CHORUS

Q2 FY25 CONNECTIONS UPDATE

Q2 FY25 overview

> **Fibre connections (including non-address points and LFC areas) increased 6k (Q1 FY25: +8k) to 1,098,000**
- in Chorus fibre areas, a 6k increase in fibre broadband connections offset a 4k reduction in copper broadband lines
- Home Fibre Starter (50Mbps) connections grew 11k to 68k
- fibre connections of 500Mbps+ increased by 11k across residential and business plans

> **Chorus' fibre footprint now covers 1,520,000 addresses (excluding LFC areas)**
- fibre passed another 6,000 addresses in Q2 (Q1: +7k), including fibre to 500 existing homes in smaller communities
- overall fibre uptake grew 0.1% to 71.7% of passed addresses in Q2 (Q1: +0.2%)
- uptake in UFB2 areas lifted from 59% to 60%

> **Total fixed line connections* declined by 10k (Q1: -10k) and now total 1,221,000**
- copper broadband connections declined by 10k (Q1: -13k) and copper voice connections declined 6k (Q1: -5k)
- 1,561 copper broadband cabinets no longer have active customers (Q1:1,492)

> **Average monthly data usage on fibre was up strongly to 644GB (Sept:609GB)**
- the proportion of terabyte users (i.e. consuming 1,000GB+ a month) lifted from 15% (Sept) to 17.5% (Dec)

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

Fibre comprises 90% of Chorus connections

	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
Total connections*	1,266,000	1,256,000	1,250,000	1,241,000	1,231,000	1,221,000

