



Nine Entertainment Co. Holdings Limited  
ACN 122 203 892



Notice of Annual General Meeting 2019

Dear Shareholder

## 2019 ANNUAL GENERAL MEETING

On behalf of the Board of Directors of Nine Entertainment Co. Holdings Limited (the **Company**), I am pleased to invite you to attend the Company's 2019 Annual General Meeting (**AGM**) on Tuesday, 12 November 2019, at 10.00am, at Ashurst Australia, 5 Martin Place, Sydney.

The Notice of Meeting and Explanatory Statement contain important information about the matters to be considered at the meeting.

If you are unable to attend the AGM but wish to appoint a proxy, please complete and return the enclosed proxy form so that it is received prior to 10.00am on 10 November 2019. Details of how to complete and submit the proxy form are included on the proxy form.

If you wish to submit a question to the AGM on any matters relating to the management of the Company, there is a link available via the Company's website ([www.nineentertainmentco.com.au](http://www.nineentertainmentco.com.au)). While time may not permit me to address all the questions submitted, I will try, during the course of the AGM, to address the more frequently raised shareholder matters.

If you are unable to attend the meeting in person, you will be able to watch the meeting via webcast, which will be accessible via the Company's website ([www.nineentertainmentco.com.au](http://www.nineentertainmentco.com.au)).

I look forward to seeing you at the AGM on Tuesday, 12 November 2019.

Yours sincerely

A handwritten signature in black ink, appearing to read "P Costello".

**Peter Costello**  
Chairman

# NOTICE OF MEETING

Nine Entertainment Co. Holdings Limited ACN 122 203 892 (Company) will hold its Annual General Meeting at Ashurst Australia, 5 Martin Place, Sydney on Tuesday, 12 November 2019 at 10.00am (Sydney time) to transact the following business referred to in this Notice of Meeting.

## 1. Financial Reports

To receive and consider the financial report of the Company for the year ended 30 June 2019, together with the Directors' Report and the Auditor's Report as set out in the Annual Report of the Company for the year ended 30 June 2019.

## 2. Resolution 1 – Non-Binding Resolution to adopt the Remuneration Report

To adopt the Remuneration Report for the year ended 30 June 2019 as set out in the Annual Report.

**Note:** The vote on this Resolution is advisory only and does not bind the Company.

## 3. Resolution 2 – Re-election of Ms Samantha Lewis as a Director

To re-elect Ms Samantha Lewis, who retires in accordance with clause 26.10 of the Constitution and offers herself for re-election, as a Director.

## 4. Resolution 3 – Election of Mr Nicholas Falloon as a Director

To elect Mr Nicholas Falloon, who was appointed a Director of the Company by the Board, and is required to seek election in accordance with clause 26.6 of the Constitution, as a Director.

## 5. Resolution 4 – Election of Ms Mickie Rosen as a Director

To elect Ms Mickie Rosen, who was appointed a Director of the Company by the Board, and is required to seek election in accordance with clause 26.6 of the Constitution, as a Director.

## 6. Resolution 5 – Election of Mr Patrick Allaway as a Director

To elect Mr Patrick Allaway, who was appointed a Director of the Company by the Board, and is required to seek election in accordance with clause 26.6 of the Constitution, as a Director.

## 7. Resolution 6 – Grant of 2020 performance rights to CEO

To approve for all purposes of the grant of 760,869 performance rights to the Chief Executive Officer, Mr Hugh Marks, as described in the Explanatory Statement.

## 8. Resolution 7 – Financial assistance

That for the purpose of section 260B(2) of the Corporations Act and for all other purposes, the Company approves the grant of financial assistance by Macquarie Media Limited ACN 063 906 927 (MRN) and each other MRN Entity (as defined in section 9 of the Explanatory Statement) in connection with the proposed acquisition by the Company, or one of its wholly-owned subsidiaries of all of the shares in MRN (which in turns holds, directly or indirectly, all of the shares in each other MRN Entity) under an off-market takeover bid under Chapter 6 of the Corporations Act and all elements of those transactions and any other related transactions that may constitute financial assistance by the MRN Entities for the purposes of section 260A of the Corporations Act.

