

## EXHIBIT CERTIFICATE

No. NSD442 of 2026

Federal Court of Australia  
District Registry: New South Wales  
Division: General

**Kyle Dalton Sandilands** and others

Applicants

**Commonwealth Broadcasting Corporation Pty Ltd** (ACN 000 019 796) and another

Respondents

### EXHIBIT "KSL-1"

This is the exhibit marked "**KSL-1**" referred to in the affidavit of **Kevin Sebastian Lynch** sworn on 23 March 2026.



Signature of witness

Solicitor  
Level 14, 50 Bridge Street  
Sydney NSW 2000

## ASX APPENDIX 4E

Results for announcement to the market

Key Financial Information		Change	2025	2024
			\$'m	(restated) \$'m
Revenue from ordinary activities	down	10%	285.2	317.1
Net profit/ (loss) after tax attributable to members of the Company	down	>100%	(34.7)	3.8
Net profit/ (loss) from continued operations attributable to members of the Company	down	68%	6.1	19.4
Net profit/ (loss) from continued operations excluding significant items	down	41%	16.1	27.4

Refer to separate market announcement and presentation for further details and commentary on the results for the year.

### Dividend Information

Dividends	Amount per share	Franked amount per share	Record date for determining entitlements to dividends	Date dividend paid
Interim 2025 dividend	1.2	1.2	5 September 2025	25 September 2025

As at the date of this report, the Directors have not declared or determined a dividend in respect of the current financial year. The Directors continue to consider the Company's capital management priorities, financial performance and outlook, and will determine whether a dividend is appropriate at a later date.

There is no foreign conduit income attributed to the final dividend for the year ended 31 December 2025. The dividend re-investment plan remains suspended.

Net tangible assets per share	2025	2024
	\$	\$
Net tangible assets per ordinary share <sup>1</sup>	(0.26)	(0.10) <sup>2</sup>

Additional Appendix 4E disclosure requirements can be found in the notes to the Annual Financial Report and the Directors' Report for the full year ended 31 December 2025.

ARN Media Limited disposed of its investment in Emotive Pty Ltd on 30 May 2025.

This report is based on the Consolidated Annual Financial Report for the full year ended 31 December 2025 which has been audited by Ernst & Young with the Independent Auditor's Audit Report included in the Annual Financial Report.

<sup>1</sup> Excludes right-of-use assets recognised under AASB16 Leases.

<sup>2</sup> Prior-year Net tangible assets per share have been revised to align with the restatement of property, plant and equipment.

# FINANCIAL REPORT

Full year ended 31 December 2025



arnmedia

ARN Media Limited | A.B.N. 95 008 637 643 | A.C.N. 008 637 643

ARN Media

# DIRECTORS' REPORT

Full year ended 31 December 2025

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# Directors' Report

The Directors present the financial report for the year ended 31 December 2025. The financial report includes the results of ARN Media Limited (the "Company") and the entities that it controlled during the period (the "Group").

## Directors

The Directors of the Company during the financial year and up to the date of this report consisted of:

<b>Name</b>	<b>Title</b>	<b>Date Appointed</b>	<b>Date Resigned</b>
Hamish McLennan	Chair and Non-Executive Director	30 October 2018	
Paul Connolly	Non-Executive Director	18 October 2012	
Ciaran Davis	Chief Executive Officer & Managing Director	24 August 2016	3 October 2025
Belinda Rowe	Non-Executive Director	5 February 2019	
Alison Cameron	Non-Executive Director	5 January 2022	
Brent Cubis	Non-Executive Director	14 June 2023	

## Company Secretary

The Company Secretary of ARN Media Limited is Jeremy Child (appointed 14 August 2019).

## Operating and Financial review

### Principal Activities

ARN Media Limited, is a leading entertainment company with a core focus on Audio and Digital platforms across Australia.

The principal activities of the Group during the financial year were:

- Metropolitan and Regional radio broadcaster and home to the national KIIS and GOLD networks, as well as the youth radio network CADA.
- Digital music, streaming and podcasting platform under a long-term licence agreement with iHeart.

No significant change in the nature of these activities occurred during the year.

In FY25, the Group made the strategic decision to divest Cody Outdoor (Cody) to focus on core audio assets and position the business for long-term growth in high-value media segments. Cody is presented as an asset held for sale and classified under discontinued operations in the Annual Report. Emotive was disposed of during FY25 and is also included as a discontinued operation in the Annual Report.

# Directors' Report

## ARN Media Limited (ARN) Business Overview

ARN is a leading Australian Entertainment company, delivering a comprehensive mix of broadcast, digital, and on-demand content that connects with 16 million Australians each month.

ARN has ownership of 58 radio stations across 33 markets and 46 DAB+ stations reaching 11.8 million people every month.

ARN holds the long-term licence to operate iHeart in the Australian market. Reaching more than 7 million Australians every month and with more than 3.1 million registered users, iHeart provides audiences with access live radio streaming, over 100 million songs, 450,000 artist playlists and 250,000 local and international podcasts including podcasts from The New York Times and the BBC.