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

Copper connections declined 16k in Q2 and total 123k

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

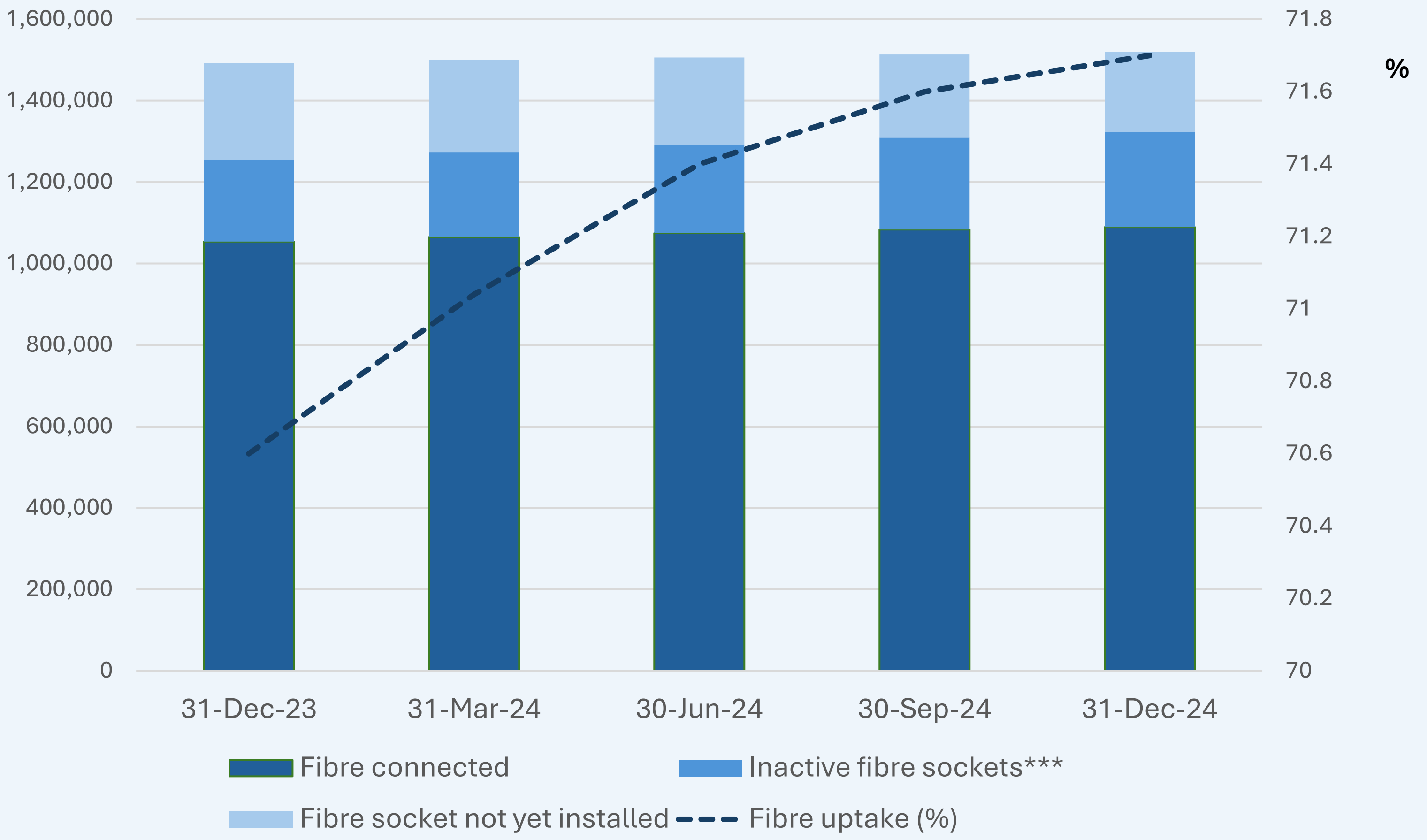
Fibre footprint reaches 1,520,000

71.7% fibre uptake across 1,520,000 passed addresses*

- uptake grew +0.1% in Q2
- +6k fibre connections to addresses**
- +6k addresses passed in Q2, including 500 addresses as part of Chorus' fibre expansion programme to smaller communities

1,322,000 fibre installed addresses

- 14k installations in Q2 (Q1:17k)
- 198,000 addresses passed by fibre, but fibre socket not yet installed (Q1:205k)

