



MARKET RELEASE

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Spark sells Lightbox to Sky

Spark has today announced that it has entered into an agreement for Sky Network Television Limited (Sky) to purchase its entertainment streaming business, Lightbox.

Matt Bain, Marketing Director for Spark, explains, "Early in 2019, we started a process to identify a local or international media partner who could enhance Lightbox's content proposition and support its growth, while bringing the best and broadest range of content to our customers.

"In the last five years, there has been significant growth and evolution in the subscription video on demand (SVOD) market. Selling the Lightbox business to Sky ensures a sustainable future for Kiwi SVOD services, while giving us the ongoing ability to provide access to a high-quality TV and movie streaming service, which benefits from a significantly enhanced range of entertainment content from Sky."

Sophie Moloney, Sky's Chief Legal, People and Partnerships Officer, says: "This deal enables Sky to merge Lightbox with our own entertainment streaming service Neon to create a supercharged SVOD service for New Zealanders. The new enhanced service will combine the best features of Neon and Lightbox, and offer an outstanding range of entertainment content from New Zealand and around the world in a proudly kiwi way.

"We're excited at the possibilities the deal presents, and the opportunity to attract new customers to Sky and continue to grow our streaming services. We're delighted to be partnering with Spark to offer the enhanced service to Spark customers and look forward to revealing more details in 2020."

A conditional sale and purchase agreement has been signed and completion of the deal is anticipated in the next few months, subject to commercial, legal and regulatory approvals as required.

There will be a transitional period following completion where Spark will continue to provide support for the Lightbox service, as the parties complete technical work to fully transition the platform to Sky.

Spark customers who are currently using Lightbox will continue to receive Lightbox 'on us' as part of their eligible mobile and broadband plans both while the deal is concluded and through a transitional period. Following the transition period, Spark will partner with Sky to make the combined entertainment streaming service available to Spark customers through its broader entertainment offers on mobile and broadband.



Lightbox customers who are paying for the service directly will continue to be able to enjoy the same great content they do today, and once Lightbox becomes part of Sky's new combined entertainment platform, customers will have access to an enhanced range of entertainment content.

Over the past five years, Lightbox has become New Zealand's leading local subscription-based entertainment streaming business. Lightbox has been a valuable part of Spark's offer to mobile and broadband customers, while also attracting customers who purchased the streaming service directly.

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