2 November 2022

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Sky Annual Shareholders' Meeting

Chairman's and Chief Executive's Address and Presentation

2 November 2022

The 2022 Annual Meeting of Shareholders of Sky Network Television Limited (**Sky**) will be held today, Wednesday 2 November 2022, commencing at 10:00am (NZDT) at The Maritime Room, Princes Wharf, Viaduct Harbour, Auckland and via the Computershare online meeting platform at https://meetnow.global/nz. Copies of the Chair's and Chief Executive's addresses and presentation are *attached* and also available on Sky's website. Sky shareholders are warmly encouraged to participate.

The meeting includes a Special Resolution regarding the return of approximately $70 million by way of a Court Sanctioned Scheme of Arrangement (Scheme). In this regard, Sky Chairman Philip Bowman confirms receipt of a binding ruling from the New Zealand IRD in his address to shareholders, satisfying one of the conditions to the Scheme. Should the Special Resolution be passed at the meeting, satisfying the other condition to the Scheme, Sky expects to seek final orders from the High Court sanctioning the return of capital shortly thereafter.

Mr Bowman will also provide an update on the Company's dividend policy and signal the potential for additional capital allocation measures: "As a further demonstration of the Board's confidence, and with reference to our view on cash generation and appropriate levels of leverage, we have made an amendment to Sky's dividend policy. Going forward, the previously advised pay-out range of 50% to 80% of Free Cash Flow (excluding one-off items) has been increased to 60% to 90% on the same basis. We are also confirming the definition of Free Cash Flow as cashflow from operations less both replacement and growth capex, but excluding one-off items such as material acquisitions or disposals of assets.

"As a result of the change, Sky's dividend guidance for FY23 has been increased to between $18m and $24m. This change is a positive demonstration of our ongoing commitment to return surplus cash and one that I trust shareholders will appreciate."

"Consistent with the Board's stated capital allocation strategy and focus on value creation, the Board is currently minded to initiate an on-market buy-back programme following the announcement of the interim results, noting that the size of any programme would be determined by reference at that time to the prevailing share price, the cash position of the company, the economic outlook, and the liquidity of our shares in the market."

Chief Executive Sophie Moloney will provide an update to shareholders on Sky's strategy and core competitive advantages, and the progress made in the last two years. She will also outline priority projects for the upcoming year, including:

- Delivery of the new Sky Box and Sky Pod, noting that Sky has agreed with Vodafone that the Vodafone TV platform will stay open across the summer break to ensure customers can continue to watch Sky and other content on Vodafone TV until they move to new Sky products in the New Year;

- The next steps to take advantage of the significant opportunity that exists in the advertising space;

- Sky's focus on its data strategy to deliver deeper actionable insights; and

- Sky's ongoing delivery of cost control, in both programming and non-programming costs.

Sky remains on track to deliver results within the guidance ranges provided at the time of the FY22 results in August, being Revenue of between $750m to $770m; EBITDA of between $150m to $170m, NPAT of between $50m to $60m and Capex of between $60m to $75m.

For those unable to attend in person, the Computershare online meeting platform enables shareholders and guests to view the meeting and presentations and provides shareholders and proxyholders the opportunity to vote and ask questions. Instructions on how to participate are available in the Virtual Meeting Guide accompanying this announcement and available on Sky's website at www.sky.co.nz/investor-centre/investor-information.

A replay of the Annual Shareholders' Meeting webcast will be made available on Sky's website as soon as practicable following the event.

Authorised by: James Bishop, Company Secretary

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Amended Chairman's Address
Sky Network Television Limited Annual Shareholder Meeting - 2 November 2022

Fellow shareholders, welcome to this hybrid Annual Shareholder Meeting of Sky Network Television Limited. I'm Philip Bowman, your Chairman. It is good to see a number of you here today in person after the disruption of covid over the past several years.

I would like to start by outlining the progress made in FY22. As I mentioned in my letter which accompanied the Annual Results, Sky ended the 2022 fiscal year in a much-improved position, having made good progress against its strategic plan, and having delivered a 41% increase in reported Net Profit after Tax of $62.2 million, and significantly improved Free Cash Flow. Importantly, results were significantly above the expectations we set out in our original guidance for the year, with a substantial upgrade announced in December 2021 following a detailed review of costs. In particular, I would highlight three areas that contributed to this successful outcome.

- First, we saw continued growth in the number of customer relationships, as Sky's strengthened content continues to attract new and returning customers to Sky platforms.
- Second, the 2022 year saw the return to revenue growth - the first increase in six years and pleasingly driven by growth in core subscription revenue. The increase in customer relationships was a contributing factor, as was the improved retention of high value Sky Box customers. It is important to also recognise that we benefitted from a price increase on Neon, taken in the previous fiscal year, and late in the fiscal year we raised the price of Sky's Sport package. Both increases were delivered without impacting customer numbers – a testament to the quality and value Sky's content offering represents.
- Third, the strong focus on cost control continued, as evidenced by the successful delivery of $39 million in operating cost reductions enabling reinvestment for growth, including new content. These savings were identified through an initial cost review and include $29 million in ongoing permanent reductions that will carry through to future years.

The successful sale of Sky's Mount Wellington properties for $56 million was an additional highlight, releasing capital, delivering an immediate $14.0 million gain on sale, and also ensuring an overall reduction in Sky's ongoing property costs.

This performance, combined with greater confidence in the future, despite a worsening economic backdrop, allowed the Board to declare a fully imputed final dividend of 7.3 cents per share, delivering on the promise made at the interim results of a return to paying dividends.

Underpinning these results, for customers and shareholders, is the very significant effort and commitment of the wider Sky crew. This is a credit to Sophie's leadership and the support of her strengthened executive leadership team which came together during the year.

Moving now to 2023, whilst the Board and Management recognise there has been significant progress, we are clear there is much more to be done. Sky remains a business in transition, and we do not underestimate the need to continue this progress and to capture the growth opportunities available to us as the media industry continues to evolve.

