



Dividend Reinvestment Plan Offer Document

25 February 2011
(updated as at 1 January 2020)

This is an important document, prepared in accordance with the Financial Markets Conduct Act 2013 and Financial Markets Conduct Regulations 2014, and contains a description of the SkyCity Entertainment Group Limited Dividend Reinvestment Plan and its terms and conditions. If you have any questions in relation to the SkyCity Entertainment Group Limited Dividend Reinvestment Plan, please consult your financial adviser.

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Shares Instead of Dividends

The SkyCity Entertainment Group Limited (**SkyCity**) Dividend Reinvestment Plan (**Plan**) provides you, as a holder of SkyCity Entertainment Group Limited ordinary shares, with an opportunity to invest the net proceeds of the cash dividends payable on your shares in additional fully paid ordinary shares. This is a convenient method of increasing your investment by acquiring further shares free of brokerage charges. If you wish to continue to receive dividends declared by SkyCity in cash, no action is required.

Additional shares acquired under the Plan may, at the discretion of the SkyCity board, be new shares issued by SkyCity, existing shares acquired by SkyCity or its nominee or agent, or any combination of new shares and existing shares.

Eligibility

All SkyCity shareholders are eligible to participate in the Plan, except where the SkyCity board elects not to offer participation under the Plan to shareholders whose registered address is outside New Zealand or Australia. Participation in the Plan is optional at the election of a shareholder.

Full or Partial Participation

You may elect to participate in the Plan in respect of all or part of your shares.

Flexible Joining, Variation and Withdrawal Arrangements

Shareholders can join the Plan, vary their participation or withdraw from the Plan at any time by forwarding a written notice to that effect to the Share Registrar, Computershare Investor Services Limited.

You have until 5.00pm (New Zealand time) on the Business Day (which for the purpose of this Offer Document has the meaning given to it in the NZX Listing Rules) following a record date for a dividend to elect to participate in the Plan for that dividend. Any notice received after 5.00pm (New Zealand time) on the Business Day following a record date for a dividend will be effective only from the next following dividend.

A Participation Notice is enclosed with this Offer Document if you wish to participate in the Plan.

A new Participation Notice (available from the Investor Centre section of SkyCity's website at www.skycityentertainmentgroup.com or, on request, by contacting the Share Registrar at the address set out in the Directory) will need to be completed if you wish to vary your participation in the Plan.

Application of the Plan

The SkyCity board will determine whether the Plan will apply to a particular dividend. If the board determines that the Plan will apply to a particular dividend, then the Plan will apply if you have previously elected or elect to participate in the Plan and you have not withdrawn from the Plan as at 5.00pm (New Zealand time) on the Business Day following the record date for that particular dividend.

If the board determines that the Plan will not apply to a particular dividend, then notwithstanding that you may have previously elected or elect to participate in the Plan, the Plan will not apply to that particular dividend and you will receive the dividend declared by SkyCity in cash.

Shares at or Around Market Price

Under the Plan, additional shares acquired in respect of a dividend will be acquired at their market price or, at the SkyCity board's discretion, at a discount of up to 5%.

Shares Acquired Rank Equally and may be Sold

Additional shares acquired under the Plan will rank equally in all respects with existing SkyCity shares and may be sold at any time.

Taxation

Shareholders who participate in the Plan are treated, for New Zealand tax purposes, in the same way as if they had received the cash dividend. Australian resident shareholders who participate in the Plan are treated, for Australian tax purposes, in the same way as if they had received the cash dividend.

Details Will be Sent to you

If you elect to participate in the Plan, details of your total entitlement and the number of shares acquired by you under the Plan will be sent to you after each dividend payment.

Dividend Policy

As at the date of this Offer Document, SkyCity's current dividend policy is to pay a dividend of a minimum of 20 cents per share per annum and not less than 80% of annual Normalised NPAT, subject to maintaining SkyCity's investment grade credit rating and giving priority to the funding of strategic projects. SkyCity's dividend policy is subject to change at the Board's sole discretion (from time to time). SkyCity's most up to date dividend policy can be found at www.skycityentertainmentgroup.com.