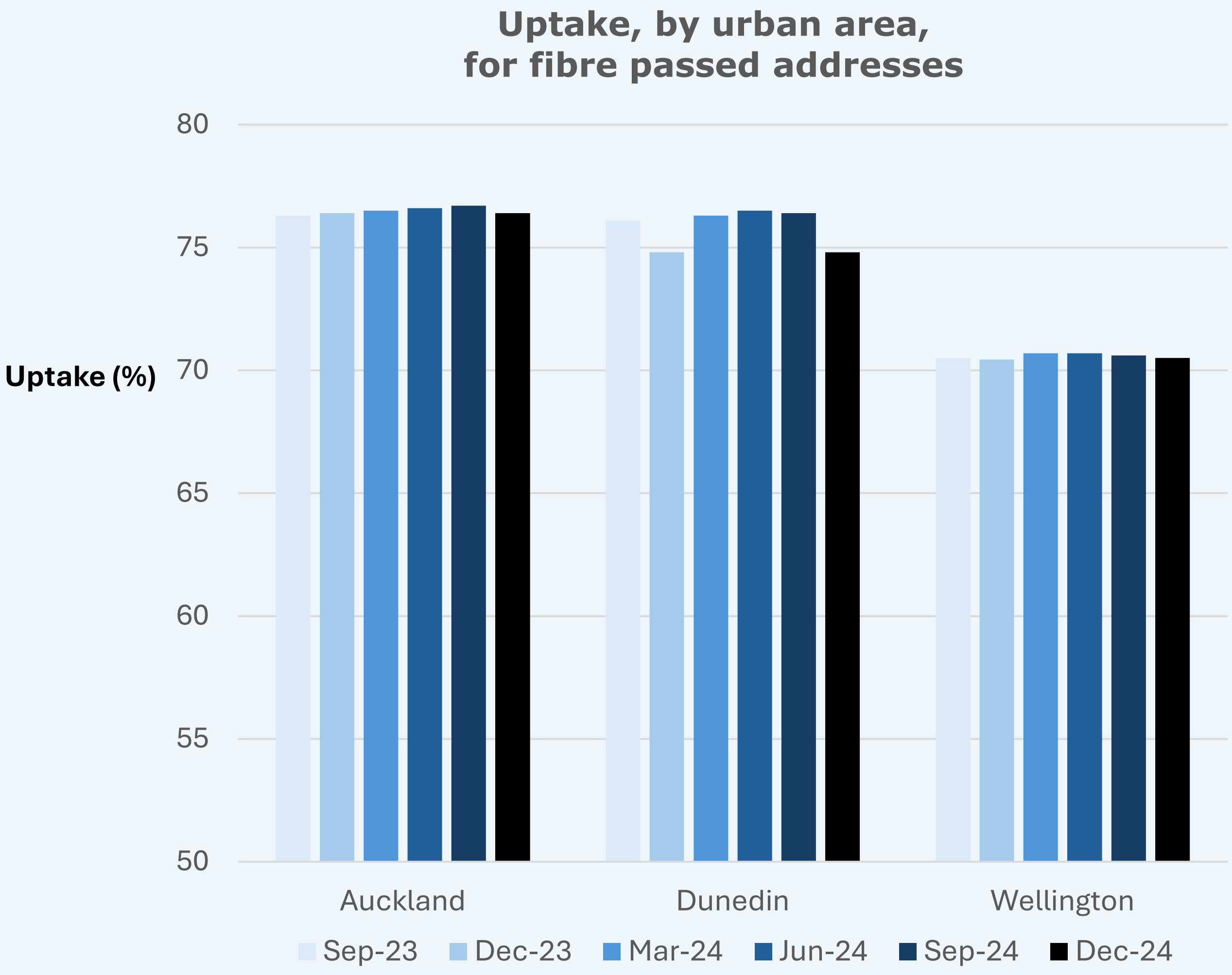


*based on independent address data and Chorus network data for addresses passed by fibre; excludes Chorus fibre in Local Fibre Company (LFC) areas
** includes ~7k fibre premium connections to addresses; excludes smart location (GPON) connections and connections in LFC areas
*** not active on 31 December 2024

