
Nine Entertainment Co. Holdings Limited

Performance Rights Plan

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1 Defined terms and interpretation

1.1 Definitions in the Dictionary

A term or expression starting with a capital letter:

- (a) which is defined in the Dictionary in Schedule 1 (**Dictionary**), has the meaning given to it in the Dictionary; and
- (b) which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act.

1.2 Interpretation

The interpretation clause in Schedule 1 (**Dictionary**) sets out rules of interpretation for this agreement.

2 Purpose

The purposes of the Plan are to:

- (a) assist in the reward, retention and motivation of Eligible Employees;
 - (b) encourage participation by Eligible Employees in the growth and success of the Company through equity ownership;
 - (c) align the interests of Eligible Employees more closely with the interests of shareholders by providing an opportunity for Eligible Employees to receive an equity interest in the form of Performance Rights;
 - (d) provide Eligible Employees with the opportunity to share in any future growth in value of the Company; and
 - (e) provide greater incentive for Eligible Employees to focus on the Company's longer term goals.
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3 Commencement

The Plan will commence on the date determined by resolution of the Board.

4 Governing rules

- (a) Subject to clause 6.2, the terms and conditions of the Plan are set out in these Rules.
 - (b) The Company, each of its Related Bodies Corporate and each Participant are bound by these Rules.
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5 Maximum Performance Rights allocation

- (a) The number of Shares to be received on the exercise of the Performance Rights the subject of an Invitation, when aggregated with:

- (i) the number of Shares which would be issued were each outstanding offer of Performance Rights granted pursuant to the Plan and each outstanding offer with respect to Shares, units of Shares and options to acquire unissued Shares under any other Employee Share Scheme to be accepted or exercised; and
- (ii) the number of Shares issued during the previous 5 years pursuant to the Plan or any other Employee Share Scheme extended only to Employees or Directors,

but disregarding any offer made, or Performance Right granted or Shares issued by way of or as a result of:

- (iii) an offer to a person situated at the time of receipt of the offer outside Australia;
- (iv) an offer that did not need disclosure to investors because of section 708 of the Corporations Act;
- (v) an offer that did not require the giving of a product disclosure statement because of section 1012D of the Corporations Act; or
- (vi) an offer made under a disclosure document or product disclosure statement issued pursuant to the Corporations Act,

must not exceed 5% of the total number of issued Shares at the time of the Invitation (**5% Limit**).

- (b) The 5% Limit shall be subject to adjustment or increase pursuant to clause 16 or as may otherwise be permitted by Applicable Law.
- (c) Where a Performance Right lapses without being exercised, the Share which would otherwise have been received on the exercise of the Performance Right is ignored when calculating the 5% Limit.

6 Grant of Performance Rights

6.1 Selection of Eligible Employees

The Board may, from time to time, select from among the Eligible Employees those Eligible Employees to whom Performance Rights will be offered.

6.2 Invitation

- (a) The offer of Performance Rights must be evidenced in the form of an Invitation which must comply with these Rules.
- (b) Each Invitation must:
 - (i) be set out in writing;
 - (ii) be issued with an Application and such explanatory or other material in respect of the Plan as the Board considers appropriate, or as is required by any Applicable Law;
 - (iii) be delivered to the relevant Eligible Employee;

- (iv) specify:
 - (A) the name and address of the Eligible Employee to whom the Invitation is made;
 - (B) the date of the Invitation;
 - (C) the number of Performance Rights being offered;
 - (D) the Expiry Date (if any);
 - (E) the time period for making an Application;
 - (F) the Vesting Conditions (if any);
 - (G) any disposal or other restrictions, and any rights, attaching to the Performance Rights (which may be as set out in these Rules or in addition to these Rules);
 - (H) any Disposal Restrictions or other restrictions attaching to the Shares to be issued or transferred to the Eligible Employee on the exercise of the Performance Rights;
 - (I) any other specific terms and conditions applicable to the Invitation which are not inconsistent with these Rules, as determined by the Board; and
 - (J) any other terms and conditions required by any Applicable Law.
- (c) Subject to these Rules:
 - (i) Invitations may be made by the Board on a differential basis to Eligible Employees; and
 - (ii) the timing and frequency of Invitations will be as determined by the Board.

6.3 Application

- (a) Following receipt by an Eligible Employee of an Invitation, the Eligible Employee may apply for Performance Rights to be issued to him or her or to a Nominated Party (if approved by the Board) by delivering to the Company a duly completed and executed Application within the time period specified in the Invitation.
- (b) By submitting a duly completed and executed Application, the Eligible Employee and the Nominated Party (if applicable) agree to:
 - (i) be bound by:
 - (A) the terms of the Invitation and Application;
 - (B) the provisions of these Rules;
 - (C) the Constitution; and
 - (ii) where the Company undertakes any actions or enters into any arrangements in accordance with clause 19.2 to enforce any restrictions referred to in clause 19.1, those actions or arrangements being undertaken or entered into

in respect of the Shares held by a Participant on the vesting of a Performance Right to which such restrictions apply.

