b>
<b>Current</b>		<b>215</b>	<b>150</b>	<b>110</b>
<b>Non-current</b>		<b>2,672</b>	<b>2,526</b>	<b>2,516</b>

As at 31 December 2024 Chorus had a \$450 million committed syndicated facility on standard market terms and conditions (31 December 2023: \$450 million, 30 June 2024: \$450 million). The facility is comprised of a single tranche that expires in April 2027 and is held with banks that are rated A to AA-, based on Standard & Poor's ratings. As at 31 December 2024 there was \$215 million drawn down from this facility (31 December 2023: \$150 million, 30 June 2024: \$110 million).

### Note 5 – Crown Infrastructure Partners (CIP) securities

	31 DECEMBER 2024 UNAUDITED \$M	31 DECEMBER 2023 UNAUDITED \$M	30 JUNE 2024 AUDITED \$M
<b>Fair value on initial recognition</b>			
Opening balance	478	478	478
<b>Closing balance</b>	<b>478</b>	<b>478</b>	<b>478</b>
<b>Accumulated notional interest</b>			
Opening balance	266	219	219
Notional interest	26	24	47
<b>Closing balance</b>	<b>292</b>	<b>243</b>	<b>266</b>
<b>Total CIP securities</b>	<b>770</b>	<b>721</b>	<b>744</b>
<b>Current</b>	<b>163</b>	<b>-</b>	<b>160</b>
<b>Non-current</b>	<b>607</b>	<b>721</b>	<b>584</b>

### Note 6 – Crown funding

Funding from the Crown is recognised at fair value where there is reasonable assurance that the funding is receivable, and all attached conditions will be complied with. Crown funding is then recognised in earnings as a reduction to depreciation expense on a systematic basis over the useful life of the asset the funding was used to construct.

	31 DECEMBER 2024 UNAUDITED \$M	31 DECEMBER 2023 UNAUDITED \$M	30 JUNE 2024 AUDITED \$M
<b>Fair value on initial recognition</b>			
Opening balance	1,172	1,160	1,160
Additional funding recognised at fair value	2	10	12
<b>Closing balance</b>	<b>1,174</b>	<b>1,170</b>	<b>1,172</b>
<b>Accumulated amortisation</b>			
Opening balance	(243)	(212)	(212)
Amortisation	(15)	(16)	(31)
<b>Closing balance</b>	<b>(258)</b>	<b>(228)</b>	<b>(243)</b>
<b>Total Crown funding</b>	<b>916</b>	<b>942</b>	<b>929</b>
<b>Current</b>	<b>28</b>	<b>27</b>	<b>28</b>
<b>Non-current</b>	<b>888</b>	<b>915</b>	<b>901</b>

Crown funding largely comprises project-related government funding for the Ultra-Fast Broadband (UFB) build, West Coast Southland Network Build (WCSNB), and Rural Broadband Initiative (RBI) projects.

## Note 7 – Segmental reporting

Chorus has determined that it operates in one segment providing nationwide fixed line communications infrastructure. The determination is based on the reports reviewed by the CEO in assessing performance, allocating resources and making strategic decisions.

## Note 8 – Equity

### Dividends

On 8 October 2024 an unimputed final dividend of 28.5 cents per share, totalling \$124 million was paid to shareholders.

### Long-term performance share scheme

Chorus operates a long-term performance share scheme for selected key management personnel under which key senior management are issued share-rights.

The scheme is equity settled and treated as an option plan for accounting purposes. Each tranche of each grant is valued separately. The absolute performance hurdle is valued using Monte Carlo simulations.

In August 2024, Chorus issued a tranche of share rights under the scheme. The shares have a vesting date of 30 August 2027. The grant carries two performance hurdles;

1. For 50% of the performance share rights to vest, Chorus total shareholder return must equal or exceed 26.11% over the vesting period, using a hurdle rate of 8.04% that compounds annually.
2. For 100% of the performance share rights to vest, Chorus total shareholder return must equal or exceed 28.76% over the vesting period, using a hurdle rate of 8.79% that compounds annually.

A total of 219,343 share rights were issued in the tranche.

The combined option cost for the period ended 31 December 2024 of \$282,000 has been recognised in the Consolidated income statement (31 December 2023: \$230,000, 30 June 2024: \$290,000).

## Note 9 – Derivative financial instruments

Finance expense includes any unrealised ineffectiveness arising from the hedge accounting relationships.

### Cross-currency interest rate swaps (CCIRS)

In conjunction with the issuance of the Euro Medium Term Notes and Australian Medium Term Notes (MTN), Chorus enters into CCIRS to hedge the foreign currency and foreign interest rate risks associated with the issuances. Using the CCIRS, Chorus pay NZD floating interest rates and receive EUR/AUD nominated fixed interest with coupon payments matching the underlying notes. The medium term notes and CCIRS are each designated into three part hedging relationships for issue: a fair value hedge of EUR/AUD benchmark interest rates, a cash flow hedge of the margin and a cash flow hedge of the principal exchange.

