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26 February 2026

Strong first half performance as expanded Sky builds momentum

Sky Network Television Limited (Sky) today reports a strong financial performance for the six months ended 31 December 2025, in its first reporting period since the acquisition of Discovery NZ (now Sky Free).

The combined Group (which includes Three and ThreeNow) strengthened its unrivalled position in sport, significantly refreshed its entertainment strategy, and continued to execute the integration of Sky Free at pace. Despite subdued economic conditions and softness in consumer and corporate spend, it improved underlying earnings by 29%.

Reflecting confidence, the Board has declared an interim dividend of 15.0 cps, fully imputed, an increase of 76.5% on HY25. This represents a ~50% payout of the dividend guidance for the full year of at least 30 cents per share.

HY26 Financial Highlights

- **Underlying Revenue:** \$415.4m, up 8%, driven by the acquisition of Sky Free
- **Underlying EBITDA:** \$78.2m, up 29%, through lower programming costs and disciplined cost management
- **Underlying NPAT:** \$19.3m, up 77%
- **Statutory NPAT:** \$52.4m, including gain on bargain purchase of Sky Free and Optus compensation
- **Free Cash Flow:** \$87.1m (vs \$7.5m in HY25), contributing to closing cash balance of \$100m
- **Interim Dividend:** 15.0 cps, fully imputed, up 76.5%

A reconciliation of underlying to statutory results is included in the 2026 Interim Report.

CEO Commentary

Sky Chief Executive Sophie Moloney said Sky's half year performance reflects the disciplined execution of Sky's multi-year strategy and the financial and strategic benefits of the Sky Free acquisition.

"The first half of FY26 marks an important step forward for Sky. The combined business is already demonstrating the increased reach and revenue diversification we sought, while also maintaining strong cost control."

"Although the economic environment remains challenging, Sky is well positioned for earnings growth from FY27."

“The Discovery NZ acquisition was a well-structured deal for Sky. It’s not often you get to acquire an asset for \$1 and significantly strengthen the balance sheet at the same time - as is also evidenced by the gain on bargain purchase of \$34.4m we report today, reflecting the fair value of the assets acquired.”

“Integration is advancing as planned, with strong progress on early synergy capture, delivering \$3.2m in the first half, of the previously indicated \$3 to \$5 million for FY26.”

“While an integration of this scale is complex, our technology team is ‘match fit’ from the significant satellite migration last year and making good progress towards our August 2026 timeline. From a crew perspective, bringing teams together across Sky and Sky Free is an important milestone for our combined business, but also one that we’re approaching with care and respect for our people.”

“As showcased this week at Sky’s first unified Content Upfront for advertisers and the local content community, we now have a single advertising sales proposition in market, providing a unique offering for agencies and brands.”

While linear advertising revenue was softer than expected, the acquisition means:

- **Revenue market share** boosted to 35% of the linear TV segment.
- **Total advertising revenue** more than doubled and includes 20% from the fast-growing digital segment.
- 62% increase in **Sky’s digital audience**, now reaching 1.2m viewers weekly with Sky’s linear audience now reaching 2.6m viewers each month¹.
- Significant uplift in digital audience diversity with growth in 18-24 year and female audiences of 71% and 87% respectively. Linear audiences in these categories grew by 154% and 37% respectively.

Deepening content engagement: controlling our content destiny

Sky continues to improve content economics and customer value through data-driven content deal-making.

“We have a deep understanding of what audiences value and we’ve moved to secure it in a way that makes sense for shareholders.”

Key milestones for the half year included:

- **Reset of NZ Rugby agreement**, improving economics and securing an expanded content slate for the next five years.
- **Renewal of Formula 1** rights.
- Extension of **exclusive Olympic Games rights** through to Brisbane 2032.
- **Entertainment strategy refresh**, including an expanded long-term partnership with Paramount, the disciplined decision not to renew HBO Max content on a co-exclusive basis beyond June 2026, and increased financial flexibility to enable better control of Sky’s entertainment content destiny.

¹ Source: Digital Nielsen CMI, Q4 2024 – Q3 2025. Linear Free to Air - Nielsen TAM, AP5+ Average monthly reach for July to Dec 2025.

- Continued shift towards **locally curated channels** and **stronger local commissioning**.
- Content costs returned within Sky's **47–49% of revenue** target range.

Operational Commentary

Revenue growth of 8% against the prior year included the initial five-month contribution from Sky Free that doubled Advertising revenue, and continued growth in Streaming and Broadband. Excluding Sky Free, revenue was down 1.3%.

While Sky Box revenue was softer against the prior year, improved customer churn and higher average revenue per user (ARPU) slowed the decline to 6%.

Sky Sport Now's growth continued, with revenue up 8% supported by 17% customer growth. Neon revenue increased by 5%, however customer numbers fell by 18% to the lowest level since December 2020.

A 27% growth in Sky Broadband customer numbers supported a pleasing 37% increase in revenue, and Sky Venues (formerly Commercial) delivered stable revenue, despite sector challenges.

Capital management

Free cash flow was significantly higher than the prior period, supported by improved operations, lower capex, favourable working capital timing and acquisition-related cash items. This contributed to an increased cash balance of \$100m at 31 December 2025.

Reflecting confidence in full-year performance and the stronger-than-usual weighting of cash generation to the first half of the year, the Board has declared an interim dividend of 15.0 cents per share, fully imputed, an increase of 76.5% on HY25².

Sky will review broader capital management options following the successful integration of Sky Free and will update shareholders at the Annual Results announcement in August.

FY26 Outlook and Guidance³

Sky expects trading conditions to remain challenging in the near term.

With the Sky Free integration well underway and year one synergy delivery on track, Sky is transitioning to Group-level guidance, including the 11-month contribution from Sky Free and, consistent with its usual practice at half year, narrowing full year ranges:

- **Revenue:** \$820m – \$835m
- **EBITDA:** \$145m – \$160m
- **Capex:** \$62m – \$68m
- **Dividend:** at least 30 cps (unchanged)

“Although the economic environment remains uncertain, earnings growth is expected to continue from FY27, and we remain confident in our ability to deliver at least \$10m of incremental EBITDA by FY28 through delivery of synergies across the group.”

² This represents ~50% of the reconfirmed full year guidance of at least 30 cents per share.

³ Subject to no adverse change in operating conditions, including future economic headwinds. Guidance excludes one-off items associated with: the Sky Free acquisition, Optus satellite migration, accelerated amortisation and transformation initiatives.

Sky was pleased to see Sophie Moloney recognised as the Deloitte Top 200 Chief Executive of the Year in December, reflecting the momentum in the business as the Sky team continues to execute on its strategy to deliver for customers and shareholders alike.

Ends

Authorised by: Kirstin Jones, Company Secretary

Investor queries to:

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Karina Healy

Head of Corporate Affairs

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(for Equity Security issuer/Equity and Debt Security issuer)

Results for announcement to the market		
Name of issuer	Sky Network Television Limited	
Reporting Period	6 months to 31 December 2025	
Previous Reporting Period	6 months to 31 December 2024	
Currency	NZD	
	Amount (000s)	Percentage change
Revenue from continuing operations	\$414,439	7.7% increase
Total Revenue	\$414,439	7.7% increase
Net profit/(loss) from continuing operations	\$52,195	2766% increase
Total net profit/(loss)	\$52,429	3096% increase
Interim Dividend		
Amount per Quoted Equity Security	\$0.15000000	
Imputed amount per Quoted Equity Security	\$0.05833333	
Record Date	13 March 2026	
Dividend Payment Date	27 March 2026	
	Current period	Prior comparable period
Net tangible assets per Quoted Equity Security	\$1.22663	\$0.95283
A brief explanation of any of the figures above necessary to enable the figures to be understood	For further explanation refer to the Interim Report.	
Authority for this announcement		
Name of person authorised to make this announcement	David Mackrell	
Contact person for this announcement	David Mackrell	
Contact phone number	+64 21311911	
Contact email address	David.Mackrell@sky.co.nz	
Date of release through MAP	26/02/2026	

Interim financial statements accompany this announcement.



NEW ZEALAND'S EXCHANGE
TE PAEHOKO O AOTEAROA

Distribution Notice

Updated as at June 2022

Please note: all cash amounts in this form should be provided to 8 decimal places, including zeros (ie 0.01001000)

Section 1: Issuer information				
Name of issuer	Sky Network Television Limited			
Financial product name/description	Ordinary Shares			
NZX ticker code	SKT			
ISIN (If unknown, check on NZX website)	NZSKTE0001S6			
Type of distribution (Please mark with an X in the relevant box/es)	Full Year		Quarterly	
	Half Year	X	Special	
	DRP applies			
Record date	13/03/2026			
Ex-Date (one business day before the Record Date)	12/03/2026			
Payment date (and allotment date for DRP)	27/03/2026			
Total monies associated with the distribution	\$20,651,252			
Source of distribution (for example, retained earnings)	Retained Earnings			
Currency	NZD			
Section 2: Distribution amounts per financial product				
Gross distribution	\$0.20833333			
Gross taxable amount	\$0.20833333			
Total cash distribution	\$0.15000000			
Excluded amount (applicable to listed PIEs)	N/A			
Supplementary distribution amount	\$0.02647059			
Section 3: Imputation credits and Resident Withholding Tax				
Is the distribution imputed	Fully imputed X			
	Partial imputation			
	No imputation			
If fully or partially imputed, please state imputation rate as % applied	28%			
Imputation tax credits per financial product	\$0.05833333			
Resident Withholding Tax per financial product	\$0.01041666			

Section 5: Authority for this announcement

Name of person authorised to make this announcement	David Mackrell
Contact person for this announcement	David Mackrell
Contact phone number	+64 21 311 911
Contact email address	David.Mackrell@sky.co.nz
Date of release through MAP	26/02/2026



sky

**2026
Interim Report**

For the six months ended
31 December 2025

Chairman and CEO Letter



Dear Shareholders,

In its first reporting period since acquiring Discovery NZ (now renamed Sky Free) your company delivered a strong first half result despite the continuing challenges besetting the New Zealand economy. This acquisition expands our demographic reach, diversifies our revenue base (especially in advertising and digital), and strengthens our competitive position in the New Zealand market.

Whilst subdued consumer and corporate spend adversely impacted subscription and advertising revenues, Sky now has a strengthened pathway for growth from FY27 onwards. Alongside firm control of costs and a strong balance sheet, the nature of the Discovery NZ transaction (as evidenced by the outcome of the Purchase Price Allocation process outlined in today's results) positions us well to achieve our future growth ambition.

Financial Performance

On an underlying basis, Sky Group revenues were \$415.4m, up 8% for the half, reflecting five months of contribution from Sky Free. EBITDA was \$78.2m on an underlying basis, representing a 29% increase on the first half of last year.

The statutory Net Profit after Tax (NPAT) for the half was \$52.4m, which included a gain on bargain purchase of \$34.4m from the acquisition and Optus compensation for satellite disruption of \$8.2m, partly offset by a number of one-off costs. On an underlying

basis NPAT was \$19.3m which is 77% higher than the same period last year.

A reconciliation of underlying to statutory results is provided on page 4 of this report.

Positioned for the next phase

Aside from delivering the priority of a successful integration of Sky Free, Management is focussed on four key initiatives in FY26 to underpin earnings growth in FY27. These are improved crew engagement, supercharging the Sky experience, deepening content engagement, and greater focus on growing advertising revenues.

Two of those priorities stand out in the half year:

- Sky Free integration:** The initial period of ownership of Sky Free reinforces Management's view of the opportunity to scale faster, extend reach to a larger and more diverse audience, and further diversify revenue through advertising and digital. \$3.2m of synergies have already been delivered with work underway to

deliver additional savings by transitioning services away from Warner Bros. Discovery and harmonising systems and teams across the two businesses. Coming off the back of the highly complex satellite migration in 2025, Sky is well positioned to navigate what is a complex technology integration challenge. From a crew perspective, bringing teams together across Sky and Sky Free is an important milestone for the combined business, but also one that Sky is approaching with care and respect for our people.

While linear advertising revenue has been softer than expected, nothing has emerged to change our conviction in the strategic and financial rationale for the acquisition. Management remains confident in achieving at least \$10 million in incremental EBITDA by FY28.

- Deepening content engagement by controlling our content destiny:** Sky's unmatched viewership data across our platforms continues to guide sharper, value-accretive content purchase decisions. During the half year we secured a reset of the NZ Rugby rights agreement, improving economics across an enhanced content slate for the next 5 years. We renewed Formula 1 and extended our exclusive broadcast rights of the Olympic Games through to Brisbane 2032.

We also leveraged our rich data sets to radically refresh our entertainment slate, as evidenced by an expanded partnership with Paramount and the disciplined decision not to renew HBO Max content beyond June

2026. Our relationships with a long list of leading studios provide a strong pipeline of premium global content with broader appeal, while greater flexibility in new content rights agreements will allow us to respond more quickly to changing content trends. At the same time, we are prioritising locally curated channels (such as Sky Kids and Sky Comedy) over pass-through channels, providing better content and less repeats, alongside a stronger pipeline of local commissioned content. Importantly, we are achieving this refreshed content strategy within our target of content spend of 47-49% of revenue.

Capital management

The Group closed H1 in a strong financial position, with cash of \$100m at 31 December 2025. While this cash position has benefited from one-off items related to the Sky Free acquisition and Optus compensation, which will partly unwind in H2 through integration spending and working capital timing, liquidity is strong. As indicated in our 2025 Full Year results presentation we will review capital management options following the successful integration of Sky Free and update shareholders on any new initiatives as part of the Annual Results announcement.

Reflecting confidence in the full year result and the stronger than usual weighting of cash generation to the first half of the fiscal year, the Board has declared an interim dividend of 15.0 cps (fully imputed), an increase of 76.5% on H1 2025. Guidance for the total FY26 dividend payment is reconfirmed as at least 30 cps.



OUR PURPOSE

**Share Stories.
Share Possibilities.
Share Joy.**

OUR AMBITION

**To be Aotearoa NZ's most engaging
and essential media company**

FY26 PRIORITIES

Successful integration of Sky Free

Deepen content engagement

Supercharge new Sky experience

Accelerate advertising

Grow engagement together

OUR ENDURING COMMITMENT

**A responsible and sustainably profitable,
Aotearoa-focused business**

Outlook

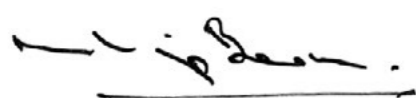
We expect trading conditions to remain challenging in the near term. With the Sky Free integration well underway, we are transitioning to providing Group guidance and, consistent with our usual practice at half year, narrowing ranges for FY26:

- **Revenue:** of between \$820m to \$835m (from prior range/stand alone indication)
- **EBITDA:** of between \$145m to \$160m
- **Capex:** of between \$62m to \$68m
- **Dividend (unchanged):** of at least 30 cps for FY26

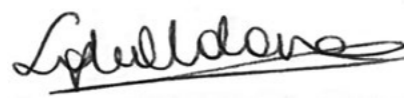
In closing

Thank you to our crew for their continued energy and execution, to our executive leadership team (including the welcome addition of Chief Financial Officer David Mackrell), and to our Board for their guidance and constructive challenge.

Finally, thank you to you, our fellow shareholders, for your continued support and confidence in Sky.



Philip Bowman
Independent Chairman



Sophie Moloney
Chief Executive

Additional information for shareholders

Understanding Sky's underlying results

Sky's Interim Results include the impact of a number of one-off items during the current and prior period that mean it may be difficult to assess the underlying performance of the business. For this reason, in addition to statutory results, we have also provided underlying numbers that enable a like for like comparison.

There are three main categories of one-off items included in the underlying numbers for the current period:

- **Sky Free:** relates to the acquisition of Discovery NZ (now known as Sky Free) and includes the impact of the Gain on bargain purchase, integration and transaction costs.
- **Optus satellite migration:** relates to financial impacts and resulting Optus compensation due to accelerated migration to the new satellite in early April 2025. In H1 2025 it also included an adjustment to other income resulting from a modified (shortened) satellite lease term.
- **Accelerated content amortisation:** is a non-cash cost resulting from changes in amortisation methodology.

Other costs include those relating to organisational change.

The following information is provided as supplementary information to the 2026 Interim Financial Statements:

In NZD millions	H1 FY26 Underlying	H1 FY25 Underlying	% change Underlying
Revenue	415.4	385.0	7.9%
Other Income	0.5	1.4	(60.8%)
Operating Expenses	337.7	325.6	(3.7%)
EBITDA	78.2	60.7	28.7%
Interest, FX (gains)/losses	3.5	2.6	(37.4%)
Taxation	5.8	4.2	(35.8%)
Depreciation & Amortisation	49.6	43.1	(15.2%)
Net Profit after Tax	19.3	10.9	77.4%
Capex ¹	27.0	39.1	(31.0%)

In NZD millions	H1 FY26 Statutory	H1 FY25 Statutory	% change Statutory
Revenue	414.4	384.8	7.7%
Gain on Bargain Purchase	34.4	-	-
Other Income	8.7	6.3	37.8%
Operating Expenses	346.8	347.9	0.3%
EBITDA	110.8	43.2	156.5%
Interest, FX (gains)/losses	3.5	2.6	(37.4%)
Taxation	5.2	(0.7)	(868.7%)
Depreciation & Amortisation	49.6	43.1	(15.2%)
Net Profit after Tax	52.4	(1.7)	3096.3%
Capex	28.1	43.8	(35.9%)

1. Capex adjustment in H1 FY26 relates to satellite migration capex of \$0.4m and \$0.7m relating to integration capex. Capex adjustments in H1 FY25 relates to satellite migration capex. Note: \$0.6m of capex adjustment in H1 2025 was reclassified to business-as-usual capex in FY25.

In NZD millions	31-Dec-2025	31-Dec-2024
Statutory gain/(loss) after tax	52.4	(1.7)
Adjustments to earnings as follows:		
Gain on bargain purchase ¹	(34.4)	-
Sky Free integration and transaction costs ²	4.1	-
Recovery of satellite migration costs from Optus ³	(8.2)	-
Gain on satellite lease modification ³	-	(4.9)
Satellite migration costs ⁴	0.9	1.3
Content amortisation methodology change ⁵	2.7	18.3
Organisational changes ⁶	2.3	2.8
Tax effect on above adjustments	(0.5)	(4.9)
Total adjustments	(33.1)	12.6
Underlying profit after tax	19.3	10.9

1. Refer to note 10 in the Interim Financial Statements.

2. Sky Free integration costs of \$3.1m and separate transaction costs of \$1.0m relating to the acquisition.

3. Refer to note 5 in the Interim Financial Statements.

4. Satellite migration costs include customer credits in H1 FY26 and H1 FY25. H1 FY25 also includes incremental subscriber management costs.

5. H1 FY26 amortisation methodology change for content other than Sport, Neon, movies and local production. H1 FY25 relates to Neon content amortisation methodology change. Refer to note 3 and 9.

