

Disclosure of beginning to have substantial holding

Section 276, Financial Markets Conduct Act 2013

To NZX Limited

and

To Sky Network Television Limited (**Sky**)

Date this disclosure made: 19 August 2019

Date on which substantial holding began: 19 August 2019

Substantial product holder(s) giving disclosure

Full name(s): Sky Network Television Limited

Summary of substantial holding

Class of quoted voting products: Ordinary shares in Sky

Summary for Sky Network Television Limited

For this disclosure,—

(a) total number held in class: 25,085,408

(b) total in class: 414,225,193

(c) total percentage held in class: 6.056%

Details of relevant interests

Details for Sky Network Television Limited

Nature of relevant interest(s): Under a restriction deed between Sky and RugbyPass Investors, LLC (**RugbyPass**) dated 19 August 2019 (**Restriction Deed**), Sky has the ability to control how the following shares will be disposed:

For that relevant interest,—

(a) number held in class: 25,085,408

(b) percentage held in class: 6.056%

(c) current registered holder(s): Not applicable (issue of new shares to RugbyPass Investors, LLC)

(d) registered holder(s) once transfers are registered: RugbyPass Investors, LLC

For a derivative relevant interest, also—

(a) type of derivative: Not applicable

(b) details of derivative: Not applicable

(c) parties to the derivative: Not applicable

- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: Not applicable

Details of transactions and events giving rise to substantial holding

Details of the transactions or other events requiring disclosure: The acquisition by RugbyPass of 25,085,408 fully paid ordinary shares in Sky pursuant to a subscription agreement (to which the Restriction Deed relates) dated 16 August 2019 between Sky and RugbyPass.

A copy of the Restriction Deed is attached (6 pages).

Additional information

Address(es) of substantial product holder(s): Sky Network Television Limited,
10 Panorama Road, Mt Wellington, Auckland, 1060, New Zealand

Contact details:

Sophie Moloney

+64 9 979 5816

sophie.moloney@sky.co.nz

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates:

RugbyPass Investors, LLC

Coliseum USA, LLC

Cooper Capital Management LLC, the general partner of Cooper Capital Partners, LP

Certification

I, Sophie Moloney, Chief Legal, People and Partnerships Officer, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

Dated

19 August

2019

RESTRICTION DEED

between

SKY NETWORK TELEVISION LIMITED

and

RUGBYPASS INVESTORS LLC

RESTRICTION DEED

PARTIES

- (1) **SKY NETWORK TELEVISION LIMITED** at Auckland, New Zealand (the **Company**); and
- (2) **RUGBYPASS INVESTORS LLC** at Newport Beach, California, United States of America (the **Holder**).

BACKGROUND

- A. As part consideration for the acquisition of all of the shares in RugbyPass New Zealand Limited by the Buyer from the Holder pursuant to the SPA, the Company will issue the Shares to the Holder.
- B. The Holder agrees to hold the Shares on the terms of this deed.

TERMS OF THIS DEED:

1. DEFINITIONS AND CONSTRUCTION

- 1.1 **Defined terms:** In this deed, unless the context requires otherwise:

ASX means ASX Limited, or the financial market operated by it, as the context requires;

ASX Listing Rules means the listing rules of ASX as amended, varied, modified or waived from time to time;

Business Day means a day on which the NZX is open for trading;

Buyer means Sky Investment Holdings Limited, a wholly owned subsidiary of the Company;

Non-Interested Directors means, in relation to any decision, directors of the Company who are not "interested" in that decision for the purposes of the Companies Act 1993;

NZX means NZX Limited and includes its successors and assigns and, as the context permits, includes any duly authorised delegate of NZX;

NZX Listing Rules means the listing rules applying to the main board equity securities market operated by NZX (or any successor to that market) as altered from time to time by NZX;

Related Party has the meaning ascribed to it in the SPA;

Restricted Period means the period from the date on which the Shares are issued to the Holder and ending on the second anniversary of that date;

Shares means 25,085,408 fully paid ordinary shares in the Company issued to the Holder pursuant to the SPA and subject to the restrictions contained in this deed;

SPA means the share sale and purchase agreement dated 16 August 2019 between the Holder and the Buyer for the acquisition of all of the shares in RugbyPass New Zealand Limited; and

Takeovers Code means the Takeovers Code set out in the schedule to the Takeovers Code Approval Order 2000, as amended or replaced from time to time.

