



Annual Meeting

31 October 2024

sky
CITY
ENTERTAINMENT GROUP

Chair
Julian Cook

Welcome to the 2024 Annual Meeting

- Meeting duly convened with a quorum present
- The Annual Meeting is a **hybrid** meeting, so shareholders and bondholders can participate either online or in person
- Shareholders participating online can view the presentations, ask questions and vote on the resolutions on their selected devices
- Bondholders participating online can view the presentations on their selected devices, but cannot ask questions or vote on the resolutions



Online Instructions – Questions/Assistance

- If you have a question to submit during the meeting
 - Select the 'Q&A' tab on your screen at any time
 - Type your question into the field and press send
 - Your question will be immediately submitted
- The 'Q&A' tab can also be used for assistance
 - Submit your query in the same manner as typing a question and a Computershare representative will respond to you directly
 - Alternatively, call Computershare on 0800 650 034

ONLINE INSTRUCTIONS

- 1** Select the Q&A tab
- 2** Type your question in the field
- 3** Press 'send' to submit your question

Voting Online and In Person

- You can vote online on the resolutions once voting opens
 - To vote, click on the 'Vote' tab, and select your voting direction from the options shown
 - Vote for all resolutions at once or by each resolution
 - Your vote has been cast when the tick appears
 - To change your vote, select 'Change Your Vote'
- If you are attending in person in the SkyCity Theatre
 - Complete your voting paper
 - Place your completed voting paper in one of the ballot boxes at the end of the meeting

ONLINE INSTRUCTIONS

- 1** Select voting directions
- 2** Green tick = vote cast
- 3** Select 'change your vote' to change a vote

SkyCity Board of Directors



Julian Cook, Chair



Donna Cooper, Director



**David Attenborough,
Director**



Chad Barton, Director



Kate Hughes, Director



Glenn Davis, Director

Meeting Agenda

- Chair's Address
- Chief Executive Officer's Address
- Transformation Sub-Committee Chair's Address
- Resolutions and questions relating to the resolutions
- General Q&A session on management and operations of the business
- Close of meeting
- Refreshments in the Sky Theatre foyer



Chair's Address
Julian Cook

Introduction

- Over the last 12 months a number of regulatory issues have been resolved
- A new CEO and CFO have been recruited to lead the Group
- Milestones achieved since last year
 - Repurchase of the Auckland car park concession
 - Opening of the Horizon by SkyCity hotel
- Trading conditions have been challenging and a prudent decision was made to suspend dividends

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Regulatory matters

- In May 2024, SkyCity reached an agreement with the Department of Internal Affairs to resolve the civil penalty proceedings commenced in February 2024 – this led to a \$4.16m penalty
- In July 2024, SkyCity reached an agreement with the Secretary for Internal Affairs to resolve the application to temporarily suspend SkyCity's NZ casino operator's licence - this led to a 5-day closure of the Auckland gaming areas in September 2024
- The Australian Federal Court approved our agreement with AUSTRAC to resolve the civil penalty proceedings commenced in December 2022 and in July 2024 a A\$67m civil penalty payment was made



Transformation programme

- Significant focus on undertaking a Group-wide multi-year transformation of processes, systems and capability around prevention of financial crime and uplift in host responsibility
 - Refresh of Board and appointment of key leaders, including new Chief Risk Officer in 2023
 - Creation of a dedicated Board Risk and Compliance Committee and a Board Transformation Sub-Committee
 - Reducing risk and complexity by changing the way we operate to reflect our lower risk tolerance, including limiting the ways in which customers can transact with us
- Introduction of mandatory carded play (MCP) in mid 2025 in NZ and 2026 in Adelaide



Capital structure

- In June 2024, a prudent approach to managing the increasing debt profile was taken that resulted in the decision to suspend the final dividend for FY24 and the FY25 dividends
- In August 2024, SkyCity successfully refinanced significant tranches of its debt funding and maintains significant funding headroom in its debt facilities
- In the medium term, SkyCity is targeting metrics consistent with a BBB (flat) S&P Global credit rating