1. Introduction

Pursuant to the constitution of SkyCity Entertainment Group Limited (**SkyCity**), the board of directors (**board**) has approved the adoption of the SkyCity Entertainment Group Limited Dividend Reinvestment Plan (**Plan**). Under the Plan, holders of ordinary shares in SkyCity may elect to forgo their right to dividends or distributions on all or any of their fully paid ordinary shares in SkyCity and receive fully paid ordinary shares in SkyCity (**Additional Shares**) instead. This Offer Document sets out the terms and conditions of the Plan and is issued in compliance with the exclusion for dividend reinvestment plans contained in Schedule 1 to the Financial Markets Conduct Act 2013 and the Financial Markets Conduct Regulations 2014. Accordingly, no product disclosure statement or prospectus is required in respect of the Plan.

2. The Offer

2.1 Offer to all Shareholders

Subject to clauses 2.4 to 2.6, SkyCity offers to all shareholders the right to elect to participate in the Plan.

2.2 Available Options

Shareholders may elect to participate in the Plan by exercising one of the following options:

- **Full Participation**

If you elect full participation, participation in the Plan will apply to all of your shares.

- **Partial Participation**

If you elect partial participation, only the number of shares nominated by you will be eligible for participation in the Plan. If you hold less than your nominated number of shares, then the Plan will apply to such lesser number of shares.

- **Non-Participation**

If you do not wish to participate and you wish to receive dividends or distributions in cash, you are not required to do anything.

2.3 Information for Australian Shareholders

The offer of shares under the Plan does not need disclosure for the purposes of section 708 of the Corporations Act 2001 (Cth). Accordingly, this Offer Document will not be lodged with the Australian Securities and Investments Commission (**ASIC**).

Australian resident shareholders should note that SkyCity is not licensed to provide financial product advice in relation to the shares offered under the Plan. There is no cooling-off regime that applies in respect of the acquisition of shares offered under the Plan.

This Offer Document does not take into account shareholders' personal objectives, financial situations or needs. Shareholders should consider obtaining their own financial product advice in relation to the offer from an independent person who is licensed by ASIC to give such advice.

2.4 Ability to Exclude Overseas Shareholders from the Plan

The board may, in its absolute discretion, elect not to offer participation under the Plan to shareholders whose address is outside New Zealand or Australia if the board considers:

- that to do so would risk breaching the laws of places outside New Zealand or Australia; or
- it would be unreasonable having regard to the associated costs of ensuring that the laws of those places are complied with.

2.5 Representations and Warranties from Overseas Shareholders

Shareholders who apply to participate in the Plan and who reside outside New Zealand or Australia represent and warrant to SkyCity that the offer of the Plan and their participation in it would not breach any laws in their country of residence.

Any person residing outside New Zealand or Australia who holds shares through a New Zealand or Australian resident nominee should not allow their nominee to participate in the Plan if participation in respect of their shares would be contrary to the laws of their country of residence.

Any person residing outside New Zealand or Australia who participates in the Plan through a New Zealand or Australian resident nominee will be deemed to represent and warrant to SkyCity that they can lawfully participate through their nominee.

SkyCity accepts no responsibility for determining whether a shareholder is able to participate in the Plan under laws applicable outside of New Zealand or Australia.

2.6 Exclusion Where Liens or Charges Over Shares

Any shares over which SkyCity has a lien or charge in accordance with SkyCity's constitution or other requirements of law will not be eligible to participate in the Plan.

3. Method of Participation

3.1 Participation Notice

To participate in the Plan you must:

- complete the Participation Notice which accompanies this Offer Document in accordance with the instructions on that notice; and

- forward the completed Participation Notice to:

SkyCity Entertainment Group Limited Share Registrar
 Computershare Investor Services Limited
 Level 2
 159 Hurstmere Road
 Takapuna
 Private Bag 92119
 Auckland 1142

or to such other person or address as SkyCity may determine.