## Strategic Reset

### Vision and Strategic Priorities

In 2025, Michael Stephenson was appointed Chief Executive Officer (CEO), succeeding former CEO Ciaran Davis. Following this leadership transition, the Board and management undertook a review of the Group's senior leadership capability to ensure it was appropriately aligned to the next phase of ARN's strategic and operational evolution.

Under the updated leadership structure, the Executive Leadership Team was refreshed to strengthen depth of experience, enhance capability and reinforce execution focus, supporting the delivery of the Group's strategic priorities and long-term growth objectives.

In October 2025, the Group completed a full strategic reset, unveiling a corporate strategy focused on positioning the business as a digitally driven Entertainment company; focussed on the creation and distribution of audio and video content, social amplification and the development of live experiences to drive deeper audience engagement and unlock diversified revenue opportunities.

In FY25, ARN has simplified its brand architecture creating a KIIS and a Gold Network, allowing for the consolidation of operations to support metro, regional and digital content teams. This streamlined structure enhances brand clarity, supports more efficient operations, and strengthens ARN's national market presence.

The strategic reset is a pivot to a digitally driven, simplified, and a growth-focused model. The reset allows ARN to capitalise on the strength of audio and its emerging opportunities across broadcast and digital platforms in growth markets.

The strategy is built on four pillars:

1. **Content development:** Create more local Australian Entertainment, News, Lifestyle and Sport content for Audio, Video, Social and Live platforms. ARN will seek to own all rights to all platforms to maximise the revenue return for all content investment. Investment in talent and production capabilities supports our commitment to quality and innovation.
2. **Broad distribution:** Create premium audio and video content and distribute it across a range of platforms to maximise audience reach and engagement. The Group's strategy is platform-agnostic, enabling content to be accessed seamlessly across broadcast radio, streaming and podcast platforms, including iHeart, Spotify, Apple Music, YouTube and other emerging distribution channels. This approach supports consistent audience engagement across channels and allows ARN to monetise content across a range of platforms, enhancing the efficiency and return on content investment in an evolving media environment.
3. **Social amplification:** Maximise the value of our content by leveraging social platforms to support audience growth and revenue generation. This is underpinned by a defined social media strategy and increased social content for our shows, which strengthens brand engagement and provides additional monetisation opportunities.

## Directors' Report

4. **Engagement with audiences and advertisers:** A content-led strategy powered by best-in-class technology, focused on original and differentiated audio and video content that drives deep audience engagement and advertiser value. ARN creates bold ideas underpinned by advanced data, insights and analytics. A key differentiator is the ability to build deep, data-driven connections between audiences and advertisers, delivering integrated solutions across audio, video, social and live events. By harnessing best-in-class technology and targeting capabilities, we enhance audience precision and delivers measurable impact.

### Transformation – Building a platform for the future

In FY25, ARN commenced the transformation to build a more agile organisation. The Transformation programme, originally targeted to deliver over \$40 million in cost benefits by FY27 to reshape the business for sustainable, long-term growth. In FY25 a stronger cost discipline and productivity mindset was embedded to increase the total cost savings target to \$55million over the FY24-FY27 period. The transformation enables ARN to allocate resources required to execute its 2030 Strategy supporting its transition to a more digital led business.

In FY25, ARN successfully implemented initiatives across all four Transformation Pillars, delivering meaningful operational, financial and structural progress.

1. **Simplification:** We streamlined our operating model to reduce complexity, enhance agility, and accelerate decision-making. A key component was building a future-fit leadership team, evidenced by a complete overhaul of the executive structure, with seven of eight new executives recruited to lead ARN's next phase of growth.
2. **Enterprise-Wide Integration:** We enhanced enterprise-wide integration through a redesigned organisational structure, improving clarity of roles, strengthening governance, and enabling more consistent execution and collaboration across all functions.
3. **Technology-Led Automation:** We commenced implementation of ARN's first enterprise data platform, forming a foundational building block for integrating first party data into our product offering. This initiative enables us to improve customer segmentation and automation capabilities, supporting more data driven products and scalable operations. The project advanced successfully in FY25 and is expected to be completed in FY26.
4. **Right-Sizing:** We partnered with leading experts to successfully transition key back-office functions to an outsourced model. This initiative optimised support operations, improved efficiency, and enabled management to focus on core capabilities and areas of competitive strength, while maintaining a cost structure aligned to long-term growth objectives

ARN has successfully delivered \$30.7million of operating cost savings (15% of its operating cost base) within 18 months. In FY25 alone, the Group realised \$24.2 million in gross cost savings. These savings were deliberately offset by \$15 million of strategic reinvestment into key areas including talent, content, data, tech and digital capability. In the first half of FY26, ARN will implement further operational changes, delivering further efficiency gains. A further \$17.5 million of savings will be delivered in FY26, demonstrating the effectiveness of the program in transforming ARN into a leaner, more efficient, and more agile organisation.

To ensure ongoing cost saving initiatives are actioned beyond the original transformation target of \$40 million, ARN has developed a productivity function marking a deliberate cultural shift to embed its principles of efficiency, agility and performance across the organisation. This shift reflects ARN's commitment to build an organisation defined by operational excellence where efficiency and agility are enduring capabilities that support sustainable long-term performance.