Without limitation, Shareholder approval is being sought under section 260B(2) of the Corporations Act in respect of any financial assistance proposed to be provided by the MRN Entities, as further described in section 8 of the Explanatory Statement.

**Note 1:** This Resolution must be passed as a Special Resolution in respect of any Shareholder approval sought under section 260B(2) of the Corporations Act.

**Note 2:** The Chairman of the meeting intends to vote available proxies in favour of this Resolution.

By order of the Board



**Rachel Lauanders**  
Company Secretary

Dated: 2 October 2019

# INFORMATION FOR SHAREHOLDERS

## Shareholders who are entitled to vote

You are eligible to attend and vote at the AGM, if you are registered as a Shareholder as at 7.00pm (Sydney time) on 10 November 2019.

## How to vote

Shareholders can vote by:

- attending the AGM and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote;
- lodging your vote online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) by following the instructions. You will need your Security holder Reference Number (SRN) or Holder Identification Number (HIN), which is set out on the enclosed Voting Form; or
- appointing a proxy to attend and vote on their behalf using the enclosed Proxy Form and
  - posting it to Link Market Services using the reply-paid envelope or to Locked Bag A14 Sydney South, NSW 1235
  - faxing it to +61 (2) 9287 0309
  - hand delivering it to Link Market Services, at 1A Homebush Bay Drive Rhodes NSW 2138

## Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the AGM are asked to arrive at the venue by 9.45am so that their holding may be checked against the Company's share register and their attendance recorded. Attorneys should bring with them an original or certified copy of the Power of Attorney under which they have been authorised to attend and vote at the AGM.

## Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the AGM. The appointment must comply with the requirements of the Corporations Act. The representative should bring to the AGM evidence of his or her appointment, including any authority under which it is signed.

## Voting by proxy

A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the AGM. The proxy can be either an individual or a body corporate. A proxy need not be a Shareholder.

Where two proxies are appointed by a Shareholder, the appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. If the appointment does not specify the proportion or number of the Shareholder's votes which each proxy may exercise, the votes will be divided equally among the proxies.

If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. Proxy appointments in favour of the Chairman that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice.

Proxies, and an original or certified copy of any Power of Attorney under which it is signed, must be lodged by 10.00am (Sydney time) on 10 November 2019. Proxies may be lodged using any of the methods set out on the enclosed proxy form. The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act.

# EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with information to assess the Resolutions contained in the accompanying Notice of Meeting for the AGM.

## 1. Financial Reports

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2019, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report.

No resolution is required on this item of business. Shareholders will be given a reasonable opportunity at the AGM to ask questions and make comments on the accounts and on the management of the Company. Shareholders will also have a reasonable opportunity to ask a representative of Ernst & Young, the Company's auditor, questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent audit report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

## 2. Resolution 1 – Adoption of the Remuneration Report

The Company is required to put a resolution to its Shareholders that the Remuneration Report as disclosed in the Company's 2019 Annual Report be adopted. The Remuneration Report is contained in the Company's 2019 Annual Report which is available on the Company's website ([www.nineentertainmentco.com.au](http://www.nineentertainmentco.com.au)). It provides information relating to the remuneration policy and practices of the Company and the structure and details of remuneration payable to the Directors and certain senior executives of the Company.

The vote on Resolution 1 is advisory only and does not bind the Company. However, the Board will take account of the outcome of the vote on this resolution in reviewing the remuneration practices and policies of the Company.

Shareholders should note that the Chairman intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chairman to vote against Resolution 1 or to abstain from voting.

The Board, acknowledging that each Director has an interest in his or her remuneration as disclosed in the Remuneration Report, recommends that Shareholders vote in favour of Resolution 1.

**Voting exclusion statement:** The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of a Restricted Voter. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution; and
- (b) it is not cast on behalf of a Restricted Voter.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chairman and the appointment expressly authorises the Chairman to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

## 3. Resolution 2 – Re-election of Ms Samantha Lewis as a director

Pursuant to Clause 26.10 of the Company's Constitution, Ms Samantha Lewis retires by way of rotation and, being eligible, offers herself for re-election as a Director.

