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27 May 2020

### **Dispatch of Retail Entitlement Offer Booklet**

Sky Network Television Limited (**Sky**) advises that today it will dispatch the entitlement offer document (**Offer Document**) and personalised entitlement and acceptance form to Sky shareholders eligible to participate in the retail component of Sky's 2.83 for 1 pro-rata accelerated non-renounceable entitlement offer (**Retail Entitlement Offer**) as announced to NZX and ASX on 21 May 2020. A copy of the Offer Document was lodged on NZX and ASX on the same date.

The Retail Entitlement Offer opens today and closes at 5.00pm (NZST) or 3.00pm (AEST) on Tuesday, 9 June 2020 (unless extended).

The Retail Entitlement Offer is available to certain eligible retail shareholders with an address shown on Sky's share register as being in New Zealand or Australia at 7.00pm (NZST) or 5.00pm (AEST) on Monday, 25 May 2020 (**Eligible Shareholders**). Eligible Shareholders are being invited to subscribe for new shares at an offer price of NZ\$0.12 per share (or the A\$ price of A\$0.11 per new share). Ineligible shareholders will receive a letter explaining why they will not be able to participate in the Retail Entitlement Offer. A copy of that letter is attached to this announcement.

Eligible Shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Offer Document for further information regarding the Retail Entitlement Offer.

### **Further information**

For any questions in respect of the Retail Entitlement Offer, please call the Sky Offer Information Line on 0800 650 034 (within New Zealand) or +61 03 9415 5000 (within Australia) between 8.30am and 5.00pm Monday to Friday during the Retail Entitlement Offer period. For other questions, investors should consult their broker, solicitor, accountant, financial adviser or other professional adviser.

Authorised by: Sophie Moloney, Company Secretary

For further information, please contact:

#### **Sophie Moloney**

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ENDS



27 May 2020

Dear Shareholder

**SKY NETWORK TELEVISION LIMITED ENTITLEMENT OFFER - NOTIFICATION TO INELIGIBLE SHAREHOLDERS**

On 21 May 2020, Sky Network Television Limited NZBN 9429035067818 ("SKT" or the "Offeror"), announced an underwritten NZ\$148.1 million 2.83-for-1 pro-rata accelerated non renounceable entitlement offer ("Entitlement Offer") of new fully paid ordinary shares ("Offer Shares") at an offer price of NZ\$0.12 per Offer Share ("Offer Price"). Concurrently with the Entitlement Offer, SKT also undertook an underwritten placement of Offer Shares to eligible institutional investors ("Institutional Placement") to raise approximately NZ\$9.1 million at the Offer Price, taking the total equity raise to NZ\$157.2 million (together, the "Equity Raising").

The proceeds of the Equity Raising will be used to strengthen SKT's balance sheet and reposition SKT for its refreshed strategy.

The Entitlement Offer comprises an offer to Eligible Institutional Shareholders (as defined below) ("Institutional Entitlement Offer") and an offer to Eligible Retail Shareholders (as defined below) to participate on the same terms ("Retail Entitlement Offer"). The Entitlement Offer is being made by SKT in accordance with clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 ("FMCA") and section 708AA of the *Corporations Act 2001* (Cth) ("Act") as modified by the ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73, meaning that no product disclosure statement, prospectus or other disclosure document needs to be prepared. The Institutional Entitlement Offer and Institutional Placement have already closed and the results have been announced to NZX and ASX.

This notice is to inform you about the Institutional Entitlement Offer and Retail Entitlement Offer and to explain why you will not be able to subscribe for Offer Shares under the Institutional Entitlement Offer or Retail Entitlement Offer. This letter is not an offer to issue Offer Shares to you, nor an invitation for you to apply for Offer Shares. You will not be sent a copy of the offer documents prepared for the Entitlement Offer ("Offer Document"). **You are not required to do anything in response to this letter.**

**Details of the Retail Entitlement Offer**

The Retail Entitlement Offer is being made to Eligible Retail Shareholders (as defined below), on the basis of 2.83 Offer Shares for every 1 existing fully paid ordinary share in SKT held at 7:00pm (New Zealand time) on Monday 25 May 2020 ("Record Date").

Documents relating to the Retail Entitlement Offer were lodged with NZX and ASX on 21 May 2020 and are being mailed to Eligible Retail Shareholders by 27 May 2020.