FY 2023 year will be a crucial year for the business, and one in which excellence in execution will be key. Priorities include:

- New Technology. An immediate focus is the successful delivery of the new Sky Box and Sky Pod that will provide customers with a significantly enhanced experience. We rightly see this as a crucial, transformational moment that will unlock new opportunities for Sky, and the team is determined to deliver on this promise.
- Advertising. We have signalled our intention to strengthen capability in advertising to capture a larger share of this significant revenue pool. The opportunity to deliver additional value from Sky's unrivalled content offering and significant reach including via free to air is real, but will require investment to secure.
- Cost base. While we are rightly investing for the future, our focus on continued reduction of the cost base remains firm. The rights we have secured are not generally subject to inflation linked increases, and Sky's hedging policy will provide protection from some near-term exchange rate fluctuations. However, the expected step-up in programming costs for 2023 and inflationary pressures in some areas of our business, such as people and production costs, require a sharpening of our focus on all cost lines. Like all businesses impacted by input cost inflation, we will maintain an ongoing review of the prices we charge.

You will hear more from Sophie on the very real cost out initiatives we have in our sights, as well as the investment opportunities that I have touched on.

Turning to Capital management strategy, I would like to explain the path that has led us to the capital return resolution on which you will be voting later.

The turnaround in Sky's position over the past 2 years has been dramatic, and whilst there are still challenges to be navigated, Sky has a strong balance sheet, and had a $139 million cash balance at last year end, including proceeds from the property sale. Sky also has strong and sustainable free cash flows, and an undrawn banking facility of $150 million. During FY22, your Board initiated a review of Sky's capital management strategy, taking into consideration likely capital needs, opportunities to invest to drive future growth, as well as future performance projections.

As part of this consideration, Sophie and her team took the time to review investment opportunities. These included assessing the merits of a potential acquisition of MediaWorks as a means to achieving scale and additional capability in advertising. With the benefit of hindsight, the timing proved less than optimal with a significant market correction taking place during discussions and due diligence. Whilst the ultimate decision was not to proceed with a transaction, the strategic rationale for a combination was broadly validated and the learnings for Sky have been very valuable.

Returning to capital management strategy, our investor base is a broad church and discussions revealed a wide range of views on how much cash should be retained, and the method by which returning surplus cash might be achieved. Ultimately, the Board's confidence in the Company's position and outlook were behind the decision to return the sum of approximately $70 million which proved to be comfortably above expectations.

Sky's capital allocation strategy strikes a careful balance between returning surplus capital, providing an income stream to shareholders through dividends, and retaining the flexibility to invest for future growth, including the potential to accelerate the rollout of the new Sky Box. A further consideration is future on-market buy-backs utilising surplus capital to cancel shares if the Board believes that these are trading below their intrinsic value.

The full range of methods available to return cash was considered with key considerations being equal treatment of all shareholders and the ability to execute with certainty and on a timely basis. While we understood the appeal to some shareholders of a share buy-back, this was ruled out given the quantum of funds to be returned relative to the Company's market capitalisation, and the lack of liquidity in Sky stock. By comparison, a special dividend would have been relatively easy to execute but would have used a substantial quantum of imputation credits, while triggering adverse tax consequences for many shareholders.

The decision we arrived at, to return capital by way of a Court Approved Scheme of Arrangement will be voted on later in the meeting and I would make three points on the rationale for this as the chosen method:

- It offers a fair and equitable outcome – treating all shareholders equally.

- This method also allowed us to seek a ruling from the IRD to deliver the most efficient tax outcome to maximise the value to New Zealand based shareholders. I am pleased to be able to advise today that Sky has now received this ruling.

- And finally, the Scheme provides certainty of execution - if supported by shareholders today, cash of approximately 40 cents per existing share should be in the hands of shareholders by late November.

Your Board unanimously supports the proposed capital return and recommends that you vote in favour of the resolution, as will all directors, when the time comes.

As a further demonstration of the Board's confidence, and with reference to our view on cash generation and appropriate levels of leverage, we have today announced an amendment to Sky's dividend policy. Going forward, the previously advised pay-out range of 50% to 80% of Free Cash Flow (excluding one-off items) has been increased to 60% to 90% on the same basis. We are also confirming the definition of Free Cash Flow is after capex spend which includes both replacement and growth assets. In addition we clarified the definition of one-off items as including a material acquisition or disposal of assets.

As a result of the change, Sky's dividend guidance for FY23 has been increased to between $18m and $24m. This change is a positive demonstration of our ongoing commitment to return surplus cash to shareholders and one that I trust shareholders will appreciate.

Assuming shareholders approve the return of capital, the number of outstanding shares will reduce by 16.7% from approximately 174.7 million to 145.6 million. Completion of the capital return and share cancellation would deliver a theoretical share price of $2.18 based on the NZX share price at yesterday's market close of $2.22. At the midpoint of the FY23 guidance given to the Market on 25th August, but amended for the dividend policy announced today, key metrics for FY23, assuming the lower number of shares had been in issue throughout the financial year, would be a Return on Invested Capital of 16.4%, a valuation of 0.4 times revenue or 1.8 times EBITDA, and a dividend yield of 9.2%.

While Sky's shares listed on the NZX provided a heathy 18% increase in the year to 31 October compared to the NZX50's fall of 13% and the ASX300's fall of 2%, we are yet to see the share price reflect the improved results and outlook for the Company. The Board believes that Sky's shares are significantly under-priced.

With this in mind - and consistent with the Board’s stated capital allocation strategy and focus on value creation, the Board is currently minded to initiate an on-market buy-back programme following the announcement of the interim results, noting that the size of any programme would be determined by reference at that time to the prevailing share price, the cash position of the company, the economic outlook, and the liquidity of our shares in the market. By way of an example, based on the reduced number of shares following the proposed return of capital and given Sky’s net cash position, a $15 million buy-back programme would be expected to deliver a 5% uplift in both EBITDA and Earnings Per Share.

In conclusion, I would like to firstly thank my fellow board members for their diligence and commitment on behalf of shareholders. We met frequently during the year as a board, but Directors were also co-opted to a number of ad hoc committees, some of which met many times.

This year we have welcomed Mark Buckman who joined us in March and whose skills and excellent contribution have swiftly made a positive impact. Geraldine McBride will stand down from the Board at the conclusion of the meeting. She leaves with our sincere thanks and appreciation for nine years of service to Sky. A search has been underway for several months for a further new director as part of the process of refreshing the board, with an announcement to follow once this process is complete.

I should also like again to reiterate the Board’s thanks to Sophie, her leadership team and the wider Sky crew for the positive progress and strong results achieved for shareholders.

