

27 August 2024

FOR IMMEDIATE RELEASE

NZME 2024 Half Year Results

Please refer to the following documents in relation to the NZME Half Year Results to 30 June 2024:

1. NZME 2024 Half Year Results NZX Form
2. NZME 2024 Half Year Results Announcement
3. NZME 2024 Half Year Results Investor Presentation
4. NZME 2024 Consolidated Interim Financial Statements
5. Distribution Notice - NZX Form

Chief Executive Officer Michael Boggs, and Chief Financial Officer David Mackrell, will discuss the HY24 results by webcast at 10.00am New Zealand time today.

The webcast will be available later today at www.nzme.co.nz/investor-relations/webcasts
To register to attend please [CLICK HERE](#)

ENDS

Authorised by: Michael Boggs, Chief Executive Officer

For further information:

For media	For investors
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Results announcement

(for Equity Security issuer/Equity and Debt Security issuer)

Results for announcement to the market		
Name of issuer	NZME Limited	
Reporting Period	6 months to 30 June 2024	
Previous Reporting Period	6 months to 30 June 2023	
Currency	NZD	
	Amount (NZ\$000s)	Percentage change
Revenue from continuing operations	\$171,253	3.0%
Total Revenue	\$171,253	3.0%
Net profit/(loss) from continuing operations	\$1,893	(4.3%)
Total net profit/(loss)	\$1,893	(4.3%)
Interim/Final Dividend		
Amount per Quoted Equity Security	\$0.03000000	
Imputed amount per Quoted Equity Security	\$0.01166667	
Record Date	13 September 2024	
Dividend Payment Date	25 September 2024	
	Current period	Prior comparable period
Net tangible assets per Quoted Equity Security	\$(0.13)	\$(0.09) (restated)
A brief explanation of any of the figures above necessary to enable the figures to be understood	Refer to attached NZX results announcement commentary, the 2024 Consolidated Interim Financial Statements and the 2024 Results Presentation for full commentary on results. <i>(note: Capital work in progress is now included in Intangible assets and property, plant and equipment so the 2023 comparative has been restated while the 2023 restated numbers also includes a deferred tax prior year adjustment.)</i>	
Authority for this announcement		
Name of person authorised to make this announcement	Michael Boggs, CEO	
Contact person for this announcement	David Mackrell, Chief Financial Officer	
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Contact email address	david.mackrell@nzme.co.nz	
Date of release through MAP	27/8/24	

Audited financial statements accompany this announcement.

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27 August 2024

NZME announces revenue growth in first half despite challenging market

AUCKLAND, 27 August 2024: NZME Limited (NZX: NZM, ASX: NZM) has today announced its financial results for the half year ended 30 June 2024, reporting Statutory Net Profit After Tax (NPAT) of \$1.9 million.

The company also reported Operating Revenue of \$171.0 million for the first half of the year – \$5.0 million higher the first half of 2023. Operating Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)¹ was \$21.4 million compared to \$21.3 million in the previous corresponding period.

Key highlights:

- An increase in Operating Revenue¹ and significant growth in digital revenue to \$50.1 million this half, up \$5.9 million on the first half of 2023.
- OneRoof has been a standout performer, with digital growth leading to a profit for the half.
- The audience gap between OneRoof and the number one property platform in market has reduced to a mere 10%².
- OneRoof listings enquiries increased by 29% and digital listings revenue has grown by 63%.
- Digital audio revenue increased 33% year on year.
- Podcast downloads hit 48 million for the last 12 months – up 12%³, with podcast revenues growing 68% for the half.
- Streaming radio revenue also increased by 16% over the same period and total listening hours on the platform was up 14% in the last 12 months⁴.
- NZME's digital publishing business delivered an increase in profitability in the half, with digital subscription revenue up 13% and digital subscriptions up 11% on 30 June 2023.

Michael Boggs, NZME Chief Executive Officer, says NZME has continued to deliver on its market-leading digital transformation programme throughout challenging market conditions.

"NZME remains a top performer and we continue to enhance our digital performance to ensure we're delivering value for our shareholders. We are working hard to drive improvements and in areas like audio, we continue to outperform the market with total share of revenue⁵ outperforming its share of audience⁶. This demonstrates our strength in providing excellent customer advertising solutions and driving monetisation across both our terrestrial radio and digital audio platforms, and that our customers are valuing our platforms for their advertising needs.

"NZME has a very clear three-year strategy, focused on driving the company's digital transformation forward, rapidly enhancing our customer experiences and leveraging emerging technologies to grow our competitive advantage. The business will continue to introduce market leading innovative products, accelerate the delivery of new customer experiences, streamline business processes, and improve productivity and efficiency across the business in the next six months and beyond," he says.

Capital Management

Distributions to shareholders during the first half were 6.0 cents per share being the 2023 final dividend paid on 20 March 2024. This is the same as the prior year.

Net Debt at 30 June 2024 was \$30.0 million. This is a seasonal increase from \$18.0 million at 31 December 2023 and the leverage ratio remains well within the target range of 0.5 – 1.0 times EBITDA and is consistent with the same period last year. We project a reduction in net debt by the end of 2024, with the leverage ratio returning to the low end of the target range.

27 August 2024

The Board regularly reviews the capital management position of the company and continues to have a desire to operate at the lower end of the target leverage ratio given the uncertain market conditions.

The Board has declared a fully imputed interim dividend of 3.0 cents per share, payable on 25 September 2024.

Outlook

NZME delivered growth in advertising revenue of 4% in the first quarter of the year, however this slowed in the second quarter to 2%. Quarter three is currently tracking to 1% growth year on year. We have implemented initiatives to remove \$6 million of annualised cost which will take effect in the second half.

“The difficult trading conditions and reduced confidence levels within the business community have seen the advertising market reduce year on year,” says Boggs.

OneRoof is continuing to deliver rapid audience, revenue and profitability growth.

“As we head into our largest quarter of the financial year, businesses are signalling their intention to spend as sentiment improves. NZME remains well-positioned to take advantage of this growth.”

The operating environment remains uncertain. Based on current performance, NZME confirms that it expects to be at the lower end of the EBITDA range previously issued of \$57 million to \$61 million.

“I’d like to thank our agency partners, our clients, shareholders and our audiences for their continued support of NZME’s strategic direction and transformation efforts. A big thanks to our NZME team, all of whom have worked extremely hard this year to deliver these pleasing results in a difficult economic environment. Thank you to each and every one of you for your determination and commitment,” says Boggs.

The full suite of 2024 Interim Results material can be found [here](#).

ENDS

Authorised by Michael Boggs, Chief Executive Officer.

For further information please contact:

For media	For investors
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1. Operating results presented are non-GAAP measures that include the impact of NZ IFRS 16, however, exclude exceptional items to allow for a like for like comparison between 2023 and 2024 financial years. Please refer to pages 40-41 of the results presentation for a detailed reconciliation.
2. Nielsen Online Ratings Apr 24 – Jun 24 monthly average (desktop and domestic traffic only, does not include exclusive mobile app audience) % is the gap as a percentage of trademe.co.nz/property quarterly average
3. Triton Metrics NZ June 2024 (12 months to June 2024 compared to the prior period)
4. Adswizz AudioMetrix June 2024 (12 months to June 2024 compared to the prior period)
5. RBA Monthly Radio Market Report rolling 12 months as of June 2024 (radio and digital revenue share between NZME and Mediaworks).
6. GfK RAM, S1 2024, Total NZ, M-S 12mn-12mn, AP10+, Cume.



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2024 interim results.

For the half year ended 30 June 2024

NZME. NEW ZEALAND
MEDIA AND
ENTERTAINMENT

Agenda.

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Results summary.

For the half year ended 30 June 2024

\$171.0m

Operating revenue¹
H1 2023 \$166.0m

\$21.4m

Operating EBITDA¹
H1 2023 \$21.3m

\$1.9m

Statutory NPAT
H1 2023 \$2.0M

1.5 cps

Operating EPS¹
H1 2023 1.6cps

\$12.1m

Cash flow from operations
H1 2023 \$8.8m

\$30.0m

Net debt
H1 2023 \$31.6m

3.0 cps

Interim dividend
Payable on 25 Sep 2024

Our digital first strategy in action.

Highlights

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+63% YOY

OneRoof digital listing revenue

+33% YOY

Digital audio revenue

+13% YOY

Digital subscription revenue

+70% YOY

OneRoof listings upgrades

+14% YOY

Total digital listening hours¹

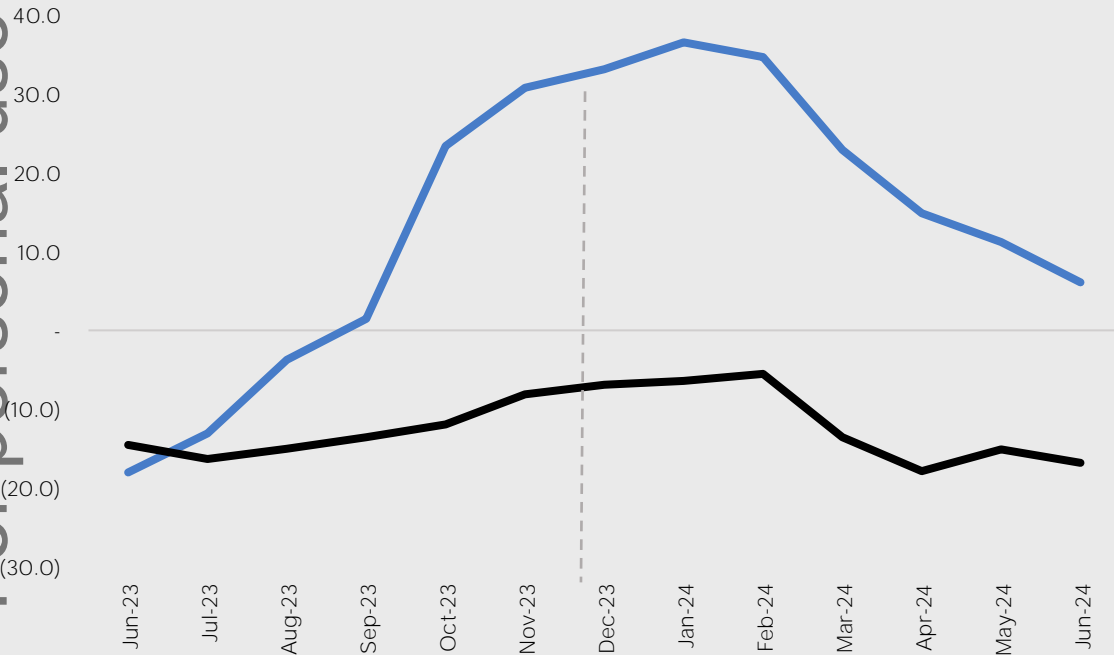
+11% YOY

Digital subscriptions

Difficult trading environment yet outperforming the market.

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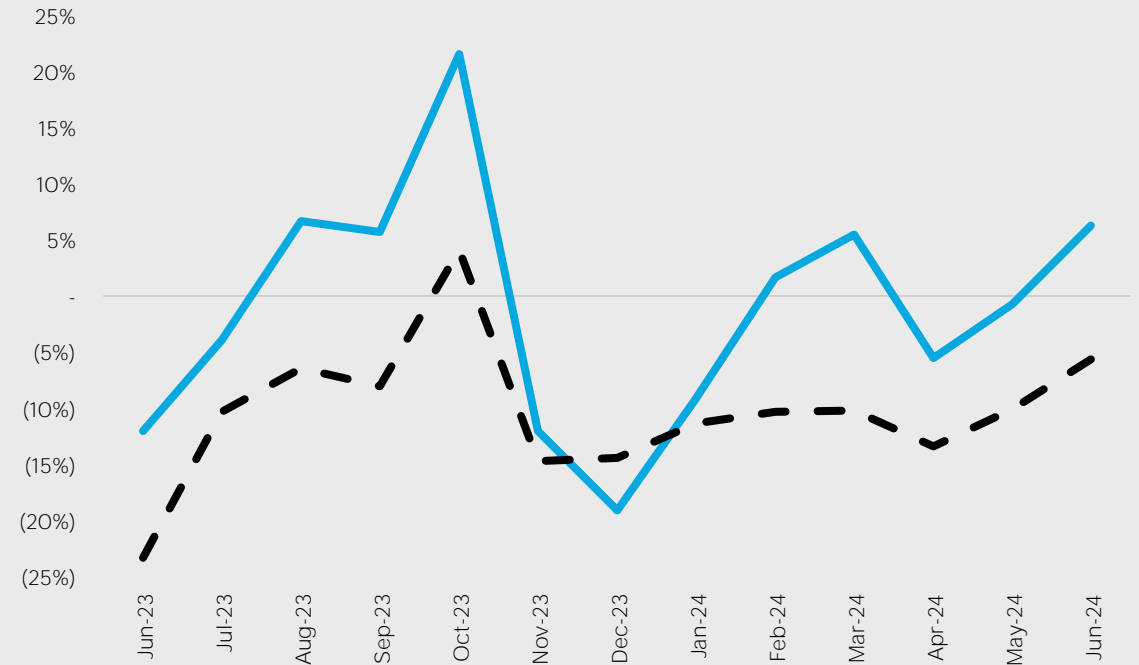
Business and Consumer Confidence ¹



Business confidence

Consumer confidence

Agency Advertising Revenue YoY variance ²



NZME

Market (print, radio, digital content sites)



1. ANZ Business Confidence and ANZ-Roy Morgan Consumer Confidence surveys
 2. SMI Agency Market Revenue, YoY % change Jun 2023 – Jun 2024. NZME and Market (NZME pillars – print, radio, digital content sites)

Focused strategic priorities for the next three years.

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Your essential property platform



- Superior listings experience and performance
- Grow listings revenue
- Accelerate non-listings product revenue

Number one in audio



- Create the most listened to and loved content
- Deliver customer solutions to grow revenue share
- Grow podcast engagement and monetisation

New Zealand's leading news destination



- Scalable digital audience and advertising news platform
- Expert journalism that grows subscriber lifetime value
- High quality and efficient print business



Attracting New Zealand audiences like no other.

Reaching 9 out of 10 Kiwis⁵

OneRoof audience

Print

312,000¹

Oneroof.co.nz

699,000²

Audio audience

Radio

1,903,500³

iHeartRadio

1,335,000⁴

Publishing audience

Print

1,034,000¹

Nzherald.co.nz

1,999,000²

1. Nielsen CMI Q2 23 – Q1 24 June 24 Fused AP15+ (Publishing Print = weekly print excluding Real Estate. OneRoof Print = Real Estate sections).

2. Nielsen Online Ratings June 2024 (desktop and domestic traffic only, does not include exclusive mobile app audience).

3. GfK Comm RAM, S1/24, Total NZ, Cume, M-S 12mn-12mn (unless otherwise stated).

4. Adswizz AudioMetrix as at June 2024.

5. NZME Reach Study, n=1000 nationally representative Jan 2024 (unduplicated audience across NZME print, digital, radio & podcasts).