# Directors' Report

## Operational Highlights

### **Our Content: The Complete Audio Network – Live, On-Demand, and Always Connected**

In 2025, ARN created two national metro networks in KIIS and Gold, while continuing our deep commitment to regional Australia through our Live & Local strategy. We further invested in building and expanding our owned streaming audiences and inventory, strengthened our owned podcast portfolio, and onboarded key global partners, including the BBC to enhance our content breadth and commercial scale.

ARN's approach delivers national scale with local relevance, enabling content extension and deep client partnership and integration across our diverse portfolio of audio assets, strengthening our position as Australia's most innovative Audio Entertainment network.

#### **KIIS Network Audience**

ARN's KIIS network provides listeners and clients with engaging, high impact content across Sydney, Melbourne, Brisbane and Adelaide, and will further extend its national footprint with expansion into Perth in 2026. FY25 was a year of mixed outcomes for the KIIS network, characterised by standout performances in key metropolitan markets alongside the impact of evolving consumer expectations, which influenced overall network results.

KIIS1065 continues to deliver in Sydney, led by Kyle & Jackie O who are now the city's #1 FM Breakfast show for 56 consecutive surveys. The station reaches 1.14 million weekly listeners and closed the year with a 10+ station share of 9.5%, highlighting its dominance and resilience in Australia's most competitive radio market.

KIIS1011 increased its 10+ audience share from 5.1% in Survey 8 2024 to 5.4% in Survey 8 2025, while the critical 25–54 demographic grew strongly from 6.1% to 7.3% across the same period. The station now reaches 913,000 weekly listeners, providing clients with a highly engaged and commercially valuable audience.

KIIS973, led by Robyn, Kip & Corey, with 502,000 weekly listeners, increased its 10+ audience share from 9.9% in Survey 8 2024 to 10.4% in Survey 8 2025. Retention of our key Breakfast talent into 2026 positions ARN for continued momentum and a strong year ahead.

KIIS102.3 achieved Adelaide's #1 station result in three of eight surveys in 2025, reaching 370,000 weekly listeners. ARN continues to attract Australia's best talent, further demonstrated by Ben & Liam joining KIIS102.3 Breakfast from April 2026.

A key headwind for KIIS performance in FY25, was heightened advertiser sensitivity to brand safety. Brand safety remains a key concern for ARN with specific action taken in FY25 to address this. Initiatives that were implemented in FY25 include training, daily controls around content production, live censorship and complaints handling have been strengthened through defined escalation pathways, revised and digitised processes and expanded reporting.

The KIIS network has expanded into Perth with the launch of KIIS West DAB+, providing Australian listeners and clients with true national network opportunities and deeper ways to engage across our growing audio footprint.

#### **GOLD Network Audience**

ARN's GOLD network delivered outstanding results in 2025, led by GOLD in Melbourne achieving #1 station performance and supported by consistently strong outcomes in Sydney and Perth. ARN has now expanded the network with new GOLD stations in Adelaide and Brisbane, completing its national footprint strategy.

GOLD104.3 Melbourne delivered a dominant year in 2025, led by Christian O'Connell in Breakfast, with the station achieving the #1 FM position across every survey in the highly competitive Melbourne market. In addition to these exceptional results, GOLD104.3 closed the year as the #1 FM station for the 25–54 demographic, cementing its dominance and setting up a powerful platform for continued success into 2026.

# Directors' Report

GOLD101.7 Sydney reaches 801,000 weekly listeners, powerfully complementing KIIS Sydney's audience to maximise advertiser reach. GOLD delivered consistent audience results throughout 2025, closing the year with a strong 10+ share of 9.1%. This performance sets a robust foundation for 2026, which will see Christian O'Connell launch into Breakfast and the iconic Jonesy & Amanda transition into Drive.

96FM Perth has rebranded to GOLD, strengthening the reach and impact of the national GOLD network. In 2025, the station delivered strong performance, achieving #1 FM results in two of eight surveys and closing the year with 490,000 weekly listeners providing a powerful platform for continued growth in 2026.

With a complete national network heading into 2026, ARN's GOLD network is poised for continued growth delivering engaging content for audiences and a powerful, results driven brand for clients.

## ARN Regional Audience

ARN's regional strategy is built around a deep commitment to live, localised content that reflects and connects with each community. ARN Regional audiences remain highly engaged because content is delivered by local talent, in real time, reflecting the culture, issues and identities of each community.

During the year, ARN secured #1 positions in five of the eight surveyed regional markets, reinforcing its leadership and the trust placed in its on-air talent, newsrooms and local teams. This strong ratings foundation translated directly into stable local revenues and strengthened advertiser demand, with brands increasingly recognising the high engagement and commercial impact delivered by regional audiences.

Audience loyalty provides a reliable foundation for both local revenue and network wide reach.