3.2 Participation Cutoff

Participation will be effective as to dividends or distributions payable from the Business Day following the first record date after receipt by the Share Registrar of a properly completed Participation Notice (including, for the avoidance of doubt, the dividend or distribution to be paid in respect of that record date). Any notice received after 5.00pm (New Zealand time) on the Business Day following a record date for a dividend will be effective only from the next following dividend.

4. Additional Share Entitlement

4.1 General

Subject to clause 6, the number of Additional Shares to be acquired by a shareholder who has elected to participate in the Plan will be:

- based on the net amount of the dividend or distribution the shareholder would otherwise have received; and
- calculated on the basis that the issue price of the Additional Shares will be the market price of shares less a discount (if any), as determined in accordance with the formula set out in clause 4.2.

4.2 Formula for Calculation of Number of Additional Shares

Subject to clause 6, the number of Additional Shares to be acquired by a shareholder who has elected to participate in the Plan will be calculated in accordance with the following formula:

$$\text{Additional Shares} = \frac{(S \times D) + B}{C \times (1 - E)}$$

Where:

S is the number of shares in respect of which an election to participate in the Plan has been made by the shareholder.

D is the amount of the dividend or distribution (expressed in cents and fractions of cents and after deduction of any amounts of resident withholding, or other taxes, if any, payable by SkyCity in respect of the dividend or distribution) payable per share which would otherwise have been payable to a shareholder if the shareholder had not elected to participate in the Plan.

B is the amount (if any) held to the order of the shareholder under the Plan in accordance with clause 4.3 below as a result of rounding the number of Additional Shares to be acquired by the shareholder when the Plan last operated.

C is the volume weighted average sale price for a share (expressed in cents and fractions of cents) calculated on all sales of shares which took place through the NZX main board market (**NZSX**) operated by NZX Limited (**NZX**) on the five trading days commencing on the Ex Date (which has the meaning given to it in the NZX Listing Rules). If no sales of shares occur during the five trading days commencing on the Ex Date, then the volume weighted average sale price shall be deemed to be the first sale price for a share which took place on the NZSX after the Ex Date as determined by NZX.

Any volume weighted average sale price so determined may be reasonably adjusted by the board to allow for any bonus or dividend or other distribution expectation. If, in the opinion of the board, any exceptional or unusual circumstances have artificially affected the volume weighted average sale price so determined, the board may make such adjustment to that sale price as it considers reasonable.

E is the percentage discount determined by the board from time to time (if any) in its absolute discretion, provided that such percentage discount (if any) shall not exceed 5%.

4.3 Fractional Entitlements

Where the number calculated in accordance with the formula in clause 4.2 includes a fraction then the number of Additional Shares to be acquired shall be rounded down to the nearest whole number.

Any net amount of the dividend or distribution as described in the definition of 'D' plus the amount 'B' in clause 4.2 above which is not applied to acquire part of an Additional Share because of this clause 4.3 shall be held to the order of the shareholder and be applied under the Plan on the shareholder's behalf the next time the Plan operates.

Should a shareholder:

- terminate his or her participation in the Plan under clause 8.4; or
- cease to be a shareholder,

any amount of NZ\$2.00 or more which at the time is held to the order of the shareholder under this clause 4.3 will be paid in cash to the shareholder on the next dividend payment date. Amounts not more than NZ\$2.00 which are held to the order of the shareholder will be forfeited.

4.4 Share Price Information Publicly Available

SkyCity will ensure that at the time the price for the Additional Shares is set under clause 4.2 it will have no information that is not publicly available and that would, or would be likely to, have a material adverse effect on the realisable price of the shares if the information was publicly available.