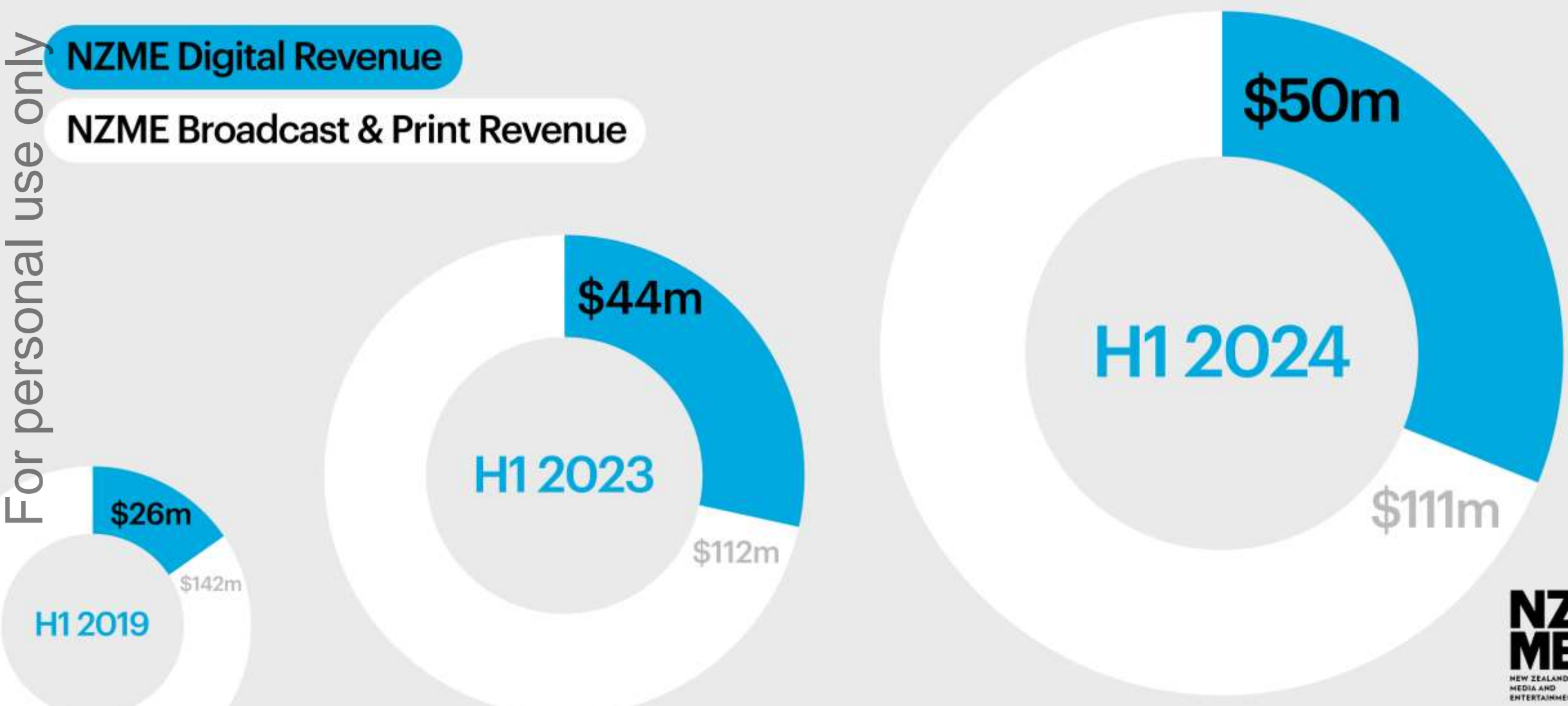
Embracing the digital shift to drive growth.

2.6 million Kiwis turn to NZME's digital platforms each month¹

NZME Digital Revenue

NZME Broadcast & Print Revenue

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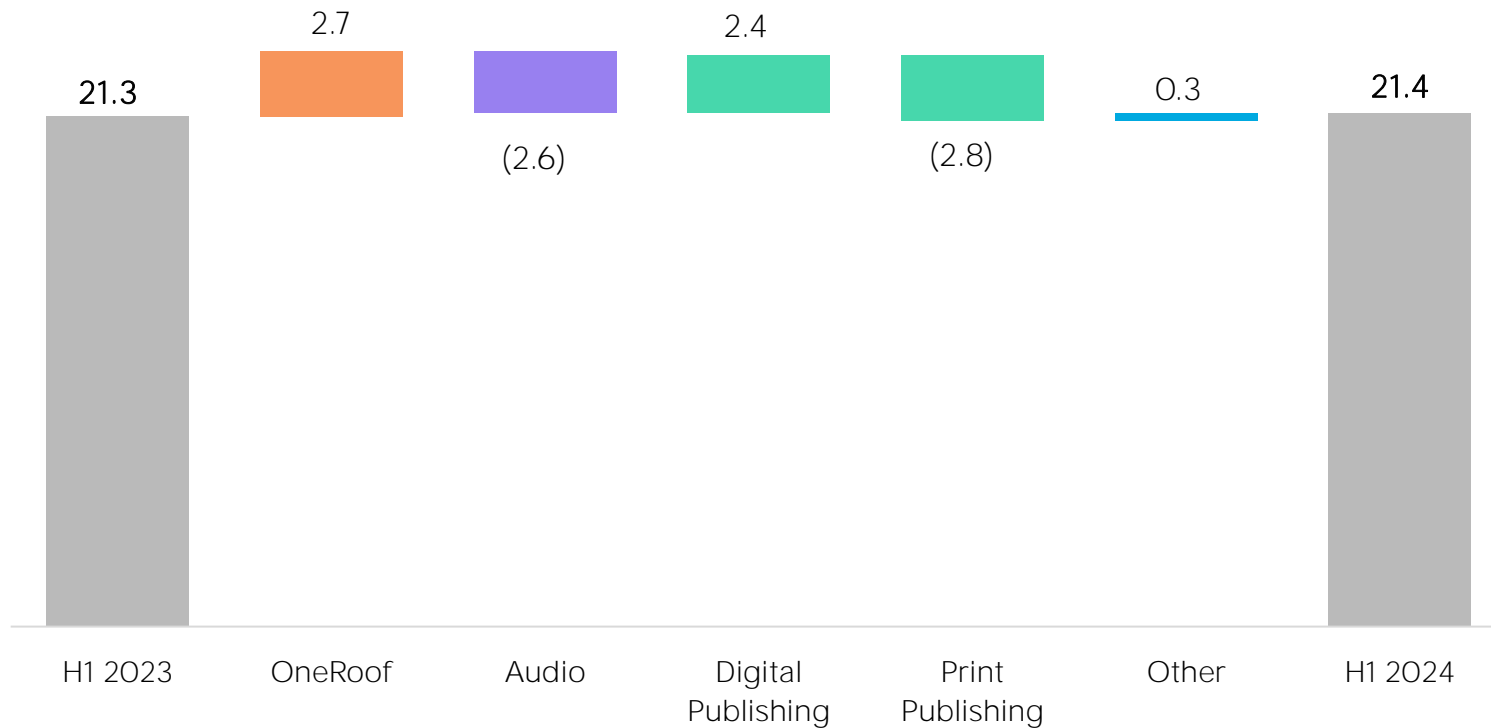
2024 half year financial results.



Solid profitability in weakened market.

For the half year ended 30 June 2024

EBITDA (incl. NZ IFRS16) Impacts (\$ million)



- Significant growth in OneRoof digital revenue driven by increased listings upgrades and an increase in new listings coming to market.
- Audio's result was lower with strong digital revenue growth offset by planned marketing and promotional spend and higher selling costs.
- Improved digital publishing performance was underpinned by continued subscriber growth.
- Print advertising revenue declines were partially offset by additional third-party print revenue.

Operating results.

For the half year ended 30 June 2024

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\$ million	H1 2024	H1 2023	% change
Reader revenue	40.5	39.8	2%
Advertising revenue	120.3	116.4	3%
Other revenue	7.5	7.1	5%
Operating revenue	168.3	163.3	3%
Other income	2.8	2.7	2%
Operating revenue and other income	171.0	166.0	3%
Operating expenses	(149.6)	(144.7)	(3%)
Operating EBITDA	21.4	21.3	1%
Depreciation and amortisation on owned assets	(8.5)	(8.0)	(6%)
Depreciation on leased assets	(5.5)	(5.8)	5%
Interest income	0.2	0.2	(14%)
Finance cost	(3.7)	(3.7)	-
Operating NPBT	4.0	4.0	(2%)
Taxation expense	(1.2)	(1.1)	(6%)
Operating NPAT	2.8	2.9	(4%)
Operating earnings per share (cents)	1.5	1.6	(6%)

Operating earnings for six months were ahead of last year despite continued difficult operating conditions.

- Operating revenue was 3% higher as a result of improved advertising revenue but was offset by a 3% increase in operating expenses.
- Reader revenue growth was driven by a 13% increase in digital subscription revenue offset by 1% lower print subscriber revenue and a 3% decline in retail sales.
- Operating NPAT was \$2.8m for the six months, just below \$2.9m for the comparative half year.

Note: Operating results presented are non-GAAP measures that include the impact of NZ IFRS 16, however, exclude exceptional items to allow for a like for like comparison between 2023 and 2024 financial years. Please refer to pages 40-41 of this results presentation for a detailed reconciliation.



Expenses.

For the half year ended 30 June 2024

\$ million	H1 2024	H1 2023	% change
People	73.8	73.0	(1%)
Print and distribution	25.7	25.0	(3%)
Selling and marketing	20.2	17.4	(16%)
Content	10.1	9.8	(3%)
Property	4.4	3.6	(23%)
Third party fulfilment	2.7	3.4	21%
Technology and communications	5.7	5.4	(5%)
Other expenses	6.9	7.1	3%
Total operating expenses	149.6	144.7	(3%)
Total non-recurring expenses	0.9	1.0	8%

Overall expenses were up 3% largely due to higher selling costs incurred to achieve revenue improvements.

- People cost was contained to a 1% increase, reflecting a continued focus on achieving business-wide efficiencies.
- Print and distribution cost increased with higher levels of activity particularly due to higher OneRoof print advertising and additional third party print contracts.
- Selling and marketing cost increases relate to:
 - Higher agency commission with a higher portion of revenue through the agency channel.
 - Higher audio marketing costs from planned marketing promotional activity in the first half.
- Third party fulfilment costs were lower with reduced digital performance marketing activity.
- Property cost increases relate to increased audio transmission costs.
- Non-recurring expenses are at a similar level and relate to restructuring activity

Balance sheet.

As at 30 June 2024

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\$ million	30 June 2024	31 December 2023
Trade and other receivables	47.3	45.1
Inventories	3.3	5.1
Trade and other payables	(50.6)	(49.5)
Current tax receivable / (payable)	4.2	(0.3)
Net working capital excluding cash	4.1	0.4
Plant property & equipment, intangibles and other non-current assets	164.8	166.9
Right-of-use assets (NZ IFRS16)	53.2	58.2
Lease liabilities (NZ IFRS16)	(78.7)	(84.7)
Finance lease receivable (NZ IFRS16)	3.6	3.9
Net debt	(30.0)	(18.0)
Deferred tax	8.2	9.2
Net assets	125.2	135.9

Net Debt of \$30 million remains within target the leverage range.

- Net working capital excluding cash is \$3.7 million higher than December 2023 due to:
 - seasonally higher tax receivable;
 - partly offset by lower paper stock inventory.
- Net debt increased \$12.0 million to \$30.0 million over the half due to increased working capital and payment of the 2023 final dividend in March 2024, and compares to net debt of \$31.6 million at 30 June 2023.

Cash flows.

For the half year ended 30 June 2024

\$ million	H1 2024	H1 2023
Operating EBITDA¹	21.4	21.3
Interest paid on bank facilities	(1.3)	(1.1)
Interest paid on leases	(2.1)	(2.4)
Interest received on leases	0.1	0.1
Dividends and interest received	0.0	0.2
Exceptional items	(0.8)	(0.7)
Tax paid	(4.6)	(5.5)
Working capital movement (excluding tax)	0.7	(3.6)
Other	(1.3)	0.5
Cash flow from operations	12.1	8.8
Capital expenditure	(6.4)	(5.4)
Lease principal repayment	(6.4)	(6.3)
Operating free cash flow	(0.7)	(2.9)
Final dividend paid	(11.2)	(11.0)
Cash movement in net debt	(11.9)	(13.9)
Other movements	(0.1)	(0.2)
Movement in net debt	(12.0)	(14.2)

Improved Operating Cash Flow.

- Cash flow from operations for six months was \$3.3 million higher at \$12.1 million compared to 2023 primarily due to the favourable working capital movement and lower tax paid.
- The 'other' movement in operating cash flow relates to a tax obligation arising on the issue of shares under a long-term incentive plan.
- Capital expenditure was higher due to accelerated product development activity to support continued digital transformation and the purchase of a small regional media business.
- Distributions to shareholders were similar to the comparative six months representing the 2023 final dividend (6.0 cents per share) paid on 20 March 2024.

Capital management.

For the half year ended 30 June 2024

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	30 June 2024	31 December 2023
12-months operating EBITDA (pre NZ IFRS 16) ¹	39.4	39.1
12-months interest expense	2.7	2.4
Net interest cover <i>(Operating EBITDA (pre NZ IFRS 16)¹ / interest expense)</i>	14.6	16.4
Net debt (\$ million)	30.0	18.0
Leverage ratio <i>(Net debt / 12-month operating EBITDA (pre NZ IFRS 16)¹)</i>	0.8	0.5

Net debt is projected to reduce by the end of 2024 returning the leverage ratio to the low end of the target range.

- Seasonal increase in leverage ratio remains within the target range of 0.5 – 1.0 times EBITDA (pre NZ IFRS 16)¹ and consistent with H1 2023.
- Fully imputed interim dividend of 3.0 cents per share has been declared and is payable on 25 September 2024.

Net debt and leverage ¹



Dividend Policy

NZME intends to pay dividends of 50-80% of free cash flow subject to being within its target leverage ratio and having regard to NZME's capital requirements, operating performance and financial position.

Target leverage ratio of 0.5 - 1.0 times rolling 12-month EBITDA (pre NZ IFRS16).

Full dividend policy is available at www.nzme.co.nz/investor-relations/dividends/

1. Operating results presented are non-GAAP measures that exclude exceptional items to allow for a like for like comparison between 2023 and 2024 financial years. Please refer to pages 40-41 of this results presentation for a detailed reconciliation.



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Divisional performance.



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Your essential property platform.



Your essential property platform.

