

Cashed up Nine looks for its future

Company/ASX Code	Nine Entertainment Corp (ASX: NEC)
AGM time and date	10:00am on Friday, 7 November 2025
Location	1 Denison St, North Sydney and online
Registry	MUFG Market Services
Type of meeting	Hybrid
Monitor	Don Adams and Natalie Kulakoff
Pre-AGM Meeting	With Catherine West (Chair) and Nola Hodgson (Investor Relations)

Monitor Shareholding: The individual involved in the preparation of this voting intention has a shareholding in this company.

1. How we intend to vote

No.	Resolution description	
1	Adopt the Remuneration Report	For
2	Re-election of Mickie Rosen as a Director	For
3	Election of Timothy Longstaff as a Director	For
4	Election of Peter Tonagh as a Director	For
5	Grant of 2025 Performance Rights to CEO	For
6	Grant of 2026 Performance Rights to CEO	For
7	Conditional Board Spill resolution	Against

2. Summary of Issues and Voting Intentions for AGM/EGM

- Catherine West, a long-term Board member, became Chair in June 2024 following the departure of Peter Costello. During that time, she has had to deal with a devastating report of a culture of bullying and harassment in NEC, the departure of CEO Mike Sneesby, the appointment of a new CEO, Matt Stanton, a “strike” against the remuneration report at the 2024 AGM, and the sale of Domain. She will retire from the Chair and the Board at the conclusion of the 2025 AGM. The Chair Elect is Peter Tonagh, one of two new directors recruited by Ms West this year.

- NEC's business followed the trends of recent years. Weakness in general advertising revenue and declines in print media in both advertising and subscriptions. On the other hand, digital products such as Stan, Domain, Metro mastheads and 9Now showed reasonable to strong growth. Nine broadcast television picked up increased share of the Metro markets, moving from 40% to 42.5% of a market that fell 7% in the year. Radio was not impressive.

3. Matters Considered

Accounts and reports

Financial Summary

(As at FYE)	2025	2024	2023	2022	2021
NPAT (\$m)	133.3	134.9	194.5	315.3	184.0
UPAT (\$m)	194.4	216.4	279.0	373.5	277.5
Share price (\$, year-end)	1.63	1.40	1.97	1.82	2.91
Dividend paid (cents)	8.0	8.5	11	14	10.5
TSR (%) ¹	22%	(24%)	15%	(33%)	116%
EPS (cents)	7	7	11	17	10
CEO total remuneration, actual (\$m)	2.572 ¹	2.125	2.699	3.177	0.870 ²

1. Total shareholder return is the increase in the closing share price plus dividends paid divided by previous closing price.

NEC's FY25 revenue of \$2.69bn was up by 2% over FY24 and Net Profit was flat. Nine achieved increased market share in both Broadcast and Streaming product by having the rights for the Olympics, Paralympics, Australian Open, and lately the EPL. Both the cost of the rights for these products, and the costs of servicing them, restricted the profit gain.

After the end of FY25 NEC sold its holding in Domain for about \$1.4bn cash, net of capital gains tax. In September 2025 they paid a special fully franked dividend of 49 cents per share in addition to the 4 cents final dividend for FY25. This leaves them in a highly cashed up position with a surplus over existing debt of about \$100-200m. There has been market speculation about what they might buy, but we could get no indications from the Chair that they have a target in their sights.

Governance and culture

Shortly before the FY24 AGM NEC released a report detailing a culture of bullying and harassment inside the company. The Board responded firmly accepting all the recommendations in the report. Since then, internal surveys show an improvement in culture, and we have been told that there have been departures consequent to reports of bad behaviour.

At the AGM there was a 17% vote against the re-election of the Chair, Catherine West, as a director and a 37% vote against the remuneration report. NEC has held meetings with proxy advisers and investors to find the reasons for the “strike” vote. The result was no change in remuneration policy but increased disclosure around some of the measurements for STI and LTI, such as the digital development goals. It is probable that these votes were, in part, a reaction to the damning culture report.

Since then, two new directors have been added to the Board, Timothy Longstaff and Peter Tonagh and they are up for election at the FY25 AGM. Ms West will resign from the Chair and the Board at the conclusion of the AGM and Peter Tonagh will become Chair.

In management changes Matt Stanton was confirmed as CEO in March 2025. He has initiated a program called Nine2028 designed to drive operating effectiveness “with a heavy focus on both cost efficiencies and revenue opportunities”. A first step was to reorganise the business into three groups, Streaming & Broadcast, Publishing, and Marketplaces.