Concluding remarks

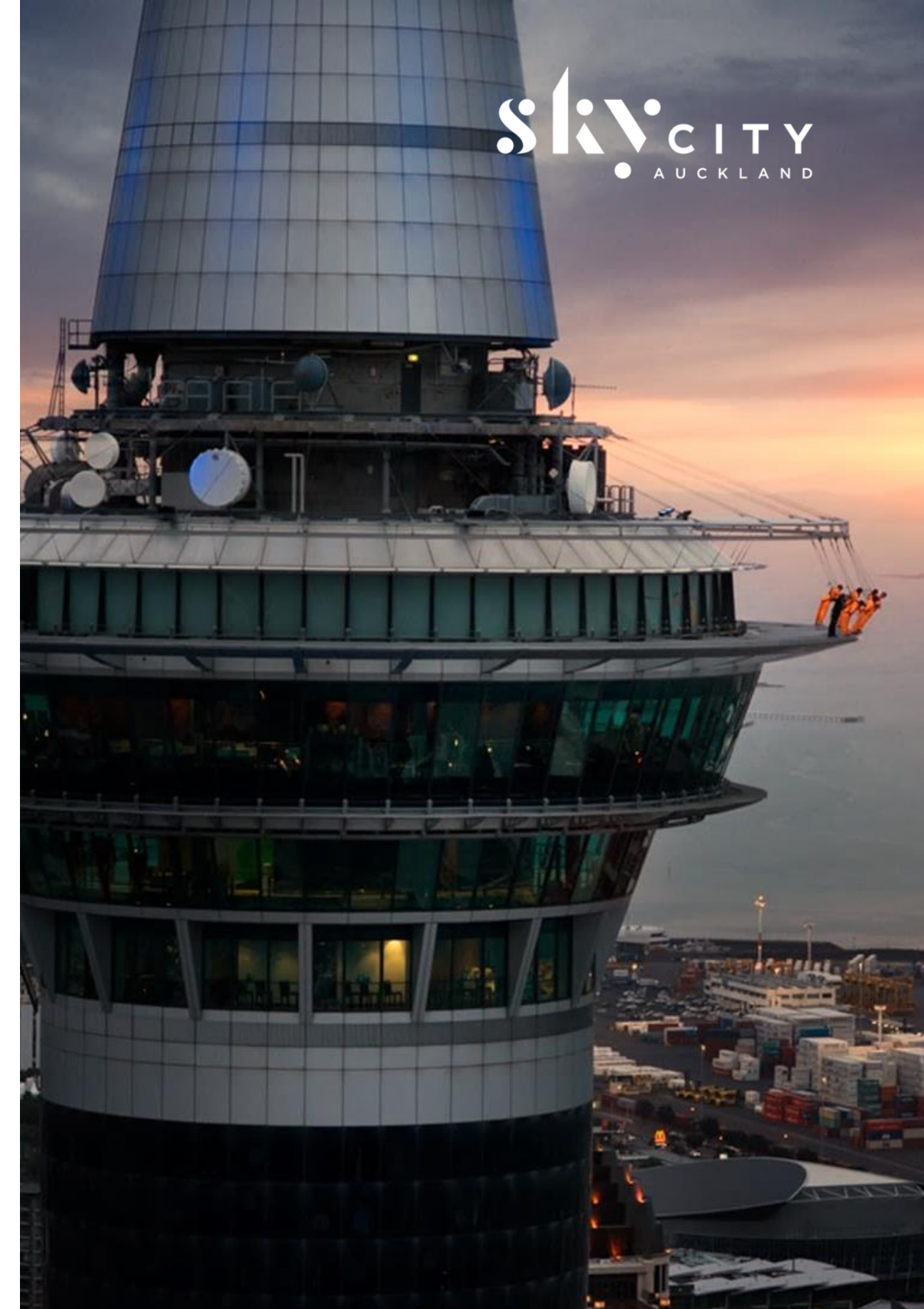
- Financial year ahead continues to reflect a challenging economic environment, particularly in Auckland
- SkyCity remains a key contributor to NZ and Adelaide economies
- A full year of the new Horizon by SkyCity hotel and the opening of the New Zealand International Convention Centre (NZICC) will provide positive momentum for the Auckland precinct
- There is much to be excited about at SkyCity



Chief Executive
Officer's Address
Jason Walbridge

Introduction

- My first Annual Meeting as CEO of SkyCity
- SkyCity already has significant value in its people and properties which provides a very solid foundation to build upon for the future
- Recent changes in complex regulatory environments in NZ and South Australia are consistent with global experience
- The multi-year Transformation Programme will take time, effort and investment, but it is imperative if we are to retain our casino operating licences