Highlights

Superior listings experience and performance

Enquiries from listings have increased 29% year-on-year



Grow listings revenue

The number of listings upgrades has grown 70% on last year



Accelerate non-listings product revenue

We have grown our display and native¹ advertising by 13%

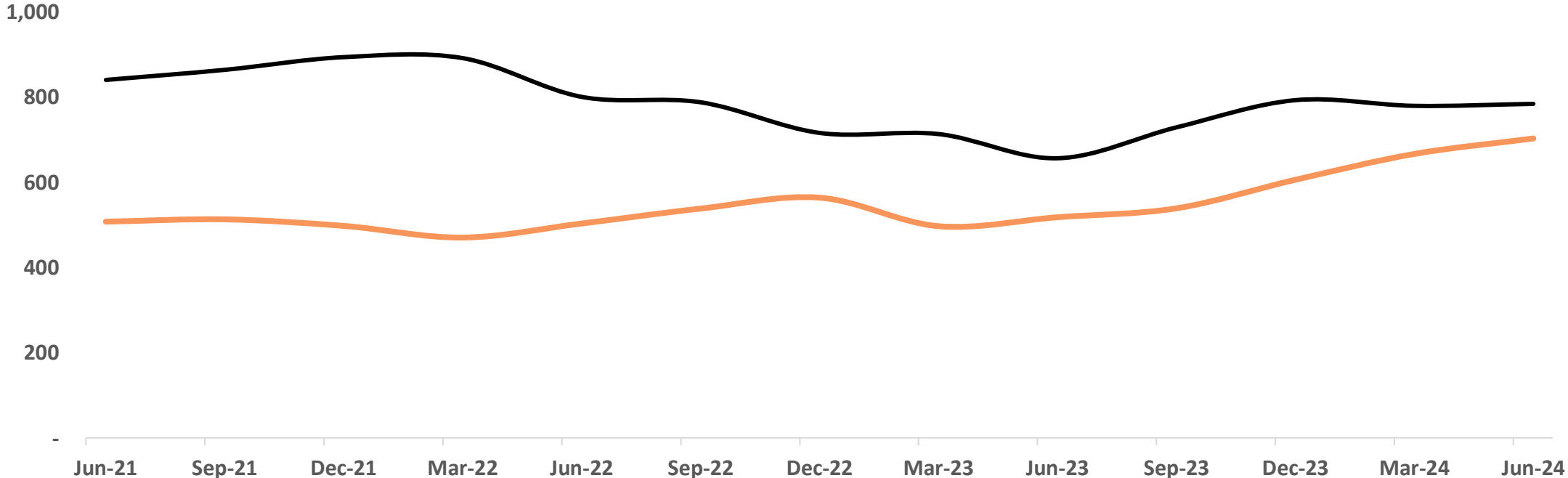


Reducing the gap to #1 in market.

Online audience continues to increase

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Monthly Online Audience (000s)



OneRoof audience

#1 in market



OneRoof operating highlights.

Trended results over the last three years

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- H1 2024
- H1 2023
- H1 2022

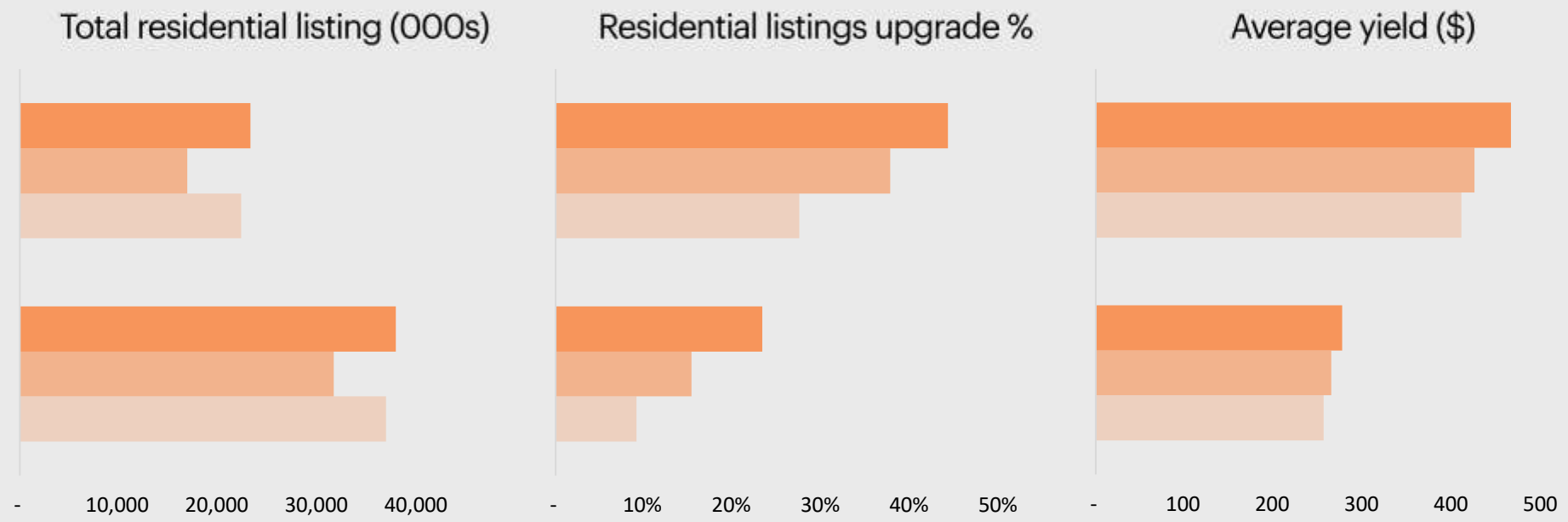
Total residential listings have reached over **60,000**



Auckland listings upgrades have increased **+62%**



Mix of higher value listing packages has improved yield by **7%**

OneRoof financial results.

For the half year ended 30 June 2024

\$ million	H1 2024	H1 2023	% change
Digital	8.2	5.0	63%
Print	5.8	4.4	32%
Other	0.1	0.2	(33%)
Operating revenue	14.1	9.6	47%
People	(4.2)	(3.4)	(23%)
Print and distribution	(2.9)	(2.4)	(23%)
Selling and marketing	(3.7)	(3.8)	1%
Content	(1.0)	(0.8)	(26%)
Other expenses	(0.8)	(0.5)	(57%)
Operating expenses	(12.7)	(10.9)	(16%)
EBITDA (incl. NZ IFRS16)¹	1.4	(1.3)	212%
NZ IFRS16 adjustment	(0.4)	(0.3)	(6%)
EBITDA (pre NZ IFRS16)¹	1.1	(1.6)	167%
EBITDA¹ margin (pre NZ IFRS16)	8%	(17%)	24 ppt

OneRoof delivered both revenue and profitability growth to achieve first half earnings of \$1.4 million EBITDA, improving on the loss for the first half of 2023.

- Digital revenue increased by 63% due to increased listings upgrades and higher tier product penetration driving a higher average yield.
- Building on underlying real estate listings market recovery, Auckland listings revenue achieved +71% growth, with rest of NZ listings revenue growing +84%.
- Print revenue also benefited from a recovering market, with year-on-year growth of 32%.
- People cost increases reflect additional sales resource, while higher print and distribution costs supported the print revenue growth.

Your essential property platform.

Progress against strategic priorities

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Metric	2026 target	2023 actual	H1 2024 actual	2024 initiatives progress update
Engagement	Reduce audience gap to #1 Increase listing enquiries by 100%	Audience 606k, 187k gap to #1 ¹ -	Audience 703k, 81k gap to #1 ¹ +29% YoY	<ul style="list-style-type: none"> Website optimisation is a key product development focus, including improved lead generation capture and new customer engagement features for agents. Additional product development underway on improved agent CRM integrations and app UX review. Continued marketing success from leverage of NZME assets, such as 'The Hits Live Free' and 'Suzuki Swift Giveaway' campaigns.
Listings upgrade %	60% Auckland 40% Rest of NZ	44% Auckland 20% Rest of NZ	44% Auckland 23% Rest of NZ	<ul style="list-style-type: none"> Dedicated NZ wide sales team delivering results, with the number of listing upgrades +62% in Auckland and up 82% for Rest of NZ for the first half vs. last year. Improved higher tier product penetration driving average yield gains and evidence of boosted product performance.
Revenue mix	78% Digital 22% Print	54% Digital 46% Print	59% Digital 41% Print	<ul style="list-style-type: none"> Significant digital listings revenue growth driving mix shift, somewhat moderated by stronger print revenues. H2 initiatives underway to drive non-listings revenue.
EBITDA ² margin (pre NZ IFRS16)	15-25%	(10%)	8%	

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Number one in audio

Number one in audio.

Highlights

Create the most listened to and loved content

Newstalk ZB has been the #1 radio station in New Zealand since 2008¹

Newstalk
ZB

Deliver customer solutions to grow revenue shares.

Growth delivered from key campaign wins, leveraging NZME's integrated portfolio to align brands and talent with customer needs



Grow podcast engagement and monetisation

Podcast revenue has increased by 68% year-on-year



Audio operating highlights.

Trended results over the last three years

Podcasts downloads hit
48 million
(LTM) in June 2024¹



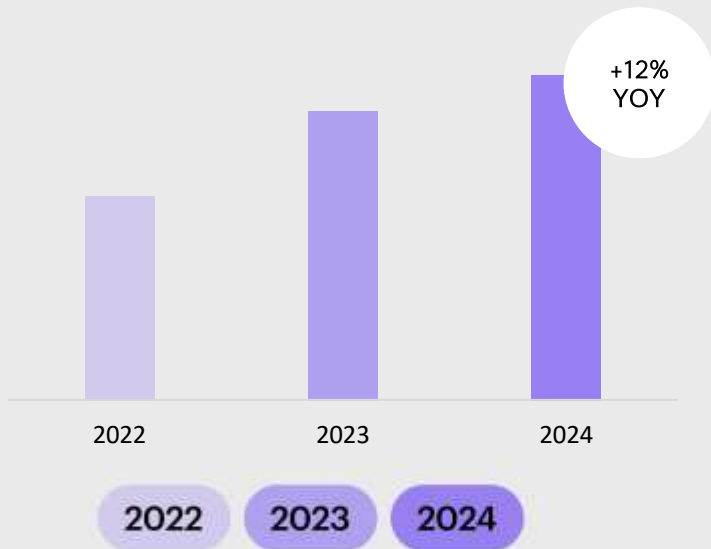
Digital radio over 90 million
hours
listened to in the last year²



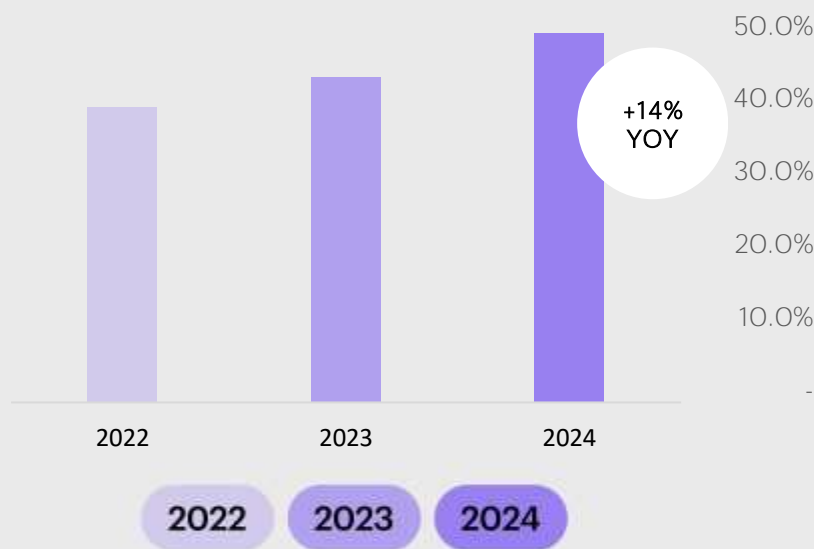
Radio revenue share³
outperforms
radio audience share⁴



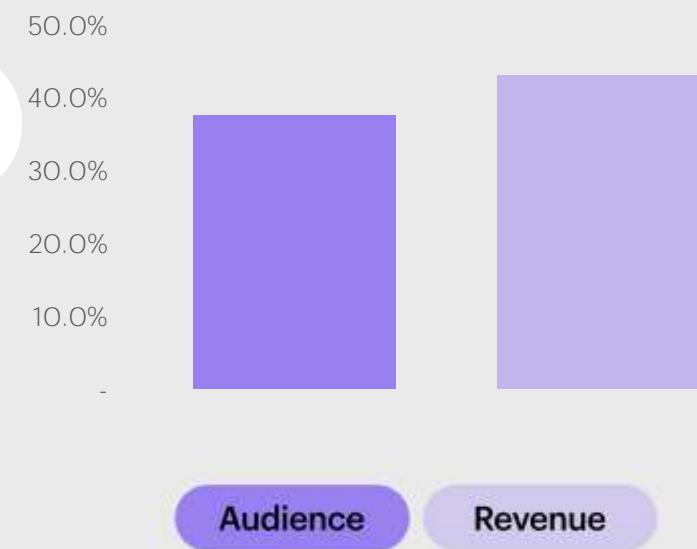
Total podcast downloads



Total listening hours



H1 2024 radio market share



1. Triton Metrics NZ July 2021 - June 2024 (12 months to June 2024)
2. Adswizz AudioMetricx (iHeartRadio NZME Radio) July 2021 - June 2024 (12 months to June 2024)
3. RBA Monthly Radio Market Report rolling 12 months as of June 2024 (radio revenue share between NZME and Mediaworks)
4. GfK RAM, S1 2024, Total NZ, M-S 12mn-12mn, AP10+, Cume

Audio financial results.

For the half year ended 30 June 2024

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\$ million	H1 2024	H1 2023	% change
Digital audio advertising	5.0	3.8	33%
Radio advertising	50.6	50.1	1%
Other	0.8	0.6	17%
Operating revenue	56.4	54.6	3%
People	(28.7)	(27.7)	(3%)
Selling and marketing	(8.9)	(6.3)	(42%)
Content	(3.8)	(4.1)	7%
Other expenses	(7.0)	(6.0)	(18%)
Operating expenses	(48.4)	(44.1)	(10%)
EBITDA (incl. NZ IFRS16)¹	7.9	10.5	(25%)
NZ IFRS16 adjustment	(3.8)	(3.9)	3%
EBITDA (pre NZ IFRS16)¹	4.1	6.6	(37%)
EBITDA¹ margin (pre NZ IFRS16)	7%	12%	(5 ppt)

Digital momentum continues with podcast revenues growing +68%, plus streaming radio growth of +16%.

- Broadcast radio revenue growth +1% is pleasing given the market declined slightly year on year.
- Higher selling and marketing costs were the key driver of reduced EBITDA:
 - Planned higher marketing spend to deliver benefits later in 2024.
 - Increased promotional costs for key events to drive improved revenue.
 - Increased agency commission cost with more revenue sold through this channel.
- Other expenses were higher primarily due to increased transmission costs some of which will reverse in the second half.

Number one in audio.

Progress against strategic priorities

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Metric	2026 target	2023 actual	H1 2024 actual	2024 initiatives progress update
Audience share (% of radio audience)	> 1% share point growth per annum	37.5% ¹	37.7% ¹	<ul style="list-style-type: none"> Upweighted marketing investment for The Hits delivers highest ever audience since 2014 brand launch. Sustained ZB and ZM share continue to underpin NZME audience reach. New shows strengthen podcast content offering, adding to existing roster of popular shows. Focus on key genres to drive podcast consumption, including sports, comedy and onboarding of TED network content.
Revenue share	> 1% share point growth per annum	44.5% ²	44.7% ²	<ul style="list-style-type: none"> Recent alignment with leading audience targeting solution to drive increased data capability, better customer solutions and increased revenue. Coordinated industry collaboration to advance audio advocacy, targeting key events and client decision makers Key commercial wins in market with integrated campaigns aligning NZME brands and talent to deliver bespoke client solutions.
Digital audio revenue percentage	12%	7.4%	9.0%	<ul style="list-style-type: none"> Podcast audience growth continues, with downloads hitting 48 million in June, up 12% year on year. Simplification of digital audio campaign sales process, delivered through integration of previously separate digital radio and podcast inventory with a singular audience target. Invested in resources to drive iHeartRadio app loyalty.
EBITDA ³ margin (pre NZ IFRS16)	15-17%	13%	7%	

1. GfK RAM, S1 2023 - 2024, Total NZ, M-S 12mn-12mn, AP10+, NZME Network, Share %
 2. RBA Monthly Radio Market Report rolling 12 months as of June 2024 (radio and digital revenue share between NZME and Mediaworks)
 3. EBITDA is a non-GAAP measure and excludes exceptional items.