6. Redundancies, transformation and strategy costs in relation to organisational changes.

Our 2026 Interim Financials

For the six months ended
31 December 2025

Consolidated Interim Statement of Comprehensive Income

For the six months ended 31 December 2025 (unaudited)

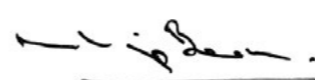
In NZD 000	Notes	31-Dec-2025 (6 months)	31-Dec-2024 (6 months)	30-Jun-2025 (1 year audited)
Revenue	4	414,439	384,761	750,723
Gain on bargain purchase – Discovery NZ Limited	10	34,433	-	-
Other income	5	8,704	6,319	7,681
Expenses				
Programming	9	197,081	227,650	404,124
Subscriber related costs		37,040	38,661	71,367
Broadcasting and infrastructure		63,973	50,446	103,971
Advertising ¹		23,289	9,526	18,477
Depreciation, amortisation and impairment of assets		49,612	43,066	89,141
Other costs		25,406	21,607	39,827
Total expenses		396,401	390,956	726,907
Finance income		1,378	790	1,700
Finance expense		4,888	3,345	4,276
Profit / (Loss) before tax		57,665	(2,431)	28,921
Income tax expense / (benefit)		5,236	(681)	8,331
Profit / (Loss) for the period		52,429	(1,750)	20,590
Attributable to				
Equity holders of the Company	12	52,195	(1,958)	20,228
Non-controlling interests		234	208	362
		52,429	(1,750)	20,590
Earnings per share				
Basic and diluted earnings per share (cents)	12	37.91	(1.42)	14.69
Other Comprehensive Income				
Profit / (Loss) for the period		52,429	(1,750)	20,590
Items that may be reclassified to profit or loss				
Deferred hedging (losses) / gains transferred to operating expenses during the period		(534)	10,199	(490)
Changes in fair value of cash flow hedges		11,398	-	(2,988)
Income tax effect		(3,042)	(2,856)	974
Net other comprehensive income / (loss) to be reclassified to profit or loss, net of income tax		7,822	7,343	(2,504)
Items that may not be reclassified to profit or loss				
Deferred hedging (losses) / gains transferred to non-financial assets during the period		(100)	(247)	181
Income tax effect		28	69	(51)
Net other comprehensive (loss) / income not being reclassified to profit or loss, net of income tax		(72)	(178)	130
Total comprehensive income for the period		60,179	5,415	18,216
Attributable to:				
Equity holders of the Company		59,945	5,207	17,854
Non-controlling interest		234	208	362
		60,179	5,415	18,216

1. Advertising costs of \$23.3m have been disaggregated from Other costs (31 Dec 2024: \$9.5m, 30 June 2025: \$18.5m).

Consolidated Interim Balance Sheet

As at 31 December 2025 (unaudited)

In NZD 000	Notes	31-Dec-2025	31-Dec-2024	30-Jun-2025 (audited)
Current assets				
Cash and cash equivalents	11	99,910	27,753	32,410
Trade and other receivables	11	61,833	56,514	60,660
Programme rights inventory	9	80,490	66,767	70,927
Income tax receivable		1,693	6,850	3,788
Derivative financial instruments	11	6,946	9,741	640
		250,872	167,625	168,425
Non-current assets				
Trade and other receivables	11	7,109	4,570	7,467
Property, plant and equipment		125,703	127,934	126,958
Right-of-use assets		51,496	18,339	62,147
Intangible assets		65,939	60,956	63,386
Goodwill		244,264	244,264	244,264
Derivative financial instruments	11	3,316	2,253	220
		497,827	458,316	504,442
Total assets		748,699	625,941	672,867
Current liabilities				
Lease liabilities	11	29,057	11,569	22,720
Trade and other payables	11	130,952	103,586	95,918
Contract liabilities		55,926	54,350	56,903
Derivative financial instruments	11	125	126	2,464
		216,060	169,631	178,005
Non-current liabilities				
Lease liabilities	11	39,986	15,406	49,880
Trade and other payables		3,624	302	1,029
Deferred tax liability		8,210	1,873	2,499
Derivative financial instruments	11	57	741	2,439
		51,877	18,322	55,847
Total liabilities		267,937	187,953	233,852
Equity				
Share capital		676,755	676,755	676,755
Reserves		6,285	7,700	(1,619)
Retained deficit		(203,961)	(248,054)	(237,570)
Total equity attributable to equity holders of the Company		479,079	436,401	437,566
Non-controlling interest		1,683	1,587	1,449
Total equity		480,762	437,988	439,015
Total equity and liabilities		748,699	625,941	672,867



Philip Bowman
Director and Chair



Keith Smith
Director and Chair of Audit and Risk Committee

For and on behalf of the Board 25 February 2026.

Consolidated Interim Statement of Changes in Equity

For the six months ended 31 December 2025 (unaudited)

IN NZD 000	Attributable to owners of the parent				Non-controlling interest	Total equity
	Share capital	Reserves	Retained deficit	Total		
For the six months ended 31 December 2025						
Balance at 1 July 2025	676,755	(1,619)	(237,570)	437,566	1,449	439,015
Net profit for the period	-	-	52,195	52,195	234	52,429
Cash flow hedges, net of tax	-	7,748	-	7,748	-	7,748
Total comprehensive income for the period	-	7,748	52,195	59,943	234	60,177
Transactions with owners in their capacity as owners						
Dividend paid ¹	-	-	(18,586)	(18,586)	-	(18,586)
Supplementary dividends	-	-	(1,028)	(1,028)	-	(1,028)
Foreign investor tax credits	-	-	1,028	1,028	-	1,028
Share based compensation reserve ⁴	-	156	-	156	-	156
	-	156	(18,586)	(18,430)	-	(18,430)
Balance at 31 December 2025	676,755	6,285	(203,961)	479,079	1,683	480,762
For the six months ended 31 December 2024						
Balance at 1 July 2024	676,755	359	(229,575)	447,539	1,379	448,918
Net profit for the period	-	-	(1,958)	(1,958)	208	(1,750)
Cash flow hedges, net of tax	-	7,165	-	7,165	-	7,165
Total comprehensive income / (loss) for the period	-	7,165	(1,958)	5,207	208	5,415
Transactions with owners in their capacity as owners						
Dividend paid ²	-	-	(16,521)	(16,521)	-	(16,521)
Supplementary dividends	-	-	(989)	(989)	-	(989)
Foreign investor tax credits	-	-	989	989	-	989
Share based compensation reserve ⁴	-	176	-	176	-	176
	-	176	(16,521)	(16,345)	-	(16,345)
Balance at 31 December 2024	676,755	7,700	(248,054)	436,401	1,587	437,988
For the year ended 30 June 2025 (audited)						
Balance at 1 July 2024	676,755	359	(229,575)	447,539	1,379	448,918
Net profit for the year	-	-	20,228	20,228	362	20,590
Cash flow hedges, net of tax	-	(2,374)	-	(2,374)	-	(2,374)
Total comprehensive income / (loss) for the year	-	(2,374)	20,228	17,854	362	18,216
Transactions with owners in their capacity as owners						
Dividend paid ³	-	-	(28,223)	(28,223)	(292)	(28,515)
Supplementary dividends	-	-	(1,636)	(1,636)	-	(1,636)
Foreign investor tax credits	-	-	1,636	1,636	-	1,636
Share based compensation reserve ⁴	-	396	-	396	-	396
	-	396	(28,223)	(27,827)	(292)	(28,119)
Balance at 30 June 2025	676,755	(1,619)	(237,570)	437,566	1,449	439,015

1. Sky paid a dividend of 13.5 cents per ordinary share on 19 September 2025.

2. Sky paid a dividend of 12.0 cents per ordinary share on 20 September 2024.

3. Sky paid a dividend of 12.0 cents per ordinary share on 20 September 2024 and 8.5 cents per ordinary share on 21 March 2025.

4. In August 2023 the Group approved a long term incentive plan and granted 408,415 shares to executives of the Group. In September 2024 a further 388,742 shares were granted and 21,738 shares were granted in February 2025. In September 2025 a further 348,968 shares were granted. Refer to Note 6.

Consolidated Interim Statement of Cash Flows

For the six months ended 31 December 2025 (unaudited)

In NZD 000	Notes	31-Dec-2025 (6 months)	31-Dec-2024 (6 months)	30-Jun-2025 (1 year audited)
Cash flows from operating activities				
Profit / (loss) before tax		57,665	(2,431)	28,921
Adjustments for:				
Depreciation, amortisation and impairment of assets		49,612	43,066	89,141
Gain on Bargain Purchase – Discovery NZ Limited	10	(34,433)	-	-
Impairment of programme rights		-	-	1,400
Accelerated amortisation of content	9	2,730	18,365	18,365
Unrealised foreign exchange loss		2,011	1,114	63
Interest expense		2,877	2,212	4,276
Interest income		(815)	(790)	(1,380)
Bad debts and movement in provision for loss allowance		751	662	1,701
Other non-cash items ¹		(21)	907	(4,747)
Movement in working capital items:				
Decrease in receivables		10,027	9,643	110
Increase / (decrease) in payables		5,042	(37,155)	(36,914)
Decrease in programme rights		4,784	40,564	34,819
Cash generated from operations		100,230	76,157	135,755
Interest paid		(1,746)	(2,098)	(4,251)
Interest received		815	790	1,380
Bank facility fees paid		(251)	(114)	(25)
Income tax paid		-	(12,000)	(12,658)
Net cash from operating activities		99,048	62,735	120,201
Cash flows from investing activities				
Net cash inflow on acquisition of Discovery NZ Limited	10	24,876	-	-
Acquisition of property, plant, and equipment	8	(14,871)	(26,216)	(45,817)
Acquisition of intangibles	8	(11,518)	(14,566)	(31,929)
Net cash used in investing activities		(1,513)	(40,782)	(77,746)
Cash flows from financing activities				
Payments for lease liability principal		(10,421)	(14,489)	(17,693)
Dividends paid		(19,614)	(17,510)	(29,859)
Dividend paid to minority shareholders		-	-	(292)
Net cash used in financing activities		(30,035)	(31,999)	(47,844)
Net increase / (decrease) in cash and cash equivalents		67,500	(10,046)	(5,389)
Cash and cash equivalents at beginning of the period		32,410	37,799	37,799
Cash and cash equivalents at end of the period		99,910	27,753	32,410

1. Other non-cash items for the year ended 30 June 2025 includes a gain on satellite lease modification.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025 (unaudited)

1. General Information

Sky Network Television Limited (Sky) is a company, incorporated and domiciled in New Zealand. The address of its registered office is 10 Panorama Road, Mt Wellington, Auckland, New Zealand. The consolidated interim financial statements for the six months ended 31 December 2025 comprise Sky and its subsidiaries (the Group).

Sky is a company registered under the Companies Act 1993 and is a reporting entity under Part 7 of the Financial Markets Conduct Act 2013.

The Group's primary activity is to operate as a provider of sport and entertainment media services, advertising and telecommunications in New Zealand.

These consolidated interim financial statements were approved by the Board on 25 February 2026.

2. Basis of Preparation

These consolidated interim financial statements have been prepared in accordance with the requirements of Part 7 of the Financial Markets Conduct Act 2013, the NZX Listing Rules and the ASX Listing Rules.

These consolidated interim financial statements of Sky are for the six months ended 31 December 2025. They have been prepared in accordance with New Zealand generally accepted accounting practice, the New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting (NZ IAS 34) and International Accounting Standard 34 Interim Financial Reporting (IAS 34). They do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30 June 2025. For the purposes of financial reporting Sky is a profit-oriented entity.

The preparation of interim financial statements in accordance with NZ IAS 34 and IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These consolidated interim financial statements have been prepared under the historical cost convention except for the revaluation of certain financial instruments (including derivative instruments) and the identifiable assets acquired and liabilities assumed on the acquisition of Discovery NZ Limited. Refer Note 10.

Group structure

The Group has a majority share in the following subsidiaries.

Name of Entity	Principal Activity	Country of Incorporation	Parent	Interest held		
				Dec-2025	Dec-2024	Jun-2025
Sky DMX Music Limited	Commercial music	New Zealand	Sky	50.50%	50.50%	50.50%
Sky Network Services Limited (previously Igloo Limited)	Broadband services	New Zealand	Sky	100.00%	100.00%	100.00%
Sky Free Limited (previously Discovery NZ Limited) ¹	Media Services	New Zealand	Sky	100.00%	-	-
Believe It Or Not Limited	Entertainment quizzes	New Zealand	Sky	51.00%	51.00%	51.00%
Lightbox New Zealand Limited	Streaming services	New Zealand	Sky	100.00%	100.00%	100.00%
Sky Ventures Limited	Did not trade	New Zealand	Sky	100.00%	100.00%	100.00%
Media Finance Limited	Did not trade	New Zealand	Sky	100.00%	100.00%	100.00%
Non Trading PS Limited (previously Outside Broadcasting Limited)	Did not trade	New Zealand	Sky	100.00%	100.00%	100.00%
Screen Enterprises Limited	Did not trade	New Zealand	Sky	100.00%	100.00%	100.00%
Sky Investment Holdings Limited	Did not trade	New Zealand	Sky	100.00%	100.00%	100.00%

1. On 1st August 2025, Sky acquired 100% of the shares in Discovery NZ Limited, refer Note 10.

3. Material Accounting Policies and Critical Judgements and Estimations

The accounting policies applied by the Group in these consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 June 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Gain on acquisition of Discovery NZ Limited, fair value of acquired assets and assumed liabilities

In accordance with NZ IFRS 3 and IFRS 3 Business Combinations, the Group recognises and measures identifiable assets acquired and liabilities assumed in a business combination at their fair values on the acquisition date. The determination of fair value requires significant judgment and estimation, particularly in relation to the selection of valuation techniques and the inputs used in those techniques.

The fair value of identifiable assets and liabilities acquired in the business combination was determined using various valuation approaches, including market and income approaches, as appropriate.

Key assumptions and estimates involved in these valuations include:

- Market Conditions: Consideration of current market conditions for the programming rights acquired.
- Discount Rates: Selection of appropriate discount rates reflecting the risk associated with the cash flows of the acquired assets.
- Future Cash Flows: Estimations of future cash flows expected to be generated by the acquired assets, including expected growth rates and operational synergies.
- Useful Lives: Assessments of the useful lives of acquired intangible assets and property, plant, and equipment.

These fair value judgments are significant as they directly impact the Group's financial position and performance, including a gain on bargain purchase of \$34.4m in the Statement of Comprehensive Income. Refer to Note 10.

Intangible assets and goodwill

Management and the Directors have considered whether there are any events or changes in circumstances since the signing of the 2025 financial statements that may be an impairment indicator as at 31 December 2025, having considered factors such as:

- The Group's half year results;
- The premium of net assets to market capitalisation, noting that this market capitalisation excludes any control premium.

We have concluded that there are no material adverse events or changes in circumstances that would suggest there are any impairment indicators as at 31 December 2025.

Capital structure

As at 31 December 2025 the Group had positive working capital of \$34.8 million (31 December 2024: negative \$2.0 million; 30 June 2025: negative \$9.6 million).

The directors are satisfied that there will be adequate cash flows generated from operating and financing activities to meet the obligations of the Group for the foreseeable future from approving the consolidated interim financial statements, after taking into consideration the current trading results and that the Group has positive working capital as well as an undrawn banking facility of \$100 million at 31 December 2025, refer Note 7.

Programming rights inventory

The Group has completed a comprehensive review of the programming expense recognition policy, ensuring that the adopted methodology is aligned with prevailing global practices. The review was informed by enhanced availability of Neon viewership data, and global benchmarking which facilitated a thorough analysis of our content amortisation across all our genres. The updated policy reflects evolving viewership behaviour for each specific content genre, with the trigger for the review being the strategic acquisition of Discovery NZ Limited and its associated content. It is currently anticipated that the revised policy will not require further significant modifications in the coming years.

Based on the completed review, the amortisation methodology for all programme rights, except for Neon, Sport, Movies and Local Production, has been updated to better reflect the Group's understanding of current viewership behaviour. The previous amortisation methodology was based on the type of programme right combined with the platform or channel the content was distributed on. The revised amortisation methodology is based on the genre of the programme right. The revised methodology for each genre is described below. This represents a change in accounting estimate that has been adjusted prospectively.

As a result of the change in amortisation methodology for the programme rights, except for Neon and Sport, an accelerated amortisation charge of \$2.7 million is recognised in the current period. (Refer Note 9 for further details of the change in accounting estimate).

4. Segment and Revenue Information

The table below shows the disaggregation of the Group's revenue from contracts with customers based on when revenue is recognised for its principal revenue streams.

In NZD 000	Sky Box subscriptions	Broadband subscriptions	Streaming subscriptions	Commercial revenue	Advertising	Other revenue	Total revenue from contracts with customers
For the six months ended 31 December 2025							
Revenue from customers	225,252	22,768	66,056	26,552	64,070	9,741	414,439
Total revenue	225,252	22,768	66,056	26,552	64,070	9,741	414,439
Timing of revenue recognition							
At a point in time	872	-	-	-	64,070	7,887	72,829
Over time	224,380	22,768	66,056	26,552	-	1,854	341,610
	225,252	22,768	66,056	26,552	64,070	9,741	414,439
For the six months ended 31 December 2024							
Revenue from customers	239,326	16,623	61,755	27,299	29,939	9,819	384,761
Total revenue	239,326	16,623	61,755	27,299	29,939	9,819	384,761
Timing of revenue recognition							
At a point in time	1,522	-	-	-	29,939	4,339	35,800
Over time	237,804	16,623	61,755	27,299	-	5,480	348,961
	239,326	16,623	61,755	27,299	29,939	9,819	384,761
For the year ended 30 June 2025							
Revenue from customers	465,541	36,954	118,805	53,950	57,098	18,375	750,723
Total revenue	465,541	36,954	118,805	53,950	57,098	18,375	750,723
Timing of revenue recognition							
At a point in time	2,458	-	-	-	57,098	9,438	68,994
Over time	463,083	36,954	118,805	53,950	-	8,937	681,729
	465,541	36,954	118,805	53,950	57,098	18,375	750,723

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's executive team who are the chief operating decision-makers. The Group's executive team is responsible for allocating resources and assessing performance of the operating segments. The Group operates in a single operating segment comprising the provision of sport and entertainment media services, advertising and telecommunications in New Zealand.

5. Other Income

This note shows the disaggregation of the Group's sources of Other Income.

In NZD 000	31-Dec-2025	31-Dec-2024	30-Jun-2025
Government grant R&D tax credits	421	-	675
Gain on lease modification ¹	-	4,923	4,924
Optus redundancy satellite credit	-	1,321	1,291
Recovery of satellite migration costs ²	8,159	-	-
Other	124	75	791
	8,704	6,319	7,681

1. On 31 December 2024, the Group shortened the term of its previous transmission lease to enable the transition to the current satellite, which became available for use on 15 April 2025. This lease modification resulted in a gain recognised in FY25.

2. Agreed satellite migration costs recovered from Optus in the period ending 31 December 2025 total \$8.2m.

6. Related Party Transactions

There were no loans to directors by the Group or associated parties at any of the reporting dates.