Ms Lewis was appointed to the Board in March 2017 as an independent, non-executive director and is the Chair of the Audit & Risk Management Committee and a member of the People & Remuneration Committee.

Ms Lewis has extensive financial experience, with 20 years at Deloitte Touche Tohmatsu including 14 years as a Partner. In that role, she led the audit of a number of major Australian listed companies, in the retail/fast moving consumer goods (FMCG) and industrial sectors. During her time at Deloitte, Ms Lewis also provided accounting advice and transactional advisory services, including due diligence, IPOs and debt/equity raisings.

Since retiring from Deloitte in 2014, Ms Lewis has been appointed to the Boards of ASX-listed Orora Ltd and Aurizon Holdings Ltd and is also the Chair of the Audit Committee of the Australian Prudential Regulatory Authority. She is a Member of the Institute of Chartered Accountants in Australia, England and Wales, and is a Member of the Australian Institute of Company Directors.

Ms Lewis holds a Bachelor of Arts (Hons) degree from the University of Liverpool.

Ms Lewis brings to the Board skills in, among other areas, financial markets and reporting, risk management, M&A, and ASX governance.

The Board (Ms Lewis abstaining) recommends that Shareholders vote in favour of Resolution 2.



### **4. Resolution 3 – Election of Mr Nicholas Falloon as a director**

Pursuant to Clause 26.6 of the Company's Constitution, Mr Nicholas Falloon, who was appointed a Director of the Company by the Board on 7 December 2018 (having been a director of Fairfax Media Limited before that date), is required to seek election as a Director.

Mr Falloon is an independent, non-executive director, Deputy Chairman of the Company and a member of the People & Remuneration Committee.

Mr Falloon is Chairman of Domain Holdings Australia. Mr Falloon has had 30 years' experience in the media industry, 19 years working for the Packer-owned media interests from 1982 until 2001. Mr Falloon served as CEO of Publishing and Broadcasting Limited (PBL) from 1998 to 2001 and before that as Chief Executive Officer of PBL Enterprises and Group Financial Director of PBL. The PBL experiences provided a strong background in the television, pay TV, magazine, radio and digital industries.

From 2002, Mr Falloon spent nine years as Executive Chairman and CEO of Ten Network Holdings.

He holds a Bachelor of Management Studies (BMS) from Waikato University in New Zealand.

Mr Falloon brings to the Board skills in, among other areas, the media industry, managing people and change, financial markets, strategy, and M&A.

The Board (Mr Falloon abstaining) recommends that Shareholders vote in favour of Resolution 3.

### **5. Resolution 4 – Election of Ms Mickie Rosen as a director**

Pursuant to Clause 26.6 of the Company's Constitution, Ms Mickie Rosen, who was appointed a Director of the Company by the Board on 7 December 2018 (having been a director of Fairfax Media Limited before that date), is required to seek election as a Director.

Ms Rosen is an independent, non-executive director.

Ms Rosen has nearly three decades of strategy, operating, advisory, and investment experience at the intersection of media and technology. She has built and led businesses for iconic global brands such as Yahoo, Fox, and Disney, and early stage start-ups such as Fandango and Hulu.

Ms Rosen currently serves on public, private, and non-profit boards, and she advises early to growth stage companies in digital media and commerce. Until recently, she served on the board of Pandora Media, and was the President of Tribune Interactive, the digital arm of Tribune Publishing, and concurrently the President of the Los Angeles Times. Ms Rosen has also served as a Senior Advisor to the Boston Consulting Group, and was a co-founder and partner of a boutique strategic advisory firm, Whisper Advisors.

Prior to that, Ms Rosen served as Senior Vice President of Global Media & Commerce for Yahoo, where she led Yahoo's media division worldwide. Prior to Yahoo, she was a partner with Fuse Capital, a consumer Internet focused venture capital firm, investing in early stage video, publishing, advertising technology, and e-commerce companies. She was also an executive with Fox Interactive Media, Fandango, and The Walt Disney Company.

The foundation of Ms Rosen's career was built with McKinsey & Company, and she holds an MBA from Harvard Business School.

Ms Rosen brings to the Board skills in, among other areas, content, the media industry, digital businesses, financial markets, strategy and direct to consumer businesses.