6.4 Acceptance

- (a) Following receipt by the Company of a duly completed and executed Application, the Company may grant the Performance Rights referred to in the Application to the Eligible Employee or the Nominated Party (if applicable).
- (b) For the avoidance of doubt, the Board can refuse to allow an Eligible Employee to participate in the Plan notwithstanding that a duly completed and executed Application has been received from the Eligible Employee in accordance with clause 6.3(a).
- (c) Without limiting clause 6.4(b), an Application will not be accepted if, at the date the Application would otherwise be accepted:
 - (i) the Eligible Employee is not an Employee;
 - (ii) the Eligible Employee has given notice of his or her resignation as an Employee; or
 - (iii) the Eligible Employee has been given notice of termination of employment as an Employee or if, in the opinion of the Board, the Eligible Employee has tendered his or her resignation to avoid such dismissal.
- (d) The Company must issue to a Participant a Certificate in respect of the Performance Rights granted to them.

6.5 Change in Nominated Party

If a Nominated Party is issued Performance Rights which are subject to restrictions referred to in clause 19.1 and then ceases to be eligible to be a Nominated Party (due to a change in control of the Nominated Party, a change in family circumstances or otherwise), the Eligible Employee must:

- (a) promptly notify the Company in writing; and
- (b) arrange for the transfer of the Performance Rights to the Eligible Employee or to another Nominated Party approved by the Board.

7 Terms of Performance Rights

7.1 Issue price

Unless otherwise determined by the Board and specified in the Invitation, each Performance Right shall be granted for nil consideration.

7.2 Entitlement

- (a) Subject to these Rules, and unless otherwise determined by the Board and specified in the Invitation, each Performance Right entitles the Participant, on vesting of the Performance Right, to receive (at the discretion of the Board):
 - (i) by issue or transfer, one Share; or

- (ii) a cash amount equivalent to the value of a Share as at the date of vesting of the Performance Right determined in accordance with clause 8.3.
- (b) Shares issued or transferred to a Participant on the exercise of Performance Rights will rank equally in all respects with existing Shares from the date of acquisition except for any rights attaching to the Shares by reference to a record date prior to the date of their allotment.

7.3 Vesting Conditions

The Board will determine prior to an Invitation being made, and specify in the Invitation, any Vesting Conditions attaching to Performance Rights.

7.4 Listing of Performance Rights

Performance Rights will not be listed on ASX.

8 Vesting and exercise

8.1 Vesting

- (a) Subject to these Rules, a Performance Right which has not lapsed shall vest if and when any Vesting Conditions applicable to the Performance Right have been satisfied (**Vesting Date**).
- (b) The Board will from time to time determine whether the Company will with respect to each Vested Performance Right:
 - (i) allot and issue, or transfer, one Share to the Participant (**Equity Settled**); or
 - (ii) pay a cash amount to the Participant equivalent to the value of a Share as at the date of vesting of the Performance Right in accordance with the calculation in clause 8.3 (**Cash Settled**).
- (c) The Board may make a decision for the purposes of paragraph (b) upon or in advance of any vesting and in relation to some or all of the Performance Rights which may vest from time to time or within a specified period (and, for the avoidance of doubt, on a per Performance Right basis).

8.2 Exercise

- (a) Unless otherwise determined by the Board and specified in the Invitation, no consideration will be payable on the exercise of a Performance Right.
- (b) A Vested Performance Right will be automatically exercised on vesting.
- (c) Within 30 Business Days of the vesting of a Performance Right:
 - (i) the Company will:
 - (A) allot and issue, or transfer, the number of Shares which the Participant is entitled to subscribe for or acquire through the vesting of the Vested Performance Rights and which the Board determines will be Equity Settled in accordance with clause 8.1(b)(i) and issue a holding statement to the Participant in respect of those Shares; and/or

- (B) make the cash payment to or on behalf of the Participant in respect of the Vested Performance Rights which the Board determines will be Cash Settled in accordance with clause 8.1(b)(ii),

at which time the Vested Performance Rights will automatically lapse; and

- (ii) the Company will cancel the Certificate for the Vested Performance Rights being exercised and issue a substitute Certificate for any remaining unvested Performance Rights.

8.3 Cash Settled

- (a) Where the Board determines that any Performance Rights will be Cash Settled in accordance with clause 8.1(b)(ii) or 10.3, the cash payment to be made to a Participant will be equal to the aggregate Market Value of the Shares which would otherwise have been allotted and issued or transferred to the Participant if the Performance Rights had been Equity Settled, as at the date of vesting of the Performance Rights.
- (b) That amount will be paid in cash to or on behalf of the Participant less any Tax required to be withheld and inclusive of any superannuation contribution required to meet the minimum amount required to be contributed by the Company or any Related Body Corporate under Applicable Laws to avoid the imposition of a superannuation guarantee charge (**Super Amount**). Any superannuation contributions deducted from all or part of any cash payment will be paid into an eligible choice fund of a Participant's choice or the Company's default fund where a Participant has not nominated an eligible choice fund.

8.4 Equity Settled

Where vested and exercised Performance Rights are to be Equity Settled, the Company may either:

- (a) require the Participant to reimburse the Company for any Tax which the Company is required to withhold or any Super Amount which the Company is required to withhold;
- (b) Cash Settle that number of the Performance Rights required to provide the funds required to be withheld on account of Tax or a Super Amount;
- (c) sell on behalf of the Participant that number of Shares required to provide the funds required to be withheld on account of Tax or a Super Amount which would otherwise have been issued or transferred to the Participant on the exercise of the Performance Rights if the Performance Rights had been Equity Settled; or
- (d) raise the amount required to be withheld on account of Tax or a Super Amount through any combination of the methods in paragraphs (a) to (c).