Related party transactions

In NZD 000	31-Dec-2025	31-Dec-2024	30-Jun-2025
Income statement			
Remuneration of key personnel (included in employee costs)	2,914	3,585	5,614
Directors' fees	468	443	897
Total related party transactions through consolidated income statement	3,382	4,028	6,511
Balance Sheet			
Dividend payments (included in dividends paid)	178	147	251
Share based compensation reserve	156	176	396
Total related party transactions through consolidated balance sheet	334	323	647

The Group's directors and key management personnel collectively hold shareholdings of 1,315,510 shares (31 Dec 2024: 1,223,208, 30 June 2025: 1,223,737 shares) which carry the normal entitlement to dividends. Share transactions undertaken by directors can be found as part of the statutory disclosures in the annual report.

Equity-settled share base compensation reserve

In August 2023 the Group approved a long-term incentive plan and granted 408,415 share rights to executives of the Group under the incentive plan. Each share right converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the share right. The share rights carry neither rights to dividends nor voting rights.

In September 2024 the Group granted further 388,742 share rights to executives of the Group under the incentive plan. The grants were all accepted by the employees by 30 October 2024. A further 21,738 shares were granted and accepted in February 2025. Each share right converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the share right. The share rights carry neither rights to dividends nor voting rights.

In September 2025 the Group granted 348,968 share rights to executives of the Group under the incentive plan. The grants were all accepted by the employees by 30 October 2025. Each share right converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the share right. The share rights carry neither rights to dividends nor voting rights.

The share rights under the 2025, 2024 and 2023 grants are separated into two tranches, one tranche which vests over a three year measurement period based on achieving certain total shareholder returns. The second tranche vests over a three year measurement period based on achieving total shareholder returns relative to other market participants on the S&P and NZX50. The executives must remain employed by the Group over the vesting period.

The share rights represent an equity-settled share-based payment with market conditions. The share rights approved in September 2025 had an estimated fair value of \$529,519 (September 2024: \$529,519, August 2023: \$547,276). The fair value was determined using a monte-carlo simulation model and encompasses the market based vesting criteria. The key valuation assumptions are set out below:

Share based compensation valuation assumptions	September 2025 Grant	September 2024 Grant	August 2023 Grant
Grant date share price	\$3.59	\$2.79	\$2.70
Expected volatility	23.78%	27.50%	33.70%
Maturity vesting date	05/09/2028	03/09/2027	04/09/2026
Dividend yield (over vesting period)	10.03%	10.30%	9.00%
Risk free rate	2.88%	4.30%	4.46%

The actual number of shares which ultimately vest will depend on performance over the measurement period. In the event performance conditions are not met (or only partially met) then there is the potential for no share rights (or less than the total allocated share rights) to ultimately vest. In such circumstance the total day one fair value would still be recognised over the vesting period.

7. Interest Bearing Loans and Borrowings

Bank loans

On 29 July 2024 the Group renegotiated the bank facility with a syndicate of banks comprising Bank of New Zealand, Commonwealth Bank of Australia and Westpac New Zealand Limited securing a facility of \$100 million ending on 30 September 2027. The full facility remained undrawn at 31 December 2025.

The facility arrangements (together with certain hedging arrangements) take the benefit of shared security granted by certain members of the Group, including:

- a general security deed granted by each of Sky Network Television Limited, Sky Network Services Limited, Sky Investment Holdings Limited, Lightbox New Zealand Limited and Sky Free Limited;
- real property mortgages granted over certain real property interests of Sky Network Television Limited.

As is customary for facilities of this nature, the loan facility is subject to certain covenant clauses whereby the Group is required to meet certain key financial ratios and other performance indicators.

There have been no breaches of covenant clauses in the 6 month period to 31 December 2025 and no breaches are anticipated within the next 12 months.

Bank overdrafts of \$nil (31 December 2024: \$285,000; 30 June 2025; \$35,000) have been set off against cash balances.

8. Capital Expenditure

The Group acquired the following property, plant and equipment (PPE) and intangibles during the period:

In NZD 000	31-Dec-2025 (6 months)	31-Dec-2024 (6 months)	30-Jun-2025 (1 year audited)
Capital projects in progress (includes PPE & Intangibles)	5,280	17,710	1,883
Land and buildings	205	686	1,212
Broadcasting and studio equipment	236	7	8,602
Plant, equipment and other	272	100	1,154
Subscriber equipment	8,235	11,251	18,883
Installation costs	3,777	6,629	16,495
Intangibles	10,092	7,435	30,188
	28,097	43,818	78,417
Movement in capital expenditure creditors	(1,708)	(3,036)	(671)
Cash outflow in the period	26,389	40,782	77,746

9. Programme Rights Inventory

In NZD 000	31-Dec-2025	31-Dec-2024	30-Jun-2025
Opening balance	70,927	125,644	125,644
Acquired during the period	184,216	143,982	304,499
Charged to programming expenses ¹	(174,653)	(202,859)	(359,216)
Balance at end of period	80,490	66,767	70,927

1. Represents programming rights costs only, excluding production and programming operations costs of \$22.4 million (31 Dec 2024: \$24.8 million, 30 June 2025: \$44.9 million).

Programming rights inventory

The cost of television programme inventory is recognised in the Consolidated Income Statement, with reference to the period over which the Group utilises the programming rights, viewership behaviour, and time-based methods of amortisation depending on the genre of programme right. These circumstances may change or evolve over time. As set out in Note 3, the Group has recently completed a review of the methodology used to recognise programming expense.

The various genres of programme rights now have the following amortisation methodology:

- **Sport (Unchanged)** – the majority or all of the cost is recognised in the Consolidated Income Statement on the dates when the events occur. Where the rights are for multiple seasons or competitions, such rights are recognised principally on a straight-line basis across the contracted broadcast period or season. This remains consistent with the year ended 30 June 2025.
- **Neon (Unchanged)** – New content – The cost is amortised over 24 months, with 65% of the cost recognised in the first 6 months, 15% in the subsequent 6 months, and 20% in the second year. This remains consistent with the year ended 30 June 2025.
- **Local Entertainment Production (Unchanged)** – the cost is recognised as incurred.
- **Movies (Unchanged)** – the cost is recognised on an “as played” basis or over time (depending on the nature of the rights agreement).
- **Entertainment Current Affairs / Events / Reality / Competition** – 90% of the cost is recognised in the Consolidated Income Statement in the first year, with the remaining 10% of cost recognised in the second year.
- **Entertainment – Premium** – The cost is amortised over 24 months, with 65% of the cost recognised in the first 6 months, 15% in the subsequent 6 months, and 20% in the second year. Premium refers to content where the license period falls within 3 years of the original release date.
- **Entertainment – Evergreen** – The cost is amortised on a straight-line basis over the license period, capped at a maximum of 3 years. Evergreen refers to content where the viewership behaviour is consistent over the license period.
- **Entertainment – Other** – The cost is recognised on a straight-line basis over the license period, capped at a maximum of 2 years. Other refers to content which is not otherwise classified above.

The Group regularly reviews its programming rights to ensure they are held at the lower of cost and net realisable value.

Where programme broadcast rights are surplus to the Group's requirements, and no gain is anticipated through the disposal of the rights, or where the programming will not be broadcast for any other reason, a write-down is made in the Consolidated Income Statement. Any reversals of inventory write-downs are recognised as reductions in operating expense.

10. Acquisition of Discovery NZ Limited

On 1 August 2025, Sky Network Television Limited acquired 100% of the issued share capital of Discovery NZ Limited (Discovery NZ). The acquisition of Discovery NZ, which operates national free-to-air channels (Three, Eden, Rush, HGTV) and a digital streaming service (ThreeNow), positions Sky to generate cost savings, accelerate growth and diversify revenue streams, particularly in advertising and digital. Sky has acquired a business that is a strong strategic fit in a manner which it believes is value accretive for shareholders.

The fair value amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out in the table below. As at 31 December 2025, the fair values of these assets and liabilities are provisional. The provisional amounts recognised primarily relate to the provision for the removal of chattels and decommissioning costs of the property lease and the corresponding indemnification asset as the valuation work for these items is ongoing.

In NZD 000	01-Aug-2025
Cash and cash equivalents	16,893
Trade and other receivables	11,365
Trade and other payables	(13,356)
Programme rights inventory	16,299
Property, plant and equipment	3,889
Intangible assets – Software	2,800
Intangible assets – Brand	2,800
Deferred tax asset / (liability)	(784)
Indemnification asset	228
Other assets and liabilities	(3,855)
Programme rights payable	(4,991)
Payables due to Warner Bros. Discovery Inc	(3,049)
Provision for decommissioning costs	(228)
Withholding Tax payables	(570)
Employee benefits payable	(991)
Total identifiable assets acquired and liabilities assumed	26,450
Total consideration	
Satisfied by:	
Cash	0
Total consideration transferred	0
Net debt and working capital adjustments received	7,983
Gain on bargain purchase	34,433
Net cash inflow arising on acquisition	
Cash consideration received	7,983
Cash and cash equivalent balances acquired	16,893
	24,876

The cash consideration received of \$7,983 million comprises the following elements:

- Share purchase price of \$1, which is rounded to \$0 in the table above;
- A final net working capital adjustment of \$3.749 million received to achieve the contractually agreed target level; and
- A \$4.234 million adjustment received to achieve a debt-free basis, clear of programme rights payable.

The \$3.749 million working capital adjustment was granted to extinguish the liabilities that were previously required to be settled prior to acquisition date.

The cash and cash equivalent balance acquired of \$16.893 million includes a contribution to the Group's future integration costs, and to adjust for the debt-free basis and minimum working capital commitments of the acquisition.

The fair value of the financial assets includes Trade and other receivables with a fair value of \$11.365 million and a gross contractual value of \$11.365 million. The best estimate at acquisition date of contractual cashflows not to be collected is \$nil.

Acquisition-related costs included in Other Costs for the six months ended 31 December 2025 amount to \$1.044 million.

The fair value of the identifiable net assets acquired exceeded the total consideration transferred, resulting in a gain on bargain purchase of \$34.433 million. This gain has been recognised in the consolidated statement of profit or loss and other comprehensive income for the period ended 31 December 2025. In the event of the recognition of a gain on bargain purchase in the income statement, IFRS 3 requires that a reassessment be conducted of the measurement process, with the purpose of verifying the completeness and correctness of the process of identification and measurement of all the assets acquired and the liabilities assumed. This reassessment exercise confirmed the correctness and reasonableness of the conclusions reached previously.

The transaction resulted in a gain as Sky was able to acquire Discovery NZ on a debt free basis at a significant discount to net asset value given the history of losses and growing indebtedness of the company over recent years under the ownership of the vendor. This situation influenced the Group's decision to acquire Discovery NZ with the objective of using the skills of its management team to deliver cost and potential revenue synergies with the existing business to generate positive profits and cash flow from a deleveraged asset.

The fair value of the acquired Programme rights inventory of \$16.3 million was determined using management judgement and estimation. The key judgements and assumptions applied include:

- Management's experience and internal knowledge of content acquisition, as there are no observable external benchmarks or independent valuation expertise in New Zealand for the procurement and valuation of broadcast content rights.
- Consideration of current market conditions
- A valuation approach undertaken from the perspective of a hypothetical market participant, assessing the value of the programme rights available after the acquisition date. This assessment considered, among other factors:
 - the number of remaining broadcast runs,
 - whether the remaining licence period could be sold or sub licensed,
 - the timing of first broadcast, and
 - whether the genre or type of content influenced the remaining economic value.
- The extent to which the programme rights were expected to generate advertising revenues across the Group's platforms, including Three and ThreeNow.

On the date of acquisition 1 August 2025, the name of Discovery NZ Limited was changed to Sky Free Limited (Sky Free).

Discovery NZ has accumulated tax losses which are able to be carried forward and offset against future profits of Sky Free provided the legislative requirements of the Business Continuity Test are met. Tax losses incurred after 1 August 2025 are able to be offset against the profits of Sky Network Television Limited. Sky Free's tax losses that arose prior to 1 August 2025 are not available to be offset within the Group. Further work is being undertaken to determine the tax losses available to carry forward as at 31 July 2025. In the financial statements for the year ended 31 December 2024, Discovery NZ disclosed an unrecognised deferred tax asset of \$78.1m relating to tax losses and temporary timing differences.

Discovery NZ contributed \$35.561 million revenue and a positive contribution of \$0.366 million to the Group's net profit before tax for the period between the date of acquisition and the reporting date (5 months of operations). If the acquisition of Discovery NZ Limited had been completed on the first day of the financial year (1 July 2025), contribution to Group revenues for the 6 month period would be estimated to have been \$42.673 million with positive contribution to Group net profit before tax estimated to have been \$0.440 million, both calculated on a pro-rata basis to the 5 month result.

11. Fair Value Measurement of Financial Instruments

The Group's activities expose it to a variety of financial risks that include market risk (currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements. They should be read in conjunction with the Group's annual financial statements as at 30 June 2025. There have been no changes in any risk management policies since 30 June 2025.

Financial assets of the Group include cash and cash equivalents, trade and other receivables and financial assets at fair value through other comprehensive income (OCI) (unquoted investments held for disposal and derivative financial assets). Financial liabilities of the Group include trade and other payables, interest bearing loans and borrowings, lease liabilities, contingent consideration and derivative financial liabilities. The Group does not hold or issue financial instruments for trading purposes.

The fair value of each financial instrument is categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

Level 1: Quoted prices (unadjusted) in active market for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs), for example discounted cash flow.

Sky's financial assets and liabilities carried at fair value are valued on a level 2 basis.

Classification of financial instruments

The following table presents the Group's financial assets and liabilities according to classifications.

In NZD 000	31-Dec-2025		31-Dec-2024		30-Jun-2025	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at amortised cost						
Cash and cash equivalents	99,910	99,910	27,753	27,753	32,410	32,410
Trade and other receivables	43,535	43,535	38,658	38,658	44,062	44,062
Financial assets at fair value through profit or loss						
Derivatives designated as hedging instruments (cash flow hedges)	7,806	7,806	10,536	10,536	610	610
Derivatives not designated as hedging instruments	2,455	2,455	1,458	1,458	250	250
	153,706	153,706	78,405	78,405	77,332	77,332
Financial liabilities at amortised cost						
Lease liabilities	69,043	69,131	26,975	27,128	72,600	73,595
Trade and other payables	111,458	111,458	86,058	86,058	81,999	81,999
Financial liabilities at fair value through OCI						
Derivatives designated as hedging instruments (cash flow hedges)	96	96	338	338	3,660	3,660
Derivatives not designated as hedging instruments (fair value hedges)	86	86	529	529	1,243	1,243
	180,683	180,771	113,900	114,053	159,502	160,497

Prepaid expenses, deferred revenue, unearned subscriptions, tax payables and employee benefits do not meet the definition of a financial instrument and have been excluded from the trade and other receivables and trade and other payables categories above. Due to their short-term nature, the carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables is assumed to approximate their fair value.

The fair value of forward foreign exchange contracts is based on market forward foreign exchange rates at period end. Deferred hedging losses/gains in OCI result from the foreign currency exchange movement in the Group's hedging of USD and AUD programme rights, capital expenditure and lease exposures.

The fair value of loans from banks and lease liabilities is estimated on a level 3 basis by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

12. Earnings Per Share

	31-Dec-2025	31-Dec-2024	30-Jun-2025
Profit after tax attributable to equity holders of the parent (NZD 000)	52,195	(1,958)	20,228
Weighted average number of ordinary shares on issue (000's)	137,675	137,675	137,675
Basic and diluted earnings per share (cents)	37.91	(1.42)	14.69
Issued ordinary shares at the beginning of the period	137,675,010	137,675,010	137,675,010
Total number of shares on issue	137,675,010	137,675,010	137,675,010
Weighted average number of ordinary shares on issue	137,675,010	137,675,010	137,675,010

13. Contingent Liabilities

The Group is subject to litigation incidental to its business, none of which is expected to be material. No provision has been made in the Group's interim financial statements in relation to its ongoing litigation and claims the directors believe that such litigation and claims will not have a significant effect on the Group's financial position, results of operations or cash flows.

14. Subsequent Events

Interim dividend

On 25 February 2026 the Board of Directors resolved to pay a fully imputed dividend of 15 cents per share with the record date being 13 March 2026. A supplementary dividend of 2.65 cents per share will be paid to non-resident shareholders subject to the foreign investor tax credit regime.



Independent auditor's review report

To the shareholders of Sky Network Television Limited

Report on the consolidated interim financial statements

Our conclusion

We have reviewed the consolidated interim financial statements of Sky Network Television Limited (the Company) and its controlled entities (the Group), which comprise the consolidated interim balance sheet as at 31 December 2025, and the consolidated interim statement of comprehensive income, the consolidated interim statement of changes in equity and the consolidated interim statement of cash flows for the six months ended on that date, and selected explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 December 2025, and its financial performance and cash flows for the six months then ended, in accordance with International Accounting Standard 34 *Interim Financial Reporting* (IAS 34) and New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34).

Basis for conclusion

We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the *Auditor's responsibilities for the review of the consolidated interim financial statements* section of our report.

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board (PES 1), as applicable to audits and reviews of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with PES 1.

In our capacity as auditor and assurance practitioner, our firm also provides audit, other assurance and agreed-upon procedures services. In addition, certain partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the business. The firm has no other relationship with, or interests in, the Group.

Responsibilities of the Directors for the consolidated interim financial statements

The Directors of the Company are responsible on behalf of the Company for the preparation and fair presentation of these consolidated interim financial statements in accordance with IAS 34 and NZ IAS 34 and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the consolidated interim financial statements

Our responsibility is to express a conclusion on the consolidated interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the consolidated interim financial statements, taken as a whole, are not prepared in all material respects, in accordance with IAS 34 and NZ IAS 34.

A review of consolidated interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on these consolidated interim financial statements.

Who we report to

This report is made solely to the Company's shareholders as a body. Our review work has been undertaken so that we might state those matters which we are required to state to them in our review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our review procedures, for this report or for the conclusion we have formed.

The engagement partner on the review resulting in this independent auditor's review report is Richard Day.

