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STOCK EXCHANGE ANNOUNCEMENT

11 July 2022

Q4 FY22 overview

Total fibre connections increased by 20k to 959,000 (Q3 FY22: +21k)

Fibre uptake across the completed UFB footprint grew by 0.9% to 69% (rounded) with deployment continuing

- 0.9% increase in the quarter while the fibre footprint passed another 9k customers
- mass market fibre broadband connections increased by 20k despite COVID impacts on installation and technician activity, and service company transition
- uptake reached 74% (+1%) in UFB1 areas and 50% (+2%) in UFB2 areas
- Auckland reached 79% (+1%) uptake, while Wellington continued to grow strongly to 68% (+2%)
- the fibre rollout was recently completed in Matakana Village, Seddon, Waikouaiti, Nightcaps and Ohai

Total broadband connections decreased 1k to 1,189,000* (Q3 FY22: +3k)

- 4k connections were added in Chorus UFB areas
- 1Gbps connections were ~30% of fibre adds in Q4
- Hyperfibre 2/4/8Gbps connections now ~1k

Copper broadband and voice connections declined by 33k (Q3 FY22: -29k)

- voice only disconnections were up slightly at 12k (Q3 FY22: -10k)
- copper withdrawal: 84 copper broadband cabinets no longer have active customers (Q3 FY22: 41 cabinets)
- total fixed line connections declined by 13k to 1,304,000* (Q3 FY22: -8k)

Average monthly data usage on fibre was 567GB in June (March: 578GB) likely reflecting workers returning to offices

*totals exclude ~9,000 broadband connections Chorus is partly subsidising for student households

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Q4 FY22 Connections Update

Q4 FY22 overview

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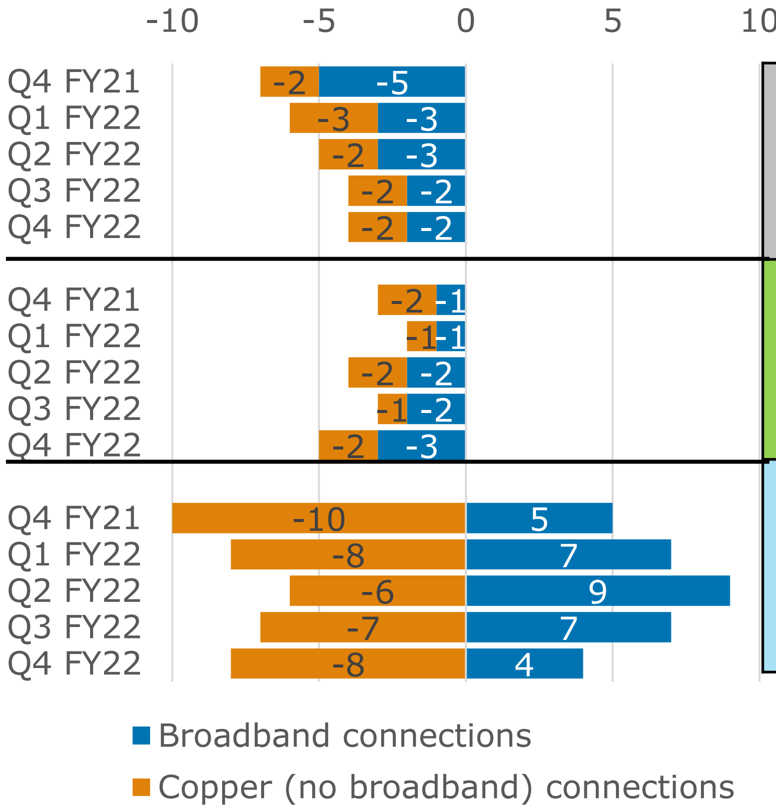
Connection changes by Zone (indicative as at 30 June)