9 Lapse of Performance Rights

9.1 Lapse of a Performance Right

Unless the Board specifies in the Invitation that it may determine otherwise, an unvested Performance Right will lapse and become unable to be exercised on the earliest of:

- (a) unless the Board determines otherwise:

- (i) the date that the Board determines that any Vesting Condition in respect of the Performance Right cannot be satisfied;
- (ii) the date that the Board determines that any Vesting Condition in respect of the Performance Right has not been satisfied and cannot be satisfied prior to the Expiry Date;
- (iii) the date that the Board determines that the Performance Right will lapse in accordance with clause 11;
- (iv) the Expiry Date;
- (b) the Performance Right lapsing in accordance with clause 10;
- (c) the Performance Right lapsing in accordance with clause 13.4; and
- (d) the Performance Right lapsing in accordance with clause 15.

9.2 On lapsing

Where a Participant's Performance Rights have lapsed under clause 9.1, the Company will:

- (a) notify the Participant that the Performance Rights have lapsed;
- (b) cancel the Performance Rights; and
- (c) not be liable for any damages or other amounts to the Participant in respect of the Performance Rights.

10 Cessation of employment

10.1 Lapse of Performance Rights in certain circumstances

If an Eligible Employee who is a Participant or has nominated a Nominated Party to receive a Performance Right is not an Employee on a Vesting Date and, either:

- (a) the employment of the Eligible Employee with the Company or a Related Body Corporate of the Company (**Employer**) is terminated by the Employer on or before the Vesting Date for any reason that would give the Employer the right to terminate the employment of the Eligible Employee without notice or payment in lieu of notice under the terms of employment of the Eligible Employee or law; or
- (b) the employment of the Eligible Employee with the Employer is terminated by the Eligible Employee on or before the Vesting Date other than where entitled to do so in accordance with the terms of employment of the Eligible Employee),

clause 8.1(a) will not apply to vest Performance Rights in the relevant Participant on a particular Vesting Date falling on or after the date of termination of employment (**Termination Date**) and any unvested Performance Rights as at the Termination Date will lapse.

10.2 Termination where Employer elects to make payment of salary in lieu of notice

If, on a Vesting Date:

- (a) an Eligible Employee who is a Participant or has nominated a Nominated Party to receive a Performance Right is not an Employee on that Vesting Date; and
- (b) notice of termination of the employment of the Eligible Employee with the Employer has been given by either party prior to that Vesting Date; and
- (c) the Employer elects or has elected to make a payment of salary in lieu of some or all of a period of notice (**Notice Period**),

clause 8.1(a) will not apply to vest Performance Rights in the relevant Participant on a Vesting Date falling on or after the Termination Date and any unvested Performance Rights of the Participant as at the Termination Date will lapse other than to the extent provided in paragraphs (i) or (ii) below:

- (i) where clause 10.1 does not apply and the Employer has terminated the employment of the Eligible Employee, any unvested Performance Rights which would otherwise have vested during the period from the date on which notice of termination is given to the later of:

- (A) the expiry of the Notice Period; or
- (B) any other date specified in the Invitation,

will vest on the applicable Vesting Date(s). All other unvested Performance Rights will lapse on the Termination Date; and

- (ii) where clause 10.1 does not apply and the Eligible Employee has validly terminated his or her employment with the Employer, any unvested Performance Rights which would otherwise have vested during the Notice Period will vest on the applicable Vesting Date(s). All other unvested Performance Rights will lapse on the Termination Date.

10.3 Cash Settlement

Where clause 10.2 provides for the vesting of unvested Performance Rights which would otherwise have vested during the period specified in the relevant clause on the applicable Vesting Date(s) in the event that the employment of an Eligible Employee who is a Participant or has nominated a Nominated Party to receive a Performance Right is terminated and the Employer elects to make a payment of salary in lieu of notice, any such Performance Rights will be Cash Settled.

11 Breach, fraud or dishonesty

Where, in the opinion of the Board, a Participant at any time:

- (a) acts, or has acted, fraudulently or dishonestly; or
- (b) is in material breach of any of his or her duties or obligations to the Company or any of its Related Bodies Corporate,

the Board may determine that all Performance Rights of the Participant will lapse.

12 Consent to cancellation of Performance Rights

Notwithstanding any other provisions of these Rules, if a Participant and the Board agree in writing that some or all of the unvested Performance Rights and/or unexercised Vested Performance Rights granted to that Participant may be cancelled on a specified date or on the occurrence of a particular event, then the Board may cancel those Performance Rights on the relevant date or on the occurrence of the particular event (as the case may be) for no consideration.

13 Disposal restrictions for Performance Rights

13.1 Restrictions on disposal

Subject to clauses 6.5 and 13.2, a Participant must not Dispose of a Performance Right unless:

- (a) the Board determines otherwise; or
- (b) the Disposal is required by law and the Participant has provided satisfactory evidence to the Company of that fact.

13.2 Permitted dealings

Rights attaching to Performance Rights may be exercised in accordance with these Rules:

- (a) on the death of a Participant, by the Participant's legal personal representative;
- (b) in the event that an order is made for the Participant's estate to be administered under the laws relating to mental health, by the person who is appointed to administer such estate; and
- (c) in the event that the Participant becomes bankrupt, by the Participant's trustee in bankruptcy.

