



Sky Annual General Meeting

17 October 2019

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Sky Board of Directors



Philip Bowman
Chairman



Peter Macourt
Director



Martin Stewart
Chief Executive and Director



Susan Paterson ONZM
Director



Geraldine McBride
Director



Derek Handley
Director



Mike Darcey
Director



Joan Withers
Director

Agenda

- **Philip Bowman, Chair:**
 - Review of the past year
- **Martin Stewart, CEO:**
 - Financial Results
 - Strategic Direction
 - Achievements since February
- **Questions from the floor**
- **Formal Business:**
 - Ordinary Resolutions
 - Special Resolution
- **Close of meeting, refreshments**



Review of 2019

Key focus: our customers

1. Leverage the best of modern technology, particularly streaming services, to deliver our content in ways that meet or exceed customer expectations
2. Retain the rights that matter
3. Pursue partnerships: to be in the hands of all New Zealanders
4. Pursue alternate revenue streams



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Martin Stewart, CEO



Sky's Leadership Team



Martin Stewart
Chief Executive And Director



Blair Woodbury
Chief Financial Officer



Sophie Moloney
Chief Legal, People &
Partnerships Officer



Chaz Savage
Chief Revenue Officer



Tex Teixeira
Director of Sport, Broadcast
and Entertainment



Steve Bayliss
Chief Marketing Officer



Chris Major
Director Of External Affairs



Justin Tomlinson
Advisor for Digital Products &
Technology



Prabhu Singh
Director of Technology

The world is changing and we're transforming our business

Challenging year, however, FY19 Performance Better than Guidance

- Adjusted earnings exceeded guidance at \$97.4m
- Growth in streaming subscribers greater than loss in DTH
- 16% growth in streaming and commercial revenues

One Off Accounting Items

- \$670m goodwill impairment charge - non-cash and doesn't impact bank covenants
- \$38m IVP write-off reflecting focus on streaming
- \$6m content write-off
- \$5m redundancies and strategic consultancy in FY19

Rebalancing to streaming future

- Observed good cost control
- FY19 capex below 5 year average

The world is changing and we're transforming our business

Strengthened our balance sheet

- Reduced debt levels by a further \$43m
- \$88m drawn down against banking facility at 30 June
- Acquired RugbyPass for US\$40m, \$10m from banking facility and \$20m in new share issue (and further \$10m after earn-out period)

Investing to grow

- No final dividend (interim dividend of 7.5 cents per share)

Strategic Direction

Our ambition is for Sky to be in the hands of every New Zealander

Our strategy is to grow our business by accelerating our focus on streaming services while continuing to super-serve all Sky customers

Strategic Pillars for Growth

Our customers

Being clear on our customer promise and delivering on it every time to rebuild trust and confidence in our brand

A truly customer and data led business

Our content

Through **trusted partnerships** and our own original content, we deliver great sport and entertainment content to New Zealanders

Our people

Doing right by our people by focusing on our capability, capacity, culture and community

Our products

Delivering great content to our customers on all available platforms and devices

That means premium **quality broadcasting across all platforms**, with a laser focus on satisfying all our customers' needs

Strategic Direction

- Investing in the right areas – ‘invest to grow’, but with prudent expenditure and prioritising the right projects
- Genuinely open to wholesaling and partnering
- Ambitiously looking at adjacent markets and new revenue streams

Priorities for the next 12 months

Keep delivering on our promise to customers:

- All platforms and devices
- 'Love the base'

Extend our lead as New Zealand's premier streaming provider:

- Sky Sport Now – 12 HD channels of sport
- Neon, with enhancements and new pricing
- Sky Go
- Developments to come in the Sky Digital space



Priorities for the next 12 months

Win the rights that matter:

- Revolutionary SANZAAR rights deal
- Top tier international cricket events with ICC
- Recent deals: Rugby Sevens, NZ Open golf, Cricket Australia

Our position of strength:

- Largest paying subscriber base in New Zealand
- Only player that can reach every kiwi across streaming, satellite and free-to-air
- World-leading production and broadcast
- A team that knows how to ensure high quality, high reliability delivery



Priorities for the next 12 months

Win the rights that matter – entertainment:

- We offer our customers the best content from many of the world's leading studios
- New Sky Movies Family channel
- Award-winning children's channel CBeebies from the BBC

Priorities for the next 12 months

- **Build on our commitment to local content**
- **Continue evolving and simplifying our business**
- **Keep delivering on our Home of Sport commitment:**
 - The Whole Game – all levels of kiwi sport
 - Our sport partners know they can rely on us to nurture and showcase their sports at all levels

Your questions

Shareholders and proxies may ask questions

Please use the microphone, and provide your name



Voting on Resolutions



Ordinary Resolutions

1. That the Board be authorised to fix the auditors' remuneration

Ordinary Resolutions

2. That Martin Stewart be re-elected as a director of the Company

Ordinary Resolutions

3. That Philip Bowman be re-elected as a director of the Company

Ordinary Resolutions

4. That Joan Withers be re-elected as a director of the Company

Ordinary Resolutions

5. That the Company issue to Martin Stewart 800,000 share rights in the Company on the terms and conditions set out in the explanatory notes

Ordinary Resolutions

6. That the prior issue of 25,085,408 shares by the Company to RugbyPass Investors, LLC on the terms and conditions described in the explanatory notes is approved and ratified

Special Resolutions

7. That Shareholders approve the SANZAAR Rights Transaction as described in the explanatory notes on terms acceptable to the Board and authorise the Directors and Company's senior executive to take all actions and do all things including negotiating terms and executing all documents and agreements necessary or desirable in connection with the SANZAAR Rights Transaction

Special Resolutions

8. That the existing constitution of the Company be revoked and a new constitution, in the form referred to in the explanatory notes, be adopted with effect from the close of the meeting



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