For and on behalf of:

PricewaterhouseCoopers
25 February 2026

Auckland

Directory

Directors

Philip Bowman (Chair)
 Keith Smith (Deputy Chair)
 Dame Joan Withers
 Mike Darcey
 Mark Buckman
 Belinda Rowe

Officers

Sophie Moloney	Chief Executive
David Mackrell	Chief Financial Officer
Nikki Goodman	Chief Customer Officer
Kym Niblock	Chief Digital and Technology Officer, Interim Chief Content Officer
Chris Major	Chief Corporate Affairs Officer
Juliet Peterson	Chief Business Officer
Antony Welton	Chief Operating Officer
Kirstin Jones	Company Secretary

New Zealand Registered Office

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 Auckland 1060, New Zealand
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 Website: sky.co.nz

Australian Registered Office

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 Fax: +61 2 9230 5333

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Chapman Tripp

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Baker McKenzie

Tower One – International Towers Sydney
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 Sydney, NSW 2000, Australia
 Tel: +61 2 9225 0200
 Fax +61 2 9225 1595

Sky Network Television

Interim Results Presentation

For the six months ended 31
December 2025

26 February 2026



Agenda

- ▶ Results highlights
- ▶ Financial and Operational Performance
- ▶ Business Update
- ▶ Outlook and Guidance
- ▶ Questions



Interim Result Highlights

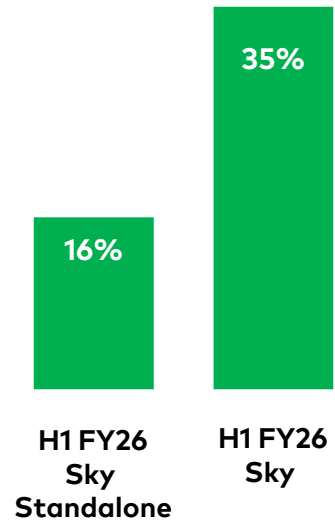
Strong first half performance as expanded business builds momentum

- ▶ Double digit growth in EBITDA driven by solid revenue performance in a difficult market and lower costs.
- ▶ Unmatched position in sport strengthened by disciplined renewals. Refresh of entertainment strategy delivering a strong pipeline of quality content.
- ▶ Complex Sky Free integration on track and strong progress on planned synergy delivery with \$3.2m delivered in the half across the group of the previously indicated \$3 - \$5m for the full year.
- ▶ Gain on bargain purchase of \$34.4m as a result of fair value assessment of assets acquired for \$1.
- ▶ Strong cash generation from operations and acquisition terms contributing to increased Free Cash Flow. Firmly on track to be able to pay at least 30 cents per share for FY26.

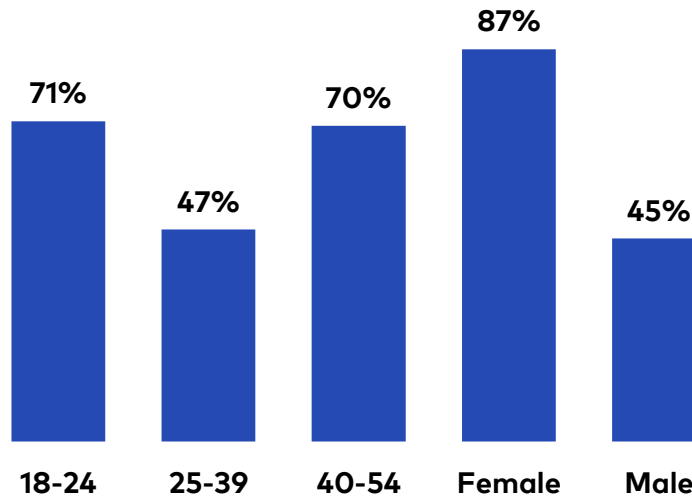
An accelerating acquisition

Capital light investment delivered immediate scale and stronger market position in advertising and digital

ADVERTISING REVENUE MARKET SHARE (Linear)¹



+62% INCREASE IN DIGITAL AUDIENCE²



- Revenue market share boosted to 35% of important linear segment³.
- Total advertising revenue more than doubled and includes 20% from fast-growing digital segment.
- Single advertising sales proposition from Feb 2026 strengthens market position and provides unique offering for agencies and brands.
- 62% increase in Sky's digital audience, now reaching 1.2m viewers weekly with added youth and diversity.
- Strategic fit enables significant opportunities throughout the business.

Financial Highlights

Strong performance in a challenging market

\$415.4m

UNDERLYING REVENUE¹ **+8%**

H1 FY26 Sky Standalone: \$379.8m **(1%)**

H1 FY25: \$385.0m

\$78.2m

UNDERLYING EBITDA¹ **+29%**

H1 FY26 Sky Standalone: \$76.5m **+26%**

H1 FY25: \$60.7m

\$52.4m

STATUTORY NPAT

H1 FY25: (\$1.7m)

H1 FY26 Underlying NPAT¹: \$19.3m **+77%**

H1 FY25 Underlying NPAT¹: \$10.9m

\$27.0m

CAPITAL EXPENDITURE¹ **(31%)**

H1 FY26 Sky Standalone: \$26.0m

H1 FY25: \$39.1m

\$87.1m

FREE CASH FLOW

H1 FY25: \$7.5m

15.0cps

DIVIDEND **+76%**

H1 FY25: 8.5cps

- Revenue¹ up 8%, driven by contribution from Sky Free and growth in Broadband and Streaming.
- EBITDA¹ up 29%, supported by tight cost control, lower programming spend, and contribution from Sky Free.
- Underlying NPAT¹ up 77%, reflecting strong execution across the business.
- Capital Expenditure returned to a lower more normal level.
- Free cash flow significantly higher, supported by improved operations, lower capex, favourable working capital, and cash acquired on acquisition of Sky Free.
- Dividend up 76%, fuelled by strong free cash flow and reflecting Board confidence.



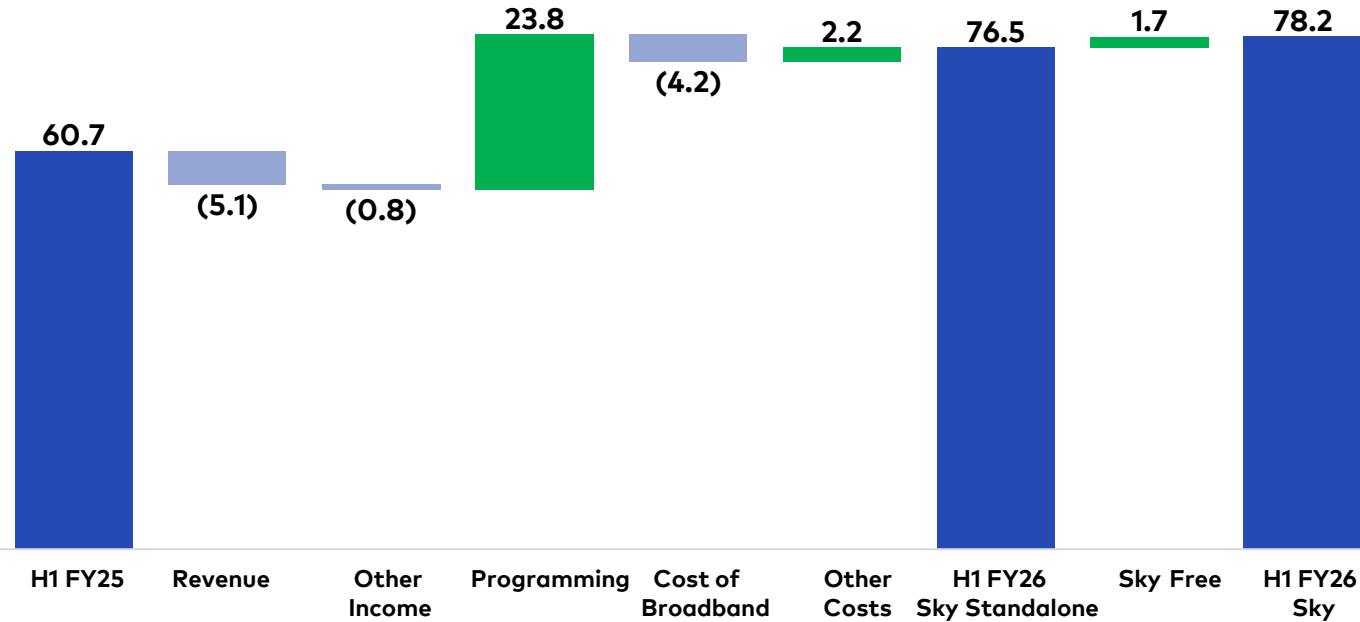
Financial and Operational Performance



Key Drivers of EBITDA¹ Improvement

29% increase in underlying EBITDA driven by lower costs

EBITDA¹ MOVEMENTS (UNDERLYING) (\$m)

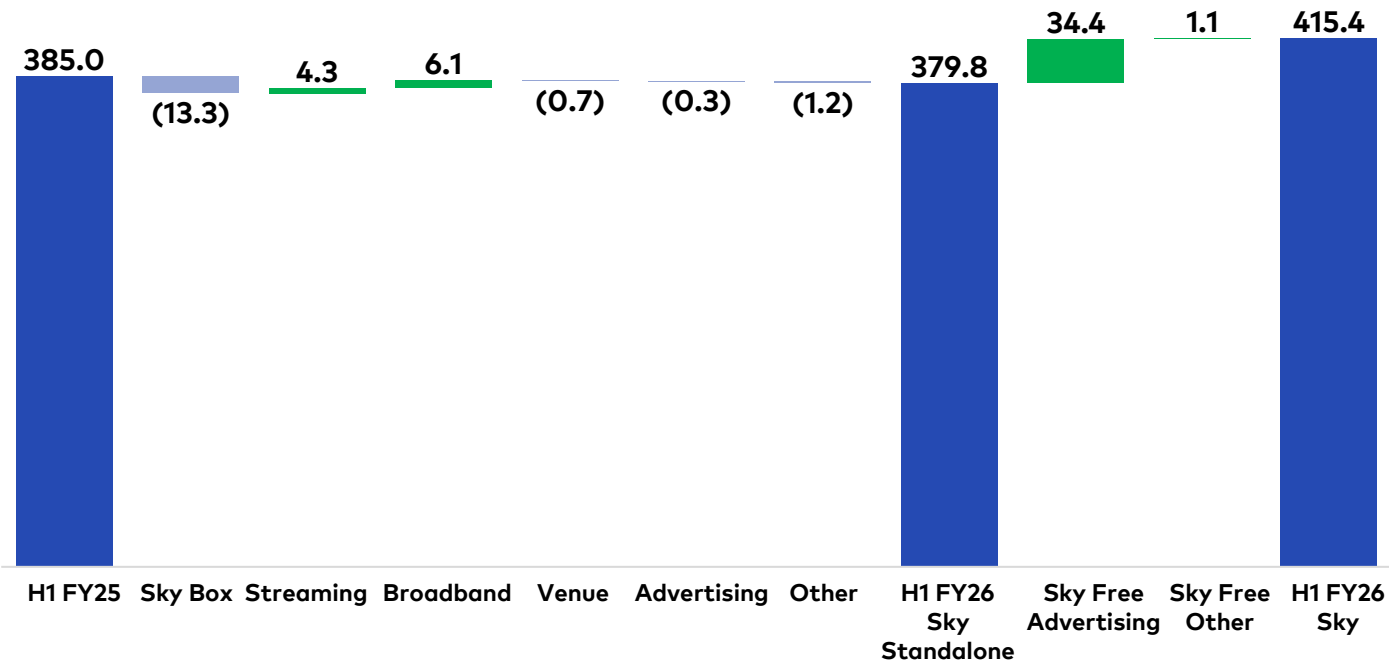


- Improved underlying EBITDA was driven by 6.7% lower costs in Sky Standalone that outpaced the revenue decline of 1.3%.
- Programming costs were significantly reduced following disciplined negotiations for content combined with timing of one-off events.
- Customer growth was the primary driver of increased Broadband costs.
- Continued focus on cost management throughout the business delivered a lower cost base.
- Lower than expected Sky Free cost base resulted in a positive EBITDA contribution.

Revenue¹

Addition of Sky Free resulted in an 8% overall revenue increase

REVENUE MOVEMENTS (UNDERLYING¹) (\$m)

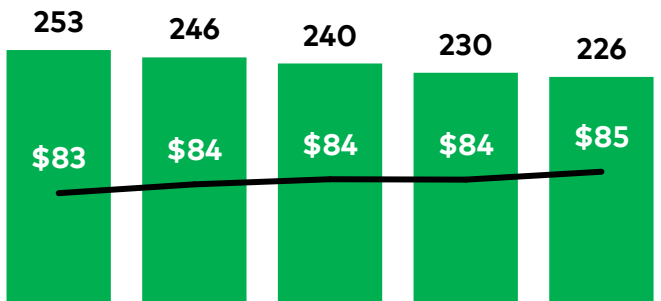


- Growth in Broadband and Streaming revenue offset 78% of the Sky Box decline.
- Sky Standalone revenue was 1.3% lower than last year, largely due to reduced Sky Box and Neon customer numbers and non-repeat of Advertising revenue related to the 2024 Paris Olympics.
- The Venue (formerly Commercial) business revenue was stable despite sector challenges.
- Sky Free contributed a 9.4% revenue uplift in the first 5 months of ownership despite market revenue softness. Sky Free other revenue relates to service fee income.

Revenue by product

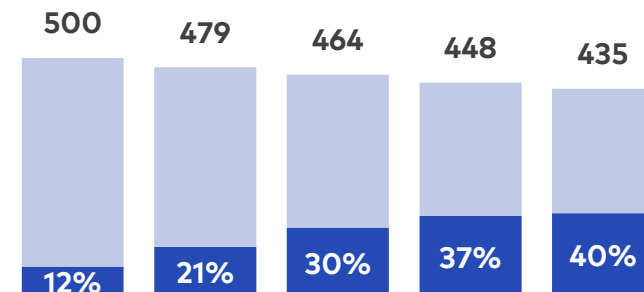
Sky Box improved ARPU and Churn

UNDERLYING REVENUE (\$m) & ARPU¹



H1 FY24 H2 FY24 H1 FY25 H2 FY25 H1 FY26

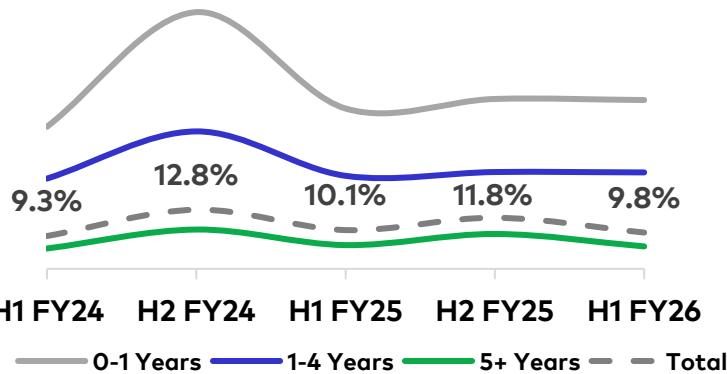
CUSTOMERS (000)



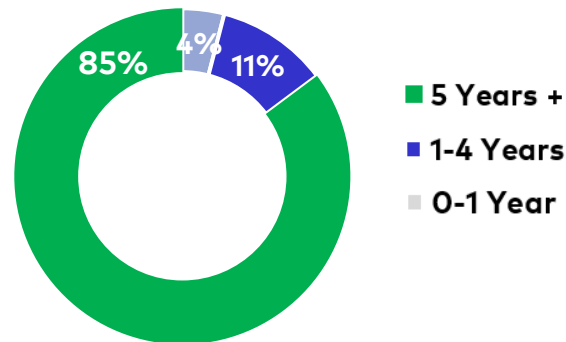
H1 FY24 H2 FY24 H1 FY25 H2 FY25 H1 FY26

■ New Sky Box ■ Classic Sky Box

CUSTOMERS CHURN BY TENURE



CUSTOMER TENURE (%)

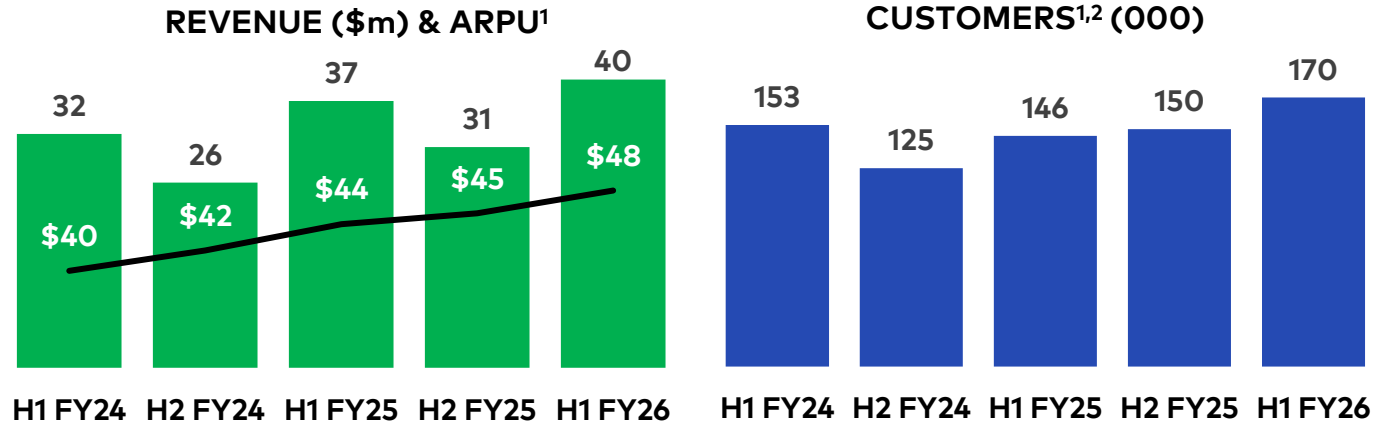


- Encouraging churn improvement and increased ARPU contributed to slow customer and revenue decline.
- New device customers increased to 40% from 30% a year ago and Sports customers rose to 74% supported by a strong content lineup.
- ARPU increase of 1.1% to \$85.21 was largely driven by sports customer penetration and sport package price increase in May 2025.
- 85% of customers have tenure of more than five years and lower average churn of 8.0%.



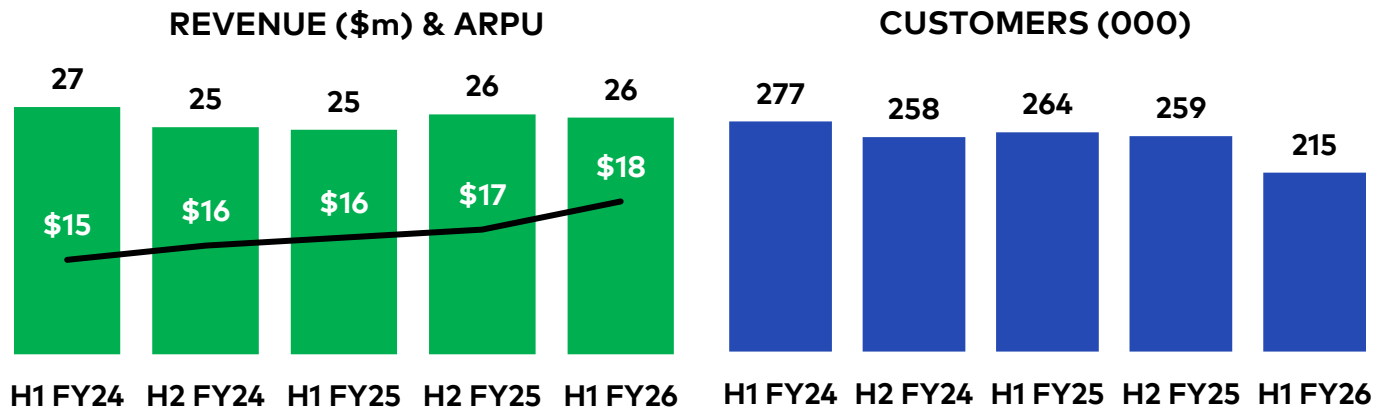
Revenue by product

Sky Sport Now revenue grew 8%



- Sky Sport Now's growth continued with revenue rising 8% and customer numbers up +17%.
- ARPU rose 8% to \$47.55, benefitting from a 10% price rise in March 2025 on monthly and annual passes.
- Introduction of the Day pass in May 2025 at \$29.99 is exceeding expectations. This provides a flexible entry point with good conversion to recurring passes.