And finally I would like to thank you, our shareholders, many of whom have supported Sky through difficult times. Thank you for your belief in Sky and continued support for the company. The Board and Management are committed to build on the progress made over the past two years and will continue to drive the transition that is reshaping Sky. I look forward to updating you on further progress as the financial year unfolds.

Chief Executive Address

Sky Network Television Limited Annual Shareholder Meeting – 2 November 2022

Slide - Title

- Thank you, Philip, and kia ora Sky Investor e te whānau, nau mai haere mai, ko Sophie tōku ingoa, tēnā koutou, tēnā koutou, tēnā koutou katoa.
- Hello everyone, I'm Sophie and it's my privilege to be here and serve as your CEO.
- It's also a privilege to do what we do at Sky – providing kiwis with the sport and entertainment they love, in ways that work for them.
- Most great shows start with a recap of what happened in the previous episode to remind the audience of the story so far.
- With that in mind, building on Philip's succinct summaries, and as I address you for the second time as your Chief Executive, I set out a quick recap of the distance we've travelled and why I believe we are poised for future growth.
- After sharing these highlights, along with our strategic competitive advantages, I will focus on the current episode of delivery before wrapping up with a key acknowledgement of our crew, and of our commitment to playing our part in Aotearoa New Zealand.

Slide - Timeline

- Starting then with that brief recap of the highlights of the past two years, I refer you to the timeline and in particular draw your attention to:
- The successful launch of Sky Broadband, which is a proof point of the ability of our team to deliver an excellent new service.
- Securing the renewal of the Rugby League until the end 2027 – a vitally important win given its growing popularity and full winter schedule.
- The launch of Sky Rewards, which has been appreciated by customers as we tangibly recognise their loyalty while at the same time delivering a positive impact for Sky.
- Our disciplined and successful bid for the rights to the Premier League for the next 6 seasons, which was another key strategic content moment, supplying a summer schedule for our football-loving customers.
- And, of course it's been very gratifying to return to paying dividends to you, our owners – an important milestone in Sky's continued turnaround.

Slide - Content

- That timeline clearly supports the current strategy of connecting New Zealanders to the content we know they love, because of the viewership data we see every week.

- And from this rich data set, we can see that it isn't just sport that connects and engages our customer segments whether they be native streamers or heartland champions: it can also be shows such as Love Island that connect them!
- Our content variety means there really is something for everyone, including NZ stories commissioned by our Sky Originals team, with our recent feature film Rūrangi also getting noticed abroad and securing an International Emmy Award nomination; this is our second nomination with Sky Original INSiDE having won an Emmy last year.
- Speaking of international interest, undoubtedly 'shirts in black' on our screens continues to matter to kiwis and with this in mind, we are delighted to have secured the rights to World Rugby content for the next 7 years, including four Rugby World Cups. This innovative deal also saw us transfer ownership of Rugbypass to World Rugby with the clear desire to continue to partner to drive a global audience to the game, including in particular fuelling more interest and growth in the women's game.

Slide - Platforms

- And how do we deliver this amazing array of content? A vitally important plank of our strategic gameplan is the ability to meet customers wherever they are.
- Here, on this slide, we start that narrative with Sky Business (who serve close to 7,000 pubs, clubs, hotels, motels and gyms right across the country); where kiwis can discover and enjoy Sky content for the price of a pint or a workout, whatever their preference may be!
- There is then the powerful reach of our advertising-supported, free-to-air channel Prime – reaching around close to 1.3 million New Zealanders each week. Prime is a key pillar of our current advertising business and also provides the opportunity to showcase key sporting moments to all New Zealanders, for free.
- Then, of course, there is the reliability of our existing Sky Box with 100% reach across the country, along with the significant value-add of Sky Go, our companion app for Sky Box customers.
- Which takes us to the exciting new, hybrid Sky Box and the new Sky Pod, reconnecting Sky with our origin story of giving kiwis choice and ease. More on the new Box in a moment.
- The new Sky Pod is the first time New Zealanders can get Sky without a dish – if that's what they prefer, noting, of course that it comes without recording functionality or the reliability of satellite. It's a great alternative for our Vodafone TV customers, and, in future, for those who can't or choose not to install a dish.
- And it's quite a moment for the company and for you, as investors, especially when you couple it with Sky Broadband – creating many new product bundling opportunities for my Chief Customer Officer to go after!

- And last, but certainly not least, our streaming services Neon and Sky Sport Now, that have gone from strength to strength in the last financial year by serving the needs of those customers who simply want standalone entertainment and sport streaming services.

Slide – Our competitive advantage

- Ultimately, what these two slides talk to coupled with our high, ARPU Sky Box customer base, are our core competitive strengths of:
  - understanding what our customers value based on what they watch;
  - building on our strong market position as the ultimate aggregator, with a compelling 'power of the bundle' content offering;
  - the ability to deliver reliably to the entire country – no-one else can do this in the way we can; and
  - with a multi product and platform play, including free to access options that means we have something to offer for everyone.
- It's a compelling overall competive advantage that I will reference again a bit later.

Slide – FY 2022 Hightlights

- This competitive advantage contributed to Sky achieving the positive inflection point of revenue growth in FY22, as significant growth in both Neon and Sky Sport Now, coupled with a slowing decline of the Box base, saw both customer relationships and overall revenues each grow by 4%.
- In turn, this contributed to the healthy 41% lift in Net Profit After Tax, and a 130% increase in Free Cash Flow to $42.8 million.

Slide – 3 year targets

- And to complete this first recap, and marking our homework since we last met, as you can see from this slide, we're largely on track to achieve our 3 year targets.
- But of course there is more to do. So, let's talk about delivery.

Slide – Deliver - Digital Tech

- As referenced by Philip, **the launch of the Sky Box and Sky Pod** is a key moment for us. The new Box is the most transformative product we have offered our customers in many years, and we're highly focused on delivering an excellent experience for them.
- Our immediate priority is meeting the needs of our Vodafone TV customers given the looming closure of that service. To give ourselves – and our customers – a little more breathing room, we have agreed with our partner Vodafone that the platform will stay open across the summer break.