- **Hot Tomato Gold Coast** – Hot Tomato remains the #1 station on the Gold Coast in 2025, maintaining its market leading position held since Survey 3, 2019, consistently delivering over 200,000 listeners and finishing the year more than 50,000 ahead of its nearest competitor.
- **Townsville** – Reaching a combined 113,000 weekly listeners across Star 106.3 and Power 100, with Power 100 leading men 18–54 and Star delivering strong growth across all key dayparts.
- **Wave FM Wollongong** – Wave FM continues to make gains against the #1 station, achieving record results in 2025 with 81,700 weekly Breakfast listeners and delivering its highest ever shares in Breakfast.
- **7HOFM Hobart** – Maintains its strong local market presence as one of Hobart's leading stations, attracting 88,000 weekly listeners.
- **Canberra** – ARN Canberra stations maintain their market dominance, continuing to hold the #1 and #2 positions across all three 2025 surveys, with Mix 106.3 and Hit 104.7 together attracting nearly half of all listeners in the market (44.2% weekly reach)
- **Star 101.9 Mackay & Whitsundays** – #1 station for the second consecutive year increasing its market led from 1.6% to 6.5%. Star 101.9 Mackay attracts 57,800 weekly listeners dominating all key dayparts from breakfast to drive.
- **Star 102.7 Cairns** – Star 102.7 Cairns celebrates its sixth consecutive year as the market's #1 station, reinforcing its position as a community leader with a dominant weekly audience of 74,200 and market-leading Breakfast share of 27.4%.

## ARN Digital Audience

ARN creates and represents premium digital content that audiences can engage with across all major digital platforms, including iHeart. Our long-term partnership with iHeart licensed through to 2036 provides ARN with a no CAPEX digital ecosystem, delivering powerful data capabilities for clients and a seamless listening experience for consumers.

iHeart has grown to more than 3.1 million registered users in 2025 and offers over 100 million songs, 450,000 artist curated playlists and more than 250,000 local and international podcasts. ARN's streaming content is available on iHeart and other major platforms, ensuring listeners can consume our audio wherever and however they choose. In 2025, ARNs Digital streaming revenues grew by 76% capitalising on this audience.

# Directors' Report

ARN's podcast network reaches over 7 million listeners each month and delivers more than 24 million monthly downloads, featuring ARN created shows, radio catch up content, and leading local and global partners including iHeart, the BBC, The New York Times and Audioboom.

## Advertising Market

In FY25, the Australian advertising market continued its structural shift, reflecting changing consumer behaviours, heightened expectations for relevance and authenticity, and the ongoing migration of attention and spend toward digital channels. Advertisers increasingly prioritised performance, measurability and flexibility, accelerating the reallocation of budgets away from traditional, one-way mass reach formats toward more data driven, personalised and always-on engagement across digital touchpoints. The broadcast advertising market was fragmented in FY25 as audience attention continued to spread across a wider range of digital, streaming and on-demand platforms, reducing the concentration of reach traditionally delivered by linear broadcast media. Advertisers responded by diversifying spend across channels to balance reach, targeting and measurement, intensifying competition and placing pressure on traditional broadcast models. These dynamics shaped advertiser demand throughout FY25 with the Australian audio market declining by 2.6% in 2025 with traditional radio markets down 4.4% and Digital Audio increasing by 19.7%<sup>1</sup>.

Metro broadcast advertising revenue declined by 3.7%, and the regional markets declined by 5.5% driven by reductions in Federal Government spend post the Federal election, coupled with reductions in State government spend. The digital audio market (live streaming and podcast) grew by 19.5%<sup>2</sup>.

As consumer behaviour changes, audio content is increasingly consumed on a connected device or smart speakers. Podcasting continued its rapid expansion, reaching more than half of Australian adults monthly, more than doubling in the last 5 years. Smart speaker adoption surged 43% over the past two years, creating new listening touchpoints and reinforcing the shift toward connected devices. Streaming among 25–54-year-olds climbed to 33%, nearly doubling in three years, underscoring the hybrid nature of audio consumption<sup>3</sup>.

Despite these structural changes, radio is the cornerstone of the audio ecosystem, reaching 78% of Australians weekly and maintaining dominance in in-car listening. Supported by growing digital streaming and podcast integration, radio continues to demonstrate adaptability in a hybrid media landscape.

## Revenue and Share Performance

In FY25, ARN's delivered Metro revenue of \$147.3 million, a decline of \$28.3 million or 16.1% from the prior year in a market that declined by 3.7%. The revenue decline in metro markets reflected a combination of broader market conditions and softer advertiser demand for the KIIS Network during the period. Importantly, ARN implemented a number of targeted initiatives during FY25, including a content overhaul and strengthened brand safety measures. These initiatives are beginning to deliver tangible results, with audience metrics and market share improving in the final quarter of FY25 compared to prior quarters.

ARN delivered regional revenue of \$110.5 million, down 4.6%, compared with the prior year ARN's regional business demonstrated resilience in FY25, driven by targeted local content, deep community connection and a clear content led strategy. The division's consistent survey wins, strong local talent and effective operating model delivered reliable audience engagement and solid commercial execution. With its combination of robust local operations and seamless integration with national sales teams, ARN's regional business continues to provide dependable earnings, audience loyalty and long-term value for the Group.