Uptake by city

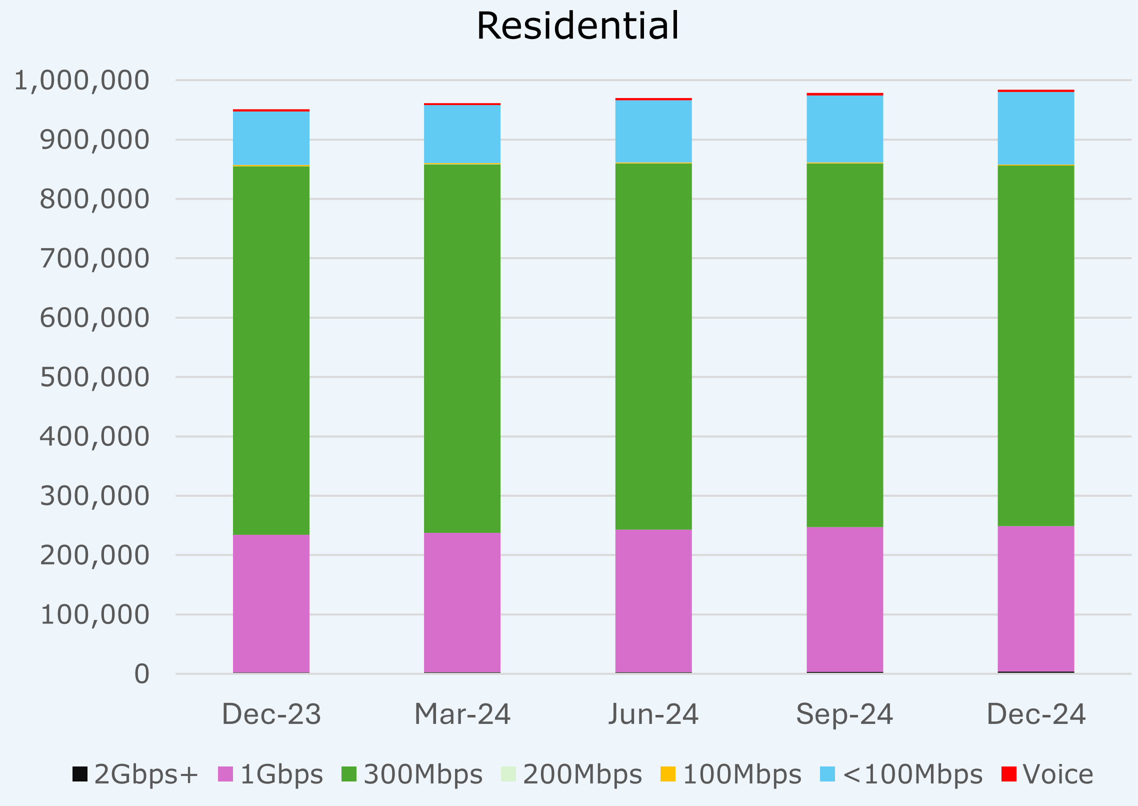
- **Auckland** uptake reduced 0.3% to 76.4% in Q2 as address growth outpaced connection growth
- **Dunedin** uptake reduced 1.6% to 74.8% reflecting student seasonality
- **Wellington** uptake reduced 0.1% to 70.5% as address growth outpaced connection growth

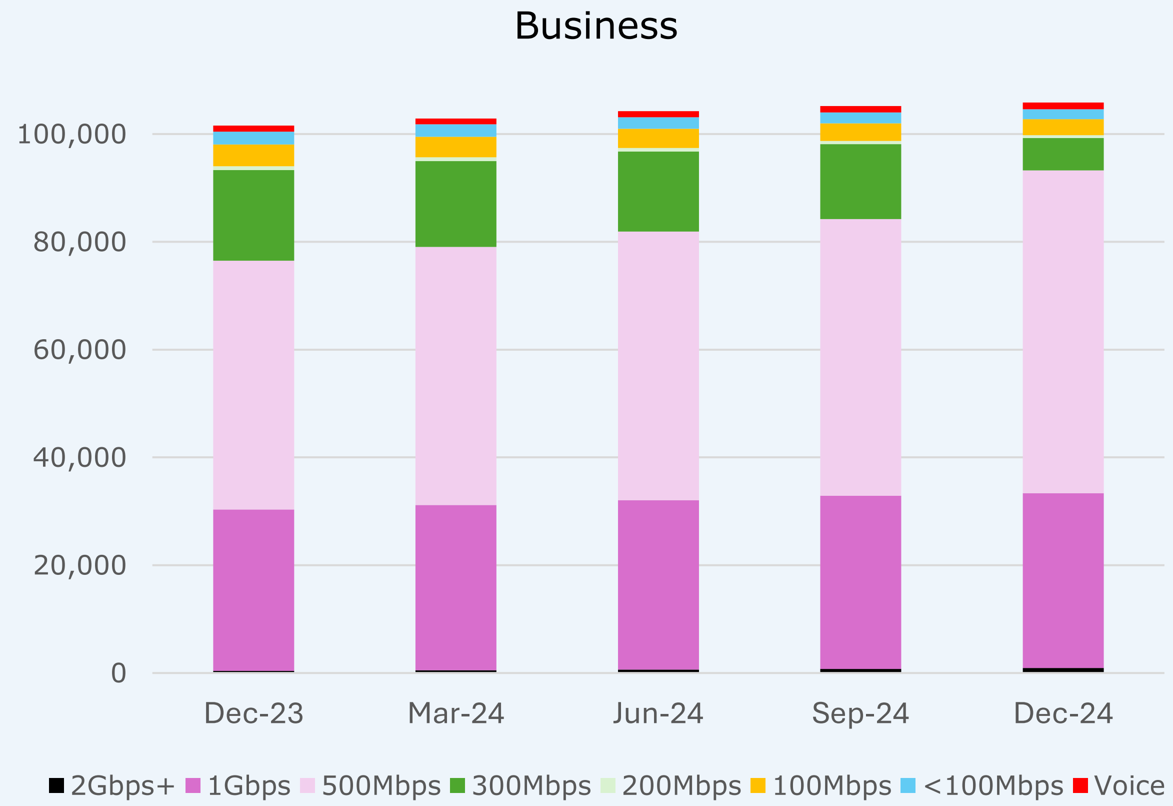
Note: uptake is measured across "urban areas" as defined by Statistics NZ, rather than the original UFB rollout areas