- While we will start rolling out the new Sky Box and the Pod as soon as possible , we're mindful that the Christmas period is a busy time for many kiwis, and this gives everyone more time to make the move to our new Sky products in the New Year.
- As we have said from the outset, our core priority is to offer the new Box to our most loyal Sky customers first which we will do – but please be assured, this is not a forced migration, which means those happy with their current Sky Box can retain it.
- And yes, I'm conscious that the new Sky Box has been a long time coming. Some of the reasons for the delays are outside of our control – including Covid, chip set shortages and global supply chain issues. We are currently undertaking rigorous final testing and fine-tuning, and we look forward to starting customer trials very soon.

Slide – Delivery – Advertising

- Second, as also mentioned by Philip, we see **significant opportunity in the advertising space.** The Mediaworks process confirmed the need for specialist expertise at senior levels to seriously go after this high-margin revenue prize. With this in mind and to accelerate our plans, we have brought in highly experienced and talented experts from across 'the ditch' as we leverage the learnings of the likes of Foxtel Media from the highly-competitive Australian market place.

Slide – Delivery – Digital & Partnerships

- Third, for both our core subscription business and our renewed advertising lens, the **importance of data** cannot be understated. We have access to an extraordinary amount of data about our customers and their preferences, but there is much more we can do to unlock its power and maximise this competitive edge, within the bounds of our privacy laws, of course! Partnering with experts like Dot Loves Data will help us go faster, complimenting our internal capability.
- The focus on delivery also extends to our cost base. While growing our revenues remains vital, it is our costs that we must control: split broadly between programming and non-programming cost lines.

Slide – Costs: Programming

- Starting with programming (which includes the cost of the broadcasting rights, as well as production and related people costs): as Philip referenced, we have stepped into higher costs as we have secured key renewals and acquisitions in the past financial year.
- As with these recent deals, looking ahead to future content opportunities, we will be very disciplined in our approach and highly cognisant of our strategic competitive advantage mentioned earlier, in particular the power of our viewership data.

- This data confirms what content is valuable to customers, and therefore of value to us and, ultimately, to you as shareholders, as it allows us to assess the return on investment over the life of each rights negotiation.
- These advantages give us the confidence to be clear about what we need to hold exclusively (and therefore to potentially pay a premium for) or we are happy to hold either on a non-exclusive or a co-exclusive basis.
- And on the Production cost side, it's simple: we will continue to review the right level of production and cost efficiencies based on the event or content value – again, understanding what our customers watch.
- With this approach in mind, in FY22 we delivered $17million of permanent savings from our programming cost line.

Slide – Costs: Non-Programming

- In terms of our non-programming costs, last financial year, we delivered a further $12 million of permanent cost reductions, and we are now embarking on the next phase of cost out.
- We talked about the first phase communicated in December 2021 as being the low hanging fruit and we have now stepped onto the next rung of the ladder, looking right across our business at ways we can be more cost-effective.
- As referenced here, we are being much more deliberate about areas where we can use partners to achieve efficiencies. Our recent agreement with leading supply chain services provider Pacificomm Group to take over our warehouse, repairs, freight and logistics work is a great example of this.
- You will see us doing more partnering and outsourcing in areas where we can drive efficiency without compromising on our customer promise. In some instances, offshoring will be the most effective way to access the talent we need to support our business given the challenges of finding this talent locally, particularly in the technology sphere.
- The launch of Sky's new Box will also play a part in reducing our costs base, with the Box roll-out supporting a lower cost of acquisition – by enabling a greater mix of self-install and lower repairs and maintenance cost. These are just two examples – both of which will drive lower capital intensity.

Slide – Outlook and guidance

- Our twin focus on continuing to grow revenue while also reducing costs leads nicely to the outlook for the current financial year.
- As we stand today, notwithstanding the delay in delivery of our new box and new Sky Pod, we remain on track to deliver against the Revenue, EBITDA, NPAT and Capex guidance we provided at

the time of our full year results. As you can see, the dividend range has been increased following today's announced change to Sky's Dividend Policy.

Slide – Sky Crew

- Delivering on these results takes enormous effort from our talented Sky Crew.
- We are very mindful of the economic headwinds that we are all facing and the importance of securing key talent in these times impacted by scarcity of labour.
- To tackle this head on, we have just announced our salary review which included with an increase of 8% for those earning less than $100,000 a year, and 5% for those earning up to $250,000.
- In addition, in respect of our benefits package, notwithstanding what you may have read in the media, we are not taking away free Sky from our people, we are simply looking to adjust the way our crew access this benefit so it reflects how they and their households prefer to view Sky content – just as is the choice of our customers.
- And, we have also invested in the key work spaces at our Mt Wellington and vibrant new Viaduct Harbour locations – a clear draw card for attracting and welcoming new talent to Sky, and ensuring a great workspace for all of our crew.

Slide – Sustainability at Sky

- I've spent most of today speaking about our sustainability from a competitive advantage and financial perspective, but we are equally committed to playing our part to support the environment and the communities in which we operate.
- It goes back to the comment I made at the start – that we have a special and privileged role here at Sky.
- Each day we are entrusted to deliver entertainment and much-loved sport to New Zealanders on behalf of our partners.
- And we have communities and shareholders who expect us to act with integrity and empathy, minimising our environmental impact and being a responsible corporate citizen.
- I haven't got time today to speak about everything we aim to do in this space, but on this slide: I draw your attention to our Sky for Good programme, where we use our platform, our people and our presence in the community to make a difference including free Sky at Starship hospital and a 20-year partnership with the Special Children's Parties that positively impact around 10,000 children each year.
- We have also made a commitment to track and reduce our impact on the environment, working in partnership with environmental agency Toitū.
- I'm also really proud of our commitment to showcasing and supporting women's sport, helping our kiwi women and girls to 'See the Possible'.

Slide –Strategy on a Page

- In closing, I want to join Philip in thanking you for your continued support as the owners of this business. My team and I remain focused on continuing to not only turnaround Sky but to transform it, all the while meeting customer needs and achieving the desired financial results for all of you.
- And now, before I hand back to Philip, I'd like to play you a short video (by our award-winning creative team) highlighting our superb range of content. It speaks to the point I made earlier about the depth and breadth of content we have on offer, and the clear competitive advantage that brings.