Neon revenue impacted by lower customers

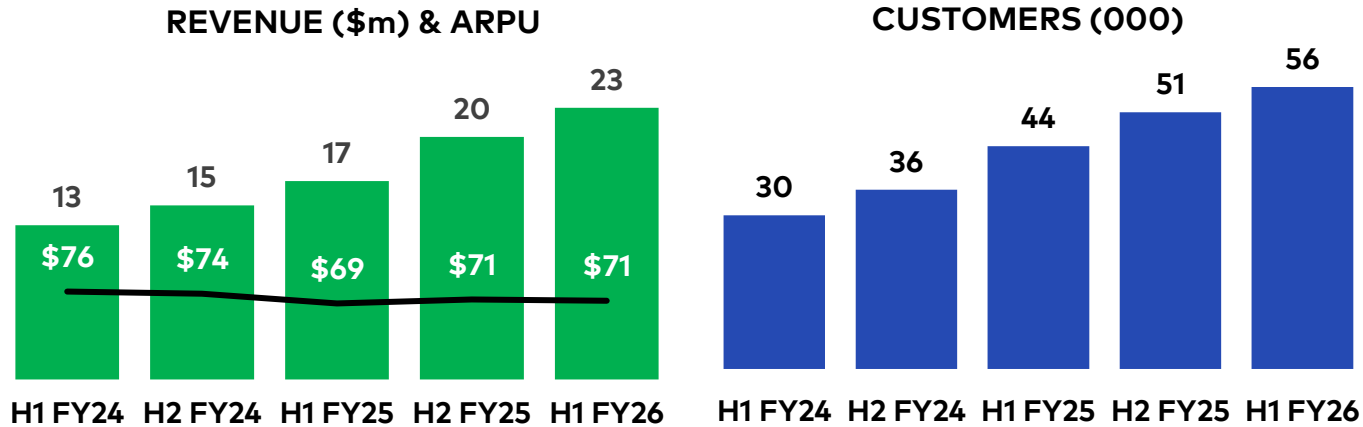


- Lack of acquisition and retention driving content contributed to an 18% fall in customer numbers although a 12% lift in ARPU more than offset this to grow topline revenue by \$1.3m.
- Neon Standard pricing increased to \$23.99 in April 2025 and Basic tier increased to \$14.99 in October 2025. Basic accounts for 21% of the base and contributes digital revenue in the Advertising line.



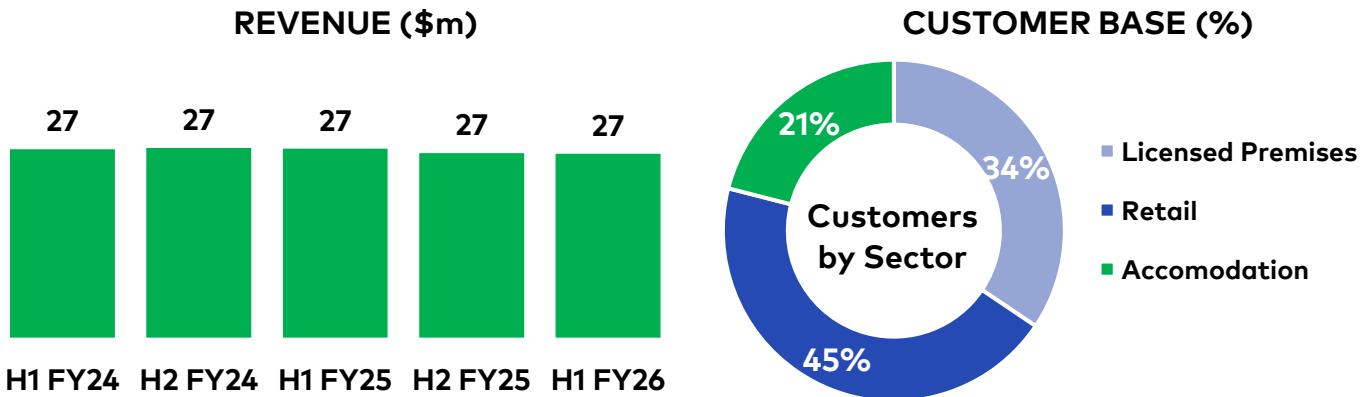
Revenue by product

Broadband revenue increased 37%



- Revenue increased 37% as customer numbers continue to build (up 27%), despite a competitive market.
- 10.7% of Sky Box customers have Sky bundled broadband, rising to 15% at acquisition.
- ARPU increased 2% despite a continued shift in mix towards lower tier plans. Starter plan customers now make up 34% of base, from 23% last year.

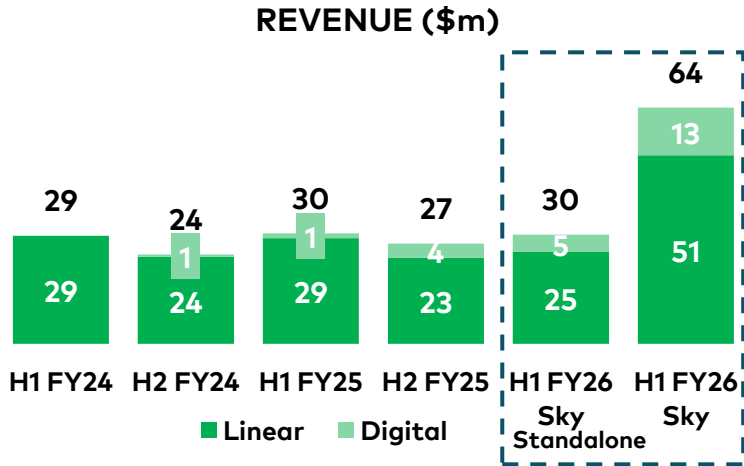
Venue delivered a consistent performance



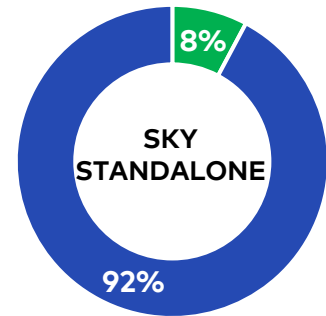
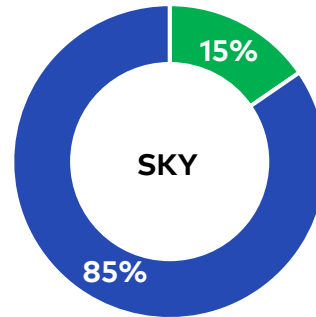
- Venue (formerly Commercial) delivered a consistent performance despite tough trading conditions in the retail and accommodation sectors.
- Launch of the business edition of the new Sky Box late in the half is providing opportunity.

Revenue by product

Advertising Revenue doubled

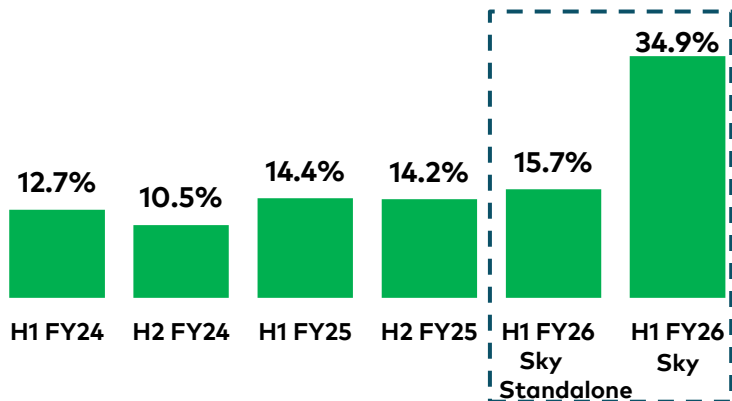


INCREASED REVENUE DIVERSITY (%)



- Relatively stable revenue is a positive outcome for Sky Standalone business as the prior period included the Paris Olympics.
- Digital revenue percentage (Sky Standalone) rose to 16% within 2 years of adding this stream. Sky Go digital advertising launched in October 2025.
- 5-month contribution from Sky Free more than doubled Sky's advertising revenue. 24% of Sky Free's revenue is from digital sources.
- Advertising rises to 15% of revenue in H1 with the initial 5 month contribution from Sky Free
- Revenue market share was boosted to 35% in the linear segment.

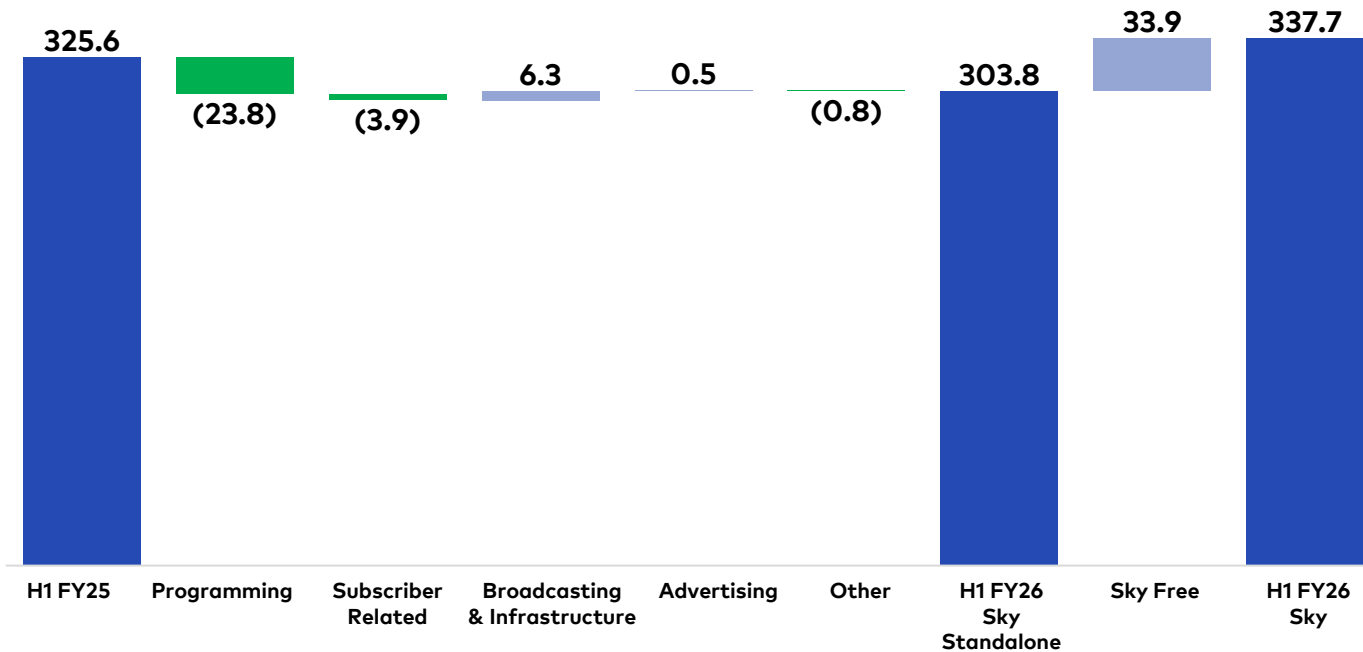
REVENUE MARKET SHARE¹(Linear)



Operating Expenses

Disciplined cost management supporting bottom line

OPERATING EXPENSES (UNDERLYING¹) (\$m)

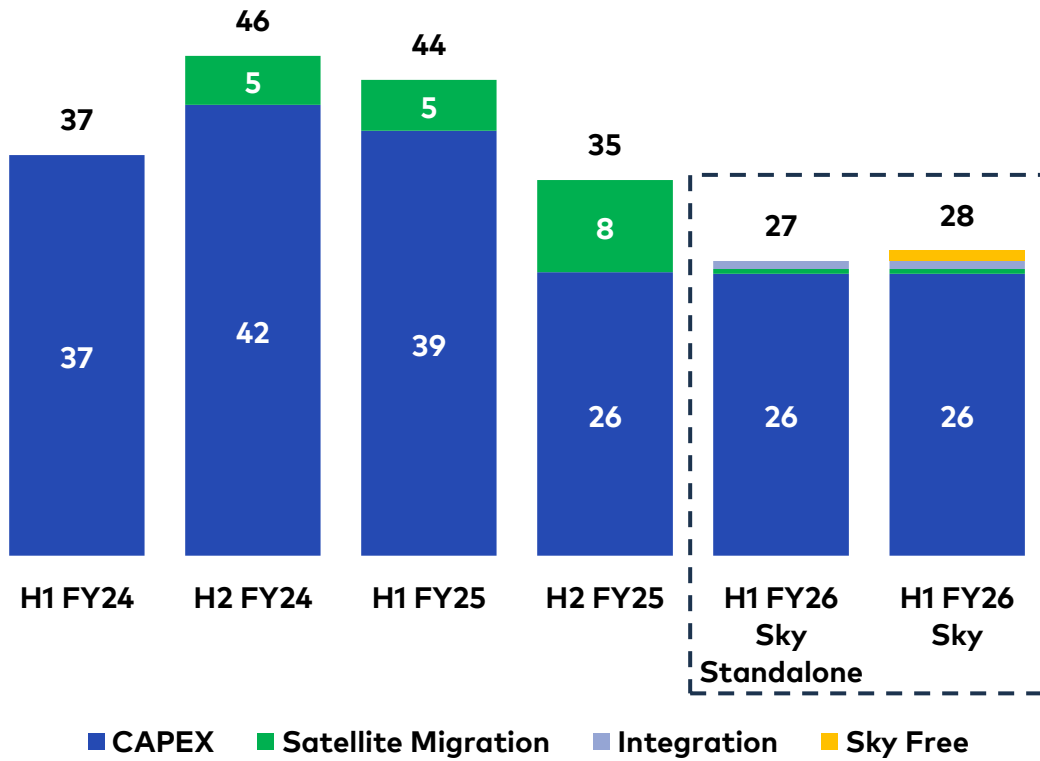


- Programming Costs:** Sky Standalone programming costs to revenue ratio reduced to 48.8% with significant cost reductions due to:
 - timing of one-off events (last year's Paris Olympics), and
 - disciplined negotiation and content choices across sport and entertainment, including non-renewals that more than offset new commitments.
- Subscriber Related:** reductions due to lower marketing and people costs.
- Broadcasting & Infrastructure:** Increase reflects growth in Broadband and an increase in technology spend.
- Advertising²** stable cost profile was broadly in-line with the revenue result for Advertising.
- Sky Free:** Early cost base reductions across key categories delivered margin upside. Key costs including Advertising, Programming and Infrastructure.

Capital Expenditure

Capital intensity returns to longer term run-rate level

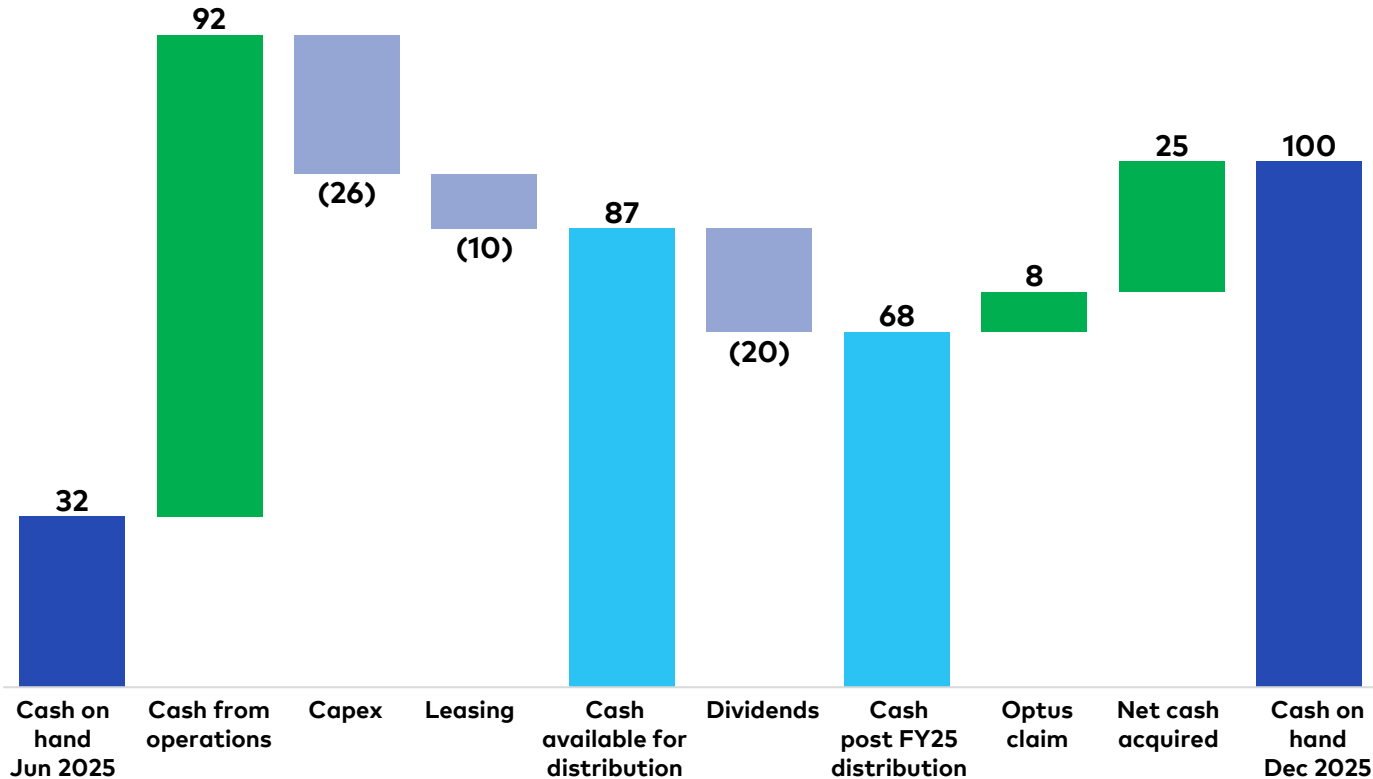
STATUTORY CAPITAL EXPENDITURE (\$m)



- Underlying Sky Standalone Capex for the half was \$13m lower than the first half of last year due to:
 - the prior period early replacement of transmission equipment to support satellite migration.
 - lower spend on customer devices following a period of accelerated investment to build inventory
- Underlying Sky Standalone capex of \$26m was slightly below the target band of 7% – 9% of revenue at 6.9%. Sky Free’s lower capex profile lowers the consolidated ratio to 6.5%.