Quarterly change ('000s) by zone**

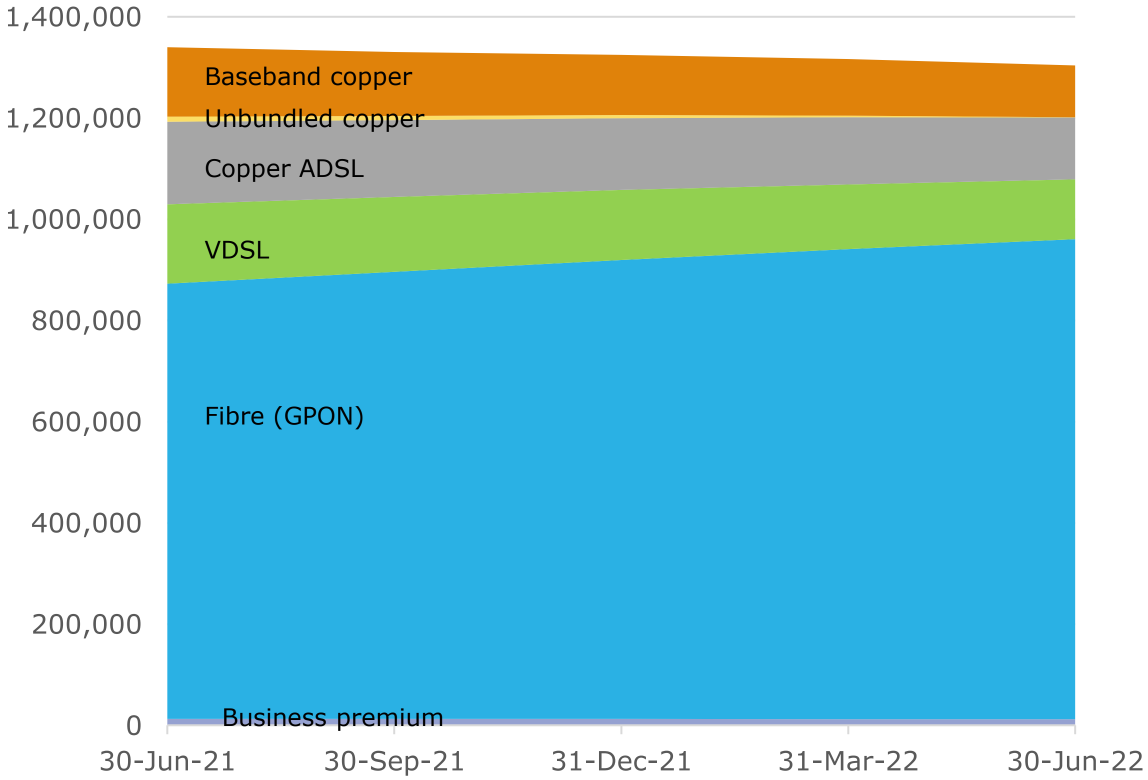


Other fibre company (LFC) zone	Broadband connections	35,000	Disconnections continue due to Local Fibre Company and fixed wireless provider activity, with some slowdown due to COVID-19 effects.
	Copper line (no broadband)	19,000	
	TOTAL	**54,000**	
Non-UFB zone	Broadband connections	142,000	Some expansion of wireless broadband footprint through Government backed programme. New housing outside of UFB zone driving fibre premises growth.
	Copper line (no broadband)	29,000	
	TOTAL	**171,000**	
Chorus UFB zone*	Broadband connections	1,012,000	Continued broadband growth driven by Chorus incentives and migration campaigns. Copper voice disconnections reflect migration to fibre and targeted fixed wireless activities.
	Copper line (no broadband)	55,000	
	TOTAL	**1,067,000**	

* Includes planned Chorus UFB1, 2 and 2+ coverage
**Excludes 9k partly subsidised education connections and 12k fibre premium and data services (copper) connections

Fibre comprises 74% of Chorus connections

	30 June 2021	30 Sept 2021	31 Dec 2021	31 March 2022	30 June 2022
Unbundled copper (no broadband)	10,000	8,000	6,000	3,000	1,000
Baseband copper (no broadband)	137,000	127,000	119,000	112,000	102,000
Copper ADSL (includes naked)	163,000	152,000	142,000	133,000	122,000
VDSL (includes naked)	157,000	148,000	138,000	128,000	118,000
Fibre broadband (GPON)	860,000	883,000	907,000	929,000	949,000
Data services (copper)	2,000	2,000	2,000	2,000	2,000
Fibre premium (P2P)	11,000	11,000	11,000	10,000	10,000
Total connections	1,340,000	1,331,000	1,325,000	1,317,000	1,304,000