### Eligibility criteria

SKT has determined that it would be unduly onerous and unreasonable to make offers to institutional shareholders in countries outside of the Institutional Investor Jurisdictions (as defined below) and to retail shareholders in countries other than Australia and New Zealand. This is due to:

- the relatively small number of shareholders in the other jurisdictions where the Retail Entitlement Offer would be made;
- the number and value of securities for which such shareholders would otherwise have been entitled; and
- the costs of complying with the legal and regulatory requirements in each other jurisdiction where the Retail Entitlement Offer would be made.

Shareholders who are eligible to participate in the Institutional Entitlement Offer (“Eligible Institutional Shareholders”) are shareholders who are registered as a holder of existing SKT shares as at 7.00pm (New Zealand time) on the Record Date who:

- a. have a registered address in New Zealand, Australia, Hong Kong, Singapore, the United Kingdom, Switzerland, Norway, Canada, Denmark, Germany, or the United Arab Emirates (“**Institutional Investor Jurisdictions**”), or is a person who SKT is satisfied the Institutional Entitlement Offer may be made to under all applicable laws without the need for any registration, lodgement or other formality (other than a formality with which SKT is willing to comply) in each case, who are not in the United States, in “offshore transactions” (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”)) in reliance on Regulation S under the U.S. Securities Act; and
- b. are Institutional Investors (as defined in the Offer Document) or the nominee of an Institutional Investor and are invited to participate in the Institutional Entitlement Offer.

Shareholders who are eligible to participate in the Retail Entitlement Offer (“Eligible Retail Shareholders”) are shareholders who:

- are registered as a holder of existing SKT shares as at 7.00pm (New Zealand time) on the Record Date;
- have an address recorded in SKT’s share register on the Record Date as being in Australia or New Zealand;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such a person holds shares in SKT for the account or benefit of such persons in the United States);
- were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer (and were not treated as ineligible institutional shareholders under the Institutional Entitlement Offer); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or other formal offer document to be lodged or registered.

Unfortunately, according to our records, SKT has determined that you do not satisfy the eligibility criteria for an Eligible Institutional Shareholder or an Eligible Retail Shareholder stated above. Accordingly, SKT wishes to advise you that it will not be extending the Institutional Entitlement Offer or the Retail Entitlement Offer to you and you will not be able to subscribe for Offer Shares under the Institutional Entitlement Offer or the Retail Entitlement Offer. You will also not be sent the Offer Document.

## **Ineligible Shares**

As the Entitlement Offer is non-renounceable, entitlements in respect of the Offer Shares you would have been entitled to if you were an Eligible Institutional Shareholder or an Eligible Retail Shareholder will lapse and you will not receive any payment or value for your entitlements in respect of any Offer Shares that would have been offered to you if you had been eligible. Offer Shares equivalent to the number of Offer Shares you would have been entitled to if you were an Eligible Institutional Shareholder or an Eligible Retail Shareholder may be allocated to other Eligible Institutional Shareholder or an Eligible Retail Shareholder who subscribe for Offer Shares in excess of their entitlement under the Entitlement Offer.

## **Further information**

If you have any questions in relation to any of the above matters, please call Computershare on 0800 650034 (within New Zealand) from 8.30am to 5.00pm (New Zealand time) Monday to Friday. For other questions, you should contact your stockbroker, accountant, taxation advisor, financial adviser or other professional adviser.

On behalf of the Board and management of SKT, thank you for your continued support of SKT.

Yours faithfully,  
Sky Network Television Limited

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This letter is not a prospectus or offering document under New Zealand law, Australian law or under any other law. It is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any Offer Shares in SKT. In particular, this letter does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Offer Shares have not been, and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the securities laws of any state or other jurisdiction of the United States. The Offer Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of persons in the United States, in "offshore transactions" (as defined in Rule 902(h) of the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this letter is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.

### **Important information**

No representation or warranty is given as to the accuracy or likelihood of achievement of any forward-looking statement in this document, or any events or results expressed or implied in any forward-looking statement. These statements can generally be identified by the use of words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "predict", "guidance", "plan" and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and are by their nature subject to significant uncertainties, risks and contingencies. Actual results or events may differ materially from any expressed or implied in any forward-looking statement and deviations are both normal and to be expected. Past performance is not a reliable indicator of future performance.