

MARKET ANNOUNCEMENT

ARN MEDIA 2025 HALF-YEAR RESULTS

Strategic reset; driving digital revenue growth momentum, significant cost savings and improved cash generation

Key Highlights

- Total revenue of \$142.3 million, down 7% YoY.
- New leadership and digital capability – appointment of COO and CFO, Commercial Team restructure, and investment in digital audio growth capability.
- Cost base improvements of \$35M of \$40M cost out program actioned, with the majority of savings to be delivered by the 2026 year end.
- 2HFY25 EBITDA to substantially benefit from the cost out program.
- ARN is on track in FY25 to deliver lower people and operating expenses compared to FY24.
- Gross margin improving by 2 percentage points to 82.8%.
- Underlying EBITDA of \$24.9 million, down 14% YoY.
- Free cash generated of \$19.5 million (+30%).
- Free cash conversion of 215% driven by working capital discipline and capex management.
- Net debt reduced by \$10.9 million to \$77.5 million.
- Digital audio revenue grew to \$13.4 million (+21%), now representing 9% of total revenue.
- Continued Digital EBITDA and cashflow improvement, based on a low capex model.
- iHeartRadio remains Australia's #1 digital audio platform – 3 million registered users, 1.5 million active users, 7 million monthly podcast listeners, 145 million podcast downloads, 50 million hours of broadcast radio live streamed, 1.5 million active users.
- National rollout of the GOLD network commenced, extending reach and unlocking new commercial opportunities.
- Cody Outdoor Hong Kong's revenue increased 157% to \$24 million; no cash funding required in 1HFY25. Cody classified as an asset held for sale, with a sale process underway.
- Fully franked interim dividend of 1.2 cents per share declared, representing 66% of NPAT before significant items.



1HFY25 Key Financial Metrics

A\$ Million	1HFY25	1HFY24	Change YoY %
Revenue	142.3	152.8	(7%)
Costs	122.6	126.3	3%
Underlying costs ¹	120.8	127.4	5%
Underlying EBITDA ²	24.9	28.8	(14%)
Statutory EBITDA	16.4	23.8	(31%)
Net debt ³	77.5	88.4	12%
Free cash conversion	215%	93%	131%
Dividend declared (cps)	1.2	1.2	0%

¹ Underlying costs excluding significant items and non-operating costs

² Underlying Earnings before Interest, Tax, Depreciation and Amortisation excluding non-operating costs and significant items

³ Net debt as at the last report date being December 2024, comparative figures have been restated to reflect the classification of Emotive and HK Outdoor as discontinued operations.

SYDNEY, 27 August 2025 – ARN Media Limited [ASX: A1N] today released its results for the half-year ending 30 June 2025, with continued progress on its transformation program, strong digital growth, disciplined cost management and improved cash flow.

On a statutory basis, ARN Media revenues from ordinary activities were \$142.3 million, down 7% on 1HFY24, with strong 21% growth in Digital helping offset declines in Metro (-12%) and Regional (-5%).

Our transformation program is well underway, with a clear focus on simplifying the business, reducing costs, and building a leaner, more agile organisation. We have already actioned \$35m of the 3 year \$40m programme we announced at the start of the year delivering significant savings through operational efficiencies. These initiatives are not just about cost reduction, but about resetting the organisation to be more competitive, more digitally enabled, and better positioned to capture long-term growth opportunities.

Underlying costs decreased 5% to \$120.8 million, reflecting ARN's ongoing cost-out program while maintaining strategic investment in talent and content. The majority of the cost out savings are anticipated to be delivered by the end of 2026.

Underlying EBITDA was \$24.9 million compared with \$28.8 million in the prior period (-14%).

Cashflow performance was exceptionally strong, with \$11 million in positive cash generation, a \$17 million YoY improvement. The group's balance sheet strengthened with net debt reduced by \$10.9 million (12%) to \$77.5 million.

Cody Hong Kong contributed revenue of \$24 million, up 157% YoY, driven by solid contract performance. Cody was classified as an asset held for sale and a sales process is underway.

The Company declared a fully franked dividend of 1.2 cents per share, representing 66% of NPAT before significant items. The Board remains committed to maintaining strong dividends for shareholders given the cash generative nature of the business.

ARN Media Chairman, Hamish McLennan, said:

“In the first half of 2025, ARN delivered strong strategic and operational progress aligned with its ambition to build Australia’s most profitable audio entertainment business. The company advanced its long-term growth strategy through targeted investment, disciplined cost out management and a reshaping of commercial operations to drive future growth. These changes are releasing funds that are being strategically reinvested into high-impact areas – content creation, audience growth, and the digital future of the business.

“ARN’s Transformation Program is well underway, having already actioned \$35 million of the targeted \$40 million cost savings. The majority of cost savings will be delivered by the end of 2026.

“The Board has declared a 1.2 cps fully-franked interim dividend, reflecting its confidence in the business and commitment to shareholder returns.”

ARN Media CEO, Ciaran Davis, said:

“Leadership and digital capability has been strengthened, with the appointments of a new COO and CFO and a restructure of the Commercial Team. We're better equipped to execute our strategy and transition from our broadcast to a digitally driven content and commercial model.

“Digital Audio has seen strong growth in revenue, margin, and EBITDA. We maintained our dominance of podcast content and our partnership with iHeart brings benefits across audience engagement, commercial opportunities, and data capabilities, with exciting developments to come in H2.

“Our ambition is clear: to build Australia’s most profitable audio entertainment business. By streamlining operations, maintaining strong capital discipline, and reinvesting in areas that create long-term value, we are making strong and deliberate progress toward that goal.”

OUTLOOK

- 2HFY25 revenues currently forecast low to mid-single digit decline compared to same period last year
- Commercial team reset and 1HFY25 audience growth supports trajectory for improving 2HFY25 commercial performance and some share regain
- 2HFY25 digital audio revenue growth rates expected to improve on 1HFY25
- ARN on track in FY25 to deliver lower people and operation expenses compared to FY24
- Gross margins steadily improving driven by targeted cost optimisation efforts
- Impact of cost reduction program to accelerate in 2HFY25 and FY26
- Continued focus on working capital and capex investment discipline will support further reduction in net debt and continued dividend payment

*** ENDS ***

This and today's other half year results announcements have been authorised for release by the Board of ARN Media Limited. For further information, please contact:

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