

Chorus Limited
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STOCK EXCHANGE ANNOUNCEMENT

9 May 2025

Chorus lodges product disclosure statement for Capital Notes offer

Chorus Limited (**Chorus**) lodged a product disclosure statement (**PDS**) today for an offer of up to NZ\$170 million of unsecured, subordinated, redeemable, cumulative, interest-bearing capital notes (**Capital Notes**) to investors in New Zealand (**Offer**).

The Capital Notes will have a 31 year term, maturing on 3 June 2056, but may be redeemed early in certain circumstances from 3 March 2031, or earlier for tax or rating agency reasons.

The Interest Rate will be fixed for an initial period of 6 years, after which it will be reset on each Reset Date (6 years after the issue date and every 5 years after that), unless redeemed earlier by Chorus. Chorus may, in its absolute discretion, defer any payment of interest on the Capital Notes for up to 5 years.

The Capital Notes are expected to be assigned a credit rating of BB+ by S&P Global Ratings (**S&P**), which is two notches below S&P's issuer credit rating for Chorus reflecting their subordination and the potential for interest payments to be deferred. The Capital Notes are expected to be assigned a credit rating of Baa3 by Moody's Investors Service, Inc (**Moody's**). This is one notch below Moody's issuer credit rating for Chorus.

The Offer is expected to open on 19 May 2025, and the indicative Initial Margin range and the Minimum Initial Interest Rate will be announced on the same date. The Offer is expected to close on 22 May 2025, and the Initial Margin and the initial Interest Rate will be announced on the same date. The Capital Notes are expected to be issued on 3 June 2025 and quoted on the NZX Debt Market on 4 June 2025.

Details of the Offer and the Capital Notes are contained in the PDS, which is attached and available on the Disclose register at www.disclose-register.companiesoffice.govt.nz (offer number OFR13938) or by contacting a Joint Lead Manager or your usual financial adviser, and must be obtained by investors before they decide to acquire any Capital Notes.

There is no public pool for the Offer, with all the Capital Notes being reserved for clients of the Joint Lead Managers, NZX participants and other approved financial intermediaries.

Investors can register their interest by contacting any of the Joint Lead Managers (as detailed below) or their usual financial advice provider.

This Offer is being made in accordance with the Financial Markets Conduct Act 2013.

The investor presentation and indicative terms sheet for the Capital Notes are also attached.

Arranger and Joint Lead Manager

Forsyth Barr Limited: 0800 367 227

Joint Lead Manager

Bank of New Zealand: 09 924 9602

Authorised by:

Drew Davies

Chief Operating Officer

ENDS

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