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New Zealand's leading news destination



New Zealand's leading news destination.

Highlights

Scalable digital audience
and advertising news platform

**#1 news website
in the country¹**



Expert journalism that grows
subscriber lifetime value

**Digital
subscriptions have
increased +11%
year-on-year²**



High quality and efficient
print business

**#1 newspaper
every day of
the week³**



Publishing operating highlights.

Trended results over the last three years

Digital only subscriptions

+27%

CAGR



Subscription growth

balanced

with yield improvement



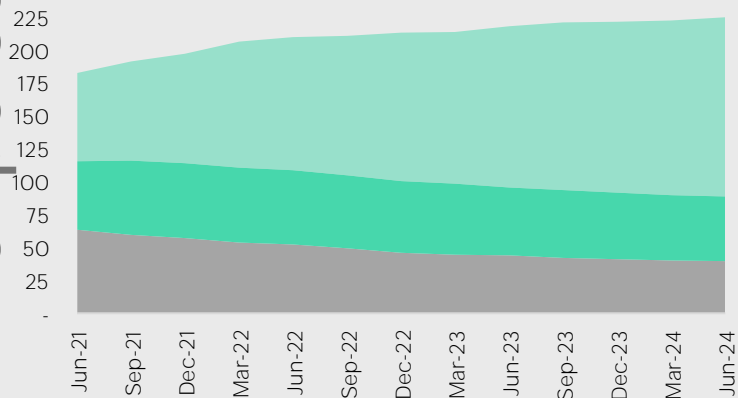
+2% yield CAGR offsetting

print

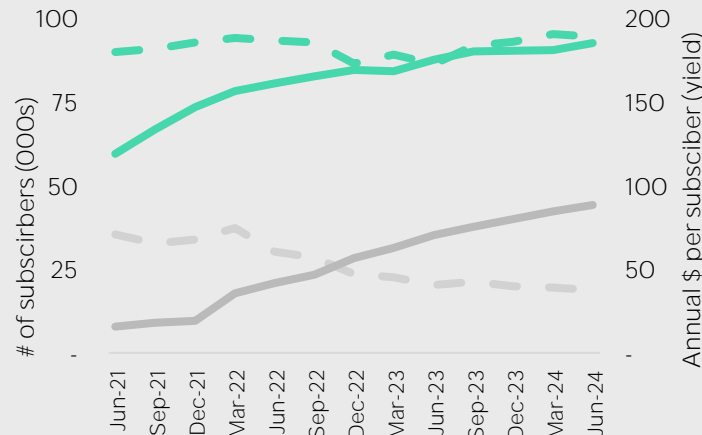
subscriber declines



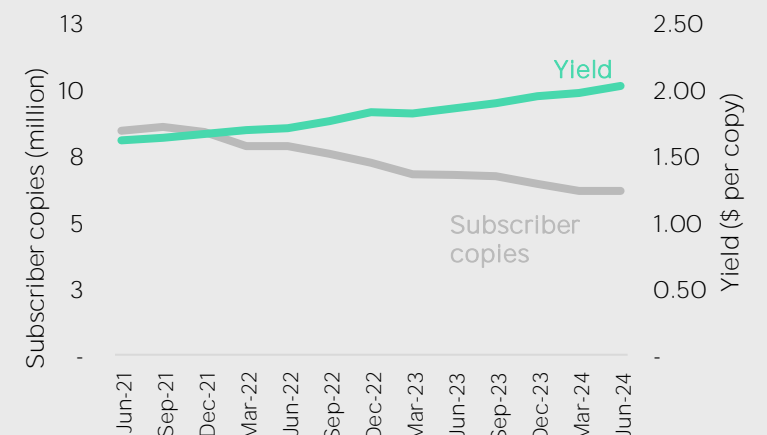
Total # of subscriptions (000s)



Digital subscriptions



Print subscriptions



Print only

Digital entitled

Digital only

Individual subscribers

Corporate subscribers

Individual yield

Corporate yield

Publishing financial results.

For the half year ended 30 June 2024

\$ million	H1 2024	H1 2023	% change
Digital subscriptions	11.1	9.8	13%
Newspaper circulation	29.4	30.0	(2%)
Total reader revenue	40.5	39.8	2%
Digital advertising	25.8	25.6	1%
Print advertising	24.8	27.5	(9%)
Total advertising revenue	50.7	53.1	(5%)
Other	8.6	8.6	0%
Operating revenue	99.8	101.4	(2%)
People	(39.4)	(40.3)	2%
Print and distribution	(22.8)	(22.6)	(1%)
Selling and marketing	(7.6)	(7.7)	1%
Content	(5.3)	(4.9)	(8%)
Other expenses	(10.1)	(11.0)	8%
Operating expenses	(85.2)	(86.5)	1%
EBITDA (incl. NZ IFRS16)¹	14.6	14.9	(2%)
NZ IFRS16 adjustment	(4.0)	(4.1)	3%
EBITDA (pre NZ IFRS16)¹	10.6	10.8	(2%)
EBITDA¹ margin (pre NZ IFRS16)	11%	11%	0 ppt

Digital subscription growth underpinned overall subscription revenue growth.

- Newspaper circulation revenue declined by 2% with 3% lower retail outlet sales and print subscription revenues just 1% lower.
- Digital advertising revenue grew but at a slower rate and so more than offset by print advertising declines.
- Continued emphasis on efficiency and cost control delivered a net 1% cost reduction in the first half of this year.
- The overall publishing EBITDA was 2% lower than the comparative period last year but driven by increased digital publishing earnings almost offsetting the lower print publishing earnings.

Publishing financial results – digital & print.

For the half year ended 30 June 2024

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\$ million	Digital Publishing			Print Publishing		
	H1 2024	H1 2023	% change	H1 2024	H1 2023	% change
Digital subscriptions	11.1	9.8	13%	-	-	-
Newspaper circulation	-	-	-	29.4	30.0	(2%)
Total reader revenue	11.1	9.8	13%	29.4	30.0	(2%)
Digital advertising	25.8	25.6	1%	-	-	-
Print advertising	-	-	-	24.8	27.5	(9%)
Total advertising revenue	25.8	25.6	1%	24.8	27.5	(9%)
Other	4.2	5.0	(15%)	4.4	3.6	22%
Operating revenue	41.1	40.4	2%	58.7	61.0	(4%)
People	(22.3)	(23.7)	6%	(17.1)	(16.6)	(3%)
Print and distribution	-	-	-	(22.8)	(22.6)	(1%)
Selling and marketing	(4.8)	(4.7)	(3%)	(2.8)	(3.0)	8%
Content	(4.7)	(4.3)	(8%)	(0.6)	(0.6)	(3%)
Other expenses	(6.0)	(6.9)	12%	(4.1)	(4.1)	0%
Operating expenses	(37.9)	(39.5)	4%	(47.4)	(47.0)	(1%)
EBITDA (incl. NZ IFRS16)¹	3.3	0.9	282%	11.3	14.1	(20%)
NZ IFRS16 adjustment	(1.2)	(1.1)	(13%)	(2.7)	(2.9)	7%
EBITDA (pre NZ IFRS16)¹	2.0	(0.1)	1693%	8.6	11.5	(25%)
EBITDA¹ margin (pre NZ IFRS16)	5%	(0%)	5 ppt	15%	19%	(4 ppt)

New Zealand's Leading News Destination.

Progress against strategic priorities

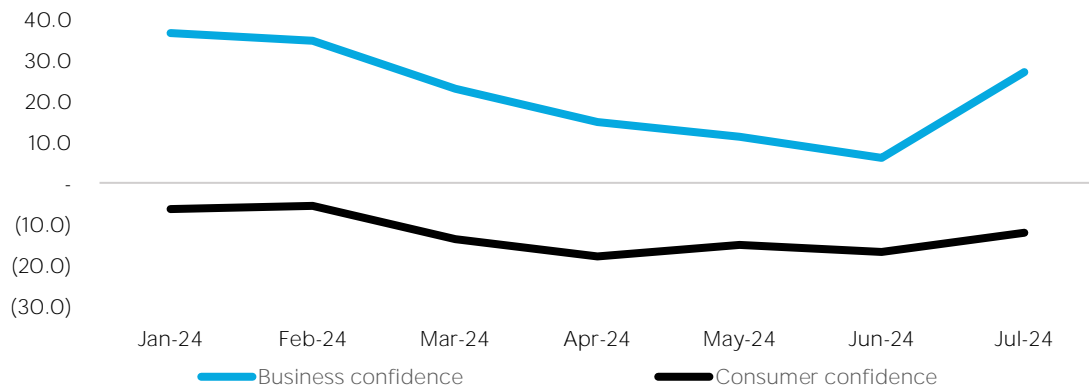
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Metric	2026 target	2023 actual	H1 2024 actual	2024 initiatives progress update
Digital publishing				
Subscription volume	190,000	130,000	137,000	<ul style="list-style-type: none"> Lift in depth and breadth of expert journalism, with increase in average session duration in H1. Enhanced subscription platform to enable a dynamic experience and offers to maximise subscriber lifetime value and open up new segments e.g. international.
Digital advertising revenue percentage	60%	50%	51%	<ul style="list-style-type: none"> User needs model rolled out in newsroom to optimise the mix of content in key verticals to drive audience engagement and subscription conversions. NZH Redesign rolling out along side homepage variants and personalisation to increase audience engagement and build deeper reader relationships. Enhanced advertising experience rolled out with new high impact ad units to improve yield and effectiveness.
EBITDA ¹ margin (pre NZ IFRS16)	14-16%	7%	5%	<ul style="list-style-type: none"> Developed and rolled out first iteration of First Look AI editorial tool to streamline and automate parts of backend editorial processes. New truly digital first operating model has been embedded with a focus on leveraging data and experiments to optimise story planning and selection.
Print publishing				
Subscription volume	>65,000	92,000	89,000	<ul style="list-style-type: none"> Yield programme has delivered strong results, the removal of NZ Post Saturday Rural delivery has impacted on volume in rural areas.
Print advertising revenue percentage	40%	50%	49%	<ul style="list-style-type: none"> Completed the acquisition and integration of Sun Media and Gisborne Herald.
EBITDA ¹ margin (pre NZ IFRS16)	13-15%	19%	15%	<ul style="list-style-type: none"> Embedded print content hub and focus on streamlining of end to end processes. Expanded industry partnerships to drive strong growth in 3rd party print and distribution revenues.

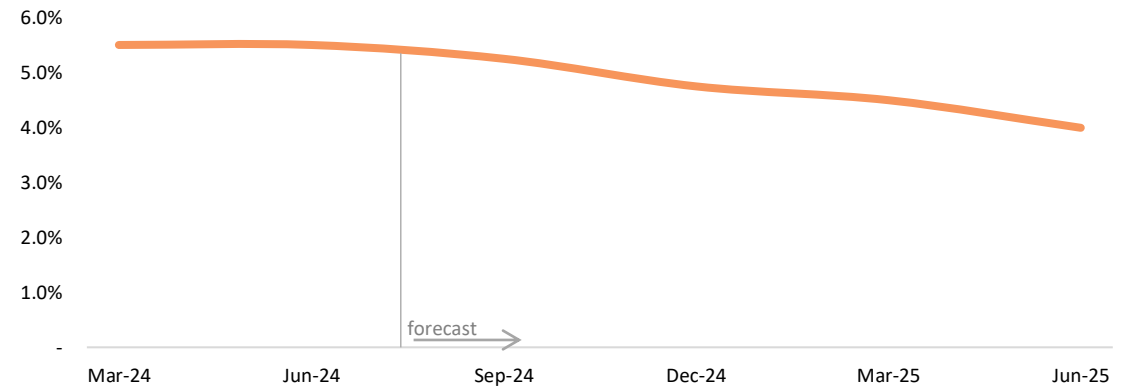
Cautious optimism.

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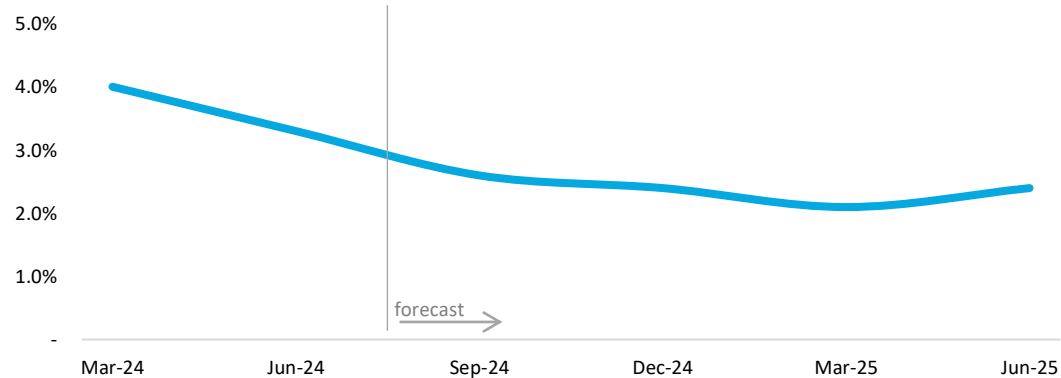
Business and Consumer Confidence¹



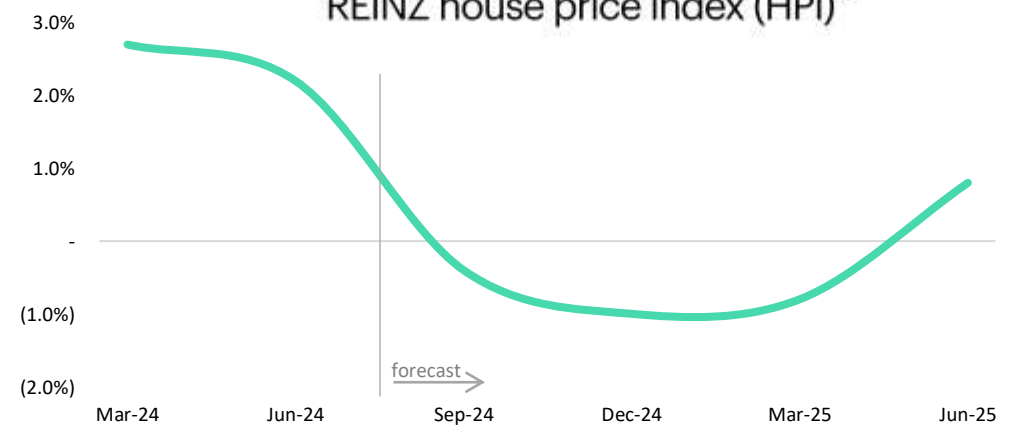
Official cash rate (OCR)²



Consumers price index (CPI)²



REINZ house price index (HPI)²



Outlook.

OPERATING ENVIRONMENT

NZME delivered growth in advertising revenue of 4% in the first quarter of the year, however this slowed in the second quarter to 2%. Quarter three is currently tracking to 1% growth year on year. We have implemented initiatives to remove \$6 million of annualised cost which will take effect in the second half.

The difficult trading conditions and reduced confidence levels within the business community have seen the advertising market reduce year on year.

As we head into our largest quarter of the financial year, businesses are signalling their intention to spend as sentiment improves. NZME remains well-positioned to take advantage of this growth.