5. Operation of the Plan

5.1 Additional Shares

Subject to clause 6, the board will, on the day that a shareholder who has elected to participate in the Plan would otherwise have been paid a dividend or distribution, either issue or arrange the transfer of the Additional Shares to that shareholder in accordance with clause 4.

5.2 Terms and Ranking of Additional Shares

Additional Shares acquired by shareholders under the Plan will be issued or transferred on the terms set out in this Plan and, subject to the rights of termination, suspension and modification set out in clause 8, will not be issued or transferred on any other terms and will all be subject to the same rights as each other. The Additional Shares acquired by shareholders under the Plan will, from the date of issue or transfer, rank equally in all respects with each other and with all other ordinary shares of SkyCity on issue as at that date.

5.3 Source of Additional Shares

Additional Shares to be acquired by shareholders under the Plan may, at the board's discretion, be:

- new shares issued by SkyCity;
- existing shares acquired by SkyCity or a nominee or agent of SkyCity; or
- any combination of new shares and existing shares.

6. Regulatory Approval

As at the date of this Plan, SkyCity and its shareholders are subject to specific casino industry legislation in New Zealand and South Australia which, amongst other matters, governs the suitability or otherwise of the persons who are or will be able to exercise significant influence over the management or operation of any of SkyCity's casino businesses in New Zealand (in the case of the New Zealand legislation) or who attain a position of control or significant influence over the holder of SkyCity's South Australian casino licence (in the case of the South Australian legislation). The legislation is administered by the Secretary of the Department of Internal Affairs and the Gambling Commission in New Zealand and Consumer and Business Services in South Australia.

It is possible that SkyCity and its subsidiaries may acquire other licences, whether for the operation of casinos or the operation or conduct of other forms of gaming or wagering, or may otherwise become subject to other regulatory regimes under which approvals may be required from other regulatory or statutory authorities or bodies for the acquisition of shares by shareholders in certain circumstances.

The Secretary of the Department of Internal Affairs and the Gambling Commission in New Zealand and Consumer and Business Services in South Australia, and any other such regulatory or statutory authority or body which may have jurisdiction over SkyCity or any of its subsidiaries are referred to in this clause 6 as "Regulatory Authorities".

The board may, in its absolute discretion, notwithstanding an election by a shareholder to participate in the Plan, decide not to issue or transfer Additional Shares to the shareholder under the Plan, and instead pay the relevant dividend or distribution to the shareholder in cash, if approval from any of the Regulatory Authorities may be required for the issue or transfer of the Additional Shares to the shareholder unless, prior to 5.00pm (New Zealand time) on the Business Day following the record date for the dividend, the shareholder provides SkyCity with the necessary approval from the relevant Regulatory Authorities for the issue or transfer of the Additional Shares to that shareholder or confirmation from the relevant Regulatory Authorities that the issue or transfer of those Additional Shares does not require their approval.

7. Statements to Shareholders

7.1 Statements on Dividend Date

Subject to clauses 2.4 to 2.6 and 7.2, SkyCity will send to each shareholder who has elected to participate in the Plan, on each dividend payment date, a statement detailing in respect of that shareholder:

- the number of shares of the shareholder as at the relevant record date;
- the amount of the cash dividend used to subscribe for Additional Shares and the amount paid in respect of shares nominated for participation in the Plan and shares not nominated for participation in the Plan (if applicable);
- the amount of any taxation deduction;
- the number of Additional Shares acquired by the shareholder under the Plan and the issue price of those Additional Shares (including any discount (if any)) determined by the board under clause 4.2;

- the amount held to the order of the shareholder under clause 4.3; and
- advice as to the amount of any imputation or other taxation credits.

7.2 Statements Where Regulatory Approval Required

If the board decides under clause 6 not to issue or transfer Additional Shares to a shareholder who has elected to participate in the Plan, SkyCity will send to that shareholder a statement detailing the reasons why the board exercised its discretion under clause 6, including the type of confirmation or approval which the board believes the relevant shareholder may need to seek from the Regulatory Authorities in order to be able to acquire Additional Shares under the Plan in the future.