13.3 No hedging

A Participant may not enter into any arrangement for the purpose of hedging, or otherwise affecting their economic exposure to their Performance Rights.

13.4 Lapse of Performance Rights

Where a Participant purports to:

- (a) Dispose of a Performance Right other than in accordance with clause 6.5, 13.1 or 13.2; or
- (b) enter into an arrangement in respect of a Performance Right in breach of clause 13.3,

the Performance Right immediately lapses,

14 Voting and dividend rights

A Participant who holds a Performance Right is not entitled to:

- (a) notice of, or to attend or vote at, meetings of members of the Company; or
- (b) receive any dividends, returns of capital or other distributions declared by the Company,

unless and until any Performance Right is exercised and the Participant holds a Share as a result thereof.

15 Takeover, scheme of arrangement and winding-up

15.1 Takeovers

- (a) In the event of any of:
 - (i) a Takeover Bid being made for Shares in the Company (for these purposes, a Takeover Bid will be made when a bidder serves its bidder's statement on the Company);
 - (ii) the Board recommending that securityholders accept any Takeover Bid for Shares in the Company;
 - (iii) a Takeover Bid for Shares in the Company becoming unconditional; or
 - (iv) a person acquiring Voting Power in the Company of 90% or more as a result of a Takeover Bid for Shares,

(each a **Takeover Event**), the Board may determine that all or a specified number or proportion of a Participant's unvested Performance Rights vest, having regard to all relevant circumstances (including the extent to which any applicable Vesting Conditions have been met).

- (b) Where, pursuant to clause 15.1(a), the Board determines that all or some of a Participant's unvested Performance Rights vest, the Board must as soon as practicable give written notice to each Participant of the number of Performance Rights that have vested.
- (c) Where an event described in clause 15.1(a) occurs and the Board determines that some of a Participant's unvested Performance Rights will vest, all Performance Rights that remain unvested will remain on foot.

15.2 Compromise, arrangement or winding-up

- (a) The Board may determine that all or a specified number of a Participant's unvested Performance Rights vest having regard to all relevant circumstances (including the extent to which any applicable Vesting Conditions have been met) if any of the following events occur:
 - (i) a court orders a meeting to be convened in relation to a proposed compromise or arrangement for the purposes of, or in connection with:

- (A) a scheme which would, if it becomes effective, result in any person (either alone or together with its associates) owning all or some of the Shares in the Company; or
- (B) a scheme for the reconstruction of the Company or its amalgamation with any other company, companies, trust or trusts where that scheme involves the Shares;
- (ii) securityholders of the Company approve any compromise or arrangement referred to in clause 15.2(a)(i);
- (iii) securityholder approval being given by a resolution duly passed at a general meeting of the Company for an acquisition of Shares that would result in a change in the Control of the Company;
- (iv) any person (either alone or together with its associates) becomes bound or entitled to:
 - (A) own all or some of the Shares in the Company under any compromise or arrangement referred to in clause 15.2(a)(i) which has been approved by the Court;
 - (B) acquire shares in the Company under section 414 of the Corporations Act; or
 - (C) acquire Shares in the Company under Part 6A.1 or Part 6A.2 of the Corporations Act;
- (v) any of the following occur:
 - (A) a Controller is appointed, or steps are taken to appoint a Controller; or
 - (B) a resolution to appoint a Controller is passed, or any steps are taken to pass a resolution to appoint a Controller,

to the Company or over an asset of the Company;
- (vi) a resolution is proposed or any steps are taken to pass a resolution for the appointment of an administrator or for the winding-up or dissolution of the Company;
- (vii) an order is sought for the compulsory winding up of the Company or the Company enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them, including a deed of company arrangement; or
- (viii) the Board determines that any other transaction, event or state of affairs is likely to result in a change in the Control of the Company.
- (b) Where the Board makes a determination pursuant to clause 15.2(a), the Board will, as soon as practicable, give written notice to each Participant of the number of Performance Rights that have vested.
- (c) If the Board determines that only some of a Participant's unvested Performance Rights will vest, all Performance Rights that remain unvested will remain on foot.

15.3 Effect on Shares

On the occurrence of a Takeover Event or an event described in clause 15.2(a), unless the Board determines otherwise:

- (a) all restrictions on Shares referred to in clause 19.1 will cease to have effect; and
- (b) where such Shares are held by the Trustee on behalf of the Participant, the Company will require the Trustee to arrange for the Shares to be transferred into the name of the Participant.

15.4 Acquisition of shares in Acquiring Company

If a company (**Acquiring Company**) obtains Control of the Company, the Company, the Acquiring Company and the Participant may agree that upon vesting and exercise of Performance Rights the Participant will be provided with shares of the Acquiring Company or its parent in lieu of Shares, on substantially the same terms and subject to substantially the same conditions as the Shares, but with appropriate adjustments to the number and kind of shares.

16 Reconstruction

In the event of any reorganisation (including consolidation, sub-division, reduction, issue of bonus shares, buy back or cancellation) of the issued share capital of the Company, the Board may make appropriate adjustments in:

- (a) the number and kind of shares over which Performance Rights may thereafter be granted; and
- (b) the number of Performance Rights or the number and kind of shares subject to each Performance Right at the time of such change,

so as to maintain the purpose of the Plan and so that the percentage of the fully diluted share capital of the Company into which a Performance Right is exercisable is the same before and after such reorganisation, provided that any such adjustment must be made in accordance with the Listing Rules where they apply to the Company.