	Maturity	Principal - Receive leg €M	Principal - Receive leg A\$M	Principal - Pay leg \$M
<b>Hedged item</b>				
EUR EMTN 300	Dec 2026	300	-	514
EUR EMTN 500	Sep 2029	500	-	820
AUD AMTN 300	Sep 2030	-	300	325

### Interest rate swaps

As at 31 December 2024 Chorus holds all interest rate swaps in designated hedging relationships. All are held in effective hedging relationships and for those which are designated as cash flow hedges, unrealised gains or losses are recognised in the cash flow hedge reserve.

### Restructured interest rate swaps

Three interest rate swaps have been restructured. Two interest rate swaps restructured in December 2018 were reset in conjunction with the resettable NZD fixed rate bond issued on 6 December 2018 to hedge interest rate exposure from December 2023. The forward dated interest rate swap restructured in February 2020 was reset in conjunction with the EUR 300 million EMTN issued on 5 December 2019, to hedge interest rate exposure from April 2020.

As part of these restructures, the original hedge relationships were discontinued and on the dates of termination the net present value (\$14 million and \$27 million respectively) of these swaps was recognised in the cash flow hedge reserve as the hedged item still exists and is amortised over the original hedge period.

The balance at 31 December 2024 was \$3 million and \$6 million respectively.

## Note 10 – Related parties

### Subsidiaries

The financial statements include Chorus Limited and its subsidiaries as listed below:

	Location	2024 ownership	2023 ownership
Chorus New Zealand Limited	New Zealand	100%	100%

### Key management personnel compensation

	31 DECEMBER 2024 UNAUDITED \$000's	31 DECEMBER 2023 UNAUDITED \$000's	30 JUNE 2024 AUDITED \$000's
Short term employee benefits	4,678	4,430	8,203
Termination benefits	-	1,075	1,075
Share based payments	1,417	-	-
	<b>6,095</b>	<b>5,505</b>	<b>9,278</b>
Directors fees	600	591	1,085

## Note 11 – Post balance date events

### Dividends

On 24 February 2025 Chorus declared an interim dividend in respect of the six-month period ended 31 December 2024. The total amount of the dividend is \$100 million, which represents an unimputed dividend of 23 cents per ordinary share.

# Independent Auditor's Review Report



## To the shareholders of Chorus Limited (Group)

### Report on the interim consolidated financial statements

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements on pages 4 to 16 do not:

- i. present fairly, in all material respects, the Group's financial position as at 31 December 2024 and its financial performance and cash flows for the 6 month period then ended and comply with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting (NZ IAS 34) issued by the New Zealand Accounting Standards Board.

We have completed a review of the accompanying interim consolidated financial statements which comprise:

- the interim consolidated statement of financial position as at 31 December 2024;
- the interim consolidated income statement, statements of other comprehensive income, changes in equity and cash flows for the 6 month period then ended; and
- notes, including material accounting policy information.

#### Basis for conclusion

We conducted our review of the interim consolidated financial statements in accordance with NZ SRE 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the Auditor's Responsibilities for the Review of the interim consolidated financial statements section of our report.

We are independent of Chorus Limited in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements.

Our firm has provided other services to the Group in relation to regulatory assurance and training services. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.

## Use of this Independent Auditor's Review Report

This report is made solely to the shareholders. Our review work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the Independent Auditor's Review Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders for our review work, this report, or any of the opinions we have formed.

## Responsibilities of the Directors for the interim consolidated financial statements

The Directors, on behalf of the Group, are responsible for:

- the preparation and fair presentation of the interim consolidated financial statements in accordance with NZ IAS 34; and;
- implementing necessary internal control to enable the preparation of interim consolidated financial statements that is fairly presented and free from material misstatement, whether due to fraud or error..

## Auditor's responsibilities for the review of the interim consolidated financial statements

Our responsibility is to express a conclusion on the interim consolidated financial statements based on our review.

NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim consolidated financial statements, taken as a whole, are not prepared, in all material respects, in accordance with NZ IAS 34.

A review of the interim consolidated financial statements prepared in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on the financial statements.

The engagement partner on the audit resulting in this independent auditor's review report is David Gates.