OneRoof is continuing to deliver rapid audience, revenue and profitability growth.

The operating environment remains uncertain. Based on current performance, NZME confirms that it expects to be at the lower end of the EBITDA range previously issued of \$57 million to \$61 million.

CAPITAL MANAGEMENT

We are pleased to have declared an interim dividend at the same level as last year.

Based on the seasonality of cash flow and the current outlook, net debt is forecast to reduce to the lower end of the target leverage ratio at year end.

The Board regularly reviews the capital management position of the company and continues to have a desire to operate at the lower end of the target leverage ratio given the uncertain market conditions.

Digital led strategy focused on delivering superior returns.



Our central objective is to relentlessly pursue a digital led strategy across our three key platforms. This will set us apart from our competitors and drive returns for shareholders. Globally these digital centric businesses are valued at much higher multiples than print peers.



The business has been standout performer with its digital growth meaning it is now profitable. With continued focus, we remain confident that it will scale within a sector that has a very large profit pool.



We are getting real traction on our leading podcast position in NZ and this will drive future digital revenue growth. Our strong position in news, politics and business continues to grow strongly and is improving our audio profitability. We have entertainment brands that can grow share.



We continue to invest in our digital publishing platform and a new 'business of journalism' operating model.

We believe this will provide us with a very different and superior capability relative to our competitors. We have a profitable digital news business that supports journalism for future generations.



Q&A.



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Supplementary Information.



Corporate and other financial results.

For the half year ended 30 June 2024

\$ million	H1 2024	H1 2023	% change
Operating revenue	0.7	0.4	88%
People	(1.5)	(1.5)	(3%)
Other expenses	(1.7)	(1.7)	1%
Operating expenses	(3.2)	(3.2)	(1%)
EBITDA (incl. NZ IFRS16) ¹	(2.5)	(2.8)	11%
NZ IFRS16 adjustment	-	-	-
EBITDA (pre NZ IFRS16) ¹	(2.5)	(2.8)	11%

Reconciliation of operating results to financial statements.

For the half year ended 30 June 2024

\$ million	Operating Results excl. NZ IFRS 16	NZ IFRS 16 Adjustments	Operating Results incl. NZ IFRS 16	Reclass of items	Exceptional and Other Items	Per Financial Statements
Reader revenue	40.5	-	40.5	-	-	40.5
Advertising revenue	120.3	-	120.3	-	-	120.3
Other revenue	7.5	-	7.5	-	-	7.5
Operating revenue	168.3	-	168.3	-	-	168.3
Other income	3.2	(0.4)	2.8	0.2	-	3.0
Operating revenue and other income	171.4	(0.4)	171.0	0.2	-	171.2
Expenses	(158.1)	8.5	(149.6)	-	(0.9)	(150.5)
EBITDA	13.3	8.1	21.4	0.2	(0.9)	20.7
Depreciation and amortisation	(8.5)	(5.5)	(14.0)	-	-	(14.0)
EBIT	4.8	2.6	7.5	0.2	(0.9)	6.7
Share of loss of JV's	-	-	-	-	(0.2)	(0.2)
Net interest expense	(1.5)	(2.0)	(3.5)	(0.2)	-	(3.7)
Net profit/(loss) before tax	3.4	0.6	4.0	-	(1.1)	2.8
Tax	(1.2)	-	(1.2)	-	0.2	(1.0)
Net profit/(loss) after tax	2.2	0.6	2.8	-	(0.9)	1.9

Reconciliation of operating results to financial statements.

For the half year ended 30 June 2023

\$ million	Operating Results excl. NZ IFRS 16	NZ IFRS 16 Adjustments	Operating Results incl. NZ IFRS 16	Reclass of items	Exceptional and Other Items	Per Financial Statements
Reader revenue	39.8	-	39.8	-	-	39.8
Advertising revenue	116.4	-	116.4	-	-	116.4
Other revenue	7.1	-	7.1	-	-	7.1
Operating revenue	163.3	-	163.3	-	-	163.3
Other income	3.1	(0.4)	2.7	0.2	-	2.9
Operating revenue and other income	166.4	(0.4)	166.0	0.2	-	166.2
Expenses	(153.4)	8.7	(144.7)	-	(1.0)	(145.7)
EBITDA	13.0	8.3	21.3	0.2	(1.0)	20.5
Depreciation and amortisation	(8.0)	(5.8)	(13.8)	-	-	(13.8)
EBIT	5.0	2.5	7.5	0.2	(1.0)	6.7
Share of loss of JV's	-	-	-	-	(0.2)	(0.2)
Net interest expense	(1.2)	(2.2)	(3.5)	(0.2)	-	(3.7)
Net profit/(loss) before tax	3.8	0.3	4.0	-	(1.2)	2.9
Tax	(1.1)	-	(1.1)	-	0.2	(0.9)
Net profit/(loss) after tax	2.6	0.3	2.9	-	(0.9)	2.0

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This presentation may contain projections or forward-looking statements regarding a variety of items. Such projections or forward-looking statements are based on current expectations, estimates and assumptions and are subject to a number of risks and uncertainties. There is no assurance that results contemplated in any projections or forward-looking statements in this presentation will be realised. Actual results may differ materially from those projected in this presentation. No person is under any obligation to update this presentation at any time after its release to you or to provide you with further information about NZME Limited.

The Group adopted NZ IFRS 16 Leases on 1 January 2019 and IFRS Interpretations Committee's (IFRIC's) agenda decision on configuration and

customisation costs in relation to Software as a Service (SaaS) arrangements in 2021. Operating results as stated throughout this presentation refer to results including the adjustments for the adoption of NZ IFRS 16, and prior to exceptional items. Please refer to pages 40-41 of this presentation for detailed reconciliation of these results to the statutory results. As stated in note 1.2.1 of the consolidated interim financial statements for the six months ended 30 June 2024, certain prior period information has been re-presented to ensure consistency with current year disclosures and to provide more meaningful comparison.

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reset  PREMIUM  VIVA PREMIUM  LISTENER  NZME.  iHeartRADIO  travel

canvas  Bay of Plenty Times  The Gisborne Herald  Hawke's Bay TODAY  RADIO HAURAKI  Coast  Advocate The Northern

 THE HITS  COAST & COUNTRY  ZM GOLD  NewstalkZB  radiowanaka hokonui  WeekendHerald By the Sound Bells

 Kapiti News  Taupō & Tūrangi Herald  NAPIER Courier  BUSHTELEGRAPH  Stratford PRESS  Te Awamutu **COURIER**

 DRIVEN CAR GUIDE The New Zealand Herald  BusinessDesk.  DRIVEN CAR GUIDE  ALTERNATIVE COMMENTARY COLLECTIVE   HERALD ON SUNDAY

 Waikato Herald  HOROWHENUA CHRONICLE  WHANGANUI MIDWEEK  Katikati Advertiser  Manawatu GUARDIAN  Te Puke Times

 THE COUNTRY  OneRoof  WHAT THE ACTUAL?! Talanoa GOLD SPORT  flava  VIVA

 BusinessDesk.  RESTAURANT HUB  Kāhu  Our Green Future  CHB Mail  HC POST  NZME. NEW ZEALAND MEDIA AND ENTERTAINMENT

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Consolidated Interim Financial Statements
for the six months ended 30 June 2024

Keeping Kiwis in the know

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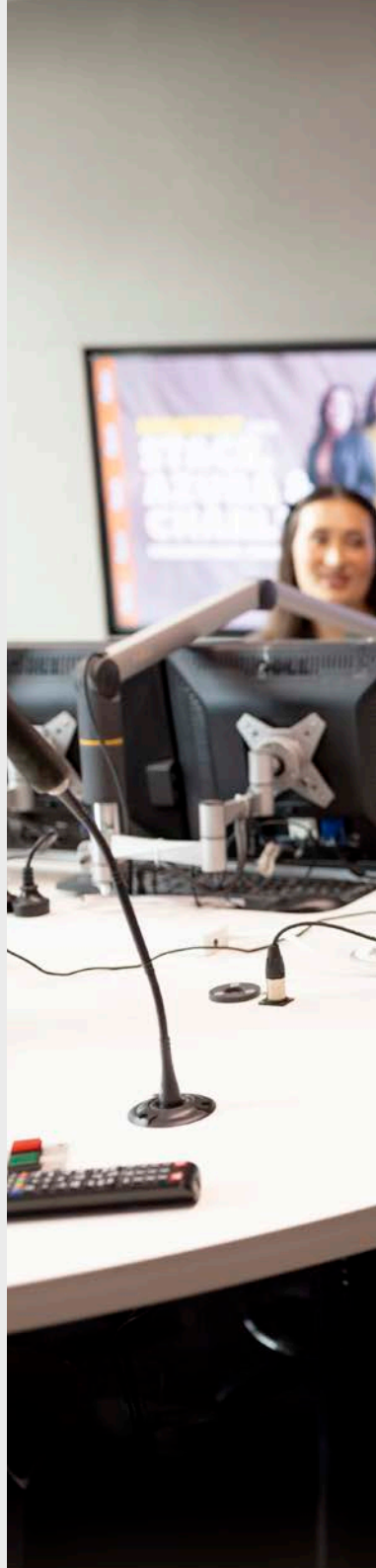
**NZ
ME.**
NEW ZEALAND
MEDIA AND
ENTERTAINMENT

BE SEEN. BE HEARD. EVERYONE'S HERE.

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* In an attempt to make these financial statements easier to read, the notes to the financial statements have been grouped into six sections; aimed at grouping items of a similar nature together. The Basis of Preparation section presents a summary of material accounting policy information and other explanatory information that are necessary to understand the basis on which these consolidated interim financial statements have been prepared. A summary of the material judgments and estimates is also included under the Basis of Preparation section on pages 16 to 17.



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Consolidated Interim Financial Statements
for the six months ended 30 June 2024

Chairman and CEO Report

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**+63%
YOY**

OneRoof digital
listing revenue

**+33%
YOY**

Digital audio
revenue

**+13%
YOY**

Digital subscription
revenue

\$171m

Total Revenue
up 3% YOY

NZME has outperformed the market. We continue to deliver for our shareholders, enhancing our digital productivity. Our areas of strategic focus has led to us reporting a \$5.0 million increase in Operating Revenue¹ to \$171.0 million and significant growth in our digital revenue from \$44.2 million in H1 2023 to \$50.1 million this half.

OneRoof has been a standout performer in the first half of the year, with its digital growth leading to a profit for the half. We are also making excellent progress towards the strategic targets for OneRoof. This has included reducing the audience gap to the number one in market to a mere 10%² and we are quickly approaching the number one position. Furthermore, OneRoof listings enquiries increased by 29% year on year and achieved a 63% increase in digital listings revenue over the same period.

Business and consumer confidence has been at low levels with high interest rates and cost inflation leading to reduced consumer and advertiser marketing spend. The challenges have led to a number of media industry participants making large scale redundancies or, in some cases, closing parts of their operation.

NZME has made excellent progress in key strategic areas, with continued growth across our OneRoof property platform, digital publishing and digital audio. We also continue to engage with large audiences across the country through multiple channels, be that through Audio, Publishing or OneRoof. We reach 9 out of 10 Kiwis monthly³, with 2.6 million turning to our digital platforms⁴, 1.9 million tuning into our radio stations⁵, 1 million reading a print publication⁴ and 1.3 million choosing iHeartRadio as their digital audio platform⁶.

OneRoof has been a standout performer in the first half of the year, with its digital growth leading to a profit for the half.

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We remain focused on our strategic priorities for the next three years:

- OneRoof to be your essential property platform
- To be number one in audio
- To be New Zealand’s leading news destination

Financial Results

NZME’s Operating Revenue¹ was \$171.0 million for the first half of the year - up \$5.0 million on the previous corresponding period. This was a pleasing result, given the economic challenges facing the market.

NZME’s Operating Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)¹ was \$21.4 million for the half, compared to \$21.3 million in the first six months of last year.

NZME’s Statutory Net Profit After Tax (NPAT) was \$1.9 million, down slightly on the previous corresponding period.

Net debt increased by \$12.0 million to \$30.0 million in the half due to a seasonal increase in working capital and payment of the 2023 final dividend in March 2024.

OneRoof

OneRoof has demonstrated significant growth in Auckland, with total listings up 38% and listings upgrades increasing by 62% year on year for the six months to 30 June 2024.

We’re also pleased to report a 20% growth in listings across the rest of the country and an increase of 82% in listings upgrades. With the rest of the country representing two thirds

of the total real estate market nationwide, this continues to be a growth opportunity for us. We remain focused on other key opportunities within the real estate sector including rental, retirement and commercial property listings.

The recovery of the real estate market has been slower than anticipated. However, as conditions improve in the coming months with interest rates expected to decrease, our expectation is that OneRoof will experience continued growth.

Audio

NZME continues to outperform the market with our total share of revenue outperforming our share of audience. This demonstrates our strength in providing excellent customer advertising solutions

¹ Operating results presented are non-GAAP measures that include the impact of NZ IFRS 16, however, exclude exceptional items to allow for a like for like comparison between 2023 and 2024 financial years. Please refer to pages 40-41 of the results presentation for a detailed reconciliation. ² Nielsen Online Ratings Apr 24 - Jun 24 monthly average (desktop and domestic traffic only, does not include exclusive mobile app audience) % is the gap as a percentage of trademe.co.nz/property quarterly average. ³ NZME Reach Study, n = 1000 nationally representative Jan 2024 (unduplicated audience across NZME print, digital, radio & podcasts). ⁴ Nielsen CMI Q2 23 - Q1 24 June 24 Fused AP15+ (Publishing Print = weekly print excluding Real Estate. OneRoof Print = Real Estate sections). ⁵ GfK Comm RAM, S1/24, Total NZ, Cume, M-S 12mn-12mn (unless otherwise stated). ⁶ Adswizz AudioMetrix June 2024. Total listening hours, 12 months to June 2024, compared to the prior period. ⁷ Triton Metrics NZ, 12 months to June 2024, compared to the prior period. ⁸ GfK RAM, S1 2017 - 2024, Total NZ, M-S 12mn-12mn, AP10+, Share % (historical data available upon request).

Your essential property platform



Superior listings experience and performance

Grow listings revenue

Accelerate non-listings product revenue

New Zealand’s leading news destination



Scalable digital audience and advertising news platform

Expert journalism that grows subscriber lifetime value

High quality and efficient print business

Number One in Audio



Create the most listened to and loved content

Deliver customer solutions to grow revenue shares

Grow podcast engagement and monetisation

2023 & 2024 WINNER

Media Business of the Year

New Zealand Media and Entertainment


**beacon
awards**

**oh!
unmissable**

and driving monetisation across both our terrestrial radio and digital audio platforms, and that our customers are valuing our platforms for their advertising needs.

Digital audio and podcasting continues to achieve significant growth for NZME, leading to a digital audio revenue increase of 33% year on year. For the last 12 months to 30 June 2024, podcast downloads hit 48 million – up 12% on the previous corresponding period⁷. Total listening hours via our iHeartRadio digital audio platform was up 14% year on year⁸.

Newstalk ZB remains the number one commercial radio network in the country, a position it's held since 2008⁹. NZME's biggest music radio brand, ZM, also grew its audience to 537,400 and The Hits celebrated its biggest ever audience⁵.