17 New issues

A Performance Right does not confer on a Participant the right to participate in new issues of Shares by the Company, or any adjustment to the number of Shares that the Participant is entitled to under any Performance Rights as a result of the issue of Shares by the Company.

18 Rights attaching to Shares

18.1 Shares to rank equally

Notwithstanding any restrictions on Shares referred to in clause 19.1, any Shares allotted and issued, or transferred, by the Company to a Participant will rank equally with all existing Shares on and from the date of issue or transfer, including in respect of all rights issues, dividends and other distributions to, or entitles of, holders of existing Shares made or declared after issue or transfer, except for any rights attaching to the Shares by reference to a record date prior to the date of their allotment.

18.2 Dividends

A Participant will have a vested and indefeasible entitlement to any dividends declared and distributed by the Company on the Shares which, at the books closing date for determining entitlement to those dividends, are standing to the account of the Participant notwithstanding any restrictions on the Shares referred to in clause 19.1.

18.3 Voting rights

A Participant may exercise any voting rights attaching to Shares registered in the Participant's name, notwithstanding any restrictions on the Shares referred to in clause 19.1.

18.4 Listing of Shares

If Shares of the same class as those issued under the Plan are listed on ASX, the Company will apply to the ASX as soon as practicable after they are allotted and any Disposal Restriction is lifted for official quotation of those Shares on the ASX.

19 Restrictions on Shares

19.1 Disposal Restrictions

A Share held by a Participant on the vesting of a Performance Right may be subject to Disposal Restrictions and other restrictions attaching to the Share as determined by the Board and specified in the Invitation relating to the grant of the Performance Right.

19.2 Company actions

The Company may do such things and enter into such arrangements as it considers necessary to enforce the restrictions referred to in clause 19.1, including but not limited to appointing a trustee to hold Shares pursuant to clause 20(a)(i) or procuring that a Holding Lock be applied to Shares during the relevant restriction period. Participants will be bound by any action by the Company under this clause 19.2.

19.3 Shares entitlements

For the avoidance of doubt, the imposition of a restriction on the Shares held by a Participant pursuant to clause 19.2 will not affect the Participant's entitlement to receive a notice of, or to vote or attend at, a meeting of the members of the Company or Shareholders, and to receive any dividends declared by the Company.

19.4 No forfeiture on cessation of employment, engagement or office

For the avoidance of doubt and subject to these Rules, a Participant will not be required to forfeit his or her Shares on the cessation of his or her employment, engagement or office with the Company or a Related Body Corporate.

20 Appointment of trustee

- (a) The Board may at any time:
 - (i) appoint a trustee (**Trustee**) on any terms and conditions which it considers appropriate to do all such things and perform all such functions as it considers appropriate to operate and administer the Plan, including to

acquire Shares on-market or by way of subscription for the purpose of delivering Shares to Participants upon the exercise of any Vested Performance Rights and to enforce the restrictions referred to in clause 19.1; and

- (ii) establish a trust (**Trust**) for the purposes set out in clause 20(a)(i).
- (b) If the Board appoints a Trustee to hold Shares that are to be delivered to a Participant under this Plan:
- (i) the Shares will be registered in the name of the Trustee and held by the trustee on trust for that Participant and subject to the trust deed establishing the Trust (**Trust Deed**);
 - (ii) where any provision of this Plan refers to granting, issuing, transferring or allotting Shares to, or holding, acquiring, receiving, subscribing for or disposing of Shares by, the Participant it will mean granting, issuing, transferring or allotting Shares to, or holding, acquiring, receiving, subscribing for or disposing of Shares by, the Trustee on behalf of that Participant;
 - (iii) unless the context requires otherwise, any other rule of this Plan that refers to the Participant (other than with respect to the Performance Rights) will mean the Trustee on behalf of that Participant; and
 - (iv) the Trustee on behalf of each Participant will be entitled to any rights which accrue to Shares held for the benefit of that Participant and will exercise those rights in accordance with the Trust Deed.

21 Calculations

- (a) Any calculations or adjustments which are required to be made in connection with any Performance Rights will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Participant.
- (b) The Company must notify each Participant of the amount of any adjustments made to the number of Performance Rights or the number of Shares underlying each Performance Right.

22 Administration

22.1 Administration

The Plan will be administered by the Board. The Board has the power to:

- (a) determine procedures from time to time for administration of this Plan consistent with these Rules;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with this Plan;
- (c) delegate to any one or more persons, for any period and on any conditions determined by the Board, the exercise of any of the Board's powers and discretions arising under this Plan;

- (d) take and rely upon independent professional or expert advice in or in relation to the exercise of any of its powers or discretions under these Rules; and
- (e) appoint or engage specialist service providers for the operation and administration of the Plan.

22.2 Decisions

- (a) All decisions to be made by the Board under this Plan may be made by the Board in its sole and absolute discretion, unless otherwise specified.
- (b) If there is any dispute or disagreement as to the interpretation of these Rules, the Board's decision is final and binding on all persons.

22.3 Performance Rights to be registered

Performance Rights will be registered in the appropriate register of the Company to facilitate the efficient management and administration of the Plan and to comply with regulatory reporting requirements.