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<sup>1</sup> Source: CRA Audio Market 2025

<sup>2</sup> Source: CRA Audio Market 2025

<sup>3</sup> Edison Infinite Dial Australia, 2025

## Directors' Report

In FY25, ARN delivered digital audio revenue of \$27.4m representing growth of \$1.7m or 6.8% with Live radio streaming growing by 76% during the year. Podcast revenue declined by \$2.6m or 20%, against an overall digital audio market expansion of 19.7%. These results highlight both the accelerating structural shift towards digital audio formats and the impact of deliberate portfolio optimisation decisions taken during the year. Streaming market share increased materially from 15.4% to 23.3%, reflecting continued audience growth and a strategic focus on high-margin, owned streaming assets. In contrast, ARN's podcast market share declined from 34.9% to 24.2% in FY25, primarily because of the decision to cancel non-profitable third-party shows with onerous minimum guarantees, allowing ARN to reinvest in the development of ARN-owned podcast content, and prioritise scalable, higher-return opportunities. This disciplined approach strengthens content ownership, enhances long-term monetisation potential and supports deeper integration with ARN's broader digital audio ecosystem, including its strategic partnership with iHeart. As a result, ARN is increasingly positioned to deliver premium, integrated audio experiences for both audiences and advertisers.

### **Long term iHeart Partnership and the importance of First Party data**

At the centre of ARN's digital strategy is our long-standing partnership with iHeartMedia, which enables the Group to leverage the iHeart platform via a long-term licensing agreement across Australia and New Zealand.

The iHeart platform is a global entertainment platform with over has 100 million songs, more than 450,000 artist playlists and 250,000 podcasts. It gives ARN access to a global development team and access to international insights and emerging technology.

In podcasting, ARN's iHeart remains Australia's Podcast Powerhouse, delivering audience reach at scale and high yield commercial outcomes. In FY25, we attracted an average of 7.3 million listeners and 24.5 million downloads every month a 6.0% and 10.9% increase from FY24, representing strong growth and reinforcing iHeart's role as a premium environment of scale for advertisers.

In FY25, ARN advanced its strategic data initiative, launching a foundational identity initiative to build a powerful identity spine and commencing the modernisation of its data infrastructure through a next-generation Lakehouse architecture built on Databricks and Microsoft Fabric. These initiatives materially strengthen ARN's data and technology foundations and are expected to significantly expand listener addressability across the iHeart Network into FY26 and beyond.

During the year, ARN also entered into strategic data partnerships with Westpac's DataX and Experian, enhancing the depth and quality of its audience insights. DataX provides access to anonymised transaction insights from Westpac's approximately 13 million customers, while Experian enriches ARN's datasets with best-in-class consumer segmentation and census information. Together with existing partners Azira and Hyp, these capabilities supported the launch of more than 800 new audience segments by the end of FY25 and enabled closed-loop attribution for store visits and consumer spend.

Building on this progress, ARN has identified first party data as a core enabler of its future growth strategy. Strengthening data capabilities is delivering greater personalisation across digital touchpoints, unlocking richer audience segmentation to enhance monetisation outcomes, and underpinning the continued evolution of ARN's advertising technology stack. The introduction of the Commercial Radio and Audio ID in late FY25 represents a key milestone in this transformation.

In FY26, ARN will further enhance its programmatic buying access and automation capabilities, expanding programmatic access to iHeart inventory and opening additional sources of advertiser demand. Collectively, these initiatives position ARN at the forefront of digital audio innovation, combining strategic partnerships with advanced technology to support sustainable growth, improved monetisation, and superior audience and advertiser outcomes.

# Directors' Report

## Financial Performance Highlights

### Financial Outcomes

In FY25, ARN reported statutory revenues from ordinary activities of \$285.2 million, a decrease of \$31.9 million compared with the prior year. This reflects a combination of challenging market conditions in the broader advertising market and segment specific headwinds, most notably within Metro. Although Metro audiences for KIIS grew by 1.6% during the year, ARN experienced a 3.3 percentage point decline in market share, driven largely by brand safety concerns and heightened competitive pressure within key metropolitan markets. Under ARN's new leadership team, targeted actions were implemented in the second half including brand safety, data capability and a refresh of network content to address these challenges. Benefits of these actions are expected to flow through in FY26.

Despite revenue performance below expectations, FY25 marked a pivotal year of reset for the Group as it advanced its bold strategy to become a leading digitally driven Australian entertainment company. Meaningful progress was made during the year, including strengthening the content offering, enhancing audience engagement, and optimising the Group's operating model. The launch of the ARN's future strategy underscores the Group's commitment to delivering sustainable long-term growth, leveraging digital innovation, and creating enduring value for shareholders.

Total Group costs<sup>1</sup>(excluding talent and non-operating costs) decreased by 12% to \$214.7 million, driven by the successful execution of the Transformation Programme. Cost and capital discipline were a core focus during FY25, with a broad range of actions implemented, including completion of an organisational restructure removing over 240 roles from the Company across the year. These initiatives delivered savings in FY25 \$24.2 million in FY25 representing an annualised savings benefit of \$35.9 million. These efficiencies will deliver their full annualised benefit in FY26, with the majority realised in the second half of the year. Importantly, this reduction was achieved while increasing investment in talent, data, technology and digital capability whilst reinforcing our commitment to premium content and long-term growth.