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FY24 financial results

REVENUE

\$928.5m  0.3% YoY
Reported

\$959.6m  0.3% YoY
Underlying¹

NPAT

(\$143.3)m  (1,897.4%) YoY
Reported

\$123.2m  (7.2%) YoY
Underlying¹

DIVIDENDS² PER SHARE

5.25 cents
per share

DEBT LEVERAGE²

2.3x

EBITDA

\$138.2m  (16.7%) YoY
Reported

\$277.8m  (8.0%) YoY
Underlying¹

EARNINGS PER SHARE

(18.9)cps  (1,896.0%) YoY
Reported

16.2cps  (7.3%) YoY
Underlying¹

NET DEBT³

\$663 million

(1) Refer to the appendices in SkyCity's FY24 Results Investor Presentation dated 22 August 2024 for a description and further details of SkyCity's underlying results

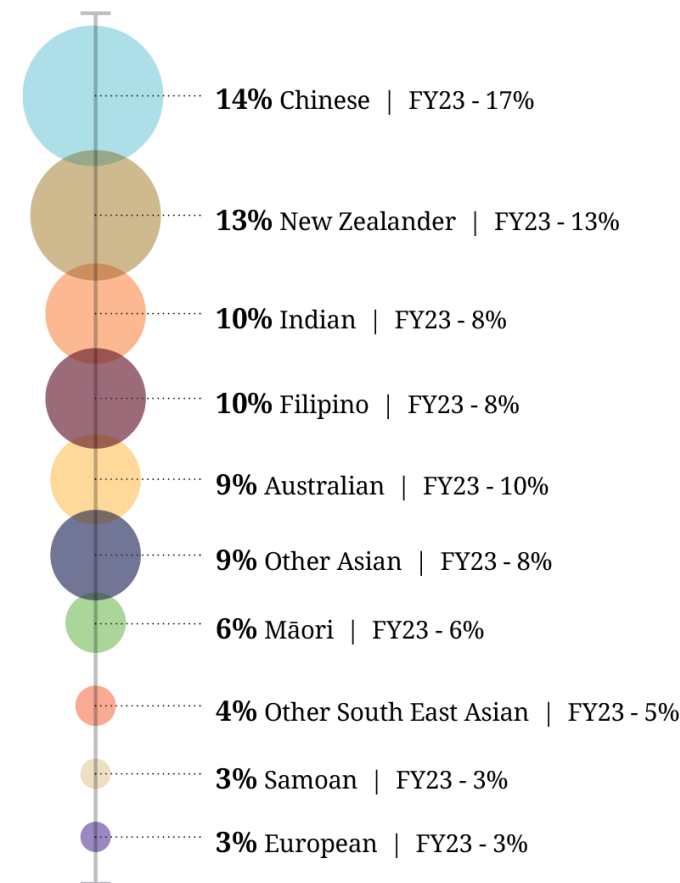
(2) Debt Leverage is Net Debt/EBITDA ratio as per financing agreements