Cash Flow

Strong cash flow resulting in closing cash balance of \$100m

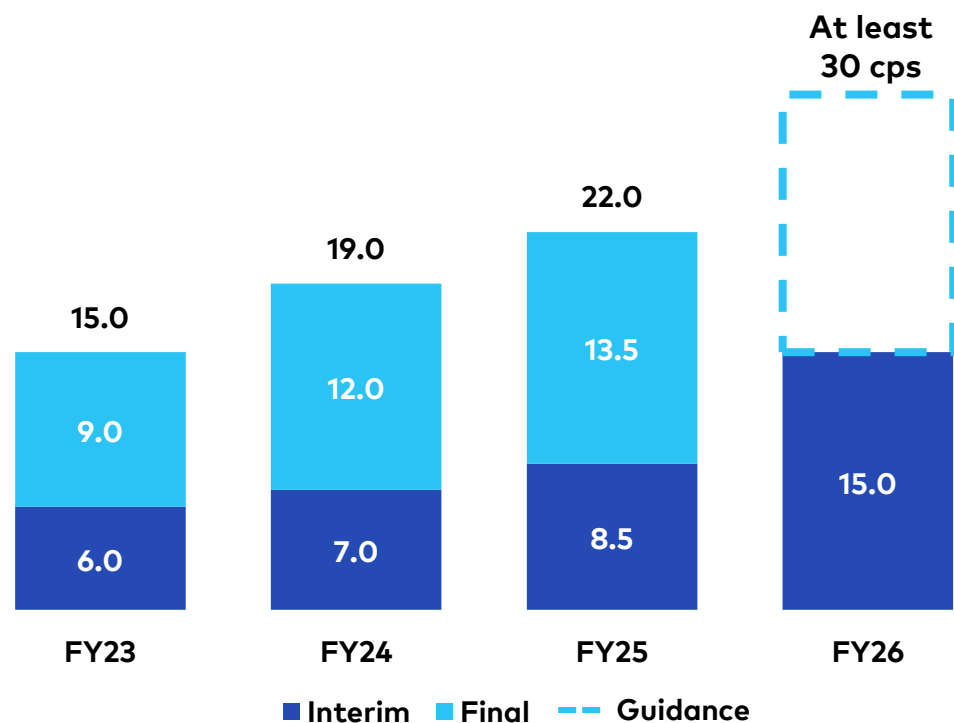


- Core business generated \$55m of cash in the first half (compared to \$7m for H1 25)
- Cash was boosted by cash acquired with Sky Free of \$25m and \$8m of compensation from Optus.
- Operating cash flow was strong as a result of improved earnings in the half and favourable working capital movements. It is expected that a portion of the working capital movements will reverse in the second half of the year including settlement of Sky Free liabilities.
- Cash from the acquisition of Sky Free included cash contribution for integration, cash to settle outstanding payables and an agreed working capital level.

Capital management

76% Dividend growth reflects strong first half cash generation

DELIVERING DIVIDEND GROWTH (cps)



Dividends:

- As a result of strong cash generation in the first half the Board has decided to pay a higher percentage¹ of the expected full year dividend as an interim distribution.
- The Board has declared a 15.0 cps (fully imputed) interim dividend which represents c.50% of FY26 dividend guidance.

Capital Management:

- Sky intends to review capital management options following the successful integration of Sky Free with a further update to be provided as part of the FY26 earnings announcement.

Business Update



Sport Strategy – continuing to control our content destiny

We have an unrivalled position in sports that can't easily be unbundled

- No one else comes close to offering the quality and depth of sport available on Sky
- Secured through long term agreements and hedged by content breadth and staggered renewals
- Underpinned by deep viewership insights that guide disciplined decisions
- Best choice for content partners and brands to engage with NZ's sports fans
- Exceptional value for sport customers in a single subscription



Genuinely world-class sport alongside the best of local



Local Season Long Competitions

Sky Sport Shows | Beyond The Whistle



Results Presentation
For the six months ended 31 December 2025

Entertainment Strategy – controlling our content destiny

Powerful refresh based on audience insights

- New and expanded agreements with chosen partners
- Increased access to premium mainstream content (from premium niche)
- Fiscal flexibility to increase choice, moving away from output deals to create room to respond to trends
- Replaced pass-through channels with locally curated alternatives (e.g. Sky Comedy, Sky Kids)
- Strengthened pipeline of original, local content



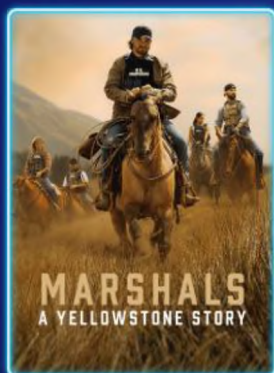
A new glow for Neon

Neon's strategy refresh to deliver more consistent performance

- Customers will see a refreshed identity, clearer content strategy and more consistent content cadence.
- Delivering a steady drumbeat of premium titles across the year.
- Content focus shifts to 'premium mainstream' with broader appeal.
- Enabling more consistent and predictable performance.



Must See Entertainment delivered consistently



Homegrown Kiwi Content



The power of our expanded portfolio

Providing choice for customers and maximising the value of Sky's unrivalled content



2.2M
monthly viewers



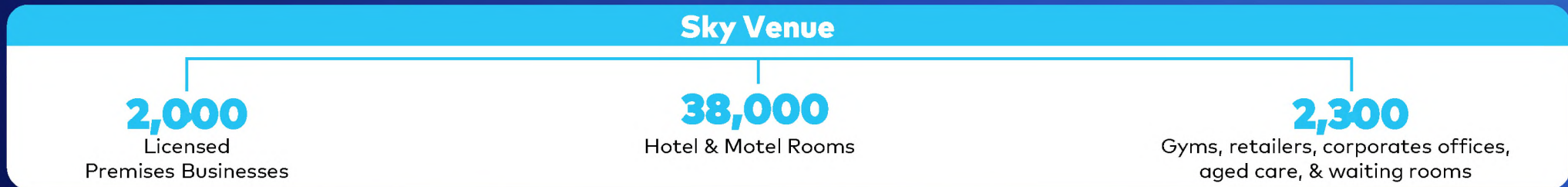
1.2M
weekly viewers



2.6M
monthly viewers



3.0M
Followers



Outlook and FY 2026 Guidance Update

\$m	FY 2026 guidance ¹ Sky Standalone (22 Aug 2025)	FY 2026 guidance ¹ Sky Standalone (26 Feb 2026)	FY 2026 guidance ¹ Combined Group (26 Feb 2026)
Revenue	745 – 770	745 - 755	820 - 835
EBITDA	142 – 162	147 - 157	145 - 160
Capex	60 – 70	60 - 65	62 - 68
Dividend ²	at least 30 cps	at least 30 cps	at least 30 cps

Outlook

- Economic conditions remain challenging, impacting Revenue in the near term.
- Programming costs expected to moderate slightly in H2 and remain within the 47% to 49% of revenue target range.

FY26 Guidance

- Updated guidance is on a combined group basis, including 11-month contribution from Sky Free.
- Sky Standalone Revenue guidance is narrowed towards the lower end of previous guidance range reflecting the challenging economic environment.
- EBITDA range is narrowed with an unchanged mid-point.

Longer term

- Earnings growth continues in FY27.
- We remain confident in our ability to deliver at least \$10m of incremental EBITDA by FY28 through delivery of synergies across the group.



Questions



Appendix

Financial Performance

Underlying earnings improved while statutory earnings boosted by one-off gains

\$m	H1 FY26 Underlying ¹	H1 FY25 Underlying ¹	% change Underlying ¹	H1 FY26 Statutory	H1 FY25 Statutory
Revenue	415.4	385.0	7.9%	414.4	384.8
Sky (Sky Standalone)	379.8	385.0	(1.3%)	378.9	384.8
Sky Free (5mths)	35.6	-	-	35.6	-
Other Income	0.5	1.4	(60.8%)	43.1	6.3
Operating Expenses	337.7	325.6	(3.7%)	346.8	347.9
Sky (Sky Standalone)	303.8	325.6	6.7%	312.4	347.9
Sky Free (5mths)	33.9	-	-	34.4	-
EBITDA	78.2	60.7	28.7%	110.8	43.2
Interest, FX (gains)/losses	3.5	2.6	(37.4%)	3.5	2.6
Taxation	5.8	4.2	(35.8%)	5.2	(0.7)
Depreciation & Amortisation	49.6	43.1	(15.2%)	49.6	43.1
Net Profit after Tax	19.3	10.9	77.4%	52.4	(1.7)
Earnings per share (cents)	13.86	7.76	78.6%	37.91	(1.42)

- Underlying EBITDA 29% higher, and underlying NPAT 77% higher than the first half of FY25.
- Statutory Other Income includes \$34.4m Gain on bargain purchase of Sky Free and \$8.2m compensation from Optus relating to accelerated satellite migration.
- Depreciation and amortisation uplift reflects new devices satellite migration spend in prior year and new satellite lease.
- EPS increased by 79% to 13.86 cents per share driven by underlying EBITDA growth, with statutory EPS largely elevated by one-off Other Income items.

Summary of Adjustments

Non-recurring items (largely Sky Free acquisition¹ and Optus satellite migration) have been adjusted to allow a like for like comparison of underlying performance

\$m	H1 FY26	Description	H1 FY25	
Revenue	\$0.9m	Optus: Customer credits	\$0.2m	Optus: Customer credits
Other Income	(\$42.6m)	Sky Free: (\$34.4) Gain on Bargain Purchase ¹ Optus: (\$8.2m) compensation for accelerated migration to the new satellite	(\$4.9m)	Optus: modified lease term for previous satellite
Expenses	\$9.1m	Sky Free: \$1.0m Transaction costs; \$3.1m Integration costs Other: \$2.7m Accelerated amortisation ² following methodology change; \$2.3m Organisational change costs	\$22.3m	Optus: \$1.1m Opex impact of migration Other: \$18.3m Accelerated amortisation; \$2.8m Transformation costs
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Appendix

Table of expenses by category:

Sky introduced an Advertising expense category at H1 FY26 to disaggregate these costs from Other costs. H1 FY26 includes Sky Free costs for the five months from 1 August 2025.

\$m	H1 FY24	H2 FY24	H1 FY25	H2 FY25	H1 FY26
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Broadcasting & Infrastructure	44.2	43.0	49.3	51.8	62.3
Subscriber Related	39.8	40.8	38.7	32.7	37.0
Advertising	9.4	6.9	9.5	9.0	23.3
Other	20.1	18.6	18.8	15.3	20.7
Operating Expenses	311.4	303.0	325.6	283.8	337.7

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Sky Network Television

Interim Results Presentation

For the six months ended 31
December 2025

26 February 2026



Agenda

- ▶ Results highlights
- ▶ Financial and Operational Performance
- ▶ Business Update
- ▶ Outlook and Guidance
- ▶ Questions



Interim Result Highlights

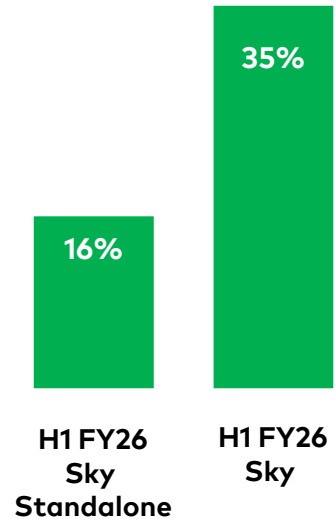
Strong first half performance as expanded business builds momentum

- ▶ Double digit growth in EBITDA driven by solid revenue performance in a difficult market and lower costs.
- ▶ Unmatched position in sport strengthened by disciplined renewals. Refresh of entertainment strategy delivering a strong pipeline of quality content.
- ▶ Complex Sky Free integration on track and strong progress on planned synergy delivery with \$3.2m delivered in the half across the group of the previously indicated \$3 - \$5m for the full year.
- ▶ Gain on bargain purchase of \$34.4m as a result of fair value assessment of assets acquired for \$1.
- ▶ Strong cash generation from operations and acquisition terms contributing to increased Free Cash Flow. Firmly on track to be able to pay at least 30 cents per share for FY26.

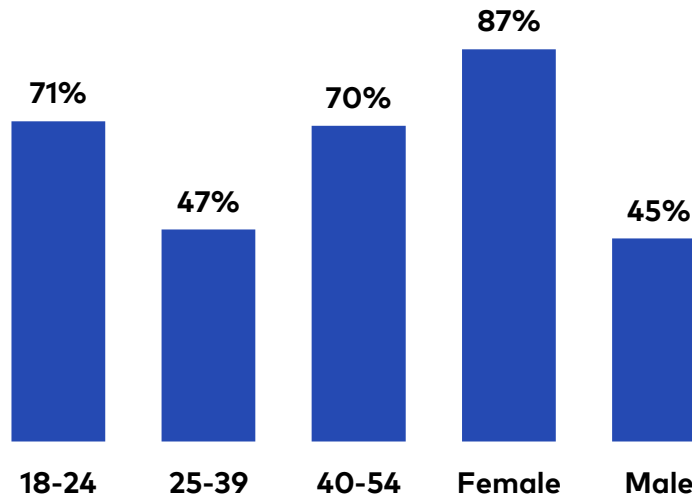
An accelerating acquisition

Capital light investment delivered immediate scale and stronger market position in advertising and digital

ADVERTISING REVENUE MARKET SHARE (Linear)¹



+62% INCREASE IN DIGITAL AUDIENCE²



- Revenue market share boosted to 35% of important linear segment³.
- Total advertising revenue more than doubled and includes 20% from fast-growing digital segment.
- Single advertising sales proposition from Feb 2026 strengthens market position and provides unique offering for agencies and brands.
- 62% increase in Sky's digital audience, now reaching 1.2m viewers weekly with added youth and diversity.
- Strategic fit enables significant opportunities throughout the business.

Financial Highlights

Strong performance in a challenging market

\$415.4m

UNDERLYING REVENUE¹ **+8%**

H1 FY26 Sky Standalone: \$379.8m **(1%)**

H1 FY25: \$385.0m

\$78.2m

UNDERLYING EBITDA¹ **+29%**

H1 FY26 Sky Standalone: \$76.5m **+26%**

H1 FY25: \$60.7m

\$52.4m

STATUTORY NPAT

H1 FY25: (\$1.7m)

H1 FY26 Underlying NPAT¹: \$19.3m **+77%**

H1 FY25 Underlying NPAT¹: \$10.9m

\$27.0m

CAPITAL EXPENDITURE¹ **(31%)**

H1 FY26 Sky Standalone: \$26.0m

H1 FY25: \$39.1m

\$87.1m

FREE CASH FLOW

H1 FY25: \$7.5m

15.0cps

DIVIDEND **+76%**

H1 FY25: 8.5cps

- Revenue¹ up 8%, driven by contribution from Sky Free and growth in Broadband and Streaming.
- EBITDA¹ up 29%, supported by tight cost control, lower programming spend, and contribution from Sky Free.
- Underlying NPAT¹ up 77%, reflecting strong execution across the business.
- Capital Expenditure returned to a lower more normal level.
- Free cash flow significantly higher, supported by improved operations, lower capex, favourable working capital, and cash acquired on acquisition of Sky Free.
- Dividend up 76%, fuelled by strong free cash flow and reflecting Board confidence.



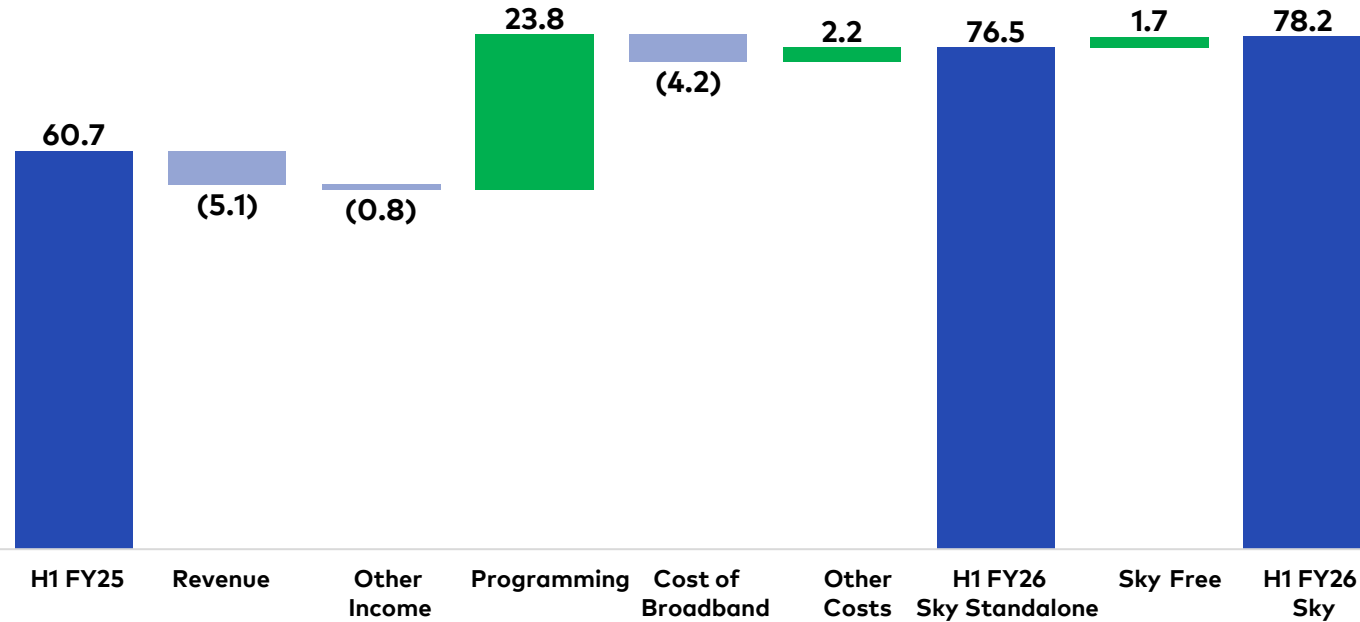
Financial and Operational Performance



Key Drivers of EBITDA¹ Improvement

29% increase in underlying EBITDA driven by lower costs

EBITDA¹ MOVEMENTS (UNDERLYING) (\$m)

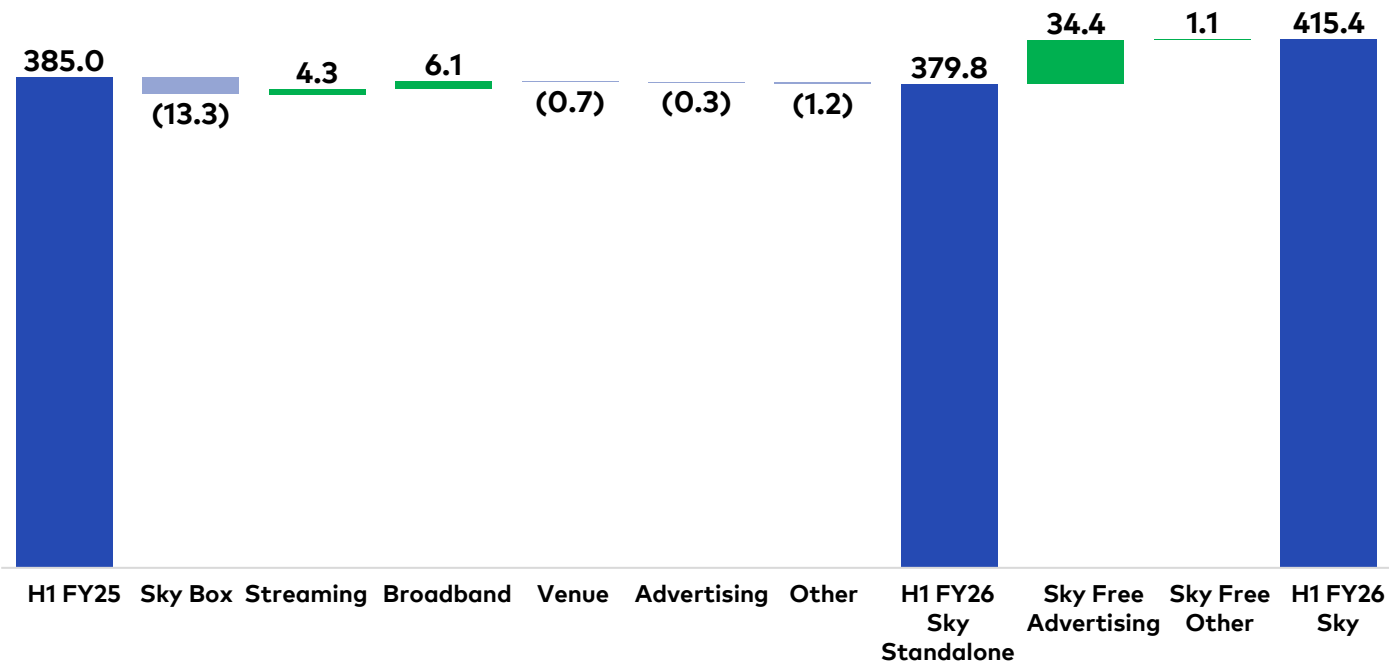


- Improved underlying EBITDA was driven by 6.7% lower costs in Sky Standalone that outpaced the revenue decline of 1.3%.
- Programming costs were significantly reduced following disciplined negotiations for content combined with timing of one-off events.
- Customer growth was the primary driver of increased Broadband costs.
- Continued focus on cost management throughout the business delivered a lower cost base.
- Lower than expected Sky Free cost base resulted in a positive EBITDA contribution.

