



GTN Limited results for the half-year ended 31 December 2023

Overview:

- Revenue \$94.8 million, +5% on 1H FY23
- NPAT \$4.4 million, +46% on 1H FY23
- Adjusted EBITDA¹ \$13.3 million, +11% on 1H FY23
 - Network operations and station compensation expenses increased 5.4% primarily due to increased costs related to the United Kingdom market
- Strong liquidity position with net debt of \$0.5 million. Cash balance of \$23.6 million
- Repaid an additional \$4 million in bank debt during 1H FY24, reducing debt to \$20 million
- Repurchased over 2.3 million shares for \$0.8 million
- Declared Interim FY24 dividend of \$0.011 per share (unfranked)

Sydney, 23 February 2024 – GTN Limited (ASX: GTN) (Company or GTN), one of the largest broadcast media advertising platforms by audience reach in Australia, Brazil, Canada and the United Kingdom today announced its results for the half year ended 31 December 2023.

Overview of 1H FY24 results

(m) ²	1H FY24	1H FY23	% Difference
Revenue	94.8	90.3	5.0%
EBITDA ⁴	8.4	8.0	5.8%
Adjusted EBITDA ¹	13.3	12.0	11.3%
NPAT	4.4	3.0	46.3%
NPATA ³	6.7	5.3	26.4%
NPATA per share	\$0.033	\$0.025	33.7%

Chairman Comments

GTN Chairman, Peter Tonagh, commented “We are delighted to present a solid set of results for the first half of 2024, representing the period of transition from our previous CEO and Executive Team to a new, locally-based senior team. Notwithstanding the cost of the transition to the new team, Adjusted EBITDA

¹ Adjusted EBITDA is defined as EBITDA adding back the non-cash interest income related to the long-term prepaid affiliation agreement with Southern Cross Austereo which is treated as a financing transaction, transaction costs, foreign exchange gains/losses, gains on lease forgiveness and losses on refinancing.

² Amounts in tables may not add due to rounding. Percentage change based on actual amounts prior to rounding.

³ NPATA is defined as net profit after tax adjusted for the tax effected amortisation arising from acquisition related intangible assets.

⁴ EBITDA is defined as net profit after tax (earnings) before the deduction of interest expense/income, income taxes, depreciation and amortisation.

increased by 11% and NPAT increased by 46%. Eliminating the \$2.1m of transition costs, Adjusted EBITDA for the half would have increased by over 29%.

These results also reflect the continued growth of our non-Australian businesses which now represent 54% of GTN's revenue, up from 49% in the previous period. Of particular note is the 76% increase in revenue in Brazil and \$2.3m turnaround in Brazilian Adjusted EBITDA.

GTN's balance sheet remains strong with net debt of only \$0.5m notwithstanding the continued focus on our share buyback program. The strength of our balance sheet and increased flexibility in our loan facility, provides optionality for future capital management and growth initiatives.

GTN is well positioned to continue to deliver solid growth with a new, locally-based Executive Team, strong Country Heads in each of our markets and a solid balance sheet.

We are grateful to our departing Chief Financial Officer/Chief Operating Officer, Scott Cody, and Executive Vice President, Legal and Business Affairs, Gary Worobow, for their contributions to GTN over many years.'

Management Comment

Commenting on the results, Brent Henley, Chief Financial Officer of GTN, said "Group revenue increased 5% compared to 1H FY23 to \$94.8 million. This was driven by strong growth in both Brazil and the UK. Due to the revenue increase, Adjusted EBITDA increased 11% to \$13.3 million. We were able to grow EBITDA while absorbing the restructuring costs of the Group's previous executive team and continuing to invest in our start-up Global Drone Network. While we have achieved continued revenue growth over the past two fiscal years, we believe that there is still meaningful upside in all our markets from our existing networks.