23 Notices

23.1 Address for notice

Any notice by:

- (a) the Company regarding a Performance Right or this Plan must be sent to the registered address of the relevant Participant as recorded in the relevant register maintained by the Company; and
- (b) a Participant regarding a Performance Right or this Plan must be sent to the registered address of the Company from time to time.

23.2 Delivery of notices

- (a) Any notice to be given to Participants may be delivered by hand to the Participant or by any other means specified in the Constitution for delivery of notices to members.
- (b) Any notice to be given to the Company may be delivered by hand or by prepaid post. Notices may also be given to the Company by means of facsimile, e-mail or other mode of electronic delivery to such address as is notified by the Company to the Participant.
- (c) Notices delivered to Participants in accordance with the Constitution will be taken to be delivered in accordance with the Constitution. Notices delivered to the Company by pre-paid post will be taken to be delivered if properly addressed and stamped, 48 hours after mailing in Australia and 7 days after mailing outside Australia. Notices delivered by facsimile, e-mail or other mode of electronic delivery will be taken to be delivered on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery.

24 Amendment

24.1 Board may amend

Subject to clause 24.2, the Board may at any time:

- (a) amend these Rules;
- (b) waive or amend the application of any of these Rules in relation to a Participant; or
- (c) amend the terms on which any Performance Rights have been granted under the Plan.

24.2 Rights of Participants

- (a) Subject to clause 24.2(b), if any amendment to these Rules under clause 24.1 materially reduces any of the Participant's rights in respect of their Performance Rights or Shares, the Board must obtain the prior written consent of:
 - (i) Participants holding in aggregate at least 75% by value of the total Performance Rights and Shares held by Participants affected by the proposed change; and
 - (ii) a majority in number of the Participants affected by the proposed change.
- (b) The Board may amend these Rules without the written consent of Participants under clause 24.2(a):
 - (i) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
 - (ii) to correct any manifest error or mistake;
 - (iii) to allow the implementation of a trust arrangement in relation to the holding of Shares granted under the Plan;
 - (iv) for the purpose of complying with Applicable Laws; and/or
 - (v) to take into consideration possible adverse taxation implications (including, without limitation, on account of fringe benefits tax) for the Company in respect of the Plan or the Performance Rights granted, including as a result of changes to applicable taxation legislation or the interpretation of that legislation by any taxation authority or a court of competent jurisdiction or any rulings from taxation authorities administering such legislation.

24.3 Effect

- (a) Subject to any shareholder approval (if required), the Board may determine that any amendment to these Rules or the terms of Performance Rights granted under the Plan be given retrospective effect.
- (b) Amendment of these Rules or the terms upon which Performance Rights are granted under the Plan by the Board will be of immediate effect unless otherwise determined by the Board.

24.4 Written notice

As soon as reasonably practicable after making any amendment to these Rules or the terms of Performance Rights granted under the Plan, the Board will give notice of the amendment to any Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

24.5 Amendment by addendum

Subject to any other provision of these Rules, the Board may from time to time amend the terms of this Plan as they will apply in particular jurisdictions or circumstances by means of an addendum to these Rules.

25 Termination or suspension

25.1 Termination or suspension

Subject to clause 25.2, the Board may at any time terminate the Plan or suspend the operation of the Plan for such period or periods as it thinks fit.

25.2 Resolution to terminate or suspend

In passing a resolution to terminate or suspend the operation of the Plan, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants.

26 Rights of Participants

Nothing in these Rules, participation in the Plan or the terms of any Performance Right:

- (a) confers upon an Eligible Employee a right to a grant or offer of a grant of Performance Rights;
- (b) confers on an Eligible Employee or a Participant the right to continue as an employee, consultant or officer of the Company or any Related Body Corporate;
- (c) affects the rights of the Company or any Related Body Corporate to terminate the employment, engagement or office of an Eligible Employee, Consultant or a Participant (as the case may be);
- (d) affects the rights and obligations of any Eligible Employee or Participant under the terms of their employment, engagement or office with the Company or any Related Body Corporate;
- (e) confers any legal or equitable right on an Eligible Employee or a Participant whatsoever to take action against the Company or any Related Body Corporate in respect of their employment, engagement or office;
- (f) confers on an Eligible Employee or a Participant any rights to compensation or damages in consequence of the termination of their employment, engagement or office by any Company or any Related Body Corporate for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or

- (g) confers any responsibility or liability on the Company, any Related Body Corporate or their respective directors, officers, employees, representatives or agents in respect of any taxation liabilities of the Eligible Employee or Participant.
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27 General

27.1 Costs and Expenses

The Company will pay all expenses, costs and charges in relation to the establishment, implementation and administration of the Plan, including all costs incurred in or associated with the issue or purchase of Shares (except for taxes, which are payable by Participants) for the purposes of the Plan. Each Related Body Corporate of the Company will, if required by the Board, reimburse the Company for any such costs and charges to the extent that they relate to its employees, officers or consultants, or former employees or officers or consultants.

27.2 Duties and taxes

The Company is not responsible for any duties or taxes which may become payable in connection with the issue and allotment of Performance Rights or Shares pursuant to the Plan or any other dealing with a Performance Right or Share issued pursuant to the Plan.

27.3 Data protection

By providing an Application in accordance with clause 6.3, each Participant consents to the holding and processing of personal data provided by the Participant to the Company and any Related Body Corporate for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participants' records;
- (b) providing information to trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;
- (c) providing information to future purchasers of the Company or the business in which the Participant works; and
- (d) transferring information about the Participant to a country or territory outside Australia.