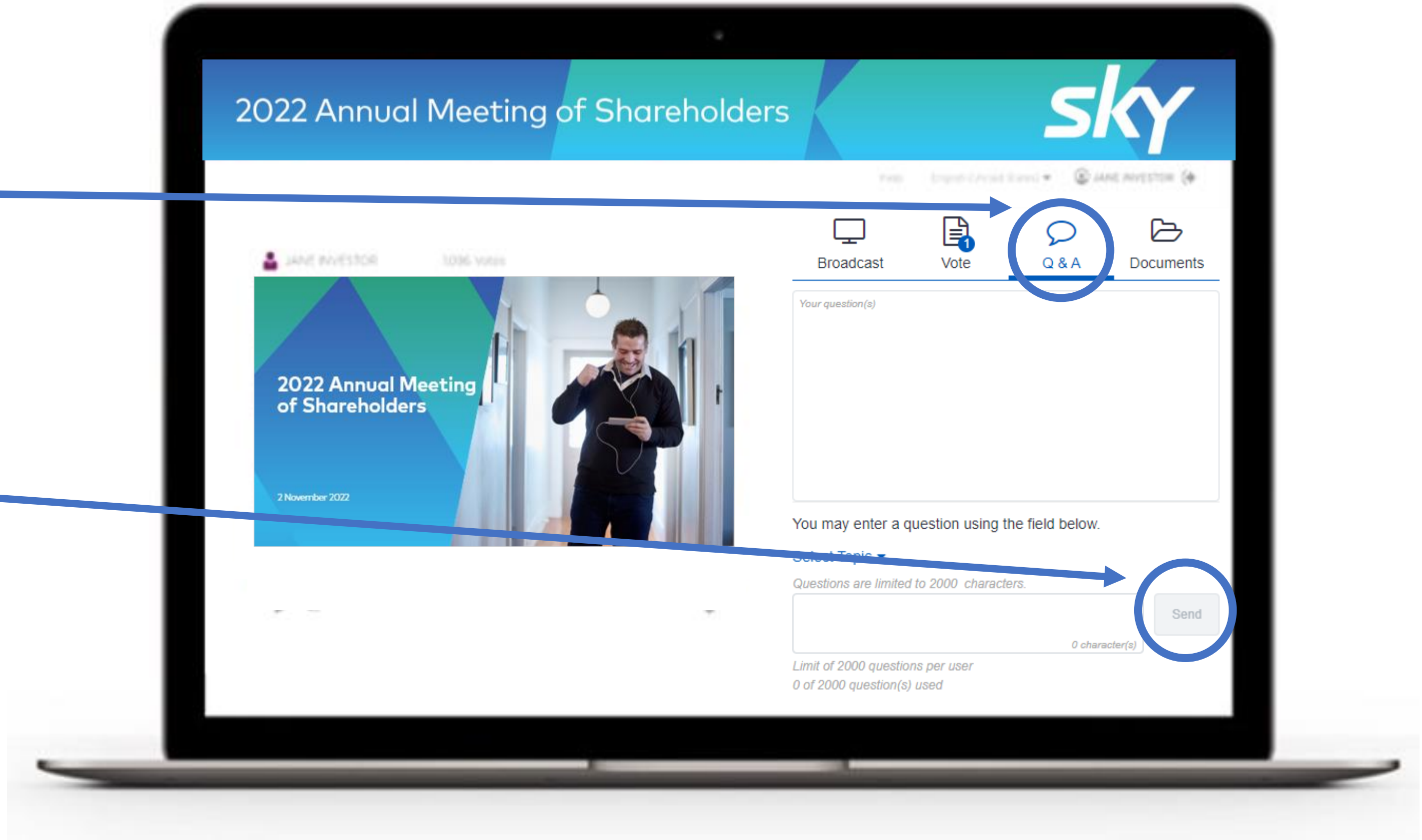
2022 Annual Meeting of Shareholders

2 November 2022

Welcome

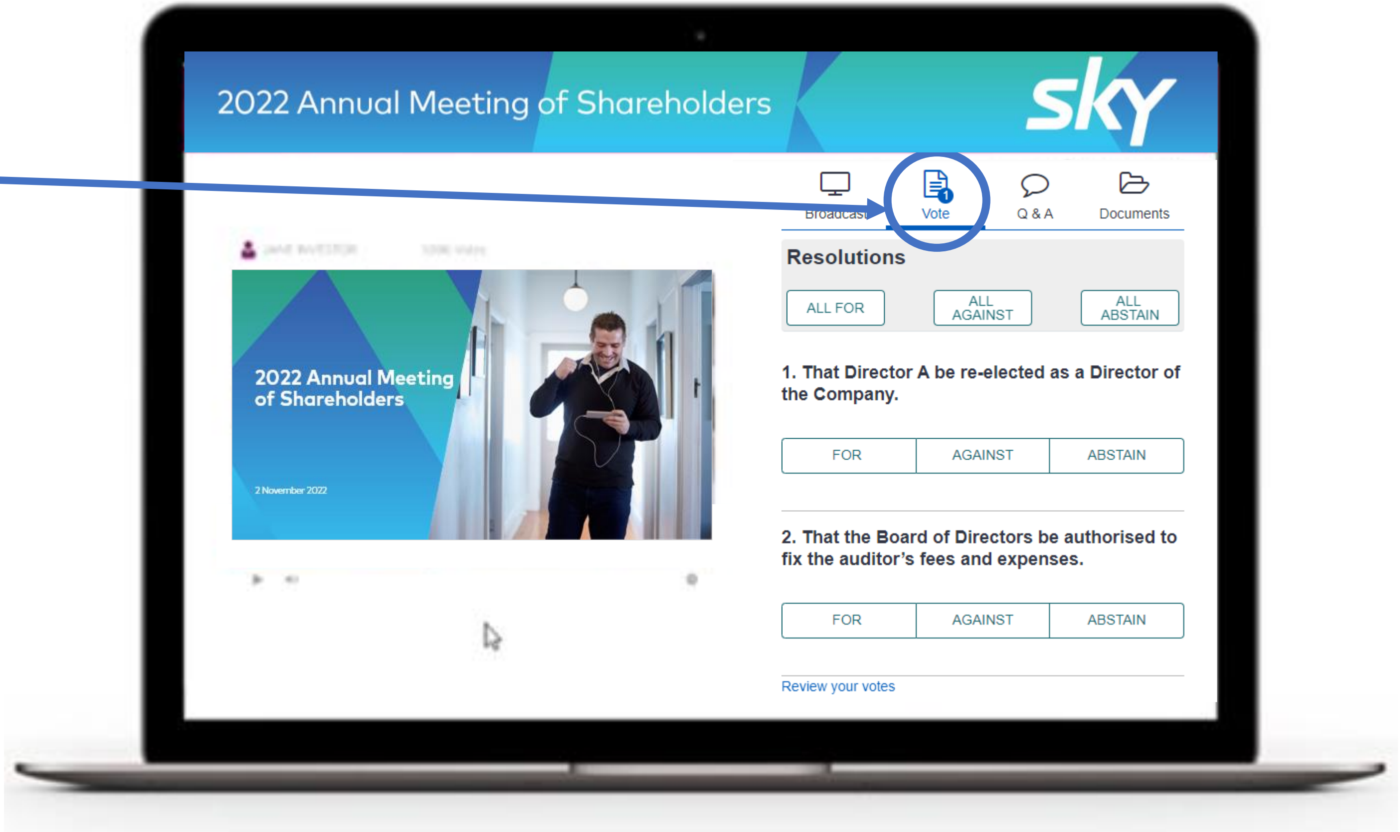
Asking a question at the meeting

- Questions may be submitted by selecting the Q&A icon on the right side of the screen
- Type your question in the space provided and then press 'send'. Your question will be submitted immediately
- <u>Help</u>: The same process can be used if you need help at any stage. A Computershare representative will respond to you directly



Voting at the meeting

- When voting is opened, the resolutions will be accessible by selecting the voting icon
- To vote simply select your voting direction from the options shown on the screen
- Your vote has been cast when the tick appears. To change your vote, select 'Change Your Vote' at any time until the voting closes



Board and Executives

Philip Bowman
Independent Chair

Sophie Moloney
Chief Executive Officer

Keith Smith
Independent Director

Joan Withers
Independent Director

Mike Darcey
Independent Director

Geraldine McBride
Independent Director

Mark Buckman
Independent Director

Tom Gordon
Chief Financial Officer

James Bishop
Company Secretary

Agenda

- Chair's Address
- Chief Executive's Address
- Formal Business - resolutions
- General Business - shareholder questions

Chair's Address

FY2022 at a Glance

REVENUE (excl Other Income)

$736.1m

(FY21: $711.2m)

NET PROFIT AFTER TAX

$62.2m

(FY21: $44.2m, restated)

FREE CASH FLOW[1]

$42.8m

(FY21: $18.6m)

FINAL DIVIDEND

7.3cps

(60% of Free Cash Flow[1])