The Board (Ms Rosen abstaining) recommends that Shareholders vote in favour of Resolution 4.

### **6. Resolution 5 – Election of Mr Patrick Allaway as a director**

Pursuant to Clause 26.6 of the Company's Constitution, Mr Patrick Allaway, who was appointed a Director of the Company by the Board on 7 December 2018 (having been a director of Fairfax Media Limited before that date), is required to seek election as a Director.

Mr Allaway is an independent, non-executive director and a member of the Audit & Risk Management Committee.

Mr Allaway has had 30 years' experience in the global financial industry across capital markets, corporate advisory, derivatives, risk management, mergers and acquisitions, corporate and project finance, private equity and funds management. He commenced his career in investment banking with Citibank in New York, Sydney and London and with Swiss Bank Corporation in Zurich and London. Since 2006, Mr Allaway has been Chairman of Saltbush Capital Markets, a privately-owned corporate advisory and funds management business he co-founded. He is also a Non-Executive Director of Domain Holdings Australia Limited, the Chairman of Bank of Queensland Limited, and a former Non-Executive Director of Fairfax Media Limited, Macquarie Goodman Group and Metcash Limited. He has a Bachelor of Arts/Law degree from the University of Sydney.

Mr Allaway brings to the Board skills in, among other areas, financial markets, risk management, digital businesses, direct to consumer businesses, ASX governance, strategy, and M&A.

The Board (Mr Allaway abstaining) recommends that Shareholders vote in favour of Resolution 5.

### **7. Resolution 6 – Grant of 2020 performance rights to CEO**

The Board has determined, subject to Shareholder approval, to offer Mr Marks an allocation of Performance Rights, to the value of \$1,400,000, on the terms of the Company's Long Term Incentive Plan. Based on the 10 day volume weighted average price around the release of the Company's financial results for the year to 30 June 2019 of \$1.84, Mr Marks will be entitled to 760,869 Performance Rights.

ASX Listing Rule 10.14 requires shareholder approval for a director to be issued securities under an employee incentive plan such as the Company's Long Term Incentive Plan. The Board intends that no new shares will be issued to Mr Marks on vesting of the Performance Rights (as any entitlement to shares will be satisfied by the acquisition of shares on market). Mr Marks is the only director who is, or has ever been, entitled to participate in the Long Term Incentive Plan.

Details of the Company's Long Term Incentive Plan are contained in the Annual Report. Key elements of the plan are summarised below:

<b>What does a Performance Right provide?</b>	<p>If the conditions to vesting are satisfied, each Performance Right will, at the Company's election, convert to a Share on a one-for-one basis or entitle Mr Marks to receive cash to the value of a Share. No amount is payable by Mr Marks for the issue of the Performance Rights or on conversion of the Performance Rights.</p> <p>Mr Marks does not receive any voting or dividend entitlements before the Performance Rights have vested and been exercised.</p>
<b>Vesting Condition 1 – Total Shareholder Return</b>	<p>One half of the Performance Rights are subject to the Company's Total Shareholder Return (TSR) performance against a comparator group over the 3 year period from 1 July 2019 to 30 June 2022. The comparator group is a subset of ASX 200 companies (being companies in the Information Technology, Consumer Discretionary, Consumer Staples and Telecommunication Services sectors).</p> <p>If the Company's TSR performance is at the 50th percentile, 50% of these Performance Rights (ie 190,218 Performance Rights) will vest. If TSR exceeds the stretch target of the 75th percentile, 100% of these Performance Rights will vest (ie 380,435 Performance Rights). Between those two targets, Performance Rights will vest on a straight line basis.</p>
<b>Vesting Condition 2 – Earnings Per Share Growth</b>	<p>One half of the Performance Rights are subject to the achievement of fully diluted earnings per share growth (EPSG) targets over the 3 year period to 30 June 2022. The targets for the 3 year period have been set by the Board.</p> <p>As the target for EPSG is commercially sensitive, the Company will disclose the performance targets when and if Performance Rights vest.</p> <p>If EPSG over the 3 year period meets the threshold target, 33% of these Performance Rights (ie 125,544 Performance Rights) will vest. If EPSG exceeds the stretch target, 100% of these Performance Rights (ie 380,434 Performance Rights) will vest. Between those two targets, Performance Rights will vest on a straight line basis.</p>
<b>Cessation of employment (Employment Conditions)</b>	<p>If Mr Marks ceases to be employed by the Company before 1 July 2022 due to:</p> <ul style="list-style-type: none"> <li>• being summarily dismissed;</li> <li>• resignation (subject to the Board exercising a discretion to allow some or all Performance Rights to be retained); or</li> <li>• terminating his employment agreement otherwise than in accordance with the terms of that agreement,</li> </ul> <p>any unvested Performance Rights held at the date of termination will lapse.</p> <p>If Mr Marks ceases to be employed by the Company in any other circumstances (e.g. redundancy, retirement, ill health), Mr Marks will retain a pro-rated number of unvested Performance Rights, which will be tested after 1 July 2022, to determine the number of such rights which have vested.</p>
<b>Testing</b>	<p>Performance against each of the vesting conditions will be determined independently.</p> <p>Any Performance Rights which do not vest at the end of the performance period will lapse.</p> <p>Performance rights which vest may be exercised at any time up to 30 June 2024 (subject to the Company's Securities Trading Policy). Any rights which are not exercised before that date will lapse.</p>
<b>Restrictions</b>	<p>Mr Marks is not permitted to transfer any Performance Rights.</p> <p>Trading in any shares issued to Mr Marks on exercise of the Performance Rights will be subject to the Company's Securities Trading Policy.</p>
<b>Maximum number of shares</b>	<p>The maximum number of shares which Mr Marks may receive, if vesting conditions are met and the rights exercised, will be 760,869 (subject to any adjustments made under the Long Term Incentive Plan).</p>
<b>Grant of rights</b>	<p>If Shareholders approve this resolution, the rights will be granted to Mr Marks shortly after the meeting, and within 12 months after the date of this meeting.</p>

## EXPLANATORY STATEMENT continued

No person referred to in ASX Listing Rule 10.14, other than Mr Marks, has received securities under the Long term Incentive Plan. Following approval at the Company's 2018 AGM, Mr Marks received 584,795 Performance Rights, which were issued for no consideration.

There are no loans made in connection with the acquisition of securities under the Long Term Incentive Plan.

The Board (Mr Marks abstaining) recommends that Shareholders vote in favour of Resolution 6.

**Voting exclusion statement:** The Company will disregard any votes cast in favour of Resolution 6:

- (a) by or on behalf of Mr Marks or any associate of Mr Marks; or
- (b) by a Restricted Voter as a proxy unless the vote is cast as a proxy for a person who is entitled to vote on the resolution, and:
  - the appointment specifies the way the proxy is to vote on Resolution 6; or
  - the proxy is the Chairman and the appointment expressly authorises the Chairman to exercise the proxy.

### 8. Resolution 7 – Financial assistance

#### 8.1 Background

The Company is party to syndicated facility agreements dated 20 December 2017 and 5 October 2018 respectively and entered into with a syndicate of lenders (**Existing Facility Agreements**). The Company and certain of the Nine Entities became guarantors under a Common Terms Deed Poll dated 20 December 2017 (**Common Terms Deed**), and other Nine Entities acceded to the Common Terms Deed in January 2019, to support the obligations of the Nine Group under the Existing Facility Agreements.

On 12 August 2019, the Company announced an intention to make an off-market takeover bid (**Bid**) for all of the shares in Macquarie Media Limited ACN 063 906 927 (**MRN**) which it does not already hold an interest in (**Bid Shares**). Fairfax Media Limited ACN 008 663 161 (**Fairfax**) (an indirect wholly-owned subsidiary of the Company) will acquire the Bid Shares under the proposed Bid. Subject to satisfaction of the conditions to the Bid and completion of the compulsory acquisition process in respect of shareholders who do not accept the Bid, the acquisition of the Bid Shares is expected to be completed by December 2019. Funding will be drawn down under the Existing Facility Agreements in order to partly finance the acquisition of the Bid Shares. As Fairfax currently holds 54.4% of the issued shares in MRN, the Company is already the Ultimate Australian Holding Company (as defined below) of each MRN Entity.