Key components of NEC2028 include sharing product (e.g. Stan and 9Now), merging technical systems, integration of advertising sales, and more effective news gathering. All parts of NEC now use Gemini for AI purposes with a “walled garden” in that material loaded to Gemini by NEC remains restricted to NEC users.

Sustainability/DEI

Given the nature of its business, climate action is not a priority for NEC. It does include details of its climate issues in the Annual Report, and in FY26 intends to adopt the Australian Sustainability Reporting Standards.

Gender diversity is not a problem for NEC with women making up 43% of the Board, 44% of Senior Executives and 47% of the total workforce.

For some time, NEC has had established inclusion communities in its workforce built on Gender Equity, LGBTQIA+, Culture, Disability and First Nations. These groups encourage staff to come together and champion change. NEC has recently published its first Reconciliation Action Plan.

4. Rationale for Voting Intentions

Resolution 1 - Adopt the Remuneration Report (For)

The ASA has voted for this remuneration policy in the past even though there are several areas where we would like to see it improved. Our main issue is that only 33% of STI is in the form of deferred equity, we would like to see at least 50% in that form.

Resolution 2 - Re-election of Mickie Rosen as Director (For)

Mickie Rosen was on the Fairfax Board from 2017 before joining the NEC Board in December 2018 as part of the merger between Fairfax and NEC. She has a strong background and skills in the media industry, e-commerce, management and M&A.

Resolution 3 - Election of Timothy Longstaff as Director (For)

Timothy Longstaff joined the Board in January 2025. He has a strong background in finance, strategy, M&A and political/regulatory matters. He is a non-executive director for three other ASX companies and has served on the Takeovers Panel.

Resolution 4 - Election of Peter Tonagh as Director (For)

Peter Tonagh also joined the NEC Board in January 2025. He has strong experience in media, technology and analytics. He has been CEO of Foxtel, News Corp Australia and Interim CEO of REA. He is the Chair of Quantum, GTN Limited and Bus Stop Films and was previously Deputy Chair of the ABC.

Resolution 5 - Grant of 2025 performance rights to CEO (For)

This is an unusual resolution since the 2025 performance rights would normally have been confirmed at the 2024 AGM. Mr Stanton was not a Board member at that time having been appointed on 1 March 2025 when his position as CEO was confirmed. He has been awarded additional rights for the portion of the year he was CEO to top up the rights he had been awarded in his previous position. Companies like to have shareholder approval for the grant of rights to comply with ASX Listing Rule 10.14.

Resolution 6 - Grant of 2026 performance rights to CEO (For)

This is the usual resolution to ratify the award of 2026 performance rights to Mr Stanton to comply with ASX Listing Rule 10.14. Full details are in the Notice of Meeting.

Resolution 7 - Conditional Board Spill resolution (Against)

As noted above, NEC received a “strike” against the remuneration report last year at the AGM. Should NEC receive a “second strike” at this meeting with a vote over 25% against the remuneration report then it is required to put this motion to the meeting to spill the Board. That would require an extraordinary shareholder meeting within ninety days to hold

elections for the whole Board. It is likely that this motion will not be put, but we will vote proxies against it should there be a vote.

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Appendix 1

Remuneration framework detail

CEO rem. Framework for FY26	Target* \$m	% of Total	Max. Opportunity \$m	% of Total
Fixed Remuneration	1.600	31%	1.600	27%
STI - Cash	1.072	21%	1.608	27%
STI - Equity	0.528	10%	0.792	13%
LTI	2.000	38%	2.000	33%
Total	5.200	100%	6.000	100%

The amounts in the table above are from Mr Stanton's contract on 30 June 2025. STI is 100% of base at target but can range up to 150% at maximum. LTI target and maximum are set at 125% of base.

The remuneration structure has not changed since last year but there is now more disclosure of the components of STI and LTI determination. For example, STI is based 50% on an EBITDA target and 50% on individual objectives. Mr Stanton's personal objectives are displayed on page 87 of the Annual Report.

LTI is based 40% on relative TSR, 40% on EPS growth and 20% on digital and business transformation. More details of the latter objective than had been provided in the past are on page 88 of the Annual Report.

The ASA objections to the remuneration policy include:

- Only 33% of STI is paid as deferred equity compared with the ASA standard of at least 50%
- LTI vesting period is only three years, we prefer a period of four or five years.
- The relative TSR component of LTI vests 50% at the 50th percentile and 100% at the 75th percentile. Our policy is for 30% vesting at the 50th percentile with 100% vesting only achieved should relative TSR reach the 85th percentile.