1. Free Cash Flow is defined as net cash from operating activities, less net cash used in investing activities less payments for lease liability principal and excludes proceeds from sale of Mt Wellington properties and OSB. 60% ratio is based on smoothed cash flow across the year.

Refreshed dividend policy

Refreshed Dividend Policy	**To distribute between 60% and 90% of Free Cash Flow [1]** *(excluding one-off items)* ▶ Targeting increased dividend distributions based on growth in free cash flow ▶ Our policy is to pay out the majority of Free Cash Flow, excluding one off items, within the context of market conditions and investment opportunities ▶ We will look to pay approximately 40% of the annual dividend by way of an Interim distribution 1. Free Cash Flow is defined as net cash from operations, less payments for lease liability principal, less both replacement and growth capex, but excluding one off items such as material acquisitions or disposals of assets.
What's changed?	▶ *Distribution range increased from 50% - 80%* ▶ *Definition of Free Cash Flow clarified to confirm this is after capex spend (including both replacement and growth assets). One off items defined.*

Chief Executive's Address

Recap on progress

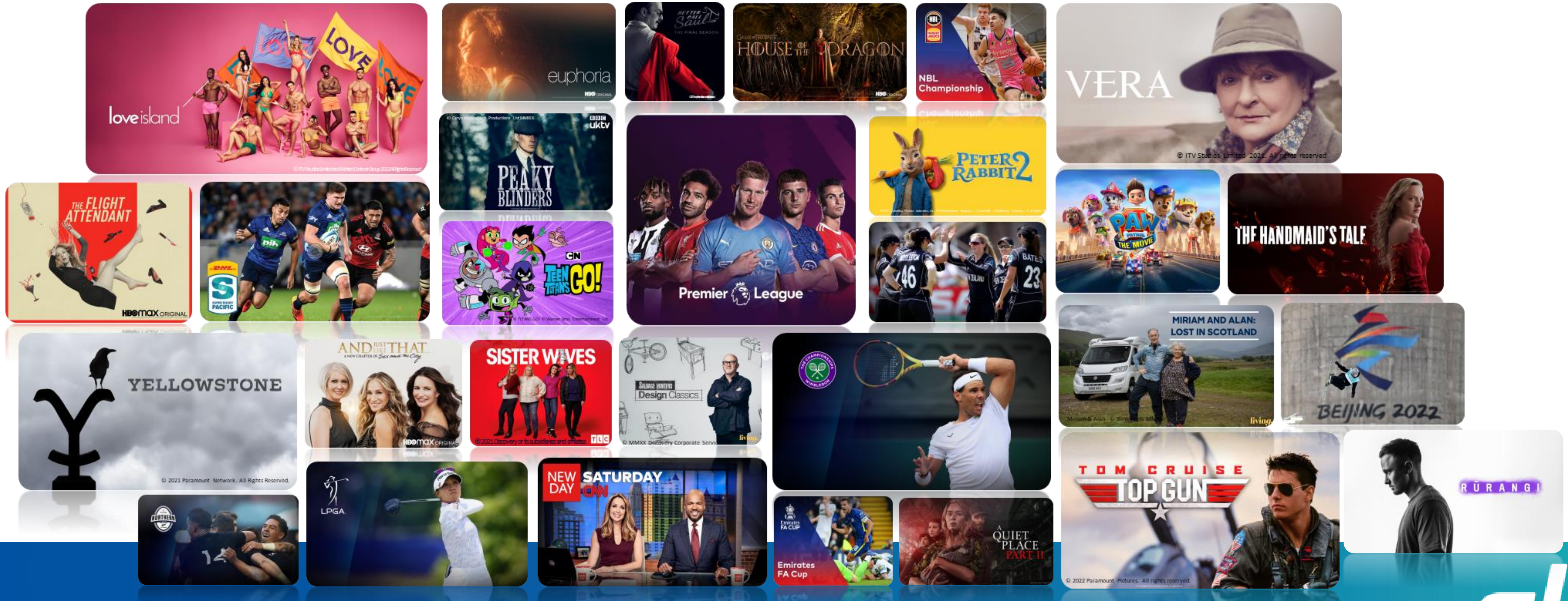
- Dec 20 — GUIDANCE UPGRADE; SECURED DISCOVERY (Discovery)
- Feb 21 — LAUNCHED SKY BROADBAND (sky BROADBAND); REPAID BOND $100m
- Apr 21
- Jun 21 — SECURED NRL (NRL)
- Aug 21 — SECURED WARNERMEDIA (HBO)
- Oct 21 — GUIDANCE UPGRADE
- Dec 21 — LAUNCHED SKY REWARDS