NZME also took out seven of the ten premier awards at the 2024 NZ Radio and Podcast Awards and winning a range of accolades across radio, podcasting, sales, digital, marketing, sponsorship and integration.

Publishing

NZME's digital publishing business delivered an increase in profitability in the half, with digital subscription revenue up 13% and an 11% increase in digital subscriptions on 30 June 2023.

This is an excellent achievement against a backdrop of a very challenging economic climate, which has had a significant impact on consumer confidence and spend.

NZME took out a number of supreme awards at the 2024 Voyager Media Awards including Hawke's Bay Today winning the highly coveted Voyager Newspaper of the Year and Regional Newspaper of the Year, the Weekend Herald taking out the award for Weekly Newspaper of the Year, and NZ Herald winning Metropolitan Newspaper of the Year.

Throughout the year NZME expanded on its regional and community portfolio, acquiring the print and digital assets of the Gisborne Herald and SunMedia in Tauranga. Both acquisitions complement our strong stable of local mastheads and high-performing digital platforms.

Capital management

Distributions to shareholders during the first half were 6.0 cents per share being the 2023 final dividend paid on 20 March 2024. This is the same as the prior year.

Net Debt at 30 June 2024 was \$30.0 million. This is a seasonal increase from \$18.0 million at 31 December 2023, however the leverage ratio remains within the target range of 0.5 – 1.0 times

EBITDA and is consistent with the same period last year. We project a reduction in net debt by the end of 2024, with the leverage ratio returning to the low end of the target range.

The Board regularly reviews the capital management position of the company and continues to have a desire to operate at the lower end of the target leverage ratio given the uncertain market conditions.

The Board has declared a fully imputed interim dividend of 3.0 cents per share, payable on 25 September 2024.

Outlook

NZME delivered growth in advertising revenue of 4% in the first quarter of the year, however this slowed in the second quarter to 2%. Quarter three is currently tracking to 1% growth year on year.

The difficult trading conditions and reduced confidence levels within the business community have seen the advertising market reduce year on year.

As we head into our largest quarter of the financial year, businesses are signalling their intention to spend as sentiment improves. NZME remains well-positioned to take advantage of this growth.

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NZME.

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OneRoof is continuing to deliver rapid audience, revenue and profitability growth.

The operating environment remains uncertain. Based on current performance, NZME confirms that it expects to be at the lower end of the EBITDA range previously issued of \$57.0 million to \$61.0 million.

Conclusion

We will continue to drive NZME's digital transformation, rapidly transforming customer experiences and leveraging

emerging technologies to grow our competitive advantage.

We will introduce market leading innovative products while streamlining business processes to improve productivity and efficiency across the business.

Our team at NZME has worked extremely hard to deliver these pleasing results in a difficult economic environment, so we say a huge thank you to each and every one of them for their determination and commitment.

Thanks also to the 9 in every 10 Kiwis who engage with NZME through radio, iHeartRadio or our podcast network, through one of our many newspapers, websites, or via our property portal - OneRoof. Thank you for choosing NZME.

Finally, thank you to our valued shareholders for your support of NZME's strategic direction and transformation.



Barbara Chapman
Chairman



Michael Boggs
Chief Executive Officer

Consolidated Interim Financial Statements

For the six months ended 30 June 2024

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Directors' Statement

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The Directors are pleased to present the consolidated interim financial statements of NZME Limited (the "Company") and its subsidiaries (together the "Group") for the six months ended 30 June 2024, incorporating the consolidated interim financial statements and the independent auditor's review report.

The Directors are responsible, on behalf of the Company, for presenting these consolidated interim financial statements in accordance with applicable New Zealand legislation and New Zealand equivalent to International Accounting Standard 34: *Interim Financial Reporting*, International Accounting Standard 34: *Interim Financial Reporting* and the NZX Listing Rules.

The consolidated interim financial statements for the Group as presented on pages 11 to 34 are signed on behalf of the Board of Directors, and are authorised for issue on the date below.

For and on behalf of the Board of Directors



Barbara Chapman
Chairman



Carol Campbell
Director

Date: 26 August 2024

Consolidated Interim Income Statement

For the six months ended 30 June 2024 (unaudited)

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	Note	June 2024 \$'000	June 2023 \$'000
Revenue	2.1	168,294	163,296
Finance and other income	2.1	2,959	2,925
Total revenue and other income	2.1	171,253	166,221
People costs		(74,498)	(73,961)
Print and distribution		(25,739)	(25,003)
Selling and marketing		(20,212)	(17,379)
Content		(10,146)	(9,825)
Property		(4,404)	(3,673)
Third party fulfilment costs		(2,707)	(3,413)
Technology and communication costs		(5,768)	(5,435)
Other costs		(7,064)	(7,008)
Expenses from operations before finance costs, depreciation and amortisation		(150,538)	(145,697)
Depreciation and amortisation		(13,968)	(13,809)
Finance costs		(3,707)	(3,697)
Share of joint ventures and associates net loss after tax	5.2.2	(195)	(153)
Profit before income tax expense		2,845	2,865
Income tax expense		(952)	(887)
Net profit after tax		1,893	1,978
Profit for the period is attributable to:			
Owners of the Company		1,893	2,455
Non-controlling interests		-	(477)
		1,893	1,978
		Cents	Cents
Earnings per share attributable to the ordinary shareholders of the Company			
Basic earnings per share	2.2	1.01	1.33
Diluted earnings per share	2.2	0.99	1.28

The above Consolidated Interim Income Statement should be read in conjunction with the accompanying notes.

Consolidated Interim Statement of Comprehensive Income

For the six months ended 30 June 2024 (unaudited)

	June 2024 \$'000	June 2023 \$'000
Net profit after tax	1,893	1,978
Other comprehensive income		
<i>Items that may be reclassified to profit or loss</i>		
Effective gain on hedging instruments	-	9
Hedging reclassification to profit or loss	-	(216)
Net loss on hedging instruments	-	(207)
Net exchange differences on translation of foreign operations	2	4
<i>Items that will not be reclassified to profit or loss</i>		
Revaluation of freehold land and buildings	353	-
Other comprehensive income / (loss) net of taxation	355	(203)
Total comprehensive income	2,248	1,775
Total comprehensive income attributable to:		
Owners of the Company	2,248	2,252
Non-controlling interests	-	(477)
	2,248	1,775

The above Consolidated Interim Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

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Consolidated Interim Balance Sheet

As at 30 June 2024

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	Note	June 2024 (unaudited) \$'000	December 2023 Restated ^A (audited) \$'000
Current assets			
Cash and cash equivalents		7,652	5,524
Trade and other receivables	3.4	47,271	45,057
Inventories	3.5	3,277	5,084
Income tax receivable		4,204	-
Total current assets		62,404	55,665
Non-current assets			
Intangible assets	3.1	141,894	142,445
Property, plant and equipment	3.2	19,081	20,311
Right-of-use assets	3.3	53,175	58,233
Other financial assets		815	815
Equity accounted investments	5.2.2	2,573	2,768
Other receivables and prepayments	3.4	4,042	4,453
Deferred tax assets		8,227	9,209
Total non-current assets		229,807	238,234
Total assets		292,211	293,899
Current liabilities			
Trade and other payables		49,897	48,840
Current lease liabilities	4.2.2	12,531	12,572
Current tax provision		-	269
Total current liabilities		62,428	61,681
Non-current liabilities			
Non-current lease liabilities	4.2.2	66,211	72,105
Interest bearing liabilities	4.2.1	37,609	23,490
Other payables		720	676
Total non-current liabilities		104,540	96,271
Total liabilities		166,968	157,952
Net assets		125,243	135,947
Equity			
Share capital		345,839	345,365
Reserves		3,546	5,416
Retained earnings		(224,142)	(214,834)
Total equity		125,243	135,947

^A Refer to note 1.2.1 for details of the restatement.

The above Consolidated Interim Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated Interim Statement of Changes in Equity

For the six months ended 30 June 2024 (unaudited)

	Note	Attributable to owners of the Company			Total \$'000	Non- controlling interest \$'000	Total equity \$'000
		Share capital \$'000	Reserves \$'000	Retained earnings \$'000			
Balance at 1 January 2023		344,473	5,282	(211,188)	138,567	(789)	137,778
Opening balance correction	1.2.1	-	-	3,500	3,500	-	3,500
Restated balance at 1 January 2023		344,473	5,282	(207,688)	142,067	(789)	141,278
Profit / (loss) for the period		-	-	2,455	2,455	(477)	1,978
Other comprehensive loss		-	(203)	-	(203)	-	(203)
Total comprehensive (loss) / income		-	(203)	2,455	2,252	(477)	1,775
Dividends paid	4.1.1	-	-	(11,034)	(11,034)	-	(11,034)
Supplementary dividends paid	4.1.1	-	-	(1,514)	(1,514)	-	(1,514)
Tax credit on supplementary dividends		-	-	1,514	1,514	-	1,514
Share based payments		-	200	-	200	-	200
Balance at 30 June 2023		344,473	5,279	(216,267)	133,485	(1,266)	132,219
Balance at 1 January 2024		345,365	5,416	(214,834)	135,947	-	135,947
Profit for the period		-	-	1,893	1,893	-	1,893
Other comprehensive income		-	355	-	355	-	355
Total comprehensive income		-	355	1,893	2,248	-	2,248
Dividends paid	4.1.1	-	-	(11,201)	(11,201)	-	(11,201)
Supplementary dividends paid	4.1.1	-	-	(1,494)	(1,494)	-	(1,494)
Tax credit on supplementary dividends		-	-	1,494	1,494	-	1,494
Share based payments		474	(2,225)	-	(1,751)	-	(1,751)
Balance at 30 June 2024		345,839	3,546	(224,142)	125,243	-	125,243

The above Consolidated Interim Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Interim Statement of Cash Flows

For the six months ended 30 June 2024 (unaudited)

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	Note	June 2024 \$'000	June 2023 \$'000
Cash flows from operating activities			
Receipts from customers		166,827	166,696
Payments to suppliers and employees		(147,905)	(150,873)
Government grants		1,034	1,695
Dividends received		47	47
Interest received		198	229
Interest paid		(3,502)	(3,442)
Income taxes paid		(4,581)	(5,511)
Net cash inflows from operating activities	4.3	12,118	8,841
Cash flows from investing activities			
Payments for intangible assets		(5,049)	(4,259)
Payments for property, plant and equipment		(1,360)	(1,172)
Proceeds from sale of property, plant and equipment		-	30
Net cash outflows from investing activities		(6,409)	(5,401)
Cash flows from financing activities			
Proceeds from borrowings		84,500	63,000
Repayments of borrowings		(70,500)	(49,000)
Dividends paid to Company's shareholders	4.1.1	(11,201)	(11,034)
Payments for lease liability principal	4.2.2	(6,380)	(6,330)
Net cash outflows from financing activities		(3,581)	(3,364)
Net increase in cash and cash equivalents	4.2.1	2,128	76
Cash and cash equivalents at beginning of the period		5,524	5,670
Cash and cash equivalents at end of the period		7,652	5,746

The above Consolidated Interim Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Interim Financial Statements (unaudited)

1.0 BASIS OF PREPARATION

1.1 REPORTING ENTITY AND STATUTORY BASE

NZME Limited (NZX:NZM, ASX:NZM) is a for-profit company limited by ordinary shares which are publicly traded on the NZX Main Board and the Australian Securities Exchange as a Foreign Exempt Listing. NZME Limited is incorporated and domiciled in New Zealand. It is registered under the Companies Act 1993 and is a FMC reporting entity under Part 7 of the Financial Markets Conduct Act 2013. The entity's registered office is 2 Graham Street, Auckland, 1010, New Zealand.

NZME Limited (the "Company" or "Parent") and its subsidiaries (together the "Group") principal activity during the financial period was the operation of an integrated media and entertainment business.

1.2 MATERIAL ACCOUNTING POLICIES

These consolidated interim financial statements have been prepared in accordance with New Zealand equivalent to International Accounting Standard 34: *Interim Financial Reporting*, International Accounting Standard 34: *Interim Financial Reporting* and the NZX Listing Rules.

The consolidated interim financial statements do not include all notes of the type normally included in the annual consolidated financial statements.

Accordingly, these consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 December 2023. These consolidated interim financial statements are presented for the Group.

The material accounting policy information used in the preparation of these consolidated interim financial statements are generally consistent with those used in the audited consolidated financial statements for the year ended 31 December 2023. Where there have been changes to accounting policy information or the Directors consider it necessary to disclose accounting policy information in these consolidated interim financial statements, accounting policy information has been included in the relevant note.

These consolidated interim financial statements are presented in New Zealand dollars, which is the Company's functional and the Group's presentation currency, and rounded to the nearest thousand, except where otherwise stated. These consolidated interim financial statements were approved for issue by the Board of Directors on 26 August 2024.

These consolidated interim financial statements have not been audited, but have been reviewed in accordance with New Zealand Standard on Review Engagement 2410: *Review of Financial Statements Performed by the Independent Auditor of the Entity*. The 30 June 2024 and 30 June 2023 figures and narrative are unaudited while those for 31 December 2023 are audited figures and narrative.

1.2.1 Comparatives

The December 2023 balance sheet and statement of changes in equity have been restated as a result of a correction to the deferred tax asset balance in respect of the deferred taxation treatment of lease incentives on adoption of NZ IFRS 16: *Leases*. The correction increases the deferred tax asset balance and adjusts opening retained earnings by \$3.5 million and has no impact on the current year, or prior year profit amounts or earnings per share.

Certain prior period information has been reclassified to ensure consistency with current period disclosures and to provide more meaningful comparison. The prior period information that has been reclassified is:

- The expenses from operations before finance costs, depreciation and amortisation has been represented in the income statement based on its nature.
- Capital work in progress has been represented in the balance sheet, statement of cash flows, the intangible assets note (note 3.1), the property, plant and equipment note (note 3.2) and the net tangible liabilities (note 3.6).
- The segment reporting has been consolidated with all information now presented in note 2.1.

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1.3 MATERIAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the consolidated interim financial statements requires the use of certain material judgments, accounting estimates and assumptions, including judgments, estimates and assumptions concerning the future. The estimates and assumptions are based on historical experiences and other factors that are considered to be relevant. The resulting accounting estimates will by definition, seldom equal the related actual results and are reviewed on an ongoing basis. Material areas of estimation and judgment in these consolidated interim financial statements are consistent with those disclosed in the audited consolidated financial statements for the year ended 31 December 2023 and are as follows:

Areas of material accounting estimates or judgements	Note
<i>Intangible assets with indefinite useful lives</i>	3.1
<i>Assumptions and judgments used in the impairment review of indefinite life intangible assets</i>	3.1.1

1.4 NEW STANDARDS AND INTERPRETATIONS

There have been no changes to accounting policies or new standards adopted during the period.

Notes to the Consolidated Interim Financial Statements (unaudited)

Continued

2.0 GROUP PERFORMANCE

2.1 SEGMENT REPORTING

The Group operates an integrated media and entertainment business that incorporates the sale of advertising, goods and services generated from the audiences attached to the Group's media platforms and comprises of three operating segments.

All significant operating decisions are based upon analysis of the three operating segments. The Executive Team and the Board of Directors have been identified as the Chief Operating Decision Maker. The Group's major products and services are split into the three segments with revenue, income, direct and allocated costs reported to the Chief Operating Decision Maker on this basis. Although the Group operates in many different markets within

New Zealand, for management reporting purposes the Group operates in one principal geographical area being New Zealand as a whole.

