



**25 February 2021**

Company Announcements Office  
Australian Securities Exchange Limited  
Level 6, 20 Bridge Street  
Sydney NSW 2000

**PRIME MEDIA GROUP LIMITED (ASX: PRT)**

Attached is the Interim Financial Result Presentation for the Half-Year Ended 31 December 2020.

Authorised for release by the Board of Prime Media Group Limited.

For further information, please contact:

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**Prime Media Group Limited**  
**Interim Financial Result for the period ended 31 December 2020**  
**Investor Briefing 26 February 2021**

# HALF-YEAR RESULT 2021 FINANCIAL YEAR

- STRONG BALANCE SHEET: Net Cash \$31.4 million.
  - Includes cash received for Public Interest News Gathering (PING) grant of \$4.2 million and JobKeeper Payment subsidies of \$4.4 million
- STATUTORY PROFIT: \$10.1 million, up 126.9% on prior comparative period.
  - Includes revenue recognised from PING grant of \$1.8 million and JobKeeper Payment subsidies of \$3.4 million
- REVENUE FROM CONTRACTS WITH CUSTOMERS: \$86.1 million down 4.7% on prior comparative period.
  - Total advertising revenue share: market leading 41.0 share points^
- OPERATING COSTS: down \$2.8 million or 10.5% on prior comparative period
- EBITDA: \$19.1 million up 65.6% on prior comparative period
- NET OPERATING CASHFLOW FROM OPERATING ACTIVITIES: excluding government subsidies declined \$5.7 million or 42.0% prior comparative period
- FUTURE STRATEGY REVENUE DIVERSIFICATION

^ Source: KPMG aggregated regional markets of Northern New South Wales, Southern New South Wales and Victoria industry data

# STATUTORY RESULTS

	1H21 \$'000	1H20 \$'000	VARIANCE	
			\$'000	%
Total Revenue (excl. interest)	91,724	90,802	922	1.0%
Cost of Sales	(48,414)	(52,604)	4,190	8.0%
Operating expenses	(24,039)	(25,322)	1,283	5.1%
Non-recurring transaction costs	-	(1,525)	1,525	-
Share of associates	(171)	182	(353)	(194.0%)
<b>EBITDA (NON-IFRS)</b>	<b>19,100</b>	<b>11,533</b>	<b>7,567</b>	<b>65.6%</b>
<b>NET PROFIT AFTER TAX</b>	<b>10,124</b>	<b>4,461</b>	<b>5,663</b>	<b>126.9%</b>
Basic EPS	2.8	1.2		

# NET PROFIT BEFORE SPECIFIC ITEMS AND AFTER TAX

The Group has historically provided a reconciliation of core net profit before specific items and after tax to statutory net profit after tax. However, the Group's core net profit after tax has been significantly impacted by the COVID-19 pandemic and government assistance during the reporting period. Provided in the table below are details of specific items for the reporting period. In addition to these specific items, the Group made additional temporary operational changes in response to the pandemic that reduced operating expenses.

	1H20 \$'000	1H19 \$'000
<b>SPECIFIC ITEMS</b>		
Redundancies	-	18
Non-recurring scheme of arrangement expenses	-	1,525
PING Grant Revenue	(1,791)	-
JobKeeper subsidy	(3,413)	-
Employee costs savings including JobKeeper stand down directions	(379)	-
Expected credit loss adjustment	(418)	(24)
Impairment of investment in associates (non-cash)	171	-
Income tax expense/(benefit) related to specific items	1,749	(456)

# POWER RATIO

	1H21	1H20	Variance (PP)
Total revenue share*	41.0	41.0	-
Audience share^	42.6	41.9	0.7
<b>POWER RATIO</b>	<b>0.96</b>	<b>0.98</b>	0.2

\* Total advertising 3AGG market - KPMG quarterly shares

^ Regional TAM: All people 6am to midnight, aggregated regional market of New South Wales and Victoria

# NET CASH AND DIVIDENDS

The Company announced at the 2020 Annual General Meeting that it was exploring opportunities to diversify its revenue base. This decision has been taken due to the significant uncertainty in regional advertising markets. In light of the above, the dividend program remains suspended at this time.

The Board is mindful of shareholder expectations for reinstatement of the dividend program, which will be reviewed with the full-year results.

## OUTLOOK

Regional advertising market remains difficult to forecast due to significant uncertainty.

National advertising market remains short given the ongoing potential for changes to broadcasting schedules. Local direct advertisers have been slower to recover due to uncertainties created by state border closures and regional lock downs over past months.

We are cautiously optimistic for the full-year results. There is significant advertiser interest in the AFL.

The Tokyo Olympics is too early to have an impact on forward bookings. There is growing interest from national sponsors.

Prime is positioned to explore revenue diversification opportunities with its strengthened balance sheet.



**QUESTIONS**