2. RESTRICTIONS APPLICABLE TO SHARES

- 2.1 Subject to clause 3 of this deed, the Holder unconditionally and irrevocably undertakes that it will not directly or indirectly:
- (a) sell, transfer, assign, transfer by way of security or otherwise dispose of; or
 - (b) offer to agree to sell, transfer, assign, transfer by way of security or otherwise dispose of, its right and title to, and its legal and beneficial interest in, any of the Shares during the Restricted Period; or
 - (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of any of the Shares during the Restricted Period,
- without the prior written approval of each of the Non-Interested Directors and the Company (at their respective discretions).
- 2.2 The Holder acknowledges that the right of the Holder to deal with the Shares is also subject to any other restrictions imposed under the NZX Listing Rules, the ASX Listing Rules and the Financial Markets Conduct Act 2013.
- 2.3 If at any time during the Restricted Period the Shares are sub-divided or consolidated, then the provisions of this deed shall continue to apply in respect of the Shares as sub-divided or consolidated, and all references to "Shares" shall be read accordingly.

3. EXCEPTIONS

- 3.1 **Security Interest:** Notwithstanding the restrictions set out in clause 2.1 of this deed, the Holder may grant a security interest over all or any of the Shares in favour of a registered bank or other similar recognised lending institution, provided that the bank or institution first enters into a Restriction Deed with the Company (which the Company will promptly execute) in relation to the Shares on the same terms as this deed, to take effect from the enforcement of the security interest, for the remainder of the Restricted Period.
- 3.2 **Satisfaction of claim:** Notwithstanding the restrictions set out in clause 2.1 of this deed, if the Holder is liable to the Buyer for payment in respect of a resolved or finally determined claim made against the Holder under the SPA, the Holder may transfer all or part of the Shares to a third party to the extent necessary to meet the Holder's liability for such claim, provided that all of the proceeds of the sale of those Shares are paid to the Buyer to satisfy its obligations to the Buyer in respect of the claim.
- 3.3 **Related Parties:** Notwithstanding the restrictions set out in clause 2.1 of this deed, the Holder may transfer all or part of the Shares to a Related Party of the Holder provided that the Related Party must first enter into a Restriction Deed with the Company (which the Company must promptly execute) in relation to the applicable Shares transferred on the same terms as this deed for the remainder of the Restricted Period (such deed to also require and permit such Related Party to transfer such Shares back to the Holder if it ceases to be a Related Party of the Holder).
- 3.4 **Takeover or Scheme of Arrangement:** Notwithstanding the restrictions set out in clause 2.1 of this deed, if a full or partial offer is made under the Takeovers Code for the Company's shares

during the Restricted Period, or a scheme of arrangement is implemented in respect of the Company's shares during the Restricted Period, then the Holder may sell, or agree or offer to sell, all or any of the Shares to the offeror under that offer or sell or dispose of all or any part of the Shares under the scheme of arrangement.

4. NOTICES

- 4.1 Any notice produced under or relating to this deed shall be in writing addressed to the party at the physical address or email address from time to time designated by that party in writing to the other party. Until any other designation is given, the physical address or email address of each party is as set out below:

HOLDER

ADDRESS: Cooper Capital Partners LP
520 Newport Centre Drive
Suite 500
Newport Beach
California 92660
United States of America

ATTENTION: Adam Mikkelsen
David A. Laddusaw

EMAIL: adam.mikkelsen@cooper.company
dave.laddusaw@cooper.company

with a copy provided to:

ADDRESS: Bell Gully
Level 22, Vero Centre
48 Shortland Street
Auckland 1010
PO Box 4199
Auckland 1140
New Zealand