The operating segments for the Group are:

- Audio - terrestrial radio stations, digital iHeartRadio, podcasts and Radio brand websites.
- Publishing - print publications (excluding dedicated real estate publications) and digital news websites including nzherald.co.nz. and BusinessDesk.
- OneRoof - comprises oneroof.co.nz and dedicated real estate print publications.

	Audio \$'000	Publishing \$'000	OneRoof \$'000	Other \$'000	Total \$'000
For the six months ended 30 June 2024					
Advertising	55,599	50,686	13,982	-	120,267
Circulation and subscription	-	40,520	-	-	40,520
External printing and distribution	-	3,895	-	-	3,895
Other	531	2,421	134	-	3,086
Segment revenue from integrated media and entertainment activities	56,130	97,522	14,116	-	167,768
Revenue from shared services centre	70	122	16	1	209
Events	-	-	-	317	317
Total revenue from external customers	56,200	97,644	14,132	318	168,294
Other income ^A	150	2,181	-	430	2,761
Finance income	-	-	-	198	198
Total finance and other income	150	2,181	-	628	2,959
Total revenue and other income	56,350	99,825	14,132	946	171,253
	Audio \$'000	Publishing \$'000	OneRoof \$'000	Other \$'000	Total \$'000
Timing of revenue recognition					
Recognised at a point in time	50,581	61,407	5,808	1	117,797
Recognised over time	5,619	36,237	8,324	317	50,497
Total revenue from external customers	56,200	97,644	14,132	318	168,294

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	Audio \$'000	Publishing \$'000	OneRoof \$'000	Other \$'000	Total \$'000
Operating adjusted EBITDA ^B	7,918	14,582	1,436	(2,500)	21,436
Total assets	111,790	154,964	9,546	15,911	292,211
Additions of property, plant and equipment and intangible assets	827	4,630	944	8	6,409
Total liabilities	60,892	91,536	7,700	6,840	166,968

	Audio \$'000	Publishing \$'000	OneRoof \$'000	Other \$'000	Total \$'000
For the six months ended 30 June 2023					
Advertising	53,917	53,080	9,403	-	116,400
Circulation and subscription	-	39,761	-	-	39,761
External printing and distribution	-	3,193	-	-	3,193
Other	342	2,938	211	-	3,491
Segment revenue from integrated media and entertainment activities	54,259	98,972	9,614	-	162,845
Revenue from shared services centre	43	79	8	-	130
Events	-	-	-	321	321
Total revenue from external customers	54,302	99,051	9,622	321	163,296
Other income ^A	248	2,378	-	70	2,696
Finance income	-	-	-	229	229
Total finance and other income	248	2,378	-	299	2,925
Total revenue and other income	54,550	101,429	9,622	620	166,221

	Audio \$'000	Publishing \$'000	OneRoof \$'000	Other \$'000	Total \$'000
Timing of revenue recognition					
Recognised at a point in time	50,138	63,647	4,376	-	118,161
Recognised over time	4,164	35,404	5,246	321	45,135
Total revenue from external customers	54,302	99,051	9,622	321	163,296

	Audio \$'000	Publishing \$'000	OneRoof \$'000	Other \$'000	Total \$'000
Operating adjusted EBITDA ^B	10,499	14,911	(1,287)	(2,822)	21,301
Total assets (restated) ^C	114,805	158,667	8,718	11,709	293,899
Additions of property, plant and equipment and intangible assets	1,503	3,376	550	2	5,431
Total liabilities ^C	57,997	90,515	6,946	2,494	157,952

^A Other income includes Government grants of \$1,034,217 (2023: \$1,694,649) received from the Ministry of Culture and New Zealand On Air for the production of content, journalism training and creating greater cultural awareness. There are no unfulfilled conditions or contingencies attaching to these grants. The Group did not benefit directly from any other forms of Government assistance. Other income also includes rental income of \$58,414 (2023: \$70,011) relating to the to operating sub-leases of right-of-use assets. See note 3.4.1 for the income received from the finance sub-leases on right-of-use assets.

^B Operating adjusted Earnings before Interest, Tax, Depreciation and Amortisation (Adjusted EBITDA) from continuing operations which excludes exceptional items, is a non-GAAP measure that represents the Group's total segment result which is regularly monitored by the Chief Operating Decision Maker. Exceptional items are those gains, losses, income and expense items that are not directly related to the primary business activities of the Group which are determined in accordance with the NZME Exceptional Items Recognition Framework adopted by the Board. Exceptional items include redundancies, impairment, one-off projects and the disposal of properties or businesses. These items are excluded from the segment result that is regularly reviewed by the Chief Operating Decision Maker.

^C Total assets and liabilities as at 31 December 2023.

Notes to the Consolidated Interim Financial Statements (unaudited)

Continued

2.1.1 Revenue recognition

Revenue classified as generated at a point in time comprises:

- Revenue generated from advertising placed in print publications and broadcast on radio stations.
- Circulation and subscription revenue derived from the sale of print publications.
- External printing and distribution for third parties.

Revenue classified as generated over time is:

- Subscriptions to digital publications.
- Revenue generated from the supply of online advertising and other online services.
- Revenue generated by the supply of services including organising and running events, back-office services and the supply of content, created by the Group, to third parties.

2.1.2 Reconciliation of operating adjusted EBITDA to net profit before income tax expense

	Note	June 2024 \$'000	June 2023 \$'000
For the six months ended 30 June 2024			
Operating adjusted EBITDA	2.1	21,436	21,301
Finance income		198	229
Depreciation and amortisation		(13,968)	(13,809)
Finance costs		(3,707)	(3,697)
Share of joint ventures and associates net loss after tax	5.2.2	(195)	(153)
Lease adjustments included in revenue		11	-
<i>Exceptional items as included in the following expenses:</i>			
People costs			
Redundancies and associated costs ^A		(707)	(740)
BusinessDesk earn-out provision		-	(235)
Property costs		-	(93)
Technology and communication costs		(35)	-
Other costs			
NZME Advisory Limited - Commerce Commission		-	62
Other - various		(188)	-
Net profit before income tax expense		2,845	2,865

^A The redundancies and associated costs relate to the restructuring of the Group's operations.

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2.2 EARNINGS PER SHARE

	June 2024 \$'000	June 2023 \$'000
Reconciliation of earnings used in calculating basic / diluted earnings per share (EPS)		
Profit attributable to owners of the parent entity used in calculating EPS	1,893	2,455
	June 2024 Number	June 2023 Number
Weighted average number of shares		
Weighted average number of shares for calculating basic EPS	186,634,854	183,913,614
Adjusted for calculation of diluted EPS	4,063,462	7,274,146
Weighted average number of shares in the denominator in calculating diluted EPS	190,698,316	191,187,760
	June 2024 Cents	June 2023 Cents
Basic / diluted earnings per share		
Basic earnings per share	1.01	1.33
Diluted earnings per share	0.99	1.28

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Notes to the Consolidated Interim Financial Statements (unaudited)

Continued

3.0 OPERATING ASSETS AND LIABILITIES

3.1 INTANGIBLE ASSETS

Material judgement: The Directors have determined that mastheads and brands have indefinite lives and are therefore not amortised.

	Goodwill \$'000	Software \$'000	Mastheads and brands \$'000	Radio licences \$'000	Capital work in progress ^A \$'000	Total \$'000
As at 31 December 2023						
Cost	2,693	62,194	202,225	80,253	1,354	348,719
Accumulated amortisation and impairment	-	(49,730)	(99,813)	(56,731)	-	(206,274)
Net book value	2,693	12,464	102,412	23,522	1,354	142,445
For the six months ended 30 June 2024						
Opening net book value	2,693	12,464	102,412	23,522	1,354	142,445
Additions	-	-	-	-	5,049	5,049
Disposals	-	(90)	-	-	-	(90)
Amortisation	-	(3,888)	-	(1,622)	-	(5,510)
Transfers from capital work in progress	-	3,695	-	-	(3,695)	-
Net book value	2,693	12,181	102,412	21,900	2,708	141,894
As at 30 June 2024						
Cost	2,693	65,779	202,225	80,253	2,708	353,658
Accumulated amortisation and impairment	-	(53,598)	(99,813)	(58,353)	-	(211,764)
Net book value	2,693	12,181	102,412	21,900	2,708	141,894

^A Capital work in progress is transferred to the relevant asset category once the project is completed. Capital work in progress is not amortised prior to being transferred to the relevant asset category. Intangible assets not yet available for use, that are included in capital work in progress, are subject to annual impairment tests. Capital work in progress at 30 June 2024 and 31 December 2023 comprised of expenditure on digital development projects.

3.1.1 Half year impairment review

Material judgement: As disclosed in note 2.1 the Directors have determined that the Group has three reportable segments – being "Audio", "Publishing" and "OneRoof". The Directors have also determined that there are three cash generating units (CGU) for impairment testing because these are the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets. Note 2.1 contains the allocation of the Group's assets and liabilities across the CGUs except for financing and equity accounted investments. Those assets and liabilities that do not relate to one of the three CGUs are grouped as "other". In the consolidated financial statements for the year ended 31 December 2023 it was stated by Management that there were no reasonably possible changes to key assumptions which could result in impairment of the Audio and OneRoof CGU's. For the Publishing CGU it was stated that there were some reasonably possible adverse changes that would result in impairment and management is of the view that this continues to be the case at 30 June 2024. Management has conducted a review of possible impairment indicators as at 30 June 2024 and concluded that there are no such indicators which would require a full impairment assessment to be performed. Specifically, Management has considered the trading performance of the Group compared to forecasts used in the impairment assessment at 31 December 2023 as well as the market capitalisation of the Group at 30 June 2024.

3.2 PROPERTY, PLANT AND EQUIPMENT

	Freehold land \$'000	Buildings \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Capital work in progress ^A \$'000	Total \$'000
As at 31 December 2023						
Cost or fair value	265	67	14,784	247,173	852	263,141
Accumulated depreciation and impairment	-	(13)	(11,958)	(230,859)	-	(242,830)
Net book value	265	54	2,826	16,314	852	20,311
For the six months ended 30 June 2024						
Opening net book value	265	54	2,826	16,314	852	20,311
Additions	-	-	-	4	1,356	1,360
Depreciation	-	(2)	(467)	(2,474)	-	(2,943)
Revaluation	315	38	-	-	-	353
Transfers from capital work in progress	-	-	-	1,449	(1,449)	-
Net book value	580	90	2,359	15,293	759	19,081
As at 30 June 2024						
Cost or fair value	580	103	14,784	248,505	759	264,731
Accumulated depreciation and impairment	-	(13)	(12,425)	(233,212)	-	(245,650)
Net book value	580	90	2,359	15,293	759	19,081

A Capital work in progress is transferred to the relevant asset category once the project is completed. Capital work in progress is not depreciated prior to being transferred to the relevant asset category. Capital work in progress at 30 June 2024 and 31 December 2023 is primarily comprised of expenditure on technology projects.

Notes to the Consolidated Interim Financial Statements (unaudited)

Continued

3.3 RIGHT-OF-USE ASSETS

	Buildings \$'000	Transmission \$'000	Vehicles \$'000	Other \$'000	Total \$'000
As at 31 December 2023					
Net book value	35,718	21,524	957	34	58,233
For the six months ended 30 June 2024					
Additions	447	-	793	-	1,240
Depreciation	(3,513)	(1,685)	(312)	(5)	(5,515)
Changes in lease payments or lease terms	(809)	11	15	-	(783)
Net book value	31,843	19,850	1,453	29	53,175

3.4 TRADE AND OTHER RECEIVABLES

	Note	June 2024 \$'000	December 2023 \$'000
Trade receivables net of provisions		38,299	36,664
Amounts due from related companies	6.1	375	330
Finance lease receivables	3.4.1	533	545
Other receivables and prepayments		8,064	7,518
Total current trade and other receivables		47,271	45,057
Other receivables and prepayments		419	561
Finance lease receivables	3.4.1	3,623	3,892
Total non-current other receivables and prepayments		4,042	4,453

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3.4.1 Finance lease receivables

	\$'000
As at 31 December 2023	
Current assets	545
Non-current assets	3,892
Net investment in lease receivables at 31 December 2023	4,437
Interest on lease receivables	108
Total lease receivables before cash payments	4,545
Interest received	(108)
Principal received	(281)
Net investment in lease receivables at 30 June 2024	4,156
Current assets	533
Non-current assets	3,623
Net investment in lease receivables at 30 June 2024	4,156

3.5 INVENTORIES

Inventories are predominantly the stock of newsprint held at the Ellerslie print plant and is valued at cost. The longevity of the commodity, and the short period of time that stock is on hand, reduces the Group's risk of holding obsolete stock.

During the six months ended 30 June 2024 inventories totalling \$6,769,805 were expensed through production and distribution expenses (2023: \$6,503,013).

3.6 NET TANGIBLE LIABILITIES

Net tangible liabilities per share is a non-GAAP measure that is required to be disclosed by the NZX Listing Rules.

The calculation of the Group's net tangible liabilities per share and its reconciliation to the consolidated balance sheet is presented below:

	June 2024 \$'000	December 2023 Restated ^A \$'000
Total assets	292,211	293,899
Deferred tax asset	(8,227)	(9,209)
Intangible assets	(141,894)	(142,445)
Total liabilities	(166,968)	(157,952)
Net tangible liabilities	(24,878)	(15,707)
Number of shares issued (in thousands)	186,680	183,914
Net tangible liabilities per share (in \$)	(\$0.13)	(\$0.09)

^A Refer to note 1.2.1 for details of the restatement.

Notes to the Consolidated Interim Financial Statements (unaudited)

Continued

4.0 CAPITAL MANAGEMENT

4.1 DIVIDENDS

4.1.1 Dividends paid and declared

	June 2024 Cents per Share	June 2023 Cents per Share	June 2024 \$'000	June 2023 \$'000
Final dividend declared 20 February 2024, paid 20 March 2024	6.0	6.0	11,201	11,034
Total dividends declared during the period			11,201	11,034
Supplementary final dividend for 2023 paid 20 March 2024	1.06	1.06	1,494	1,514
Total supplementary dividends declared during the period			1,494	1,514
Proposed interim dividend for the year ended 31 December 2024	3.0	3.0	5,600	5,517

The dividends in the above table were unfranked.

Supplementary dividends were paid to registered shareholders who were not tax residents in New Zealand and who held less than 10% of the shares in the Company at the record date for the related distribution.

The proposed dividend, declared by the Board of Directors on 26 August 2024, is to be paid on 25 September 2024 to registered shareholders as at 13 September 2024.

4.1.2 Imputation credits

	June 2024 \$'000	December 2023 \$'000
Imputation credits available for subsequent reporting periods based on the New Zealand 28% tax rate for the Group	NZ\$ 24,140	NZ\$ 24,205

4.2 INTEREST BEARING LIABILITIES

The following table details the Group's combined net debt at 30 June 2024.

The movements in these balances during the period are provided in notes 4.2.1 Secured bank loans and note 4.2.2 Lease liabilities.

