



ASX Announcement: 26 August 2021

2021 RESULTS ANNOUNCEMENT

PRIME MEDIA GROUP (ASX:PRT) today released its results for the financial year ended 30 June 2021.

STATUTORY RESULTS SUMMARY

- Total revenue \$178.7M, up 9.2% on the prior year
- EBITDA \$36.8M, up 81.6% on the prior year, and above previous guidance of \$33.0M-\$35.0M
- Operating costs down \$3.7M or 7.5% on prior year
- Statutory profit after tax of \$19.6M, up 195.6% on prior year, and above previous guidance of \$17.0M-\$19.0M
- Net cash of \$41.2M as at 30 June 2021, in line with previous guidance

CORE NET PROFIT AFTER TAX

- \$12.3M up 110.9% on prior year

CAPITAL MANAGEMENT

- Final dividend declared of 2.0 cents per share fully franked

Prime Media Group Limited statutory net profit after tax for the 2021 financial year of \$19.6M improved \$12.9M or 195.7% on the prior year.

Total revenue of \$178.7M increased \$15.0M or 9.2% on the prior year. Revenue from contracts with customers recovered from the severe impact of the COVID-19 pandemic during the 2020 financial year, improving \$8.7M or 5.5% on the prior year. Prime Media has maintained its leading total advertising revenue share of 40.4% in the aggregated regional market of New South Wales and Victoria, with advertising revenue from these markets improving by 4.1% on the prior year. Prime Media maintained its focus on cost control throughout the year with operating expenses excluding depreciation and amortisation declining \$3.7M or 7.5% on the prior year. Included in the cost reductions were the temporary waiver of commercial broadcast taxes of \$973,000 and other savings from transmission related expenses.

Prime Media sold its vacant property in Bunbury Western Australia for \$1.3M net of selling costs. The Company also retains property in Canberra and Sydney with a carrying value of \$5.3M and an estimated realisable value of \$12.0M less selling costs.

Cashflow from operations improved in line with the recovery in advertising revenues, resulting in net cash at 30 June 2021 of \$41.2M. The Company is pleased to report that it will pay a final dividend of 2.0 cents per share fully franked for the 2021 financial year. Prime Media currently expects to pay future dividends based on a dividend policy of up to 50% of statutory net profit after tax and subject to Prime's regional



advertising markets, business operations and financial performance not being materially impacted by the COVID-19 pandemic. This remains subject to performance and will be the subject of ongoing review. In particular, Prime Media notes that the policy may require review in the 2023 financial year on the basis that Prime's program supply agreement with the Seven Network completes in June 2023 and is subject to renewal. The Company continues to actively review revenue diversification opportunities, including options for inorganic growth and will focus on maintaining adequate cash reserves with a view to funding such opportunities.

Chief Executive Officer, Mr Ian Audsley said, "Prime's financial performance has continued to improve over the course of the past 6 months, with strong support from national advertisers. This momentum continued through to the Tokyo Olympic Games with regional prime time audiences peaking at a 63.7 share. Advertising revenues from the Tokyo Olympic Games exceeded expectations, with advertising revenues for July 2021 being 40% favourable to the same time last year.

Prime's audience share this calendar year in regional New South Wales and Victoria stands at a 45.4 share, while its audience share in regional Western Australian has reached a 59.0 share. Prime's east coast PRIME7 regional network is in its tenth-consecutive year as the market leader in audience and revenue. Prime's GWN7 network in regional Western Australia also maintains its long-standing leadership in that market". Mr. Audsley added that Prime's local news services in New South Wales and Western Australia have experienced strong growth with audience shares ranging from 51% to 80% this calendar year, confirming their status as the most valued regional news source in their respective communities.

Chairman, Mr Ian McGill said, "this is an extremely encouraging result in what has been a difficult time for regional audiences and advertising markets. I am pleased to report to shareholders that Prime has reinstated a dividend program. The program balances shareholders' participation in Prime's net profits while enabling Prime to maintain adequate cash reserves to fund revenue diversification strategies. Regional television audiences and advertising revenues have been resilient over the past year, but the long term revenue declines are expected to continue, particularly as the take up of streamed services accelerates in regional Australia. Prime's advertising revenue in the aggregated market of NSW and Victoria is down 13.1% when compared to the 2019 financial year. Prime does not own the right to stream Seven Network programs in its regional licence areas, does not benefit from associated advertising revenue and does not have the scale to compete with these services. Over the past 3 years Prime has strengthened its balance sheet and is well placed to invest in revenue diversification opportunities".

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

*Audience data source: Regional TAM | 3 Aggregated markets of NNSW, SNSW & VIC combined | Total People | Consolidated data

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INVESTOR BRIEFING

A telephone briefing will be held for shareholders and the investment community at 9:00am (AEST) tomorrow (27 August 2021). The teleconference details are as follows:

Sydney: +61 02 7250 5436
Toll free Australia: 1800 573 793
Conference code: 4643902

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