8. Termination, Suspension and Modification

8.1 Termination or Modification by SkyCity

The board may at any time and from time to time in its sole discretion:

- terminate or modify the Plan. If the Plan is modified, then a Participation Notice will be deemed to be a Participation Notice under the Plan as modified unless that Participation Notice is withdrawn by the shareholder; or
- suspend the operation of the Plan so that it will not apply to the whole or part of any dividends or distributions; or
- resolve that participation will not apply to the whole or part of any dividend and that the dividend or the balance of the dividend (as the case may be) will be paid in cash; or
- resolve that the price at which Additional Shares may be acquired shall be at a discount to the market price of shares in accordance with clause 4.2; or
- resolve that in the event of the subdivision, consolidation or reclassification of the shares into one or more new classes of shares, that a Participation Notice will be deemed to be a Participation Notice in respect of the shares as subdivided, consolidated or reclassified unless such Participation Notice is subsequently changed or withdrawn by the participating shareholder; or
- resolve that a Participation Notice will cease to be of any effect; or
- resolve that the Plan may be underwritten on such terms as agreed between SkyCity and an underwriter.

8.2 Prior Notice

Notice of any modification or termination by the board will be given to all shareholders participating in the Plan.

8.3 When no Notice Required

Notwithstanding clause 8.2, SkyCity may at any time, without the need of any notice:

- modify the Plan to comply with SkyCity's constitution, the listing rules of any stock exchange on which the shares are listed or any law; or
- make minor amendments to the Plan where such amendments are of an administrative or procedural nature.

8.4 Variation or Termination by a Participating Shareholder

A shareholder may, at any time:

- increase or decrease the number of their shares which are participating in the Plan by completing and sending a new Participation Notice to the Share Registrar; or
- terminate their participation in the Plan by written notice to that effect to the Share Registrar.

8.5 Variation or Termination Effective

A variation or termination under clause 8.4 will take effect immediately upon receipt by the Share Registrar of the new Participation Notice or the written termination notice, as the case may be, provided that any notice received after 5.00pm (New Zealand time) on the Business Day following the record date for a dividend will be effective only from the next following dividend.

8.6 Death of Participating Shareholder

If a shareholder participating in the Plan dies, participation by that shareholder in the Plan will be terminated by SkyCity upon receipt by SkyCity of a notice of death in a form acceptable to SkyCity. Death of one of two or more joint shareholders will not automatically terminate participation.

9. Reduction or Termination of Participation Where no Notice Given

9.1 Dispositions Where Partial Participation

Where a shareholder who is participating in the Plan in respect of some but not all of their shares disposes of some of their shares then unless the shareholder notifies the Share Registrar otherwise in writing:

- the shareholder will be deemed to have disposed of shares which are not participating in the Plan if the total number of non-participating shares held by them is greater than the number of shares being disposed of by them; and

- if the number of shares disposed of is greater than the number of the shareholder's shares which are not participating in the Plan, they will be deemed to have disposed of all of their non-participating shares, and the balance will be attributed to shares participating in the Plan.

9.2 Partial Dispositions Where Full Participation

If a shareholder with full participation disposes of part of their holding of shares without giving the Share Registrar written notice terminating their participation in the Plan, the shareholder will be deemed to have terminated their participation in the Plan with respect to the shares disposed of by them from the date that SkyCity registers a transfer of those shares.

9.3 Dispositions of all of Shares

If a shareholder disposes of all of their holding of shares without giving the Share Registrar written notice terminating their participation in the Plan, the shareholder will be deemed to have terminated participation in the Plan from the date that SkyCity registers a transfer of those shares.

10. Taxation

The statements below in relation to taxation are based on current New Zealand and Australian taxation laws at the date of this Offer Document.

10.1 New Zealand Shareholders

Additional Shares acquired by a New Zealand shareholder will be taxable to the shareholder as a dividend at their respective marginal tax rate.