Multi-gigabit *Hyperfibre* connections lift to ~5k

- demand for Hyperfibre plans (2Gbps and above) gained momentum, nearing 5k connections
- Home Fibre Starter (50Mbps) connections grew by 11k to 68k; plans below 300Mbps are 12% of residential connections
- business and residential connections of 500Mbps+ grew by 11k; driven mostly by simplification of business plans
- 88% of business connections are on 500Mbps or faster; 25% of residential plans are on 1Gbps or faster

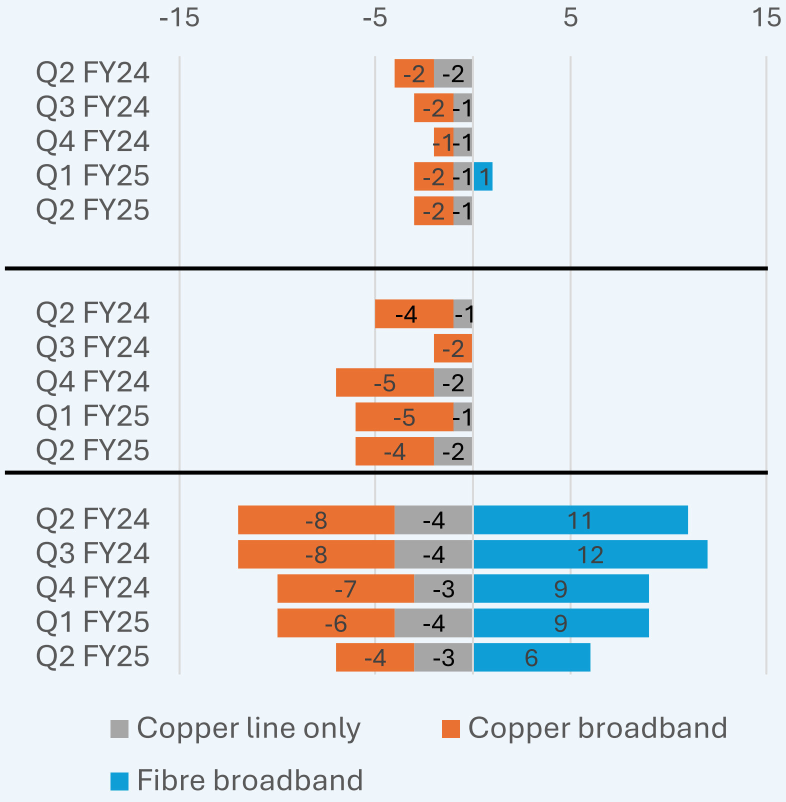




Connection changes by zone (indicative as at 31 December)

