

STOCK EXCHANGE ANNOUNCEMENT

2 December 2024

Chorus Investor Day 2024

The attached presentation materials will be delivered at Chorus' Investor Day commencing at 12:45pm (NZT).

The event will be webcast live on www.chorus.co.nz/webcast and a recording of the presentations will be made available online on Tuesday 3rd December.

With the UFB rollout complete, Chorus is in transition from being the Great Network Builder, to becoming the Great Network Operator. The briefing includes further detail on Chorus' recent strategic reset, in 'Our Road to 2030', including:

- a shift to a Purpose-led organisation: "Unleashing potential through connectivity. Enabling better futures for Aotearoa."
- a clear Aspiration for future success: "A simplified all-fibre business with 80 per cent uptake by 2030."
- a more competitive market challenger posture with focus on under-penetrated markets, including new digital equity plans, to drive fibre uptake to 80%
- moving rapidly to retire the legacy copper network by 2030, as demand diminishes, and ultimately reducing direct copper operating expenditure by about \$50 million per annum

Chorus notes a number of growth and optimisation opportunities are actively being explored:

- recycling of about 4,000 kilometres of large copper cabling, over three to seven years, with estimated net proceeds of approximately \$30 million to \$50 million. This is subject to evaluation over FY25.
- reviewing options for non-core high sites with a \$20 million net book value, which may have a better alternative owner in market

- considering post-copper optionality for other land and buildings outside of UFB areas, with a current net book value of about \$75 million
- launching IoT asset management solutions under a new brand, Neura
- developing an alternative revenue model to scale EdgeCentres
- an exclusive memorandum of understanding with Datagrid to investigate the potential for a Trans-Tasman Ring, providing enhanced international and domestic data connectivity
- continuing to advocate for further fibre expansion to rural households through the government's Infrastructure Priorities Planning process

Any growth opportunities requiring further investment will be assessed against Chorus' capital investment framework, noting the cornerstone of that framework is a sustainable dividend that grows at the rate of inflation.

Chorus' strategy will result in a shift to a simpler, more efficient and more competitive all-fibre operator. This is underpinned by fibre regulatory settings that provide greater clarity and stability over the next four years. New Zealand and global trends also clearly back fibre as essential digital infrastructure for reliability and scalability. As bandwidth demand continues to grow, Chorus is forecasting monthly average data usage of 1,000 gigabytes by 2029 as more terrestrial broadcast TV content moves online.

FY25 guidance reconfirmed

EBITDA: \$700 million to \$720 million

Gross capital expenditure: \$400 million to \$440 million

Sustaining capital expenditure: \$200 million to \$220 million

Dividend: 57.5 cents per share, unimputed

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

Authorised by:

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ENDS

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