In FY25, the Group delivered EBITDA before significant items of \$45.7 million, representing a decrease of \$17.2 million, or 27.4%, compared with the prior year. The reduction primarily reflected lower revenues in the Metro segment and increased investment in talent, partially offset by the benefits of cost-out initiatives implemented during the year. Underlying EBITDA (EBITDA adjusted for one offs), before non-operating and significant items, was \$47.5 million<sup>2</sup>, a decrease of \$14.3 million compared with FY24. This movement was driven by margin loss from revenue decline of \$21.5 million and incremental talent investment of \$10.0 million, partly offset by \$17.4 million of net cost savings achieved during the year.

Net profit after tax (NPAT) attributable to ARN Media shareholders was \$4.8 million, reflecting the impact of significant items, primarily restructuring costs related to streamlining operations. These costs were largely driven by employee redundancies as the Group simplified and optimised its operating model.

The Group recorded earnings per share (EPS) of 1.6 cents in FY25.

The table below provides a reconciliation of statutory results from continuing operations for the year to non-AASB measures of EBITDA. Results before non-operating items are presented to provide a clearer view of the Group's underlying financial performance.

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<sup>1</sup> Total other expenses as reported in note 1.2 excluding Talent costs, and non-operating costs of \$1.8 million relating to a one-off write-off of a significant debtor balance and non-operating legal costs.

<sup>2</sup> Excludes non-operating costs of \$1.8 million relating to a one-off write-off of a significant debtor balance and non-operating legal costs.

# Directors' Report

## Summary of financial performance from Continued Operations

AUD million <sup>3</sup>	December 2025	December 2024 (Restated <sup>1</sup> )
<b>Underlying EBITDA</b>	<b>47.5</b>	<b>61.8</b>
Non-operating costs		
System project abatement	–	1.1
Bad debt write-off <sup>2</sup>	(1.4)	
Non-operating Legal fees	(0.4)	
<b>EBITDA before significant items</b>	<b>45.7</b>	<b>62.9</b>
Significant items		
Redundancy costs <sup>4</sup>	(6.9)	(3.6)
Data and Transformation <sup>4</sup>	(5.1)	–
Other Restructuring expenses <sup>4</sup>	(0.1)	–
Sale of properties and property costs <sup>5</sup>	0.2	(1.5)
Costs associated with proposed SCA acquisition <sup>6</sup>	(0.1)	(4.5)
Software (SaaS) implementation costs <sup>7</sup>	–	(2.0)
<b>EBITDA</b>	<b>33.7</b>	<b>51.4</b>
Depreciation and amortisation	(15.0)	(13.7)
Net interest expense	(9.8)	(10.1)
Impairment expense	(1.6)	–
<b>Profit for the period before income tax</b>	<b>7.3</b>	<b>27.5</b>
Income tax expense	(1.2)	(8.1)
<b>Profit/(loss) from continuing operations</b>	<b>6.1</b>	<b>19.4</b>
Less: non-controlling interests	(1.3)	(2.4)
<b>NPAT attributable to ARN Media shareholders from continuing operations</b>	<b>4.8</b>	<b>16.9</b>

<sup>1</sup> Prior year balances have been restated to exclude discontinued operations and restatement of revenue of \$9.2m relating to production services. Refer to note 1.1 for further information.

<sup>2</sup> One-off write-off relating to a significant debtor balance.

<sup>3</sup> Totals may not add due to rounding.

<sup>4</sup> Restructuring costs as disclosed in the consolidated statement of comprehensive income

<sup>5</sup> 2025 relates to the sale of regional properties and 2024 relates to exit from Macquarie Park premises.

<sup>6</sup> ARN's share of transaction costs associated with the proposed acquisition of SCA of \$4.6 million

<sup>7</sup> Relates to one off expenditure for new systems implemented \$2.0 million in 2024.

# Directors' Report

## Financial Position

The Group's balance sheet remains strong, with net assets from continuing operations of \$275.3 million, an increase of 1% from December 2024. This improvement reflects disciplined capital management, with working capital efficiencies enabling surplus cash to be directed toward a debt reduction of \$27.0 million despite softer Group revenues.

In FY25, ARN also took deliberate steps to improve liquidity and strengthen portfolio focus by liquidating its investment in Southern Cross Austereo (SCA). This action reduced exposure to non-core assets, simplified the balance sheet, and ensured capital is deployed toward strategic priorities with clearer alignment to ARN's long term growth agenda. The divestment forms part of a broader capital allocation framework focused on enhancing financial resilience, supporting reinvestment into core audio and digital capabilities, and maintaining balance sheet flexibility.