> **1,189,000 broadband connections comprises:**
> - 949,000 fibre (GPON) connections
> - 240,000 VDSL/ADSL (copper) connections

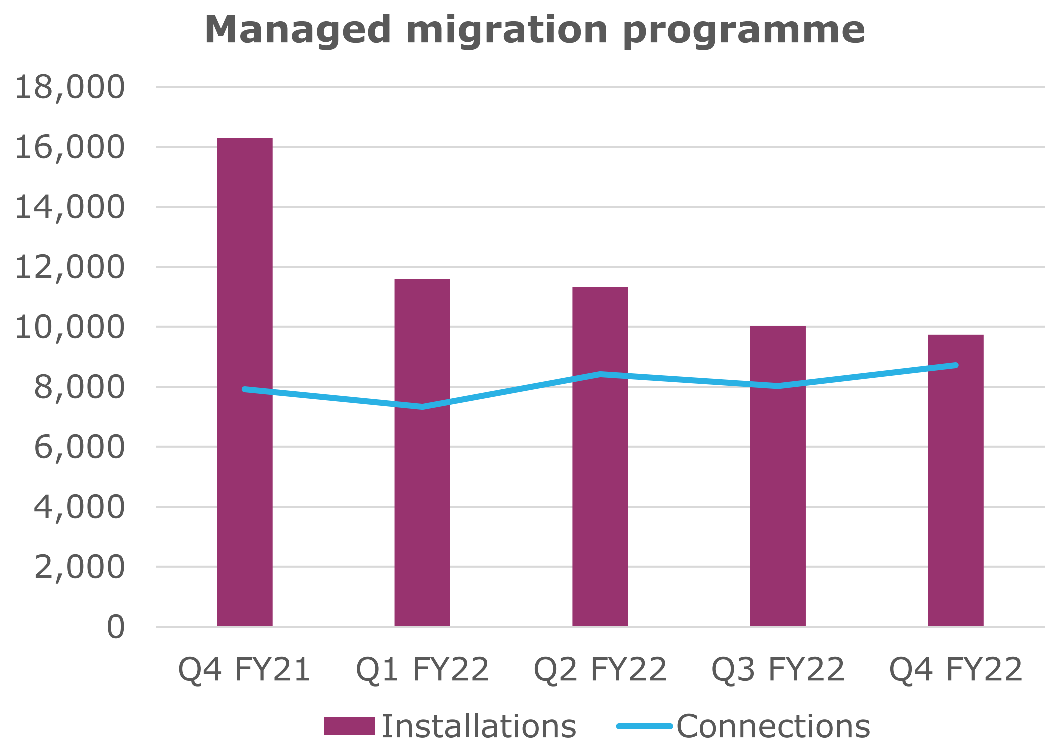
Note: 9,000 partly subsidised education connections are excluded from this data

Managed migration programme lifts uptake

~10k managed migration installations completed in Q4 (Q3 FY22: 10k)