It is proposed that the MRN Entities (as defined in section 9 of this Explanatory Statement) become guarantors under the Common Terms Deed. The guarantees proposed to be given by the MRN Entities under the Common Terms Deed will,

together with those already given by the Nine Entities under the Common Terms Deed, guarantee obligations of the Nine Group and the MRN Entities under each Existing Facility Agreement.

#### 8.2 Shareholder approval of financial assistance

Under section 260A(1) of the Corporations Act, a company may financially assist a person to acquire shares (or units of shares) in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
  - (i) the interests of the company or its shareholders; or
  - (ii) the company's ability to pay its creditors;
- (b) the assistance is approved by shareholders under section 260B of the Corporations Act; or
- (c) the assistance is exempted under section 260C of the Corporations Act.

Under section 260B(2) of the Corporations Act, if immediately after the acquisition, the company providing the financial assistance will have an Australian listed holding company, the financial assistance must also be approved by a special resolution of the shareholders of that holding company (**Ultimate Australian Holding Company**).

As the Company is the Australian listed holding company of the MRN Entities, Shareholders are being asked to approve (via a special resolution) the MRN Entities becoming guarantors under the Common Terms Deed, as required by section 260B(2) of the Corporations Act. The shareholders of each MRN Entity will also be asked to approve the relevant entity becoming a guarantor under the Common Terms Deed, as required under section 260B(1) of the Corporations Act.

#### 8.3 Financial Assistance by the MRN Entities

Under the terms of the Common Terms Deed, the Company is required to ensure that the MRN Entities accede to the Common Terms Deed as guarantors (in the same way that the Nine Entities have done) in order to comply with certain prescribed earnings and assets tests under its financing arrangements. In order to comply with its obligations under the Common Terms Deed and the Existing Facility Agreements, the Company now seeks to obtain all necessary approvals for the MRN Entities to accede as guarantors for the purposes of the Common Terms Deed.

The accession by the MRN Entities to the Common Terms Deed, together with any other transaction listed or contemplated in section 8.4 (*Effect of becoming guarantors*) below (together, the **Financial Assistance**) will have the effect of each MRN Entity financially assisting the acquisition of its own shares or shares in its holding company for the purposes of section 260A of the Corporations Act. The purpose of Resolution 7 is to seek the necessary approvals required under section 260B(2) of the Corporations Act in approving the Financial Assistance.

#### 8.4 Effect of becoming guarantors

The requirement for MRN Entities to become guarantors under the Common Terms Deed is considered customary and consistent with market practice for financing transactions of this



nature. The substantial effect of becoming guarantors under the Common Terms Deed is that the MRN Entities will jointly, in common with the Nine Entities, guarantee all amounts payable under the Existing Facility Agreements and the Common Terms Deed (on a cross guarantee and indemnity basis). Restrictions might also be placed on the operations of the MRN Entities by virtue of the representations and undertakings given by the guarantors in the Existing Facility Agreements and the Common Terms Deed.

Becoming guarantors should not, in and of itself, materially prejudice the interests of the MRN Entities or the members of the Company or the ability of any MRN Entity to pay its creditors because the liability to the lenders under the Existing Facility Agreements and the Common Terms Deed is a contingent rather than an actual liability. Given the common terms deed financing structure, the form of the guarantee to be provided by the MRN Entities will be on substantially the same terms as the guarantees already provided by the Nine Entities under the terms of the Common Terms Deed. Nevertheless, if a default was to occur under an Existing Facility Agreement or the Common Terms Deed (including as a result of the failure to pay principal or interest or otherwise comply with any undertakings), the respective lender would be entitled to enforce the guarantees against the MRN Entities.

Any such enforcement action would materially prejudice the interests of the MRN Entities, and the members of the Company and might have a negative impact on the financial position of each MRN Entity and its ability to pay its creditors because its cash reserves would be diminished by the amount claimed. In addition, enforcement of the guarantees might trigger cross-default provisions in other financing arrangements and permit other contract counterparties to terminate those contracts, which could materially prejudice the interests of the MRN Entities.