### Summary of Financial position from Continued Operations

AUD million	December 2025 \$m	December 2024 (Restated <sup>1</sup> )	Movement \$
Current assets	76.4	74.2	2.2
Non-Current assets	481.1	516.7	(35.6)
<b>Total assets</b>	<b>557.5</b>	<b>590.9</b>	<b>(33.4)</b>
Current liabilities	45.4	47.4	(2.0)
Non-Current liabilities	236.8	271.4	(34.6)
<b>Total liabilities</b>	<b>282.2</b>	<b>318.7</b>	<b>(36.6)</b>
<b>Net assets from continuing operations</b>	<b>275.3</b>	<b>272.2</b>	<b>(3.1)</b>
<b>Net assets from discontinued operations</b>	<b>(24.6)</b>	<b>15.7</b>	<b>(40.3)</b>
<b>Total equity</b>	<b>250.7</b>	<b>287.9</b>	<b>(37.2)</b>

The Group holds net liabilities classified as held for sale of \$24.6 million (2024: \$2.5m asset held of sale) due to the intended sale of Cody Hong Kong and sale of Emotive during the year. Refer to Note 6.2 in the Financial Report for further detail.

<sup>1</sup> Prior year balances have been restated to exclude discontinued operations and adjusted for the restatement of the opening balance relating to property, plant and equipment.

## Cashflow and Capital management

During 2025, ARN repaid \$27.0 million of debt. As at 31 December 2025, net debt from continuing operations was \$63.8 million, representing a \$24.6 million improvement from \$88.4 million at 31 December 2024. This improvement was driven by strong free cash flow conversion of 234%, together with continued discipline in capital management. These outcomes reinforce the Group's strategic focus on cash generation and balance sheet strength.

Operating cash flow from continuing operations for the year was \$34.7 million, \$15.7 million lower than FY24. This decrease was primarily driven by a \$9.0 million increase in tax paid compared to the prior year, due to significant income tax refunds relating to prior-period being received in FY24. The Group's improved its cash generation in the year despite lower revenue driven by an improvement in its cash conversion cycle.

Free cash flow from continuing operations increased by \$2.3 million to \$40.2 million in FY25, compared with \$38.0 million in the prior corresponding period. The improvement was primarily driven by net proceeds from the sale of selected regional properties and the sale of SCA shares, consistent with ARN's stated strategy to divest non-core assets and optimise capital allocation. Further details are provided in Note 3.4 of the financial statements.

## Directors' Report

The Group remains in a strong financial position, with leverage of 1.71<sup>1</sup> at 31 December 2025, comfortably below the Board approved target of less than 3.25x. This disciplined approach to balance sheet management continues to provide resilience and strategic flexibility.

During the half, the Group successfully renewed its three-year syndicated debt facility with Westpac, CBA and NAB reducing the debt capacity to \$140.0 million from \$160.0 million. The facility was secured on improved margins, reflecting the strength of the Group's financial position, governance framework and long-term strategy.

The continued support of the banking syndicate underscores the strong, long-standing relationships the Group has established with its funding partners. The renewed facility enhances balance sheet flexibility and positions the Group to pursue growth opportunities while maintaining disciplined and prudent financial discipline.

Undrawn facilities of \$66.0 million provide significant headroom, and with no debt maturities until FY28, the Group maintains access to diversified funding sources and long-term financial flexibility. This disciplined approach ensures we are well-positioned to support strategic investment and deliver shareholder value.

### Cash flow generation from continued operations

A\$ Million	FY25 Continued Operations	FY24 Continued Operation (Restated) <sup>2</sup>	Var \$
Net debt Start of period	(88.4)	(82.2)	(6.3)
<b>Net cash from Operations</b>	<b>34.7</b>	<b>50.3</b>	<b>(15.7)</b>
Lease payments	(7.3)	(6.8)	(0.5)
Capex net of sale proceeds	(1.4)	(9.2)	7.9
Investment cash flows	14.3	3.7	10.6
<b>Free cash flow</b>	<b>40.2</b>	<b>38.0</b>	<b>2.3</b>
Net financing costs <sup>3</sup>	(8.4)	(29.2)	20.9
<b>Cash flow available to shareholders</b>	<b>31.9</b>	<b>8.8</b>	<b>23.1</b>
Dividends to security holders	(7.2)	(15.0)	7.8
<b>Cash generation</b>	<b>24.7</b>	<b>(6.3)</b>	<b>30.9</b>
Debt drawdown / (repayment)	(27.0)	7.0	(34.0)
Net debt at end of period	<b>(63.8)</b>	<b>(88.4)</b>	<b>24.7</b>

### FY26 Outlook

The Group's outlook for FY26 is focused on rebuilding the business and accelerating ARN's transition to a digitally driven entertainment company. Key priorities include rebuilding core revenue streams, with improving second-half commercial and digital audio performance, continued cost and margin improvement, and disciplined working capital and capital expenditure management supporting lower net debt and ongoing dividend capacity.

A critical focus in FY26 will be finalising the Group's operating model to support this strategy, enabling long-term growth from diversified revenue streams, strengthening operating leverage, improving organisational agility, and supporting a more resilient and sustainable earnings profile.

<sup>1</sup> Leverage ratio is Net debt divided by Pre AASB 16 EBITDA excluding discontinued operations

<sup>2</sup> Prior year numbers exclude discontinued operations

<sup>3</sup> Includes interest on debt facility, net payments to non-controlling interests, and funds received from treasury shares

# Directors' Report

## Dividends

Dividends paid to owners of ARN Media Limited during the financial year were as follows:

Dividend Type	Cents per share	AUD million	Date of Payment
Interim 2025	1.2	3.8	25 September 2025

As at the date of this report, the Directors have not declared or determined a dividend in respect of the current financial year. The Directors continue to consider the Company's capital management priorities, financial performance and outlook, and will determine whether a dividend is appropriate at a later date.

