

**MARKET RELEASE – Thursday, 11 September 2025**

## **Spark releases FY30 strategy and update on Chair succession**

Spark New Zealand (Spark) today released further details of its new five-year business strategy, SPK-30, which refocuses the business on its core of connectivity from a broader digital services ambition.

Spark Chair Justine Smyth said, “Our new strategy focuses Spark on its biggest strength – connecting New Zealanders when and where it matters. Our core connectivity business is our priority for capital allocation, and we will build on our competitive advantages by investing in network and customer experiences that set Spark apart.

“Our ambition is to return Spark to its history of strong performance, while maintaining globally competitive industry returns for our shareholders.”

### **SPK-30**

Spark’s FY30 ambition is *it’s better with Spark* – which includes a focus on delivering a better network and better customer experiences.

- **Better network:** Spark aims to grow its leadership in reliability and coverage<sup>1</sup> by investing where it matters for customers, proactively resolving network issues through AI, and uplifting regional resilience – including the introduction of satellite-to-mobile services in the second half of FY26.

With the only 5G Standalone network in the country, and as the first company in New Zealand to secure a partnership with API aggregator Aduna, Spark will explore new opportunities to monetise its network investment and deliver new solutions to customers.

- **Better customer experiences:** Spark aims to build on five years of customer satisfaction growth by evolving retail experiences, investing in digital journeys, and empowering all care channels through AI – to serve up the right offer, to the right customer, at the right time.

With this ambition, Spark will then prioritise leading in core connectivity, while simplifying and optimising beyond the core.

- **Lead in core connectivity:** Mobile, broadband, and business connectivity<sup>2</sup> contribute 80% of Spark’s gross margin and will be the priority for capital allocation. Spark will focus on delivering customer choice across all market segments, innovating to deliver new functionality and experiences, and with strong market positions in premium segments, upweight its focus on rewarding and recognising its loyal customers.

Wireless broadband (WBB) remains a priority, with tailwinds supporting growth – including Spark’s 5G rollout now reaching over 50% of the population, spectrum to be re-farmed following the 3G shutdown, and 5G WBB delivering ‘fibre-like’ average speeds of 336Mbps<sup>3</sup>. Spark will also increase its focus on mobile and broadband bundling to support value for customers and retention.

- **Simplify and optimise beyond the core:** In cloud, IT services, and procurement, Spark will focus on transitioning customers on legacy products to more modern and future-proofed solutions, simplifying product offerings, introducing greater levels of AI and automation, and leveraging its new global partnerships to improve customer experiences and efficiency.

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<sup>1</sup> Opensignal Awards – New Zealand: Mobile Network Experience Report, September 2024, based on independent analysis of mobile measurements recorded during the period June 1 – August 29, 2024 © 2024 Opensignal Limited.

<sup>2</sup> Business connectivity includes managed data and networks, collaboration services, IoT, and voice.

<sup>3</sup> June 2025 Measuring Broadband New Zealand (MBNZ) report.

These priorities will be enabled by a focus on:

- **People and culture:** building a culture focused on customers and performance by growing engagement, investing in targeted capabilities, and empowering Spark through AI.
- **Financial discipline:** value creation will be underpinned by revenue growth in core connectivity, ongoing efficiency through partnerships, AI, and simplification, and disciplined capital management.
- **Technology and AI:** continuing to invest in the AI and technology that underpins marketplace success and empowers Spark's people.
- **Sustainable Spark:** delivering business value by supporting a better digital world that is low impact with high connectivity, and equitable and trusted.

Spark CEO Jolie Hodson said, "In an increasingly digital world, our products and solutions are only becoming more important for New Zealanders and businesses.

"Connectivity is our core business, and our absolute focus in the years ahead. When New Zealanders trust us to keep them connected, we want it to be better with Spark – whether that's through their experience on our network or getting the help they need quickly and easily.

"We make significant investments into our network every year, which was recognised in FY25 when we were awarded the most reliable network with the widest coverage experience by Opensignal. We will continue to invest in being there when it matters for our customers, using AI and automation to proactively resolve issues, and bringing satellite-to-mobile to Spark in the second half of FY26.

"We will also explore new opportunities to monetise our network capabilities by providing our business customers with more sophisticated connectivity solutions, through our 5G Standalone network and our new partnership with global API aggregator Aduna.

"Our financial ambition is to deliver stable, annuity-like returns for our shareholders through consistent annual growth in free cash flow, supporting a sustainable and growing dividend over time. Our return on invested capital of 8.7% outperforms the majority of our global peers<sup>4</sup> and our ambition is to grow this to 11-13% over the next five years.

"As we do this, we will hold ourselves accountable to growing customer satisfaction to best-practice levels, maintaining our network leadership for reliability and coverage, achieving top quartile employee engagement, and continuing to work towards our science-based emissions reduction target.

"With this focus on our core, and the things that matter most to our customers, we approach these next five years with clarity and determination."

## Chair succession update

As announced at the end of July, three new Directors will join the Spark Board during FY26. In the context of this significant Board renewal, Chair Justine Smyth has confirmed she will stand for re-election at the upcoming AGM in November, with the intention to serve for a period of up to 12 months.

Smyth continued, "In recognition of my tenure we have a Chair succession process in place, and this remains a focus for the Board. My intention in standing for re-election is to ensure a successful transition to a new Chair and to support ongoing stability for Spark as it embarks on its new strategy."

## Investor Presentation

Spark will provide a presentation to investors today at 1:00pm (NZT). The presentation can be accessed live via webcast using the following link: <https://edge.media-server.com/mmc/p/fjt8dwzo>

**Authorised by:**  
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<sup>4</sup> ROIC is calculated as net operating profit (EBITDAI less depreciation and amortisation for both continuing and discontinuing operations) after tax (at 28%) as a percentage of Invested Capital (total debt including leases plus equity). Peers are comparable telco companies.

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