27.4 Error in Allocation

If any Performance Right is provided under this Plan in error or by mistake to a person (**Mistaken Recipient**) who is not the intended recipient, the Mistaken Recipient shall have no right or interest, and shall be taken never to have had any right or interest, in that Performance Right and any such Performance Right will immediately lapse.

27.5 Dispute

Any disputes or differences of any nature arising under the Plan will be referred to the Board for determination.

27.6 No fiduciary capacity

The Board may exercise any power or discretion conferred on it by these Rules in the interest or for the benefit of the Company, and in so doing the Board is not required to act

in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.

27.7 Enforcement

These Rules, any determination of the Board made pursuant to the Rules, and the terms of any Performance Rights granted under the Plan, will be deemed to form a contract between the Company and the Participant.

27.8 Governing law

This Plan and any Performance Rights granted under it will be governed by, and must be construed according to, the laws of the New South Wales and the Commonwealth of Australia.

Schedule 1 — Dictionary

1 Dictionary

In this document:

5% Limit has the meaning given in clause 5(a).

Acquiring Company has the meaning given in clause 15.4.

Applicable Law means any one or more or all, as the context requires of:

- (a) the Corporations Act;
- (b) upon the Company being admitted to the official list of the ASX, the Listing Rules;
- (c) the Constitution;
- (d) the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth);
- (e) any practice note, policy statement, regulatory guide, class order, declaration, modification, determination, waiver, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand, amend or waive any provision of the legislation referred to in (a) or (d) above or the Listing Rules; and
- (f) any other legal requirement that applies to the Plan.

Application means an application by an Eligible Employee for Performance Rights made in response to an Invitation in the form attached to the Invitation.

ASX means the ASX Limited ABN 98 008 624 691.

Board means the board of directors of the Company.

Business Day means a day on which banks are open for business in Sydney, excluding a Saturday, Sunday or public holiday.

Cash Settled has the meaning as set out in clause 8.1(b)(ii).

Certificate means the certificate or holding statement issued by the Company to a Participant in respect of a grant of Performance Rights, in such form as the Board may approve from time to time.

Company means Nine Entertainment Co. Holdings Limited ACN 122 203 892.

Constitution means the constitution of the Company.

Control has the meaning given in section 50AA of the Corporations Act.

Controller has the meaning given in the Corporations Act.

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

Director means a member of the Board or the board of directors of any Related Body Corporate of the Company.

Dispose means, in relation to a Performance Right or Share, to sell, transfer, assign, novate, swap, declare a trust over, grant a Security Interest over, dispose of or otherwise deal with any legal or equitable interest in the Performance Right or Share (as applicable), and includes taking any steps or attempting to dispose or otherwise deal with the Performance Right or Share.

Disposal Restriction means any restriction on the ability to Dispose of a Share held by a Participant on the exercise of a Performance Right as specified in the Invitation relating to the grant of that Performance Right.

Eligible Employee means an Employee or any other person who is declared by the Board to be eligible to receive a grant of Performance Rights under the Plan.

Employee means any person who is a permanent full-time or permanent part-time employee of the Company or any Related Body Corporate of the Company (including a Director employed in an executive capacity).

Employee Share Scheme has the meaning given in the Corporations Act.

Employer has the meaning given in clause 10.1.

Equity Settled has the meaning as set out in clause 8.1(b)(i).

Expiry Date means the date 7 years from the Grant Date of any Performance Rights, or any later date determined by the Board from time to time, after which the Performance Rights lapse and may no longer be exercised.

Grant Date means the date on which Performance Rights are granted to a Participant.

Holding Lock has the meaning given in Chapter 19 of the Listing Rules.

Invitation means an invitation to an Eligible Employee to apply for the grant of Performance Rights under these Rules.

Listing Rules means the official listing rules of the ASX as they apply to the Company from time to time.

Market Value, in relation to a Share, means:

- (a) if Shares are listed on the official list of ASX or any other stock exchange approved by the Board, the volume weighted average closing sale price of Shares sold on ASX or the other stock exchange (as applicable) over the last 5 trading days immediately before the relevant date; and
- (b) otherwise, the fair market value of a Share as determined by a valuation methodology approved by the Board having regard to all customary security valuation factors considered relevant to such a valuation, including conducting the valuation on the basis of an arm's length transaction between an informed and willing seller and an informed and willing buyer under no compulsion to sell or buy, respectively, and without taking into account any Disposal Restrictions on the Shares.

Nominated Party means, in respect of an Eligible Employee:

- (a) that person's spouse;
- (b) that person's biological or legally adopted child of at least 18 years of age;
- (c) a trustee or trustees of a trust set up wholly for the benefit of one or more Eligible Employees or a person mentioned in sub-clauses (a) or (b);
- (d) a company in which all of the issued shares are beneficially held by, and all of the voting rights are beneficially held by:
 - (i) the Eligible Employee; and/or
 - (ii) a person or persons mentioned in sub-clauses (a), (b) or (c) above; or
- (e) any other person approved by the Company provided that the person is an Associate (as defined in section 318(1) of the Income Tax Assessment Act 1936).

Notice Period has the meaning given in clause 10.2.