Revenue¹

Addition of Sky Free resulted in an 8% overall revenue increase

REVENUE MOVEMENTS (UNDERLYING¹) (\$m)

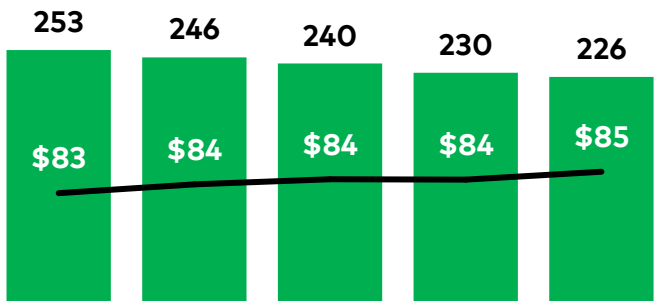


- Growth in Broadband and Streaming revenue offset 78% of the Sky Box decline.
- Sky Standalone revenue was 1.3% lower than last year, largely due to reduced Sky Box and Neon customer numbers and non-repeat of Advertising revenue related to the 2024 Paris Olympics.
- The Venue (formerly Commercial) business revenue was stable despite sector challenges.
- Sky Free contributed a 9.4% revenue uplift in the first 5 months of ownership despite market revenue softness. Sky Free other revenue relates to service fee income.

Revenue by product

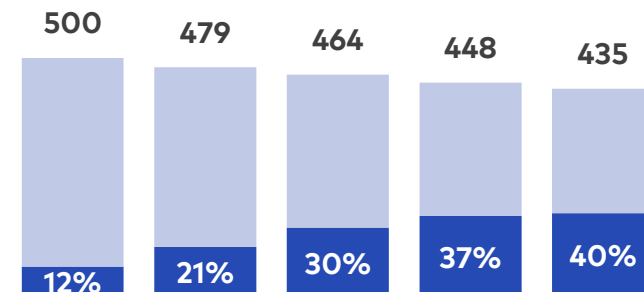
Sky Box improved ARPU and Churn

UNDERLYING REVENUE (\$m) & ARPU¹



H1 FY24 H2 FY24 H1 FY25 H2 FY25 H1 FY26

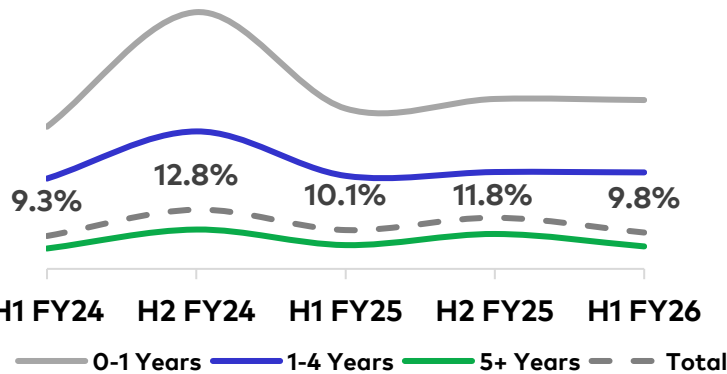
CUSTOMERS (000)



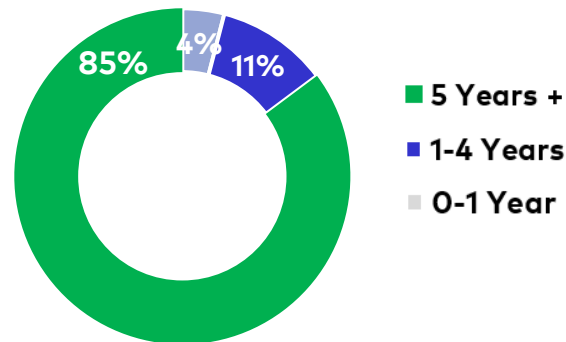
H1 FY24 H2 FY24 H1 FY25 H2 FY25 H1 FY26

■ New Sky Box ■ Classic Sky Box

CUSTOMERS CHURN BY TENURE



CUSTOMER TENURE (%)

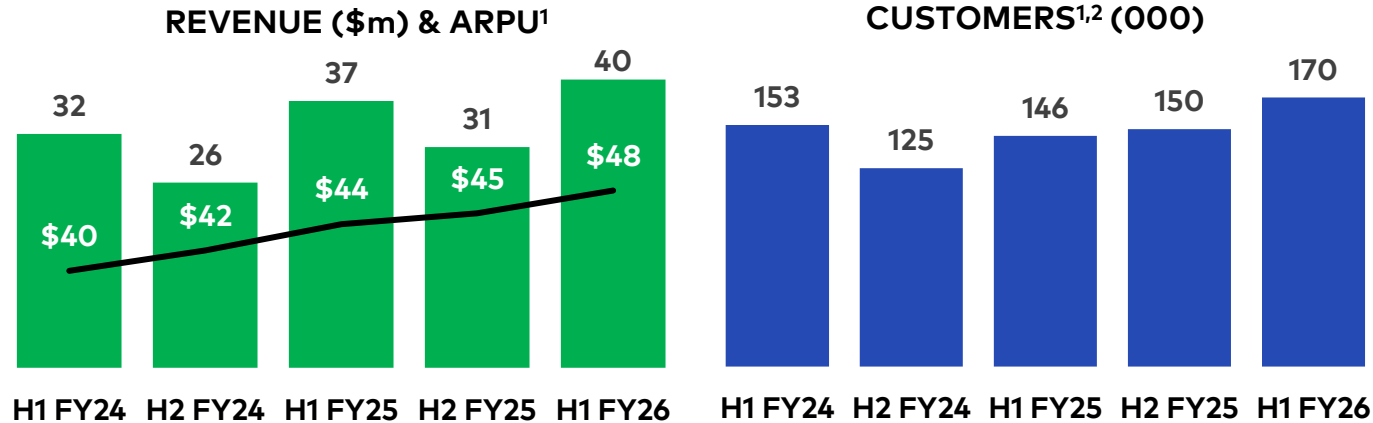


- Encouraging churn improvement and increased ARPU contributed to slow customer and revenue decline.
- New device customers increased to 40% from 30% a year ago and Sports customers rose to 74% supported by a strong content lineup.
- ARPU increase of 1.1% to \$85.21 was largely driven by sports customer penetration and sport package price increase in May 2025.
- 85% of customers have tenure of more than five years and lower average churn of 8.0%.



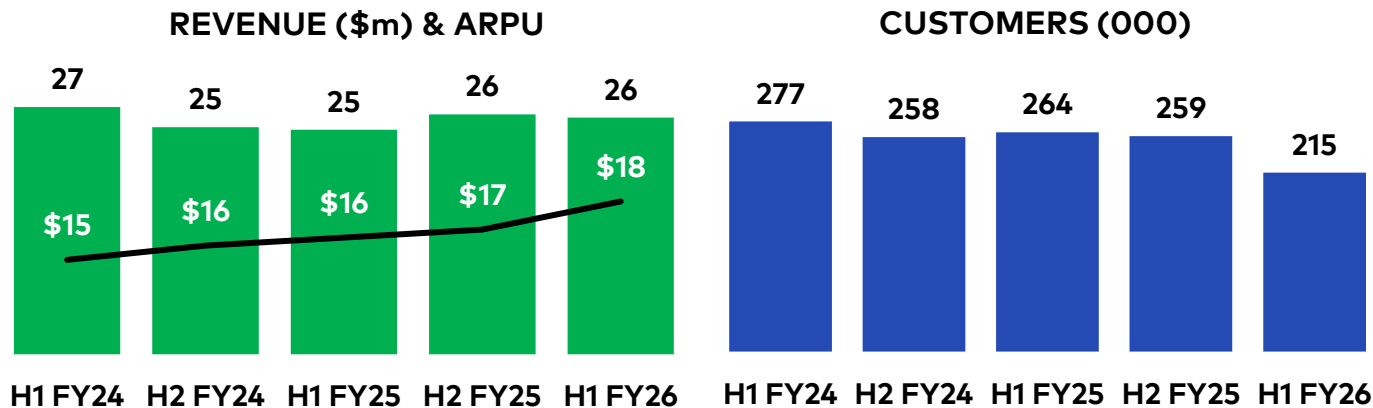
Revenue by product

Sky Sport Now revenue grew 8%



- Sky Sport Now's growth continued with revenue rising 8% and customer numbers up +17%.
- ARPU rose 8% to \$47.55, benefitting from a 10% price rise in March 2025 on monthly and annual passes.
- Introduction of the Day pass in May 2025 at \$29.99 is exceeding expectations. This provides a flexible entry point with good conversion to recurring passes.

Neon revenue impacted by lower customers

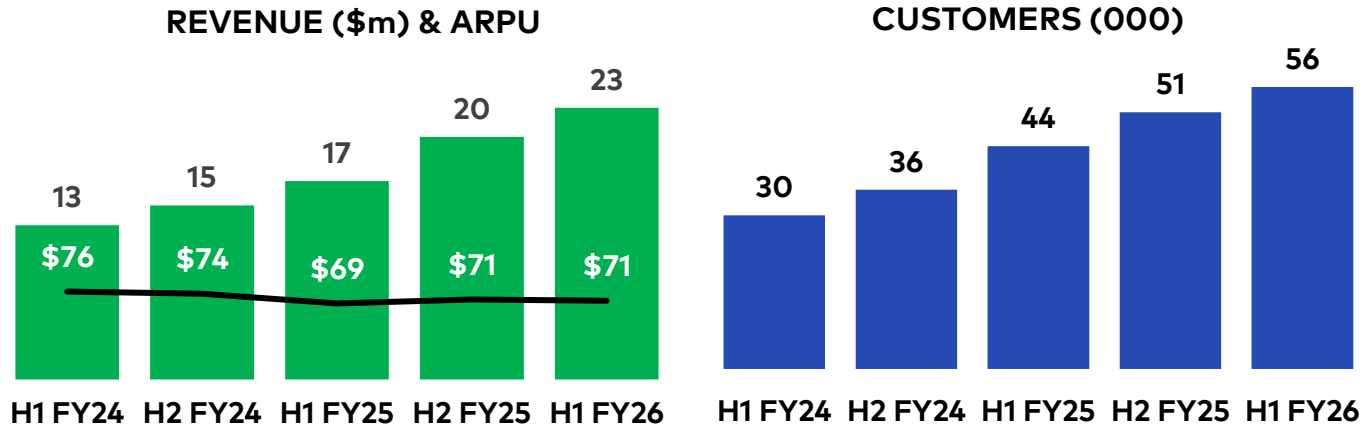


- Lack of acquisition and retention driving content contributed to an 18% fall in customer numbers although a 12% lift in ARPU more than offset this to grow topline revenue by \$1.3m.
- Neon Standard pricing increased to \$23.99 in April 2025 and Basic tier increased to \$14.99 in October 2025. Basic accounts for 21% of the base and contributes digital revenue in the Advertising line.



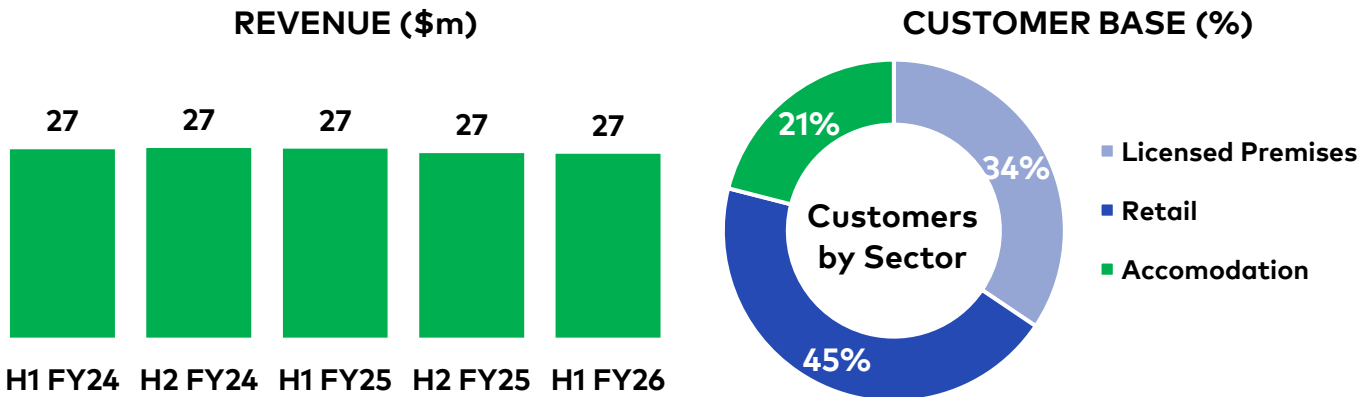
Revenue by product

Broadband revenue increased 37%



- Revenue increased 37% as customer numbers continue to build (up 27%), despite a competitive market.
- 10.7% of Sky Box customers have Sky bundled broadband, rising to 15% at acquisition.
- ARPU increased 2% despite a continued shift in mix towards lower tier plans. Starter plan customers now make up 34% of base, from 23% last year.

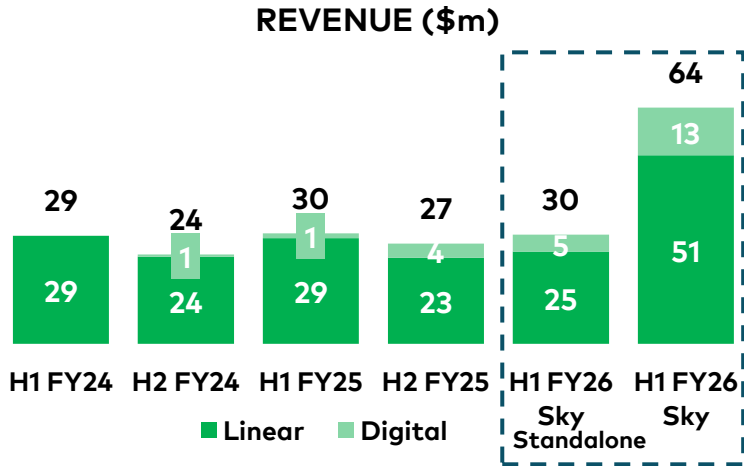
Venue delivered a consistent performance



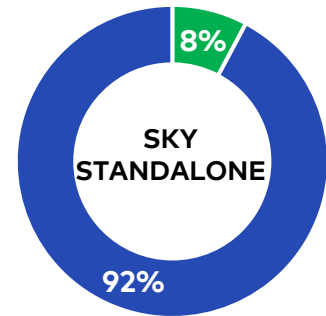
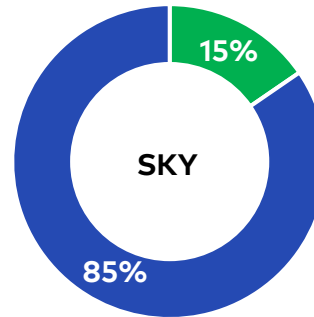
- Venue (formerly Commercial) delivered a consistent performance despite tough trading conditions in the retail and accommodation sectors.
- Launch of the business edition of the new Sky Box late in the half is providing opportunity.

Revenue by product

Advertising Revenue doubled



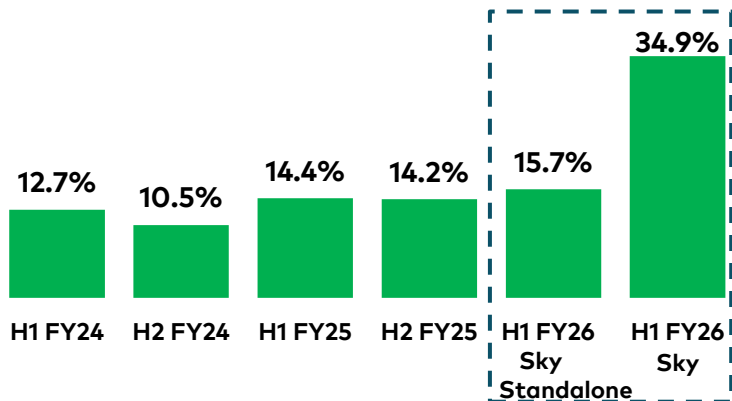
INCREASED REVENUE DIVERSITY (%)



■ Advertising ■ Other

- Relatively stable revenue is a positive outcome for Sky Standalone business as the prior period included the Paris Olympics.
- Digital revenue percentage (Sky Standalone) rose to 16% within 2 years of adding this stream. Sky Go digital advertising launched in October 2025.
- 5-month contribution from Sky Free more than doubled Sky's advertising revenue. 24% of Sky Free's revenue is from digital sources.
- Advertising rises to 15% of revenue in H1 with the initial 5 month contribution from Sky Free
- Revenue market share was boosted to 35% in the linear segment.