If the impact of the one-off costs associated with the departure of our former Chief Financial Officer / Chief Operating Officer and Executive Vice President, Legal and Business affairs and the losses related to the start-up drone operations are eliminated from this period, Adjusted EBITDA would have increased 32% in 1H FY24 compared to 1H FY23.

Australia revenue decreased 4.3% compared to 1H FY23, but remains our largest and most profitable market. ATN continues to focus on serving its core advertising base while optimising its cost base to positively impact future results.

Canada revenue decreased 4.4% compared to 1H FY23 (5% in local currency). This decline in revenue performance led to a reduction in EBITDA, with 1H FY24 Adjusted EBITDA declining to \$2.9 million from \$3.4 million in 1H FY23. Even with this result, we remain confident that Canada can deliver the potential that was evident prior to the pandemic disruption.

Brazil achieved our largest revenue increase, increasing 76% compared to 1H FY23 (60% in local currency). The strong revenue contributed to a profitable first half performance (Adjusted EBITDA \$2.1m), representing a significant improvement over the past several fiscal years. We continue to be optimistic about the long-term prospects for our Brazil business.

United Kingdom revenue increased 15% compared to 1H FY23 (5% in local currency). The market was positively impacted by a material increase in total radio impacts available to customers. The UK business

continues to deliver solid results and remains a meaningful contributor to the Group's financial performance.

During 1H FY24, we generated \$0.3 million in revenue across the drone's business. We believe that these shows can complement our existing business. Our plan in 2H FY24 is to increase the revenue from our drone investments through thoughtful selection of profitable drone events which benefit our core advertiser base.

At 31 December 2023, our cash balance was \$23.6 million and our net debt after cash (including lease liabilities recognised under AASB 16) was \$0.5 million. During 1H FY24, we repurchased 2.3 million shares for \$0.8 million and repaid an additional \$4 million on our debt facility. Over the past 3 ½ years we have repaid \$40 million of the debt facility, reducing the amount outstanding from \$60 million to \$20 million.

We have maintained our affiliate networks and excellent local management teams while having a strong balance sheet. These factors put us in a solid position to continue to grow our business.

Trading update

We continue to focus on serving our core advertiser base while optimising our cost base to positively impact future results.

Due to the short lead time of the Group's sales cycle, it is not possible to forecast revenue for the remainder of FY24.

About GTN Limited

GTN Limited (ASX: GTN) began operations in Australia in 1997 and has grown to become the largest supplier of traffic information reports to radio stations in Australia, United Kingdom, Canada and Brazil (four of the 10 largest advertising markets in the world) and one of the largest broadcast media advertising platforms by audience reach in these operating geographies.

In exchange for providing traffic and information reports, and generally monetary compensation, GTN receives commercial advertising spots adjacent to traffic, news and information reports from its large network of affiliates. These spots are bundled together by GTN and sold to advertisers on a national, regional or specific market basis.

GTN's advertising spots are short in duration, adjacent to engaging information reports and are often read live on the air by well-known radio and television personalities during peak audience hours. GTN's broad audience means it is able to deliver effective radio advertisements with high frequency and expansive reach, enabling advertisers to communicate with high-value demographics cost effectively.

For more information, visit the Company's website at www.gtnetwork.com.au

Conference Call

GTN Limited will host a conference call at 9:30 a.m. Australia Eastern Standard time on Friday, 23 February 2024 to discuss its 1H 2024 results.

The conference call will include a presentation and Q&A. To register to participate in the conference call, please click on the following link and follow the instructions:

<https://registrations.events/direct/OCP640590>

Participants will then be provided with the dial in number, a passcode, and a unique access PIN. This information will also be emailed to participants as a calendar invite. To join the conference, participants should dial the number in the calendar invite and enter the passcode followed by the PIN provided when you registered, and you will join the conference instantly.

Conference Call Replay

The conference call will be archived following the call. It will be available to be heard at

<http://www.openbriefing.com/OB/5469.aspx>

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This statement was approved by the Board of Directors of GTN Limited