



The Manager
Company Announcements Office
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

23 November 2023

TAB NEW ZEALAND TO ACQUIRE SENZ DIGITAL & AUDIO FROM SPORTS ENTERTAINMENT NETWORK NZ

Sports Entertainment Group Limited (**SEG**) is pleased to announce its wholly owned subsidiary Sports Entertainment Network NZ Limited (**SEN NZ**) has entered a non-binding agreement with TAB New Zealand (**TAB NZ**) to acquire SEN NZ's digital and audio businesses (**SENZ Digital & Audio**) including the SENZ brand, app and website, and its network of 28 radio stations across 29 frequencies.

The multi-faceted deal will see SEG receive NZ\$4 million cash. The transaction is also paired with a content supply partnership. SEG's Australian business, SEN, will make all SEN programming available on SENZ frequencies. SEN NZ will remain the commercial arm for SENZ Digital & Audio, sourcing third-party advertising revenue for the business under new ownership. SEG will earn commission income on advertising revenue it sources.

SEG has also bolstered its strong relationship with TAB NZ's partner Entain New Zealand, and recently agreed to extend its extension to its commercial partnership with Entain's Australian brands for a three-year term.

SEG Chairman Craig Coleman said the transaction has strengthened its relationship with a number of key stakeholders and maintained an ongoing involvement with New Zealand sports and racing fans.

"We are delighted to have helped shape a business with the New Zealand sports fan at its centre. The transitioning to the new ownership structure and supporting commercial agreement enables the SENZ Digital & Audio to become part of a broader, integrated and improved sports and wagering offering."

"Importantly, this transaction removes start-up losses from our operating performance. In FY23, our New Zealand business represented a negative \$2.4 million drag on underlying EBITDA. SEG continues to focus on reducing net debt in FY24. This transaction aligns with this objective in addition to several other proposals and initiatives under consideration."

The transaction is subject to satisfactory completion of legal agreements with operational handover expected to commence on February 1, 2024.

A copy of a Media Release published today relating to the transaction has been attached to this announcement.

Approved for release by the Chairman of the Board.

For more information please contact:

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TAB
New Zealand

23 November 2023

For immediate release

TAB New Zealand to acquire SENZ Digital & Audio

TAB New Zealand has entered a non-binding agreement with Sports Entertainment Group Limited (**SEG**) to acquire in full the SENZ Digital & Audio business in New Zealand.

The agreement will see TAB NZ take ownership of SENZ Digital & Audio, which includes the SENZ brand, website, and app, along with the 28 radio stations (across 29 frequencies), digital and audio content creation teams, and audio rights to several sports including cricket, netball, rugby league and Premier League football. The transaction is expected to complete in February next year.

SEG acquired the radio frequencies that were previously used by Radio Trackside in April 2021, and has since invested considerably by refurbishing broadcasting studios (including state-of-the-art studios in Auckland), acquiring sporting rights outside of racing, building a digital content team and investing in a sizeable local radio content team.

TAB NZ will be taking up a business with net assets of more than NZ\$2 million along with the frequencies previously sold by TAB NZ in April 2021.

“This agreement secures a strategic asset, which preserves racing and sports coverage in New Zealand,” TAB NZ Interim Chair Anna Stove said.

The timing of the initial divestment by TAB NZ to SEG in early 2021 allowed TAB NZ to mitigate operating costs over the past two-and-a-half years.

“During this time, the hard work from SEG and SENZ has meant TAB NZ is acquiring a much-improved asset on top of the frequencies originally sold to SEG,” Anna Stove said.

“The business has significantly expanded since April 2021 from a set of radio frequencies to a modern, multi-platform media business, thanks to the access to the resources and intellectual property of SEG. Through our strategic partnership with Entain, we are now well placed to build on the progress made in the last two-and-a-half years and there is an opportunity to create a one-stop shop for news, views, and information for punters in New Zealand.”

TAB NZ intends to progress discussions with Entain, the operator of the TAB in New Zealand, with a view to Entain taking on the management of the SENZ Digital & Audio

business as part of the exciting strategic partnership agreement already in place for the wagering and media business of TAB and Trackside.

The transaction is paired with a content supply partnership from SEG's Australian business, SEN, which will make SEN programming available on SENZ frequencies. SEG will also remain the commercial arm for SENZ Digital & Audio, sourcing third-party advertising revenue for the business under new ownership. This includes commercial sales support for Trackside TV in addition to SENZ Digital & Audio.

As part of the deal, SENZ Digital & Audio will continue with existing operations with no material changes for at least 12 months.

SEG Chairman Craig Coleman said the transaction has strengthened its relationship with a number of key stakeholders and maintained an ongoing involvement with New Zealand sports and racing fans.

"We are delighted to have helped shape a business with the New Zealand sports fan at its centre. The transitioning to the new ownership structure and supporting commercial agreement enables the SENZ Digital & Audio to become part of a broader, integrated and improved sports and wagering offering."

SEG also maintains a strong relationship with TAB NZ's partner Entain New Zealand and recently agreed to extend its commercial partnership with Entain's Australian brands for an additional three-year term.

Entain Australia and New Zealand Chief Executive Dean Shannon congratulated TAB NZ on its decision to take on ownership of SENZ Digital & Audio.

"It is a great outcome for all of those who are passionate about racing and sports in New Zealand, and I applaud the TAB NZ Interim Board Chair Anna Stove and the Board on this decisive move," Dean Shannon said.

"Radio remains a key pillar for engaging racing and sporting audiences, and we're very confident this will present many opportunities to promote racing and sports to Kiwis on the SENZ platform, alongside the outstanding broadcasting service provided by Trackside," Dean Shannon said.