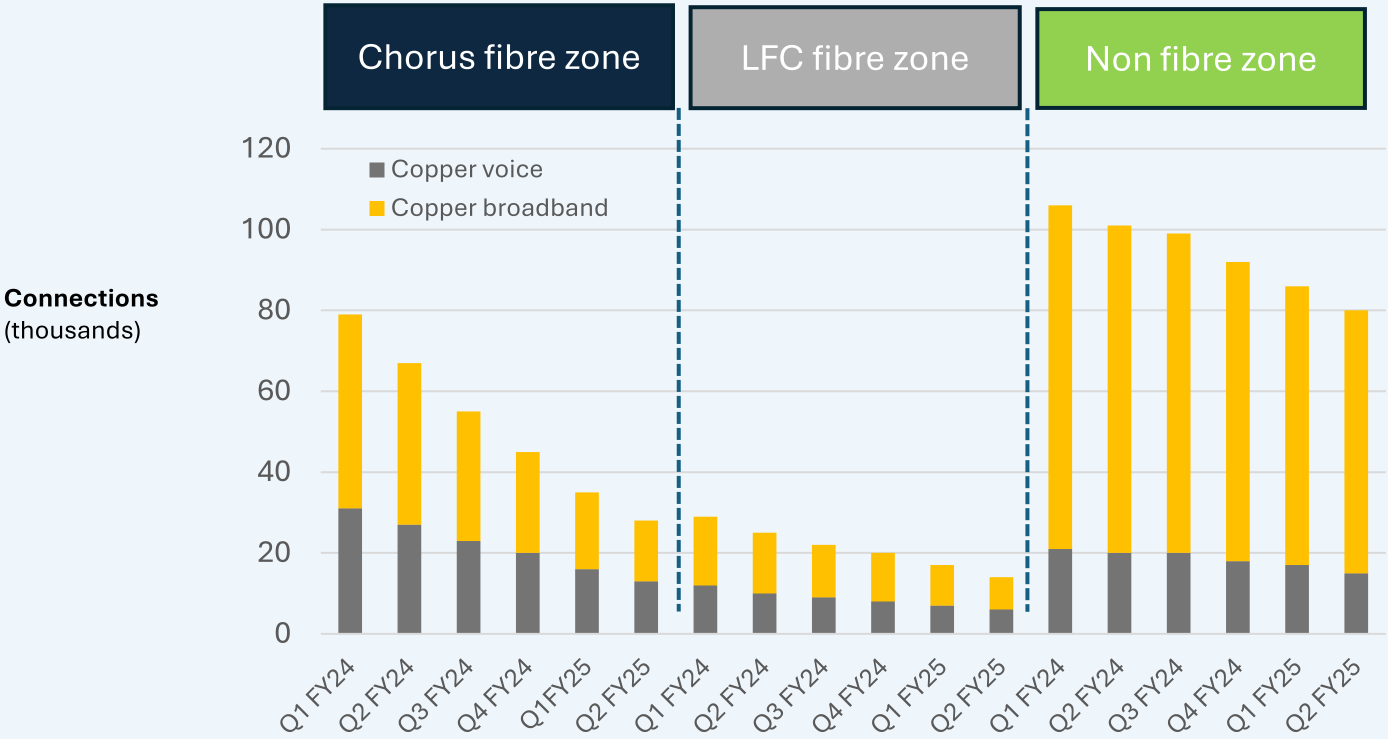
Other fibre company (LFC) zone	Copper lines (no broadband)	6,000	Local Fibre Company and fixed wireless provider activity is driving a gradual decline in copper connections.
	Copper broadband lines	8,000	
	Fibre broadband lines (GPON)	4,000	
	TOTAL	**18,000**	
Non-fibre addresses (i.e. Chorus fibre not available)	Copper lines (no broadband)	15,000	Ongoing decline in copper connections due to mobile/fixed wireless/satellite footprint expansion.
	Copper broadband lines	65,000	
	TOTAL	**80,000**	
Chorus fibre zone	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	
	TOTAL	**1,111,000**	