KPMG  
Wellington  
24 February 2025

## Directory

### Registered Offices

NEW ZEALAND  
Level 10, 1 Willis Street  
Wellington, New Zealand  
P: +64 800 600 100

AUSTRALIA  
C/- Allens Corporate Services Pty Limited  
Level 28, Deutsche Bank Place, 126 Phillip Street,  
Sydney, NSW 2000, Australia  
P: +61 2 9230 4000

<https://company.chorus.co.nz/reports>

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NEW ZEALAND'S EXCHANGE  
TE PAEHOKO O AOTEAROA

## Results announcement

(for Equity Security issuer/Equity and Debt Security issuer)

Updated as at June 2023

Results for announcement to the market		
Name of issuer	Chorus Limited	
Reporting Period	6 months to 31 December 2024	
Previous Reporting Period	6 months to 31 December 2023	
Currency	New Zealand Dollars	
	Amount (000s)	Percentage change
Revenue from continuing operations	\$500,000	Down 1%
Total Revenue	\$500,000	Down 1%
Net profit/(loss) from continuing operations	-\$5,000	Down 200%
Total net profit/(loss)	-\$5,000	Down 200%
Interim/Final Dividend		
Amount per Quoted Equity Security	\$0.23000000	
Imputed amount per Quoted Equity Security	\$0.00000000	
Record Date	18 March 2025	
Dividend Payment Date	15 April 2025	
	Current period	Prior comparable period
Net tangible assets per Quoted Equity Security	\$0.65	\$1.38
A brief explanation of any of the figures above necessary to enable the figures to be understood	This announcement should be read in conjunction with the attached management commentary and financial statements for the six months ended 31 December 2024, media release and investor presentation.	
Authority for this announcement		
Name of person authorised to make this announcement	Drew Davies Chief Operating Officer	
Contact person for this announcement	Brett Jackson Investor Relations Manager	
Contact phone number	+64 4 896 4039	
Contact email address	Brett.Jackson@chorus.co.nz	
Date of release through MAP	24/02/2025	

Unaudited, but reviewed financial statements accompany this announcement. The auditors have issued a clean review report.

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NEW ZEALAND'S EXCHANGE  
TE PAEHOKO O AOTEAROA

# Distribution Notice

Updated as at June 2023

Please note: all cash amounts in this form should be provided to 8 decimal places, including zeros (ie 0.01001000)

Section 1: Issuer information				
Name of issuer	Chorus Limited			
Financial product name/description	Ordinary shares			
NZX ticker code	CNU			
ISIN (If unknown, check on NZX website)	NZCNUE0001S2			
Type of distribution (Please mark with an X in the relevant box/es)	Full Year		Quarterly	
	Half Year	X	Special	
	DRP applies			
Record date	18/03/2025			
Ex-Date (one business day before the Record Date)	17/03/2025			
Payment date (and allotment date for DRP)	15/04/2025			
Total monies associated with the distribution <sup>1</sup>	\$99,794,078			
Source of distribution (for example, retained earnings)	Retained earnings			
Currency	NZD			
Section 2: Distribution amounts per financial product				
Gross distribution <sup>2</sup>	\$0.23000000			
Gross taxable amount <sup>3</sup>	\$0.23000000			
Total cash distribution <sup>4</sup>	\$0.23000000			
Excluded amount (applicable to listed PIEs)	\$0.00000000			
Supplementary distribution amount	\$0.00000000			
Section 3: Imputation credits and Resident Withholding Tax <sup>5</sup>				
Is the distribution imputed	<del>Fully imputed</del>			
	<del>Partial imputation</del>			
	No imputation			

<sup>1</sup> Continuous issuers should indicate that this is based on the number of units on issue at the date of the form

<sup>2</sup> "Gross distribution" is the total cash distribution plus the amount of imputation credits, per financial product, before the deduction of Resident Withholding Tax (RWT).

<sup>3</sup> "Gross taxable amount" is the gross distribution minus any excluded income.

<sup>4</sup> "Total cash distribution" is the cash distribution excluding imputation credits, per financial product, before the deduction of RWT. This should include any excluded amounts, where applicable to listed PIEs.

<sup>5</sup> The imputation credits plus the RWT amount is 33% of the gross taxable amount for the purposes of this form. If the distribution is fully imputed the imputation credits will be 28% of the gross taxable amount with remaining 5% being RWT. This does not constitute advice as to whether or not RWT needs to be withheld.

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If fully or partially imputed, please state imputation rate as % applied <sup>6</sup>	N/A	
Imputation tax credits per financial product	N/A	
Resident Withholding Tax per financial product	0.07590000	
<b>Section 4: Distribution re-investment plan (if applicable)</b>		
DRP % discount (if any)	N/A	
Start date and end date for determining market price for DRP	N/A	N/A
Date strike price to be announced (if not available at this time)	N/A	
Specify source of financial products to be issued under DRP programme (new issue or to be bought on market)	N/A	
DRP strike price per financial product	N/A	
Last date to submit a participation notice for this distribution in accordance with DRP participation terms	N/A	
<b>Section 5: Authority for this announcement</b>		
Name of person authorised to make this announcement	Drew Davies Chief Operating Officer	
Contact person for this announcement	Brett Jackson Investor Relations Manager	
Contact phone number	+64 27 488 7808 +64 4 896 4039	
Contact email address	Brett.Jackson@chorus.co.nz	
Date of release through MAP	24/02/2025	

<sup>6</sup> Calculated as (imputation credits/gross taxable amount) x 100. Fully imputed dividends will be 28% as a % rate applied.