ATTENTION: Glenn Joblin

EMAIL: glenn.joblin@bellgully.com

COMPANY

ADDRESS: Sky Network Television Limited
10 Panorama Road
Mt Wellington
Auckland 1060
New Zealand

ATTENTION: Sophie Moloney
Blair Woodbury

EMAIL: sophie.moloney@sky.co.nz
blair.woodbury@sky.co.nz

with a copy provided to:

ADDRESS: Buddle Findlay
PwC Tower
188 Quay Street
Auckland 1010
PO Box 1433
Auckland 1140
New Zealand

ATTENTION: Nick Bragg

EMAIL: nick.bragg@buddlefindlay.com

- 4.2 Any notice given under this deed shall be deemed to have been received:

- (a) at the time of delivery, if delivered by hand;
- (b) three Business Days after the date of mailing, if sent by ordinary post within New Zealand;
- (c) 10 Business Days after the date of mailing, if posted or delivered overseas; or
- (d) at the time at which the sender's information system indicates that the email was successfully received, if sent by email,

provided that any communication received or deemed received after 5pm or on a day which is not a

Business Day in the place to which it is delivered, posted or sent will be deemed not to have been received until the next Business Day in that place.

5. GENERAL

5.1 **Warranties:** The Holder warrants and represents in favour of the Company that the following is true and correct as at the date of this deed and at all times until the expiry of the Restricted Period (except as expressly provided for below):

- (a) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed;
- (b) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (c) this deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (d) the execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents; or
 - (iii) any agreement, undertaking, security interest or document which is binding on it;
- (e) prior to the beginning of the Restricted Period, it has not done, or omitted to do, any act which would result in it dealing in the Shares such that it will take effect during the Restricted Period in contravention of this deed;
- (f) so far as it is aware, and relying on representations made by the Company, the Shares are free from all security interests and other third party interests or rights and subject to clause 3.1 will remain so during the Restricted Period;
- (g) there is no person who has, or will have at or immediately following completion of the transaction under the SPA any economic or beneficial interest in the Shares other than the Holder; and
- (h) as at settlement of the transaction under the SPA, the Shares are all the securities, economic interests or other interests that the Holder has directly or indirectly in the Company.

5.2 **Specific Performance:** The Holder acknowledges that damages alone would be an inadequate remedy for breach of its obligations under this deed and the appropriate remedies for such a breach will include orders for specific performance, injunctive relief, any other equitable relief and/or damages.

5.3 **Enforceability:** The provisions of this deed are for the benefit of, and are intended to be enforceable by, any of the Non-Interested Directors, the Company and the Buyer under the Contract and Commercial Law Act 2017 (New Zealand).

5.4 **Severability:** If any provision of this deed is found by a court or other competent authority to be void or unenforceable, such provision will be deemed to be deleted from this deed and the

remaining provisions of this deed will continue in full force and effect.

- 5.5 **Variation and cancellation:** This deed may not be varied, modified, amended or cancelled unless such variation, modification, amendment or cancellation is expressly agreed in writing by each party.
- 5.6 **Governing law:** This deed is governed by and construed in accordance with New Zealand law and the parties agree to submit to the jurisdiction of the New Zealand courts.
- 5.7 **Counterpart:** The parties may execute a counterpart copy of this deed by executing a facsimile copy, photocopy of a facsimile copy or PDF email copy of this deed. The transmission by facsimile or PDF email by each party of a signed counterpart copy of this deed to the other parties shall be deemed proof of signature of the original and the signed facsimile or PDF email copy so transmitted shall be deemed an original for the purposes of this deed.

EXECUTION

DATED this 19th day of August 2019

EXECUTED as a DEED for and on behalf)
of SKY NETWORK TELEVISION)
LIMITED



Director



Director

EXECUTED as a DEED for and on behalf)
of RUGBYPASS INVESTORS LLC by)
the Manager of its sole member)
CSM RUGBYPASS LIMITED



TIMOTHY MARTIN
Director



MATTHEW COCKRAM
Director