(3) Group borrowing plus leases less cash on hand

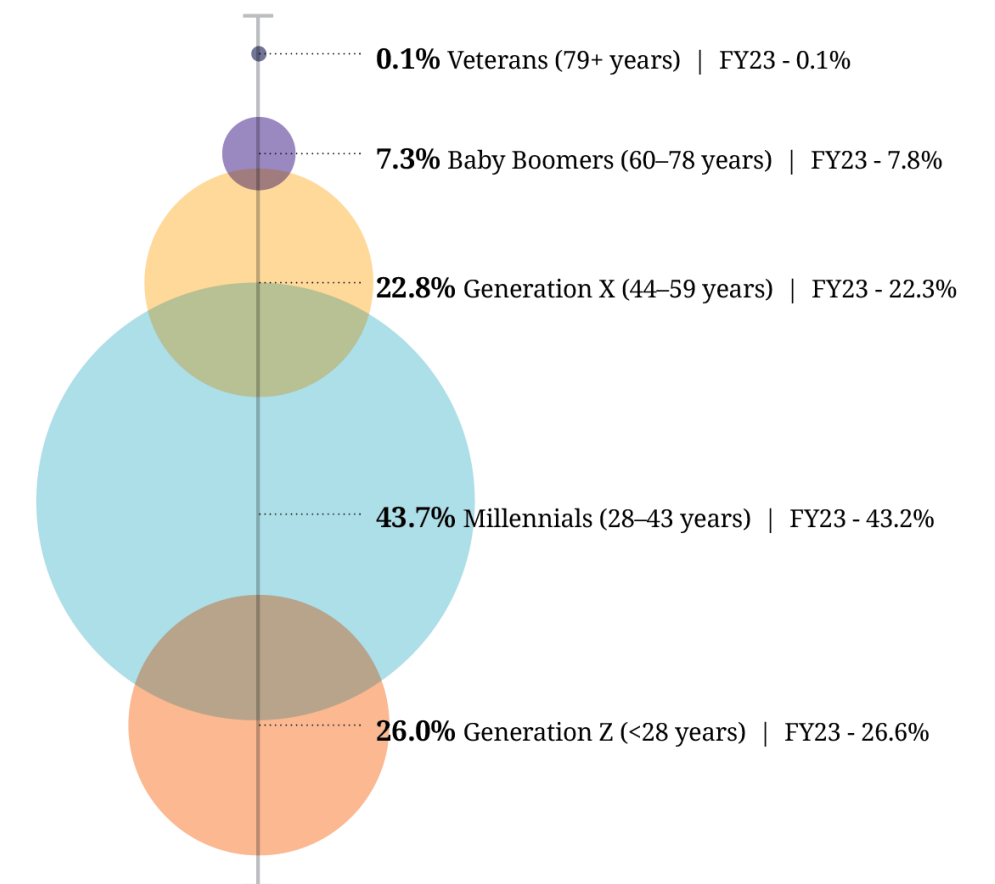
SkyCity people

- Across more than 4,500 employees at SkyCity there are many ethnicities, age groups and more than 61 languages
- Of all employees, 48.3% are female, 51.2% are male and 0.4% are gender diverse

Top 10 ethnicities our staff identify with



Age breakdown



Data provided as at 30 June 2024

SkyCity in the community

- SkyCity plays an important role in the communities that we operate in
- \$5.9m of grants approved to 130 different community organisations by the SkyCity NZ Community Trusts in FY24
- Support for Leukaemia and Blood Cancer NZ's fundraising efforts helping them raise \$2.5 million through two key events at the Sky Tower in FY24



Key upcoming priorities

- Outstanding regulatory matters in Adelaide
 - Brian Martin KC's independent review due by 31 December 2024
 - Working with Kroll to deliver programme of improvements in AML/CFT and host responsibility
- Preparing for rollout of 100% carded play with the aim of minimising the impact on our gaming operations
 - Estimated initial impact is 15% to 20% of annual uncarded gaming revenue could be affected



Key upcoming priorities



Opening of NZICC

Key upcoming priorities

- Key policy settings we think are critical to successful online gaming regulatory framework:
 1. Recognise the existing licensed casinos when awarding online gaming licences and ensure only trusted and reputable operators are granted licences
 2. Limit the number of online casino licences to between five and seven
 3. Require a substantive domestic presence for all licensees



Trading update and outlook

- Economic environment continues to be challenging with cuts to interest rates potentially providing some relief
- Expect tough conditions to continue into 2025 as consumer discretionary spend is forecast to be subdued with improving outlook in second half of FY25
- Reiterate FY25 earnings guidance of underlying Group EBITDA of between \$245 million and \$265 million



Transformation Sub-Committee
Chair's Address
Donna Cooper

- Three resolutions set out in the Notice of Meeting
- 544,732,320 proxy votes (representing 71.66% of all voting securities) received by 11.00 am on Tuesday 29 October 2024

ONLINE INSTRUCTIONS

- 1** Select voting directions
- 2** Press 'for', 'against' or 'abstain'
- 3** Green tick = vote cast

Resolution 1

Re-election of Director: Julian Cook

- Appointed to Board in June 2021 and appointed Chair in January 2022
- Independent
- Board unanimously recommends that shareholders vote in favour of his re-election



Resolution 2

Re-election of Director: Chad Barton

- Appointed to Board in June 2021
- Independent
- Board unanimously recommends that shareholders vote in favour of his re-election



Resolution 3

Remuneration of Auditor

- Authorise the directors to fix the auditor's remuneration
- PricewaterhouseCoopers continues as the auditor of SkyCity



Shareholder Questions

Thank you

Disclaimer

- All information included in this presentation is provided as at 31 October 2024
- This presentation, as well as the Chair's and Chief Executive Officer's addresses, include forward-looking statements. Forward-looking statements, by their nature, involve inherent risks and uncertainties. Many of those risks and uncertainties are matters which are beyond SkyCity's control and could cause actual results to differ from those predicted. Variations could either be materially positive or materially negative
- This presentation has not taken into account any particular investor's investment objectives or other circumstances. Investors are encouraged to make an independent assessment of SkyCity and seek financial advice.