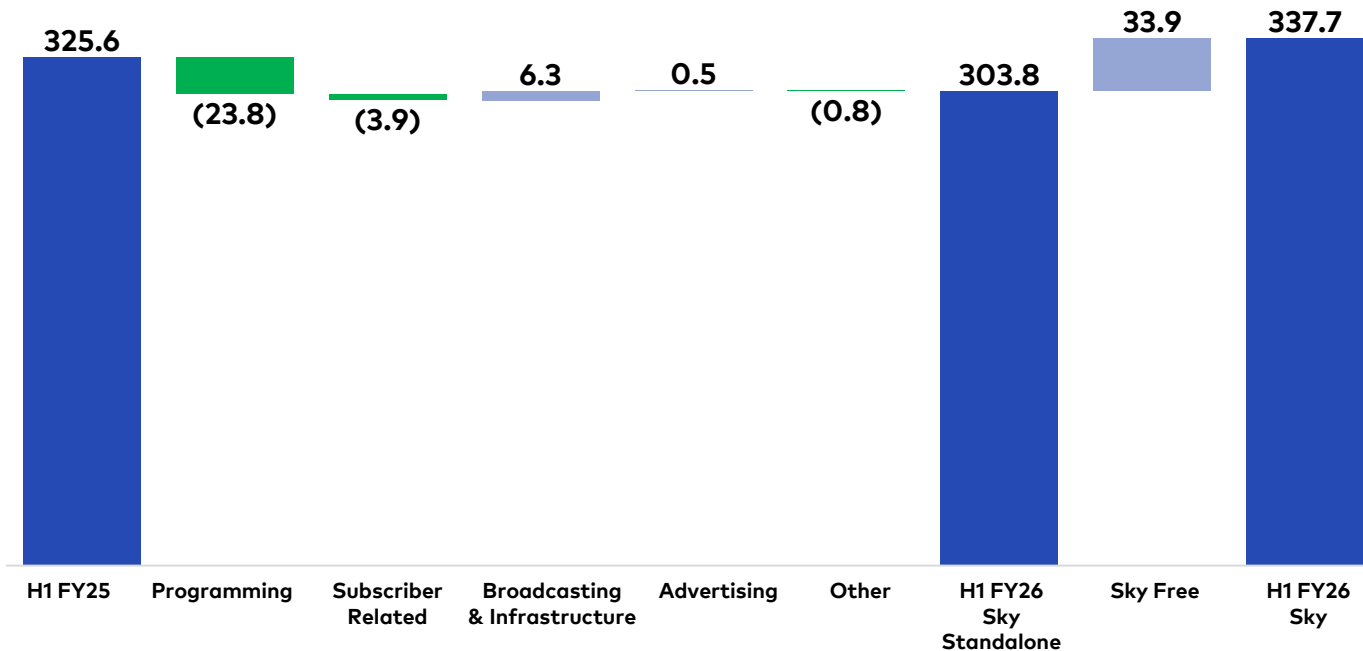
REVENUE MARKET SHARE¹(Linear)



Operating Expenses

Disciplined cost management supporting bottom line

OPERATING EXPENSES (UNDERLYING¹) (\$m)

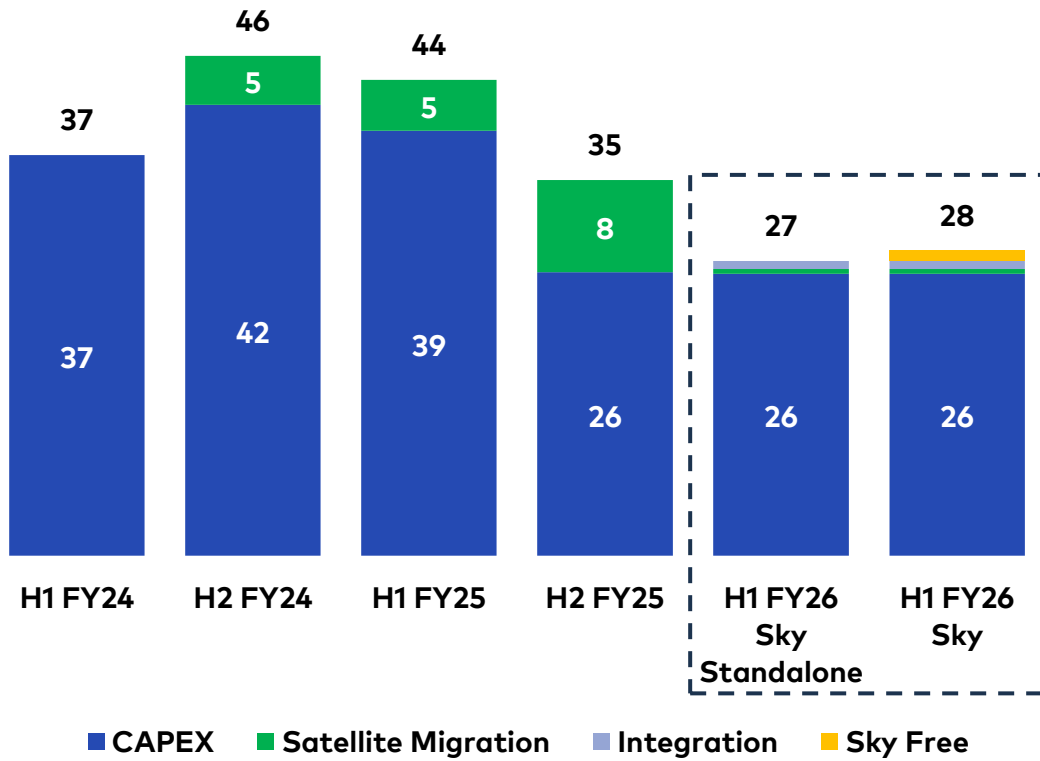


- **Programming Costs:** Sky Standalone programming costs to revenue ratio reduced to 48.8% with significant cost reductions due to:
 - timing of one-off events (last year's Paris Olympics), and
 - disciplined negotiation and content choices across sport and entertainment, including non-renewals that more than offset new commitments.
- **Subscriber Related:** reductions due to lower marketing and people costs.
- **Broadcasting & Infrastructure:** Increase reflects growth in Broadband and an increase in technology spend.
- **Advertising²** stable cost profile was broadly in-line with the revenue result for Advertising.
- **Sky Free:** Early cost base reductions across key categories delivered margin upside. Key costs including Advertising, Programming and Infrastructure.

Capital Expenditure

Capital intensity returns to longer term run-rate level

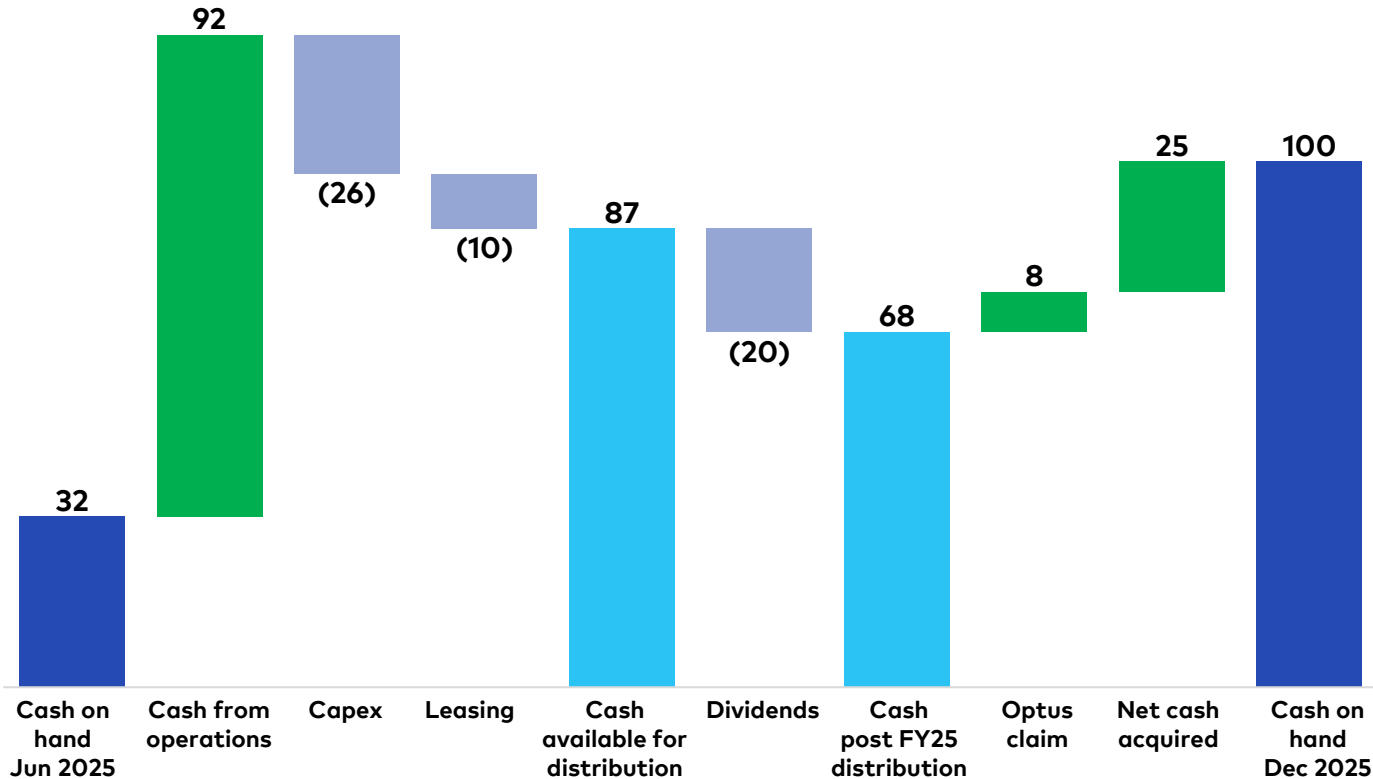
STATUTORY CAPITAL EXPENDITURE (\$m)



- Underlying Sky Standalone Capex for the half was \$13m lower than the first half of last year due to:
 - the prior period early replacement of transmission equipment to support satellite migration.
 - lower spend on customer devices following a period of accelerated investment to build inventory
- Underlying Sky Standalone capex of \$26m was slightly below the target band of 7% – 9% of revenue at 6.9%. Sky Free’s lower capex profile lowers the consolidated ratio to 6.5%.

Cash Flow

Strong cash flow resulting in closing cash balance of \$100m

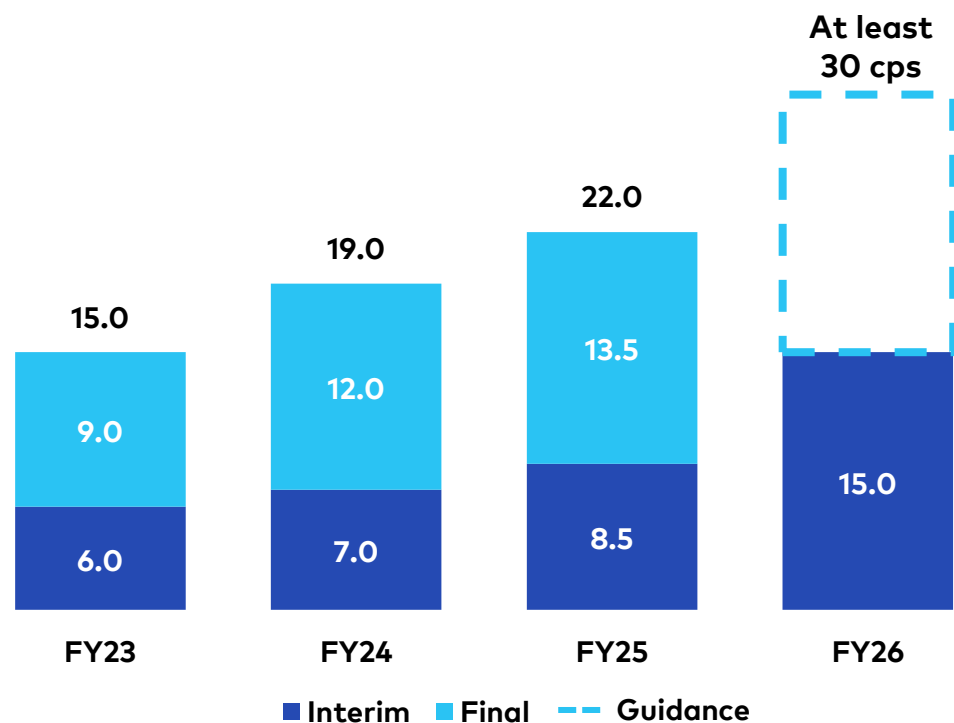


- Core business generated \$55m of cash in the first half (compared to \$7m for H1 25)
- Cash was boosted by cash acquired with Sky Free of \$25m and \$8m of compensation from Optus.
- Operating cash flow was strong as a result of improved earnings in the half and favourable working capital movements. It is expected that a portion of the working capital movements will reverse in the second half of the year including settlement of Sky Free liabilities.
- Cash from the acquisition of Sky Free included cash contribution for integration, cash to settle outstanding payables and an agreed working capital level.

Capital management

76% Dividend growth reflects strong first half cash generation

DELIVERING DIVIDEND GROWTH (cps)



Dividends:

- As a result of strong cash generation in the first half the Board has decided to pay a higher percentage¹ of the expected full year dividend as an interim distribution.
- The Board has declared a 15.0 cps (fully imputed) interim dividend which represents c.50% of FY26 dividend guidance.

Capital Management:

- Sky intends to review capital management options following the successful integration of Sky Free with a further update to be provided as part of the FY26 earnings announcement.

Business Update



Sport Strategy – continuing to control our content destiny

We have an unrivalled position in sports that can't easily be unbundled

- No one else comes close to offering the quality and depth of sport available on Sky
- Secured through long term agreements and hedged by content breadth and staggered renewals
- Underpinned by deep viewership insights that guide disciplined decisions
- Best choice for content partners and brands to engage with NZ's sports fans
- Exceptional value for sport customers in a single subscription



Genuinely world-class sport alongside the best of local



Local Season Long Competitions

Sky Sport Shows | Beyond The Whistle



Results Presentation
For the six months ended 31 December 2025

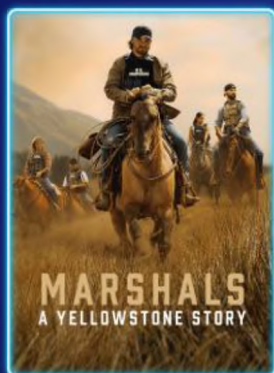
Entertainment Strategy – controlling our content destiny

Powerful refresh based on audience insights

- New and expanded agreements with chosen partners
- Increased access to premium mainstream content (from premium niche)
- Fiscal flexibility to increase choice, moving away from output deals to create room to respond to trends
- Replaced pass-through channels with locally curated alternatives (e.g. Sky Comedy, Sky Kids)
- Strengthened pipeline of original, local content



Must See Entertainment delivered consistently



Homegrown Kiwi Content



The power of our expanded portfolio

Providing choice for customers and maximising the value of Sky's unrivalled content



2.2M
monthly viewers



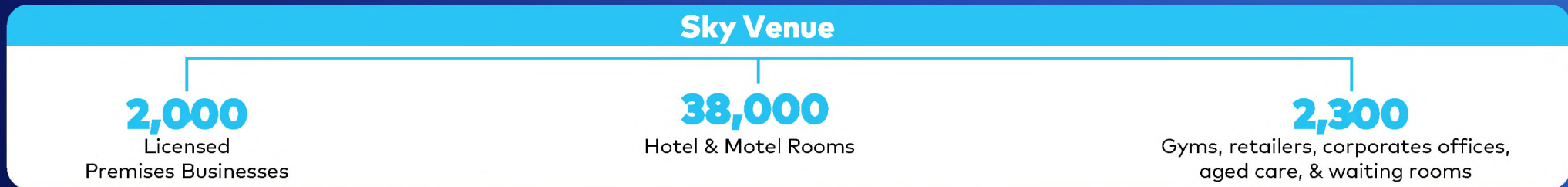
1.2M
weekly viewers



2.6M
monthly viewers



3.0M
Followers



Outlook and FY 2026 Guidance Update

\$m	FY 2026 guidance ¹ Sky Standalone (22 Aug 2025)	FY 2026 guidance ¹ Sky Standalone (26 Feb 2026)	FY 2026 guidance ¹ Combined Group (26 Feb 2026)
Revenue	745 – 770	745 - 755	820 - 835
EBITDA	142 – 162	147 - 157	145 - 160
Capex	60 – 70	60 - 65	62 - 68
Dividend ²	at least 30 cps	at least 30 cps	at least 30 cps

Outlook

- Economic conditions remain challenging, impacting Revenue in the near term.
- Programming costs expected to moderate slightly in H2 and remain within the 47% to 49% of revenue target range.

FY26 Guidance

- Updated guidance is on a combined group basis, including 11-month contribution from Sky Free.
- Sky Standalone Revenue guidance is narrowed towards the lower end of previous guidance range reflecting the challenging economic environment.
- EBITDA range is narrowed with an unchanged mid-point.

Longer term

- Earnings growth continues in FY27.
- We remain confident in our ability to deliver at least \$10m of incremental EBITDA by FY28 through delivery of synergies across the group.



Questions



Appendix

sky

Financial Performance

Underlying earnings improved while statutory earnings boosted by one-off gains

\$m	H1 FY26 Underlying ¹	H1 FY25 Underlying ¹	% change Underlying ¹	H1 FY26 Statutory	H1 FY25 Statutory
Revenue	415.4	385.0	7.9%	414.4	384.8
Sky (Sky Standalone)	379.8	385.0	(1.3%)	378.9	384.8
Sky Free (5mths)	35.6	-	-	35.6	-
Other Income	0.5	1.4	(60.8%)	43.1	6.3
Operating Expenses	337.7	325.6	(3.7%)	346.8	347.9
Sky (Sky Standalone)	303.8	325.6	6.7%	312.4	347.9
Sky Free (5mths)	33.9	-	-	34.4	-
EBITDA	78.2	60.7	28.7%	110.8	43.2
Interest, FX (gains)/losses	3.5	2.6	(37.4%)	3.5	2.6
Taxation	5.8	4.2	(35.8%)	5.2	(0.7)
Depreciation & Amortisation	49.6	43.1	(15.2%)	49.6	43.1
Net Profit after Tax	19.3	10.9	77.4%	52.4	(1.7)
Earnings per share (cents)	13.86	7.76	78.6%	37.91	(1.42)

- Underlying EBITDA 29% higher, and underlying NPAT 77% higher than the first half of FY25.
- Statutory Other Income includes \$34.4m Gain on bargain purchase of Sky Free and \$8.2m compensation from Optus relating to accelerated satellite migration.
- Depreciation and amortisation uplift reflects new devices satellite migration spend in prior year and new satellite lease.
- EPS increased by 79% to 13.86 cents per share driven by underlying EBITDA growth, with statutory EPS largely elevated by one-off Other Income items.

Summary of Adjustments

Non-recurring items (largely Sky Free acquisition¹ and Optus satellite migration) have been adjusted to allow a like for like comparison of underlying performance

\$m	H1 FY26	Description	H1 FY25	
Revenue	\$0.9m	Optus: Customer credits	\$0.2m	Optus: Customer credits
Other Income	(\$42.6m)	Sky Free: (\$34.4) Gain on Bargain Purchase ¹ Optus: (\$8.2m) compensation for accelerated migration to the new satellite	(\$4.9m)	Optus: modified lease term for previous satellite
Expenses	\$9.1m	Sky Free: \$1.0m Transaction costs; \$3.1m Integration costs Other: \$2.7m Accelerated amortisation ² following methodology change; \$2.3m Organisational change costs	\$22.3m	Optus: \$1.1m Opex impact of migration Other: \$18.3m Accelerated amortisation; \$2.8m Transformation costs
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