	\$'000
Bank loans	37,609
Cash and cash equivalents	(7,652)
Net bank debt	29,957
Lease liabilities	78,742
Net debt at 30 June 2024	108,699

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4.2.1 Secured bank loans

	\$'000
Bank loans	
As at 31 December 2023	23,490
Net cash flows	14,000
Gain on loan modification release	70
Amortisation of borrowing costs	49
As at 30 June 2024	37,609
Cash and cash equivalents	
As at 31 December 2023	(5,524)
Net cash flows	(2,128)
Net bank debt at 30 June 2024	29,957

The Group is funded from a combination of its own cash reserves and NZ\$50 million bilateral bank loan facilities, which NZME refinanced on 9 December 2022, of which \$38.0 million (31 December 2023: \$24.0 million) is drawn and \$12.0 million (31 December 2023: \$26.0 million) is undrawn as at 30 June 2024. This facility expires on 31 January 2026.

The interest rate for the drawn facility is the BKBM plus credit margin.

The NZME bilateral facilities contain undertakings which are customary for facilities of this nature including, but not limited to, provision of information, negative pledge and restrictions on priority indebtedness and disposals of assets. The assets of the Group are collateral for the interest bearing liability.

In addition, the Group must comply with financial covenants (a net debt to EBITDA ratio and an EBITDA to net interest expense ratio) for each 12 month period ending on 31 March, 30 June, 30 September and 31 December. The Group has complied with these covenants throughout the reporting period.

Notes to the Consolidated Interim Financial Statements (unaudited)

Continued

4.2.2 Lease liabilities

	\$'000
As at 31 December 2023	
Current lease liabilities	12,572
Non-current lease liabilities	72,105
Total lease liabilities at 31 December 2023	84,677
Interest on lease liabilities	2,143
New leases	1,240
Changes in scope, lease terms and other adjustments	(795)
Total lease liabilities before cash payments	87,265
Interest paid on leases	(2,143)
Principal payments	(6,380)
Total cash payments	(8,523)
Total lease liabilities at 30 June 2024	78,742
Current lease liabilities	12,531
Non-current lease liabilities	66,211
Total lease liabilities at 30 June 2024	78,742

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4.3 CASH FLOW INFORMATION

	June 2024 \$'000	June 2023 \$'000
Reconciliation of net cash inflows from operating activities to profit for the period:		
Profit for the period	1,893	1,978
Depreciation and amortisation expense	13,968	13,809
Borrowing cost amortisation	49	49
Fair value movement on over hedged swaps	-	13
Gain on loan modification unwinding	70	188
Net loss on sale of non-current assets	90	-
Change in current / deferred tax payable	(3,629)	(4,623)
Lease adjustments	(12)	71
BusinessDesk earn-out-provision	-	235
Group's share of retained losses in joint ventures and associates net of distributions received	195	200
Share based payment expense	90	200
Changes in assets and liabilities:		
Trade and other receivables	(2,224)	2,784
Inventories	1,807	(257)
Prepayments	421	1,367
Trade and other payables and employee benefits	(600)	(7,173)
Net cash inflows from operating activities	12,118	8,841

4.4 FAIR VALUE MEASUREMENT

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets at fair value through profit or loss (FVTPL);
- Land and buildings (excluding leasehold improvements).

4.4.1 Fair value hierarchy

NZ IFRS 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Consolidated Interim Financial Statements (unaudited)

Continued

4.4.2 Recognised fair value measurements

	June 2024 \$'000	December 2023 \$'000
Financial assets (Level 3)		
There are no financial assets carried at fair value. Other financial assets of \$815,000 [^] (31 December 2023: \$815,000) are measured at amortised cost and therefore have been excluded from this table.		
Total financial assets	-	-
Non-financial assets (Level 3)		
Freehold land and buildings		
Freehold land	580	265
Buildings (excluding leasehold improvements)	90	54
Total non-financial assets	670	319

[^] Other financial assets comprise of a loan to Eventfinda NZ Ltd. The loan is interest bearing and is repayable under certain conditions.

All fair value measurements referred to above are level 3 of the fair value hierarchy and there were no transfers between levels.

4.4.3 Disclosed fair values

The Group also has a number of assets and liabilities which are not measured at fair value but for which fair values are disclosed in these notes.

The carrying amounts of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

The fair value of the non-current trade receivables are assumed to approximate their carrying values as the balances comprise of prepayments in relation

to cash already received by the Group and lease receivables where the carrying value has been calculated based on net present values of future cash inflows.

The fair value of interest bearing liabilities disclosed in note 4.2 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial instruments. For the six months ending 30 June 2024, the borrowing rates were determined to be between 7.6% and 7.9% (31 December 2023: between 6.1% and 7.9%), depending on the type of borrowing. The fair value of borrowings approximates the carrying amount, as the impact of discounting is not significant (level 2).

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4.4.4 Valuation techniques used to derive at level 2 and 3 fair values

Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Group uses Director valuation, supported by an independent valuation performed in February 2024, for its freehold land and buildings less subsequent depreciation for buildings to ensure that the carrying value of the assets is materially consistent with their fair value. The land and buildings owned by the Group are transmission sites and associated buildings, and as such are specialised and have limited saleability. The best evidence of fair value is current prices in an active market for similar properties; however, these are not readily available for such specialised sites in such locations. The Directors believe that the current carrying value of the assets equates to their fair value given the nature and location of the assets. All resulting fair value estimates for properties are included as level 3.

Notes to the Consolidated Interim Financial Statements (unaudited)

Continued

5.0 GROUP STRUCTURE AND INVESTMENTS IN OTHER ENTITIES

5.1 CONTROLLED ENTITIES

The consolidated interim financial statements incorporate the assets, liabilities and results of the subsidiaries listed below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interest held equals the voting rights held by the Group. All entities are incorporated in, and operate in, New Zealand and the ownership interest is 100% unless otherwise stated. There were no changes in control during the six months ended 30 June 2024.

Name of entity	Name of entity
NZME Advisory Limited	NZME Radio Investments Limited
NZME Australia Pty Limited ^A	NZME Radio Limited ^B
NZME Educational Media Limited	NZME Specialist Limited
NZME Holdings Limited	The Hive Online Limited
NZME Investments Limited	New Zealand Radio Network Limited
NZME Print Limited	The Radio Bureau Limited
NZME Publishing Limited	OneRoof Limited

^A Incorporated in, and operates in, Australia.

^B One "Kiwi Share" held by the Minister of Finance. The rights and obligations are set out in the NZME Radio constitution.

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5.2 INTERESTS IN OTHER ENTITIES

5.2.1 Associates, joint ventures and joint operations

The Group has the following associates, joint ventures and joint operations:

Name of entity	June 2024 Ownership Interest	December 2023 Ownership Interest
Eveve New Zealand Limited ^A	40%	40%
New Zealand Press Association Limited ^A	38.82%	38.82%
Restaurant Hub Limited ^A	38%	38%
The Beacon Printing & Publishing Company Limited ^A	21%	21%
The Gisborne Herald Company Limited ^A	49%	49%
The Wairoa Star Limited ^A	40.41%	40.41%
The Radio Bureau ^B	50%	50%

^A These entities are classified as joint ventures or associates and are accounted for using the equity method in these consolidated interim financial statements.

^B The Radio Bureau is classified as a joint operation and the Group has included its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses in these consolidated interim financial statements.

5.2.2 Equity accounted investments

	\$'000
As at 31 December 2023	2,768
Share of losses in joint ventures and associates	(195)
As at 30 June 2024	2,573

The equity accounted investments are not considered to be material to the Group's operations or results and therefore no disclosures of the summarised financial information for these investments have been made.

Notes to the Consolidated Interim Financial Statements (unaudited)

Continued

6.0 OTHER NOTES

6.1 RELATED PARTIES

The following table details the period end balances between the Group and its associates.

	June 2024 \$'000	December 2023 \$'000
Balances with associates		
Receivables	375	330
Payables	-	-

In March 2024 the Group acquired the print business of The Gisborne Herald Company Limited for a nominal amount. The above table includes \$0.3 million owed to the Group in relation to transactions of the acquired print business.

The following table details the transactions between the Group and its associates during the six months ended 30 June 2024 and 30 June 2023.

	June 2024 \$'000	June 2023 \$'000
Transactions with associates		
Advertising revenue earned	10	18
Services provided by the Group	273	67
Paper usage reimbursed	-	110
Services received by the Group	(1)	(1)

The above table includes \$0.2 million of services provided to The Gisborne Herald Company Limited prior to the Group acquiring the print business in March 2024.

6.2 COMMITMENTS AND CONTINGENT LIABILITIES

The Group is subject to litigation incidental to the business, none of which is expected to be material. No provision has been made in the consolidated financial statements in relation to its current litigation and the directors believe that such litigation will not have a significant effect on the Group's financial position, results of operations or cash flows.

6.3 SUBSEQUENT EVENTS

The Directors are not aware of any other material events subsequent to the reporting date.

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Independent auditor's review report

To the shareholders of NZME Limited

Report on the consolidated interim financial statements

Our conclusion

We have reviewed the consolidated interim financial statements of NZME Limited (the Company) and its subsidiaries (the Group), which comprise the consolidated interim balance sheet as at 30 June 2024, and the consolidated interim income statement, the consolidated interim statement of comprehensive income, the consolidated interim statement of changes in equity and the consolidated interim statement of cash flows for the six months ended on that date, and notes, comprising material accounting policy information and other explanatory information.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 30 June 2024, and its financial performance and cash flows for the six months then ended, in accordance with International Accounting Standard 34 *Interim Financial Reporting* (IAS 34) and New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34).

Basis for conclusion

We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the *Auditor's responsibilities for the review of the consolidated interim financial statements* section of our report.

We are independent of the Group in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. In addition to our role as auditor, our firm carried out other services for the Group in the area of non-audit assurance services relating to greenhouse gas emissions. In addition, our firm, certain partners and employees may deal with the Group on normal terms within the ordinary course of trading activities of the Group. The provision of these other services and relationships have not impaired our independence.

Responsibilities of Directors for the consolidated interim financial statements

The Directors of the Company are responsible on behalf of the Company for the preparation and fair presentation of these consolidated interim financial statements in accordance with IAS 34 and NZ IAS 34 and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the consolidated interim financial statements

Our responsibility is to express a conclusion on the consolidated interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the consolidated interim financial statements, taken as a whole, are not prepared in all material respects, in accordance with IAS 34 and NZ IAS 34.

A review of consolidated interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

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The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on these consolidated interim financial statements.

Who we report to

This report is made solely to the Company's Shareholders, as a body. Our review work has been undertaken so that we might state those matters which we are required to state to them in our review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Shareholders, as a body, for our review procedures, for this report, or for the conclusion we have formed.

The engagement partner on the review resulting in this independent auditor's review report is Lisa Crooke.

For and on behalf of:

A handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

Chartered Accountants
26 August 2024

Auckland

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PricewaterhouseCoopers

Principal Bankers

Westpac

Principal Solicitors

Bell Gully

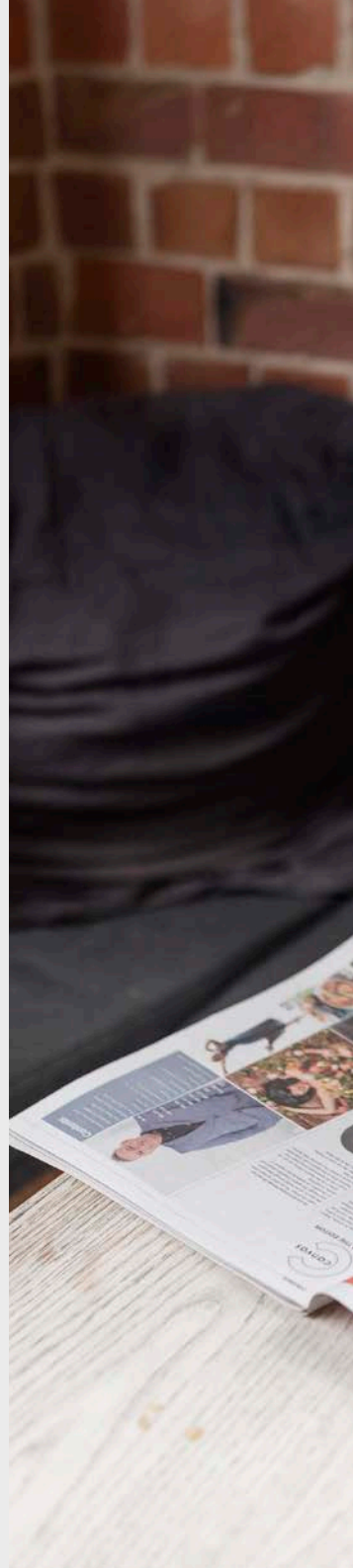
Share Registry

MUFG Pension & Market Services

Share Registry Contact Details

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Website: www.linkmarketservices.co.nz
Email: enquiries@linkmarketservices.co.nz

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Please note: all cash amounts in this form should be provided to 8 decimal places

Section 1: Issuer information			
Name of issuer	NZME Limited		
Financial product name/description	Ordinary shares		
NZX ticker code	NZM		
ISIN (If unknown, check on NZX website)	NZNZME0001S0		
Type of distribution (Please mark with an X in the relevant box/es)	Full Year		Quarterly
	Half Year	X	Special
	DRP applies		
Record date	13 September 2024		
Ex-Date (one business day before the Record Date)	12 September 2024		
Payment date (and allotment date for DRP)	25 September 2024		
Total monies associated with the distribution ¹	\$ 5,600,413.83000000		
Source of distribution (for example, retained earnings)	Retained earnings		
Currency	NZD		
Section 2: Distribution amounts per financial product			
Gross distribution ²	\$0.04166667		
Gross taxable amount ³	\$0.04166667		
Total cash distribution ⁴	\$0.03000000		
Excluded amount (applicable to listed PIEs)	\$		
Supplementary distribution amount	\$0.00529412		
Section 3: Imputation credits and Resident Withholding Tax ⁵			
Is the distribution imputed	Fully imputed	X	
	Partial imputation		
	No imputation		

¹ Continuous issuers should indicate that this is based on the number of units on issue at the date of the form

² "Gross distribution" is the total cash distribution plus the amount of imputation credits, per financial product, before the deduction of Resident Withholding Tax (RWT).

³ "Gross taxable amount" is the gross distribution minus any excluded income.

⁴ "Total cash distribution" is the cash distribution excluding imputation credits, per financial product, before the deduction of RWT. This should *include* any excluded amounts, where applicable to listed PIEs.

⁵ The imputation credits plus the RWT amount is 33% of the gross taxable amount for the purposes of this form. If the distribution is fully imputed the imputation credits will be 28% of the gross taxable amount with remaining 5% being RWT. This does not constitute advice as to whether or not RWT needs to be withheld.

If fully or partially imputed, please state imputation rate as % applied ⁶	28%	
Imputation tax credits per financial product	\$0.01166667	
Resident Withholding Tax per financial product	\$0.00208333	
Section 4: Distribution re-investment plan (if applicable)		
DRP % discount (if any)	%	
Start date and end date for determining market price for DRP		
Date strike price to be announced (if not available at this time)		
Specify source of financial products to be issued under DRP programme (new issue or to be bought on market)		
DRP strike price per financial product	\$	
Last date to submit a participation notice for this distribution in accordance with DRP participation terms		
Section 5: Authority for this announcement		
Name of person authorised to make this announcement	Michael Boggs	
Contact person for this announcement	David Mackrell	
Contact phone number	021 311 911	
Contact email address	david.mackrell@nzme.co.nz	
Date of release through MAP	27/08/24	

⁶ Calculated as (imputation credits/gross taxable amount) x 100. Fully imputed dividends will be 28% as a % rate applied.