Where the Additional Shares carry imputation credits, the resident withholding tax liability will be reduced by the amount of the imputation credits.

10.2 Australian Resident Shareholders

Additional Shares acquired by an Australian shareholder (including any withholding tax deducted in New Zealand) will be taxable to the shareholder as a dividend at their respective marginal tax rate. The shareholder may be entitled to a foreign income tax offset against their Australian tax payable for any withholding tax deducted in New Zealand.

Provided an Australian resident shareholder holds less than 10% of SkyCity's share capital on capital account, Additional Shares acquired by the Australian resident shareholder which have full imputation credits attached to them will effectively be subject to nil New Zealand non-resident withholding tax. To the extent Additional Shares acquired by an Australian resident shareholder are not fully imputed, non-resident withholding tax will be

deducted at the rate of 15%. The New Zealand tax consequences for Australian shareholders holding greater than 10% of SkyCity's share capital may differ.

10.3 Other Non-resident Shareholders

Provided a non-resident shareholder holds less than 10% of SkyCity's share capital, Additional Shares acquired by the non-resident shareholder which have full imputation credits attached to them will effectively be subject to nil New Zealand non-resident withholding tax. To the extent Additional Shares acquired by a non-resident shareholder are not fully imputed, non-resident withholding tax will be deducted at the rate of 15% or 30% (depending on where the non-resident shareholder is resident). The New Zealand tax consequences for non-resident shareholders holding greater than 10% of SkyCity's share capital may differ.

11. Costs

There are no charges for participation or withdrawal from the Plan. No brokerage costs will be incurred on the acquisition of Additional Shares.

12. Stock Exchange Quotation

SkyCity will apply for quotation of Additional Shares which may be issued under the Plan on the NZSX and the official list of the Australian Securities Exchange (ASX) after they have been allotted. However, neither NZX nor ASX accept any responsibility for any statement in this Offer Document.

13. Governing Law

This Offer Document and the Plan, and its operation, are governed by the laws of New Zealand.

14. Other Information

You have the right to receive from SkyCity, free of charge, a copy of SkyCity's most recent annual report and audited consolidated financial statements (complying with the Financial Reporting Act 2013) by downloading them from the Investor Centre section of SkyCity's website at www.skycityentertainmentgroup.com or, on request, by contacting SkyCity at the address set out in the Directory.

REGISTERED OFFICE

SkyCity Entertainment Group Limited
 Level 13
 99 Albert Street
 PO Box 6443
 Wellesley Street
 Auckland
 New Zealand

Telephone: +64 9 363 6000
 Facsimile: +64 9 363 6140
 Email: sceginfo@skycity.co.nz
www.skycityentertainmentgroup.com

Registered Office in Australia
c/o Finlaysons
 81 Flinders Street
 GPO Box 1244
 Adelaide
 South Australia

Telephone: +61 8 8235 7400
 Facsimile: +61 8 8232 2944

SOLICITORS

Russell McVeagh

Vero Centre
 48 Shortland Street
 PO Box 8
 Auckland

Bell Gully

Vero Centre
 48 Shortland Street
 PO Box 4199
 Auckland

AUDITOR

PricewaterhouseCoopers

188 Quay Street
 Private Bag 92162
 Auckland

SHARE REGISTRARS

NEW ZEALAND

Computershare Investor Services Limited

Level 2
 159 Hurstmere Road
 Takapuna
 Private Bag 92119
 Auckland

Telephone: +64 9 488 8700
 Facsimile: +64 9 488 8787
 Email: enquiry@computershare.co.nz

AUSTRALIA

Computershare Investor Services Pty Limited

Level 3
 60 Carrington Street
 Sydney NSW 2000
 GPO Box 7045
 Sydney NSW 2001

Telephone: +61 2 8234 5000
 Facsimile: +61 2 8234 5050
 Email: enquiry@computershare.co.nz

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skycityentertainmentgroup.com