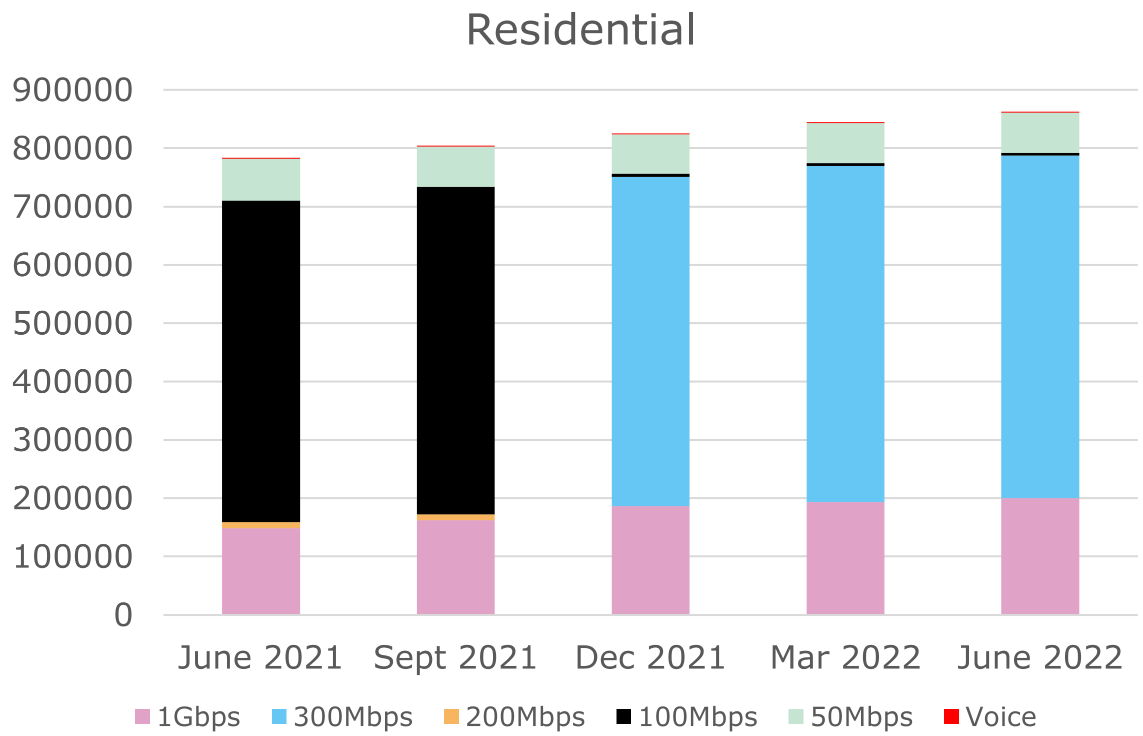
> Managed installations remained limited by COVID-related constraints on consumer facing activity and workforce

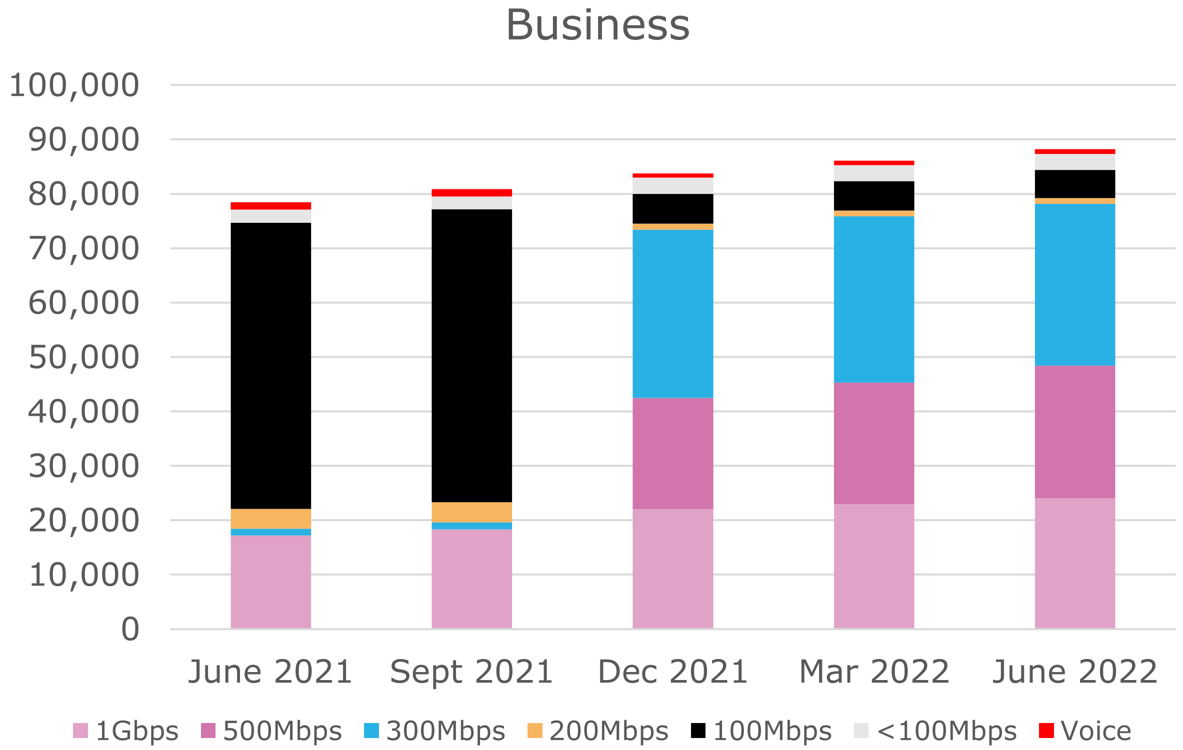
- activations of installed fibre sockets (ONTs) lifted from 8k (Q3) to 9k as we reoriented marketing activity
- 46% of these activations were at offnet addresses