- Feb 22 — SECURED PREMIER LEAGUE (Premier League)
- Apr 22 — PROPERTY SALE $56m; LAUNCHED SEE THE POSSIBLE

- Jun 22
- Aug 22 — ANNOUNCED CAPITAL RETURN $70m; PAID FINAL DIVIDEND 7.3cps (fully imputed)
- Oct 22 — SECURED WORLD RUGBY (WORLD RUGBY)

sky

We connect New Zealanders with the sport and entertainment they love …



… in ways that work for them, right across the country

Our competitive advantage

1
Understanding what customers value based on rich viewership data

2
Our ultimate aggregator 'power of the bundle' content offering

3
Our ability to deliver to all of New Zealand

4
Our significant high ARPU Sky Box customer base

5
Our multi product and platform play, including free to access options

FY2022 at a Glance

Customer

TOTAL CUSTOMER RELATIONSHIPS
990,761
(FY21: 957,098)

STREAMING CUSTOMER GROWTH[1]
+11% YOY
(+18% excl. RugbyPass)

SKY BOX CUSTOMERS
529,521
(FY21: 554,690)

Financial

REVENUE (excl Other Income)
$736.1m
(FY21: $711.2m)

FREE CASH FLOW[2]
$42.8m
(FY21: $18.6m)

NET PROFIT AFTER TAX
$62.2m
(FY21: $44.2m, restated)

FINAL DIVIDEND
7.3cps
(60% of Free Cash Flow[2])

1. Comprising of Neon, Sky Sport Now, Retransmission and RugbyPass customers . 2. Free Cash Flow is defined as net cash from operating activities, less net cash used in investing activities less payments for lease liability principal and excludes proceeds from sale of Mt Wellington properties and OSB. 60% ratio is based on smoothed cash flow across the year.

3-year targets - how we're tracking

	Sky's Strategy	3 Year Targets (to FY 2024)	Progress
FOCUS	CUSTOMERS	• Stabilise and then grow Sky Box customers • Sky Box customer churn 10% • Sky Broadband attachment rate of 8% – 13% • Grow Neon and Sky Sport Now customers by 10% – 15% CAGR • Average tenure for Neon and Sky Sport Now of 12 - 18 months	On track Ahead On track Ahead Ahead
	CONTENT	• Continue to deliver the content that matters to customers • Accessing co-exclusive rights opportunities • Neon engagement 80%; Sky Sport Now engagement 75%	On track On track On track
	CAPABILITY	• Sky Box revenue stabilised[1] • Streaming revenue growth of 15% – 25% CAGR • Grow new business revenues to 10% - 15% of total revenue • Revenue growth of \$75m - \$100m+ p.a.[2] • Programming costs return to be within 45% - 50% of total revenue • At least \$10m -\$15m of non-programming operating cost savings p.a.[2,3]	On track Ahead In progress On track In progress Ahead
	CREW	• Year on year increases in employee engagement scores	Behind
BEDROCK	Rapid and sustained execution and enabling our people to succeed	• New Sky Box in New Zealand homes by mid-year 2022 • 50% - 60% of capex on growth initiatives	Delayed On track
	Being efficient, adaptive and profitable business	• Maintain positive free cash flow throughout • Depreciation & amortisation reduced by \$20m - \$25m p.a.[2] • Capex maintained at long term average of 7% - 9% of revenue	On track Ahead Ahead

1. Excluding broadband. 2. By FY24. 3. Excluding broadband and net of inflation

A focus on delivery

Accelerate digital delivery

Accelerate rollout of the new Sky Box

Increase speed to market for products and services

A focus on delivery

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Increase speed to market for products and services

Unlock advertising opportunities

Pursue **digital revenue** opportunities

Invest in **ad tech**

A focus on delivery

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Invest in **ad tech**

Build out capability

Enhance data strategy to deliver **deeper actionable insights**

Partner for **experience and expertise**

Programming cost discipline

$17m permanent savings delivered in FY22 with additional savings planned

	Phase #1 Delivered	Phase #2 Initiatives
Programming Costs	✓ Rationalised rights portfolio focusing on content that customers' value ✓ Ensured a consistent approach to production choices aligned to content categories	– Continue to leverage customer data to ensure improved ROI from content spending including opportunities to consider non-exclusivity or co-exclusivity – Continued innovation in production methods to reduce cost of delivery – Target programming costs as a percentage of revenue to drop back below 50%

Further cost reduction ahead

$12m permanent non-programming savings in FY22 – more ahead

	Phase #1 Delivered	Phase #2 Initiatives
Subscriber acquisitions	✓ Optimised marketing spend to reduce discounting and rationalise sales channels ✓ Leveraged owned media to drive effective and efficient sales (e.g. Broadband)	– Leverage new box roll-out to increase mix of self-installs – Improved acquisition profile leading to reduced credit loss – Optimise agency model
3rd party optimisation	✓ Partnered with reputable 3rd parties to deliver improved outcomes in 3PL, Care and IT ✓ Streamlined vendors for workflow and cost efficiency	– Expand opportunities to partner with experts to access talent, best practice and economies of scale – Increase procurement discipline - consolidation to fewer bigger partners
Process efficiency	✓ Leveraged learning through Covid to reduce non-essential discretionary costs	– Review end to end costs of each activity to assess optimum ongoing model – Automation of repeatable activity – Enhance business planning and prioritisation to streamline accountabilities and ways of working
Working capital & capex	✓ Reduced Optus satellite costs ✓ Consolidated digital platforms to reduce ongoing operating cost	– New box roll out to support reduced install, maintenance and repair costs – Long term capex intensity to be within 6%-8% of revenue