Participant means an Eligible Employee who has accepted an offer to participate, or has been granted participation, in the Plan or his or her Nominated Party.

Performance Right means a conditional right granted to a Participant under this Plan to receive by issue or transfer a Share or to receive a cash amount equivalent to the value of a Share as at the date of exercise of the Performance Right,

on the terms and conditions of the Plan and subject to the satisfaction of any Vesting Conditions.

Plan means the Nine Entertainment Co. Holdings Limited Performance Rights Plan established and operated in accordance with these Rules.

Related Body Corporate has the meaning set out in the Corporations Act.

Rules means these rules in respect of the establishment and operation of the Plan, as amended from time to time.

Security Interest means any mortgage, pledge, charge, lien, encumbrance, assignment, security, interest, preferential right, set-off or any other security arrangement.

Share means a fully paid ordinary share in the capital of the Company.

Super Amount has the meaning given in clause 8.3.

Takeover Bid has the meaning given in the Corporations Act.

Takeover Event has the meaning given in clause 15.1(a).

Tax means any tax, levy, charge, franchise, impost, duty, fee, rate, deduction, compulsory loan or withholding, which is assessed, levied, imposed or collected by any Government Agency and includes, for the avoidance of doubt, capital gains tax, fringe benefits tax, income tax, value added tax, goods and services tax, sales or use tax, training guarantee levy, profits tax, undistributed profits tax, payroll or employment tax, group tax, PAYG or PAYE withholding tax, land tax, import or customs duty, excise,

municipal rates, and any interest, fine, penalty, charge, fee or any other amount imposed on or in respect of any of the above.

Termination Date has the meaning given in clause 10.1.

Trust has the meaning given in clause 20(a)(ii).

Trust Deed has the meaning given in clause 20(b)(i).

Trustee has the meaning given in clause 20(a)(i).

Vested Performance Right means a Performance Right that has vested in accordance with clause 8.1(a).

Vesting Conditions means one or more conditions as determined by the Board and specified in an Invitation, which must be satisfied prior to a Performance Right becoming vested in a Participant, as reduced or waived in whole or in part at any time by the Board and notified to the Participant.

Vesting Date means, in respect of a Performance Right, the date on which the Vesting Conditions in relation to that Performance Right must be satisfied, or such earlier date on which the Performance Right vests in accordance with clause 15.

Voting Power has the meaning given in the Corporations Act.

2 Interpretation

In this document the following rules of interpretation apply unless the contrary intention appears:

- (a) headings are for convenience only and do not affect the interpretation of this document;
- (b) the singular includes the plural and vice versa;
- (c) words that are gender neutral or gender specific include each gender;
- (d) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
- (e) the words 'such as', 'including', 'particularly' and similar expressions are not used as, nor are intended to be, interpreted as words of limitation;
- (f) a reference to:
 - (i) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate;
 - (ii) a thing (including, but not limited to, a chose in action or other right) includes a part of that thing;
 - (iii) a party includes its successors and permitted assigns;
 - (iv) a document includes all amendments or supplements to that document;

- (v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or party, schedule or attachment to this document;
 - (vi) this documents includes all schedules and attachments to them;
 - (vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a rule of an applicable Financial Market and is a reference to that law as amended, consolidated or replaced;
 - (viii) a monetary amount is in Australian dollars;
 - (g) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day;
 - (h) in determining the time of day, where relevant to this document, the relevant time of day is:
 - (i) for the purposes of giving or receiving notices, the time of day where a party receiving a notice is located; or
 - (ii) for any other purpose under this document, the time of day in the place where the party required to perform an obligation is located.
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2 Applicable Laws

These Rules, the exercise of any powers under these Rules (including the offering and granting of any Performance Rights or Shares on the exercise of Performance Rights and the rights attaching to or interests in the Performance Rights or Shares issued on the exercise of Performance Rights) will at all times be subject to all Applicable Laws and, notwithstanding the terms of the Plan or the terms of any particular Performance Right granted to a Participant and without limiting the foregoing, a power may not be exercised and no Performance Right may be offered, granted or exercised if to do so would contravene any Applicable Law.

3 Ownership restrictions

No act will be done or determination made in accordance with these Rules where to do so would be a breach of:

- (b) any provision of the Foreign Acquisitions and Takeovers Act 1975 as amended or modified or replaced by another act from time to time;
- (c) any foreign investment policy or guidance notes issued by the Foreign Investment Review Board as amended or modified or replaced from time to time;
- (d) any undertaking given by the Company to the Foreign Investment Review Board at the request of the Foreign Investment Review Board from time to time; or
- (e) any provision of the Broadcasting Services Act 1992 as amended or modified or replaced by another act from time to time,

and where any such act is done or determination made it will be considered void and to the extent possible be unwound and of no effect in respect of unvested Performance Rights or Shares received on the exercise of the Performance Rights.

4 Rounding

Where any calculation or adjustment to be made pursuant to these Rules produces a fraction of a cent or a fraction of a Performance Right or Share, the fraction will be eliminated by rounding to the nearest whole number.

5 Listing Rules

While the Company is admitted to the official list of the ASX, the provisions of the Listing Rules will apply to the Plan, and to the extent that the Plan and the Listing Rules are inconsistent, the provisions of the Listing Rules will prevail.

6 Constitution

To the extent of that the Plan and the Constitution are inconsistent, the terms of the Constitution will prevail.