Mass market fibre connections grew 20k

- 300Mbps plans account for 68% of residential connections
- ~30% of fibre adds were 1Gbps plans in Q4; 1Gbps uptake remains at 23% of residential connections
- Hyperfibre 2/4/8Gbps connections now ~1k



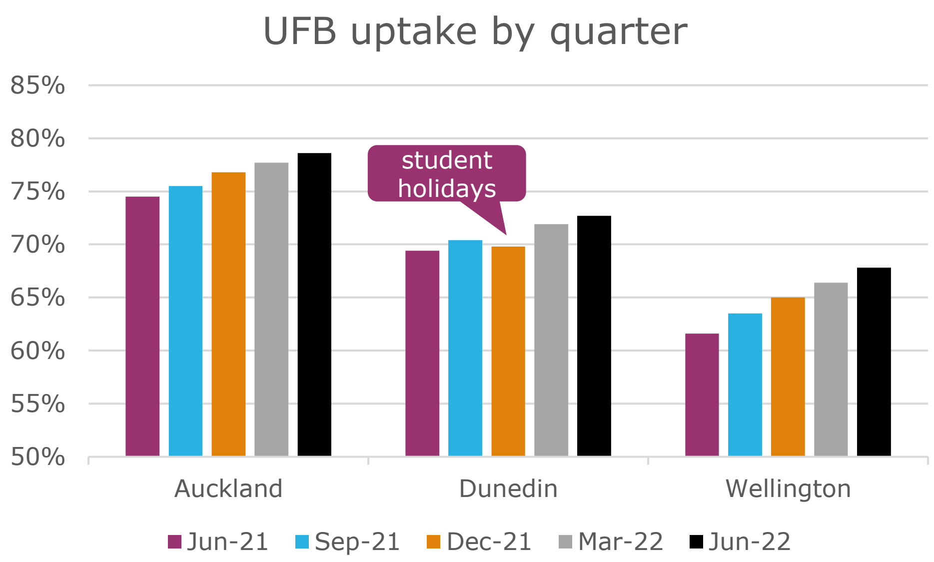


Auckland UFB uptake grew to 79%

> **Total UFB uptake of 69% (rounded) within completed footprint in Q4***
- uptake in UFB1 areas grew from 73% to **74%**
- uptake in UFB2 areas grew from 48% to **50%**
- **919,000** connections (Q3 FY22: 901,000) now within completed footprint, including business premium connections
- **1,324,000** customers able to connect (Q3 FY22: 1,315,000)
- **1,037,000** premises passed** (Q3 FY22: 1,029,000) out of 1,054,000 target = UFB rollout 98% complete

(note: data includes some UFB2 areas that have been partially built, but not yet submitted for Crown sign-off)

> **25,000 fibre installations completed in Q4 (Q3 FY22: 28k)**
- customer satisfaction reduced from 8.1 to 7.8
- WIP steady at ~14k
- field crews reduced from ~540 to ~520