Quarterly change ('000s) by zone



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

28k copper lines remaining in Chorus fibre areas



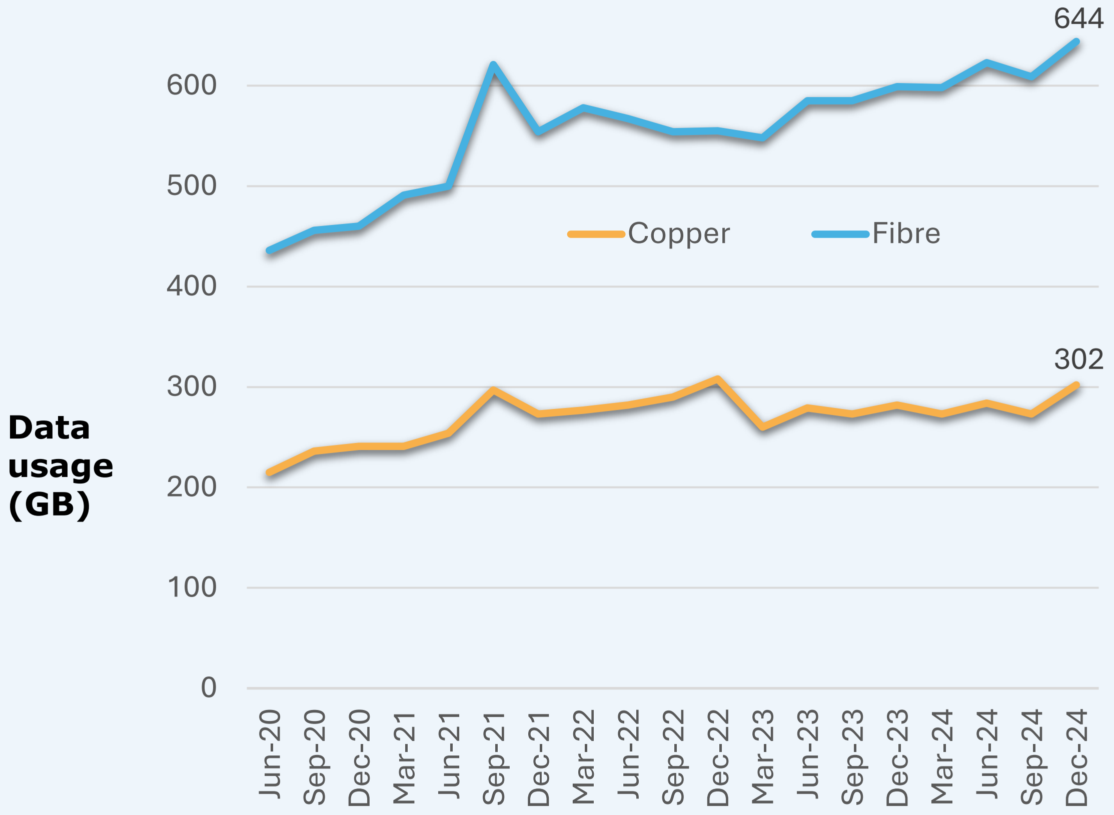
Copper connections able to be withdrawn with 6 months' notice where fibre is available

~96,000 copper withdrawal notifications issued (cumulative) in Chorus fibre areas

- ~28k connections remaining
- 1,561 copper broadband cabinets closed (Q1: 1,492)
- broadband retention rate steady at 79%

Strong growth in monthly average data usage on fibre

Monthly average data usage per connection*



* includes upstream traffic

- monthly average data usage on fibre increased strongly from 609GB in September to 644GB
- the proportion of fibre connections using more than 1 terabyte of data was 17.5%, up from 15% in September
- copper usage was 302GB (Sept: 273GB)

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 2023	Notes
Copper line	$38.21	$36.17	Annual CPI adjustment mid-December 2024
Copper broadband	$51.08	$48.35	