Outlook and Guidance

Remain on-track despite delay in positive impact from Sky Box and Sky Pod launch; Dividend guidance increased

- Customer relationship growth expected to continue through growth in Neon, Sky Sport Now and Broadband and stabilisation of Sky Box
- FY23 revenue growth expected through customer acquisition, recovery in Commercial and expanded opportunities in Advertising
- Firm focus on costs remains. FY23 will include some step up in rights partly offset by FY22 permanent opex cost out and next phase of cost reduction measures
- Higher Capex through FY23 and FY24 as we roll out new boxes before reducing thereafter
- Dividend Guidance increased to $18m-$24m (from $17m-$23m) following policy change

$m	**FY23 guidance[1]**
Revenue	$750 - 770m
EBITDA	$150 - 170m
NPAT	$50 - 60m
Capex	$60 - 75m
Dividend	$18m - $24m

1. Subject to no adverse change in operating conditions, including future economic headwinds. Excludes RugbyPass contribution as held for sale.

Sky crew

Supporting our people to do their best work

- Recognise the importance of attracting and retaining talented Sky crew
- Encouraging a flexible, hybrid 'anywhere works' approach to create options that work for our crew
- Refreshed workspaces providing an environment that encourages and facilitates collaboration

Playing our part for New Zealanders

Committed to making a positive contribution

- Sky understands the need to reflect the people and cultures we represent by supporting and promoting diversity
- Sky and its customers contribute to supporting New Zealand's creative and sporting sectors
- Sky for Good is about using our platform, people and presence in the community
- Sky is committed to minimising impact on the environment through the Toitū carbon reduce programme

Halberg Foundation

Special Children's CHRISTMAS PARTIES

Starship

ARHT Auckland Rescue Helicopter Trust

TOITŪ ENVIROCARE

WHAT MATTERS MOST?

Our Customers

WHAT DO WE DO?

We connect New Zealanders with the sport and entertainment they love, in ways that work for them, right across the country.

WHAT WE'RE FOCUSING ON

1 CUSTOMERS
Nurture and grow our customer relationships

2 CONTENT
Create and secure the best sport and entertainment for our customers

3 CREW
Be a place where our crew can do their best work

4 CAPABILITY
Develop or partner for the best tech and data outcomes

THE 'BEDROCK' OF OUR BUSINESS

Rapid and sustained execution to meet or exceed our key results and continue to be a responsible, adaptive and profitable business.

Shareholder Questions

Formal Business

1. Auditor's remuneration

- That the Board be authorised to fix the auditor's remuneration for the ensuing year

2. Director Re-election

- That **Philip Bowman**, who retires at the Annual Meeting and is eligible for re-election, be re-elected as a director of the Company

3. Director Re-election

- That **Joan Withers**, who retires at the Annual Meeting and is eligible for re-election, be re-elected as a director of the Company

4. Director Re-election

- That **Mark Buckman**, who was appointed by the Board on 21 March 2022 and retires at the Annual Meeting, be re-elected as a director of the Company

5. Capital Return

- That the scheme of arrangement relating to the return of capital to shareholders, as set out in the explanatory notes accompanying the Notice of Meeting, be and is approved

General Business

Thank you!

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Computershare

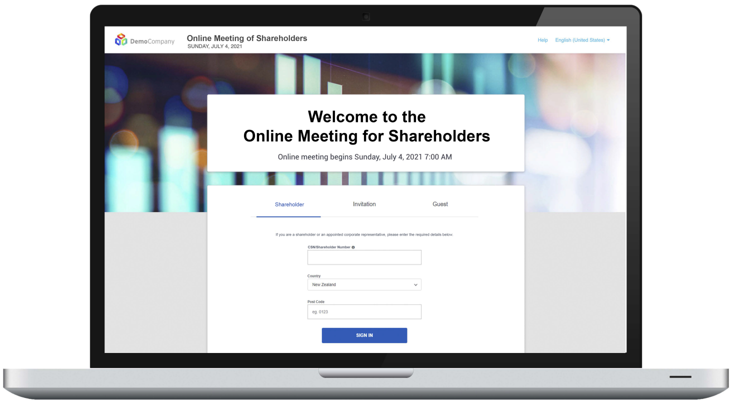
HOW TO PARTICIPATE IN VIRTUAL/HYBRID MEETINGS

Attending the meeting online

Our online meeting provides you the opportunity to participate online using your smartphone, tablet or computer.

If you choose to attend online you will be able to view a live webcast of the meeting, ask questions and submit your votes in real time.

You will need the latest version of Chrome, Safari or Edge. Please ensure your browser is compatible.



Visit https://meetnow.global/nz

Access

Access the online meeting at https://meetnow.global/nz, and select the required meeting. Click 'JOIN MEETING NOW'.

If you are a shareholder:
Select 'Shareholder' on the login screen and enter your CSN/Holder Number and Post Code. If you are outside New Zealand, simply select your country from the drop down box instead of the post code. Accept the Terms and Conditions and click Continue.

If you are a guest:
Select Guest on the login screen. As a guest, you will be prompted to complete all the relevant fields including title, first name, last name and email address.

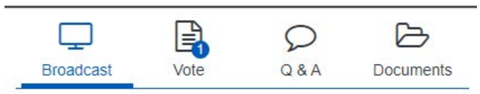
Please note, guests will not be able to ask questions or vote at the meeting.

If you are a proxy holder:
You will receive an email invitation the day before the meeting to access the online meeting. Click on the link in the invitation to access the meeting.

Contact

If you have any issues accessing the website please call +64 9 488 8700.

Navigation



When successfully authenticated, the home screen will be displayed. You can watch the webcast, vote, ask questions, and view meeting materials in the documents folder. The image highlighted blue indicates the page you have active.

The webcast will appear and begin automatically once the meeting has started.

Voting

Resolutions will be put forward once voting is declared open by the Chair. Once the voting has opened, the resolution and voting options will appear.

To vote, simply select your voting direction from the options shown on screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the green tick appears. To change your vote, select ‘Change Your Vote’.

Q&A

Any eligible shareholder/proxy attending the meeting remotely is eligible to ask a question.

Select the Q&A tab and type your question into the box at the bottom of the screen and press 'Send'.