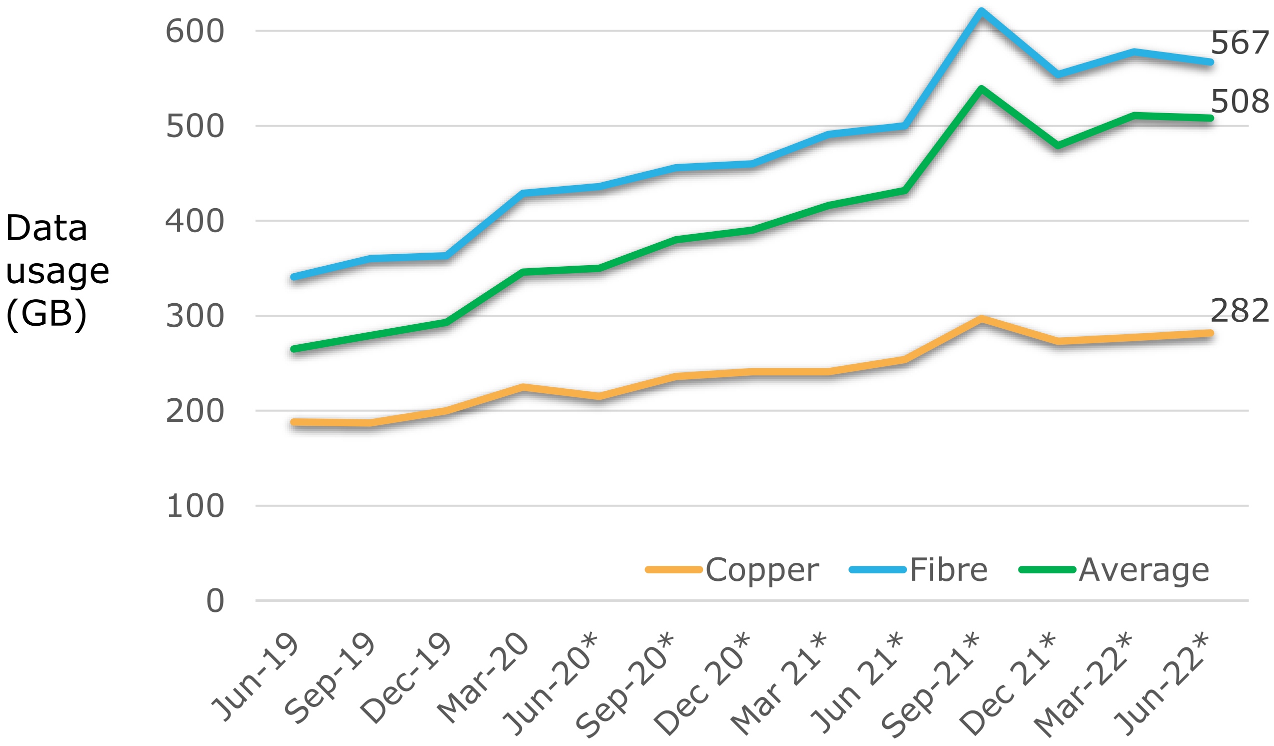


- Auckland, Wellington and Dunedin cover >70% of UFB1 homes and businesses able to connect
- 90% of Chorus' broadband connections in our planned UFB zone are now on fibre

* includes ~3k partly subsidised education connections
**under the UFB contract, a multi-dwelling unit or single office block is one premises