In addition to becoming guarantors under the Common Terms Deed, the MRN Entities may, or may be required to:

- (a) execute, or accede or consent to, any instrument referred to in, or incidental or related to, the Common Terms Deed (including any guarantor accession deed) or the Existing Facility Agreements, and including any document to be entered into at any time for the purpose of amending, varying, replacing, restating, refinancing, novating or supplementing such instruments;
- (b) make available, directly or indirectly, its cash flows or other resources in order to enable the Company and its subsidiaries to comply with their obligations under the Common Terms Deed, the Existing Facility Agreements and related finance documents; or
- (c) provide additional support (which may include giving new guarantees and incurring additional obligations such as granting negative pledges and undertakings not to acquire or dispose of certain assets) in connection with the Common Terms Deed, the Existing Facility Agreements and related finance documents, including in connection with any refinancing of amounts owing under or in respect of those documents.

## 8.5 Reasons for giving the Financial Assistance

The principal advantage to the Company (and, indirectly, the MRN Entities and the Nine Entities) in providing the Financial Assistance is that the MRN Entities and the Nine Entities will have the benefit of the corporate debt facilities made available under the Existing Facility Agreements and the Company will continue to be in compliance with its obligations required under the Common Terms Deed. In addition, the advantages for MRN and each of the other MRN Entities in giving the Financial Assistance and acceding to the Common Terms Deed, is that they may benefit from:

- (a) in the case of MRN and each of the other MRN Entities, repayment of certain of the existing debt facilities of the MRN Entities;
- (b) synergies and cost savings through their integration with the Nine Group; and
- (c) capital resources and management expertise of the Nine Group and its affiliates.

If Resolution 7 was not passed and the MRN Entities did not accede to the Common Terms Deed as guarantors within the agreed timeframes, an event of default under the Common Terms Deed may occur. This would enable the lenders to, among other things, cancel the commitments under the Existing Facility Agreements and declare all or any loans provided by them as being immediately due and payable.

## 8.6 Information and recommendations given

Shareholders have been informed of the above matters in accordance with section 260B(4) of the Corporations Act. The Directors consider that this Explanatory Statement contains all material information known to the Company that could reasonably be required by Shareholders in deciding how to vote on Resolution 7.

Copies of the Notice of Meeting and this Explanatory Statement were lodged with ASIC before being sent to the Shareholders, in accordance with section 260B(5) of the Corporations Act.

The directors of each MRN Entity will unanimously agree to approve the giving of the Financial Assistance by each MRN Entity, subject to the necessary shareholder approvals being obtained, including approval by the Shareholders in accordance with section 260B(2) (as applicable) of the Corporations Act by the passing of Resolution 7.

The Board has considered the giving of the Financial Assistance and unanimously recommends that Shareholders vote in favour of Resolution 7. Each Director intends to vote all the shares in the Company controlled by him or her in favour of Resolution 7.

Resolution 7 will be passed if at least 75% of the votes cast by Shareholders entitled to vote on that resolution vote in favour of it. To the extent passed by Shareholders, a copy of this special resolution (Resolution 7) shall be lodged with ASIC by the Company within 14 days of being passed in accordance with section 260B(7) of the Corporations Act.

# GLOSSARY

## 9. Glossary

**ASIC** means the Australian Securities and Investments Commission.

**Bid** has the meaning given to that term in section 8.1 (*Background*) of the Explanatory Statement.

**Bid Shares** has the meaning given to that term in section 8.1 (*Background*) of the Explanatory Statement.

**Board** means the board of directors of the Company.

**Chairman** means the individual appointed under the Constitution to chair any meeting of the Company from time to time.

**Closely Related Party** has the meaning given to that term in the Corporations Act.

**Common Terms Deed** has the meaning given to that term in section 8.1 (*Background*) of the Explanatory Statement.

**Constitution** means the Company's constitution, as amended from time to time.

**Corporations Act** means *Corporations Act 2001* (Cth).

**Existing Facility Agreements** has the meaning given to that term in section 8.1 (*Background*) of the Explanatory Statement.

**Explanatory Statement** means this explanatory statement.

**Financial Assistance** has the meaning given to that term in section 8.1 (*Background*) of the Explanatory Statement.

**Key Management Personnel** has the meaning given to that term in the Accounting Standards.

**Nine Entities** means those wholly owned subsidiaries of the Company which are guarantors under the Common Terms Deed.

**Nine Group** means the Company and its wholly-owned subsidiaries.

**Notice of Meeting** means the notice of meeting accompanying the Explanatory Statement.

**MRN** has the meaning given to that term in section 8.1 (*Background*) of the Explanatory Statement.

**MRN Entities** means each entity listed in Schedule 1 of the Explanatory Statement.

**Restricted Voter** means Key Management Personnel and their Closely Related Parties.

**Shareholder** means a person who is a registered holder of fully paid ordinary shares in the capital of the Company.

**Ultimate Australian Holding Company** has the meaning given to that term in section 8.2 (*Shareholder approval of financial assistance*) of the Explanatory Statement.

# SCHEDULE 1 – MRN ENTITIES

	<b>COMPANY</b>	<b>ACN</b>
1	Macquarie Media Limited	063 906 927
2	Harbour Radio Pty. Limited	010 853 317
3	Macquarie Media Operations Pty Limited	006 806 088
4	Macquarie Media Network Pty Limited	127 330 018
5	Buyradio Pty Ltd	111 566 682
6	Map & Page Pty Ltd	128 153 088
7	Radio 2UE Sydney Pty Ltd	000 796 887
8	Radio 1278 Melbourne Pty Limited	002 922 545
9	Radio 3AW Melbourne Pty Limited	006 962 358
10	Radio 6PR Perth Pty Limited	008 829 927
11	Radio 4BC Brisbane Pty Limited	009 662 784
12	Radio Magic 882 Brisbane Pty Limited	067 831 136
13	Macquarie Media Syndication Pty Limited	002 015 821

 **Nine**

**LODGE YOUR QUESTIONS**

- ONLINE**  
www.linkmarketservices.com.au
- BY MAIL**  
Nine Entertainment Co. Holdings Ltd  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia
- BY FAX**  
+61 2 9287 0309
- BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138
- ALL ENQUIRIES TO**  
Telephone: +61 1800 128 092 (free call within Australia)



**X99999999999**

**PROXY FORM**

I/We being a shareholder(s) of Nine Entertainment Co. Holdings Ltd and entitled to attend and vote hereby appoint:

**APPOINT A PROXY**

**the Chairman of the Meeting (mark box)** **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am on Tuesday, 12 November 2019 at Ashurst Australia, 5 Martin Place, Sydney NSW 2000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

**Important for Resolutions 1 & 6:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 & 6, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each resolution.**

**VOTING DIRECTIONS**

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .**

Resolutions	For	Against	Abstain*		For	Against	Abstain*
<b>1</b> Non Binding Resolution to Adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>5</b> Election of Mr Patrick Allaway as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2</b> Re-election of Ms Samantha Lewis as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>6</b> Grant of 2020 performance rights to CEO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3</b> Election of Mr Nicholas Falloon as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>7</b> Financial assistance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>4</b> Election of Ms Mickie Rosen as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)  Joint Shareholder 2 (Individual)  Joint Shareholder 3 (Individual)   
 Sole Director and Sole Company Secretary  Director/Company Secretary (Delete one)  Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).





## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. If your named proxy attends the Meeting but does not vote on a poll on a resolution in accordance with your directions, the Chairman of the Meeting will become your proxy in respect of that resolution. A proxy need not be a shareholder of the Company.

### PROXY VOTING BY THE CHAIRMAN OF THE MEETING

On a poll, the Chairman of the Meeting will vote directed proxies as directed and may vote undirected proxies as the Chairman of the Meeting sees fit. If the Chairman of the Meeting is your proxy or becomes your proxy by default, and you do not provide voting directions, then by submitting the Proxy Form you are expressly authorising the Chairman of the Meeting to exercise your proxy on resolutions that are connected directly or indirectly with the remuneration of KMP

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Sunday, 10 November 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

Nine Entertainment Co. Holdings Ltd  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

\* During business hours (Monday to Friday, 9:00am–5:00pm)



### COMMUNICATIONS PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**