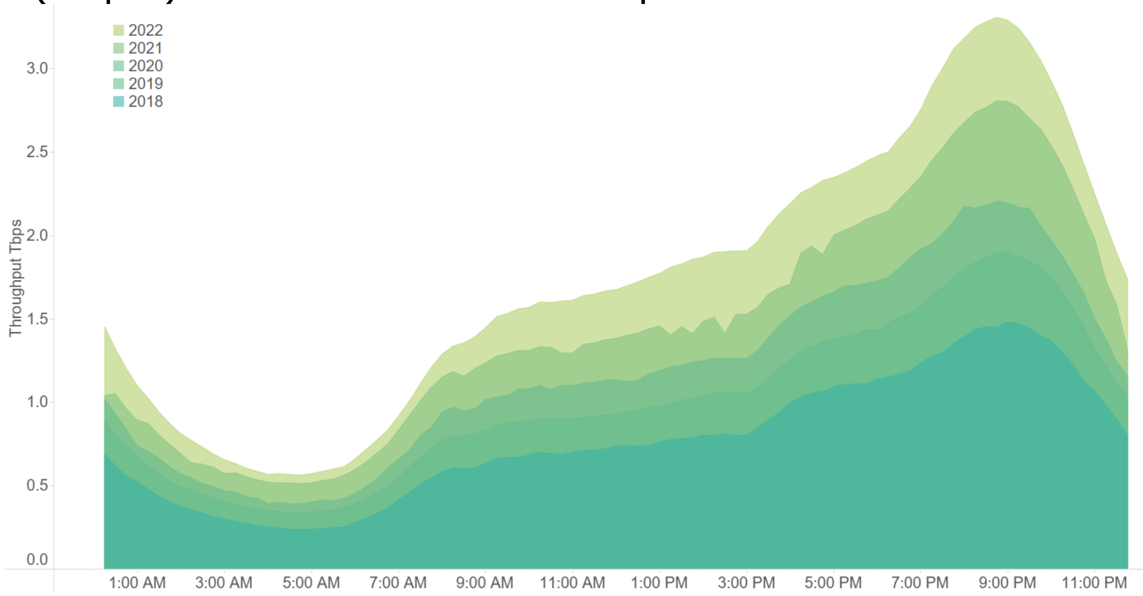
Monthly average data usage on fibre 567 gigabytes

Monthly average data usage per connection on our network*



* includes upstream traffic from June 2020 onwards

- Slight reduction in average usage likely reflecting workers returning to offices
  - **567GB** on fibre (March:578GB)
  - **282GB** on copper (March:277GB)
  - **508GB** average (March:511GB)
- Average peak throughput on our network at peak time (~9pm) was consistent at 3.3Tbps



Commerce Commission broadband testing report

- The Commerce Commission's *Measuring Broadband New Zealand*, Autumn Report (June 2022) continues to highlight the strong performance of fibre relative to other technologies, particularly for download, upload and latency.

Figure 1

Average Download Speeds by Plan

Average of monthly household averages. Peak hours are Monday - Friday, 7pm - 11pm. Error bars show 95% confidence intervals of the mean.

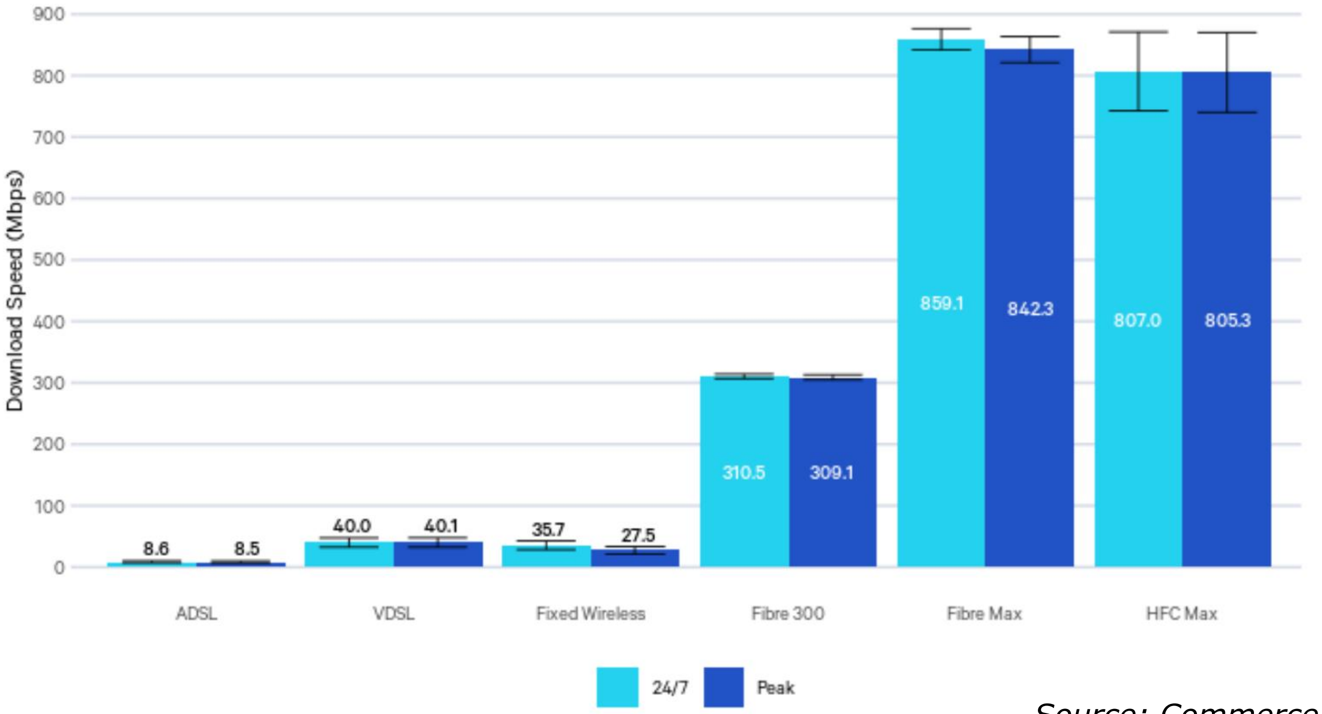
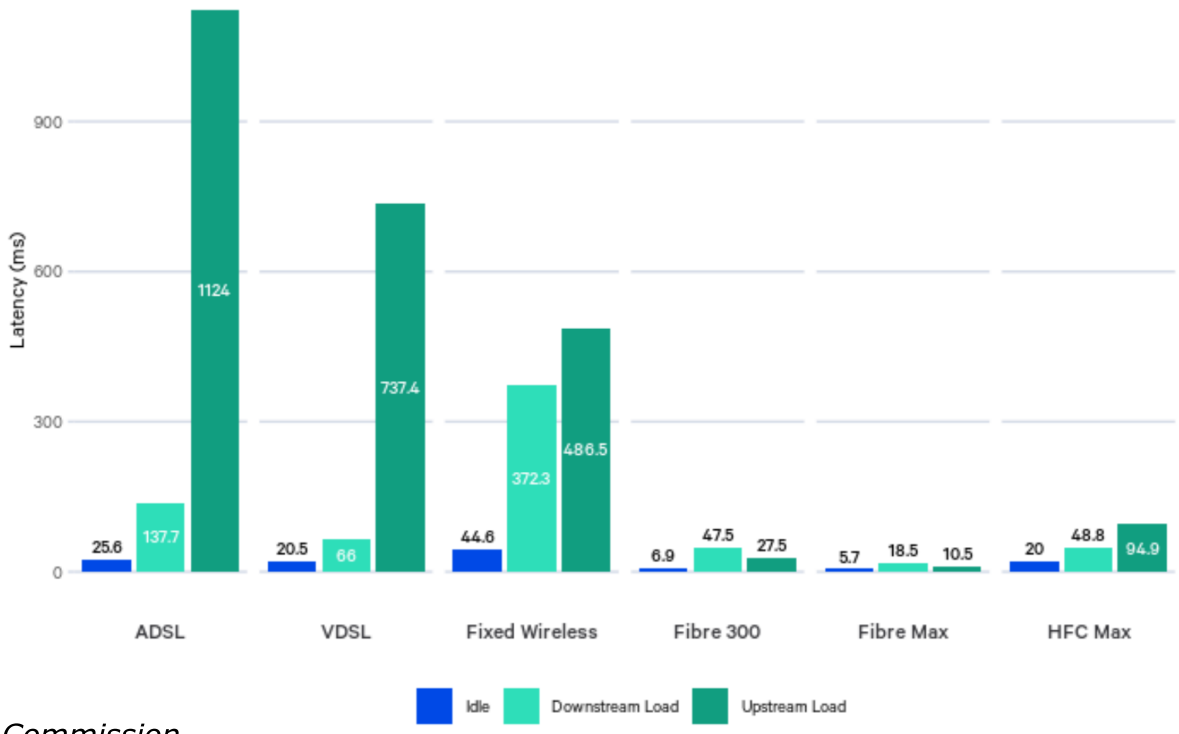


Figure 10

Average Latency Under Load to Test Servers by Plan. Lower is better.

Averages of monthly household averages



Source: Commerce Commission