## Significant Changes in the State of Affairs

During the financial year of FY25, the Group experienced significant changes in its state of affairs. The Company completed the sale of its Emotive investment on 30 May 2025. In addition, the Group commenced the process in the first half of the year of selling Cody Outdoor.

## Matters Subsequent to the End of The Financial Year

On 22 January 2026, subsequent to the end of the financial year, the Group sold 7.2 million shares, representing 20% of its shareholding, in Southern Cross Austereo Limited at a price of \$0.67 per share. Total proceeds from the disposal was \$4.8 million, net of transaction costs.

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial year that has significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

## Risk Management

The Board plays an active role in the setting and oversight of ARN Media's Risk Management Framework.

The Australian advertising industry is subject to inherent risks including, but not limited to, exposure to macroeconomic factors, technological and social changes impacting consumer behaviour and advertiser spending, market competition and impacts of changes in government regulations.

The process of identifying, monitoring and mitigating significant business risks under the Group's Risk Management Framework is outlined in further detail in the Corporate Governance Statement which is available on the Company website, <https://arn.com.au/corporate-governance/>.

The Group has identified a number of key business and financial risks which may impact on ARN Media's achievement of its strategic and financial objectives. They include, but are not limited to:

# Directors' Report

Risk	Description	Mitigations Employed
Brand Safety and Architecture	<p>In Australia, the Group operates within the radio and digital advertising sectors. Recently ARN has re-positioned itself to be an entertainment company, expanding its branding to include live and local offerings.</p> <p>Maintaining a focus on brand safety, governance, audience trust and credibility is critical to protecting traditional radio advertising; increase digital platform expenditure and further support the transition to a diversified, digitally led portfolio.</p>	<p>The mitigation of brand safety risk is a continually evolving challenge, requiring a careful balance between providing content that attracts new audiences and remains fresh and relevant to existing followers, whilst ensuring it stays aligned with advertisers and expectations of regulators. ARN continues to proactively lean into this challenge.</p> <p>At a macro-level the continued execution of our entertainment led strategy – diversifying across radio, music streaming and podcasting, whilst continuing to invest in a total audio offering – is already providing a significant mitigation against the more traditional risks to our brand safety. Our growing portfolio means we offer advertisers the opportunity to be more targeted in their advertising by selecting channels they want to focus on, not just a ‘one size fits all’ offering.</p> <p>Supporting the entertainment led strategy is our revitalised digital focus. Over the past year ARN has taken a leading position in the industry by investing specialised digital and data-driven approaches to brand safety, creating highly informed and specific customer segmentation and targeting. Our approach is already generating positive outcomes and as we learn more from the data we continue to refine our approach and generate more value for our customers and be more relevant to our listeners.</p> <p>To enhance brand safety in our more traditional radio offering, we have expanded key networks (Gold, KIIS) across new markets with streaming companions (i-Heart) creating the opportunity to capture greater audience share. This expansion has been architecturally curated to meet the expectation and demands of an evolving listener base.</p> <p>Finally, the Group’s relevance to advertising agencies and clients remains amplified by ARN’s continued commitment to a large, national network of stations across Australia. We are proud of our presence in metro and regional Australia and the opportunity this presents to our customers to reach a wide and diverse audience base on a national basis or in the local community.</p>

## Directors' Report

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### Content Compliance

Non-compliance with legal and regulatory obligations or brand safety standards, including those imposed by the Australian Communications and Media Authority (ACMA), could result in regulatory action, reputational harm, and financial penalties. Such outcomes may adversely affect reputation, ability to deliver on shareholder promises and impact to EBITDA.

ARN is fully committed to upholding the ACMA and Broadcasting codes of practice and meeting all other legal and regulatory requirements. ARN recognised the key role it plays in the sector and therefore ensures it is an active participant in industry bodies. ARN's alignment with ACMA is central to ARN's compliance approach.

The prioritisation of compliance through rigorous processes and ongoing staff training remains a continued focus for ARN.

Over the past year, the Group has continued to invest in additional capabilities that support its commitment to maintaining compliance with relevant obligations and regulations. This has included the hiring and retaining of experienced media executives, proven on-air talent and production teams. ARN has a comprehensive training programme which helps us ensure our staff are aware of their regulatory compliance responsibilities.

In recent months, as part of our ongoing focus on content compliance and in response to ACMA recommendations, ARN has initiated a programme of work covering a range of key activities to further strengthen its content compliance. These include an uplift of its complaints handling process to better align with leading practice, a review and uplift its oversight of editorial and production practices. This programme of work has the full support of the Board and Executive team with an ongoing commitment to invest in this space to ensure it meets stakeholders expectations and remediate quickly when it doesn't align.

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### Digital Evolution

Remaining relevant to audiences and advertisers is critical to meeting the Group's strategic objectives. Audiences continue to consume audio in an increasingly digital manner across multiple platforms. Successfully delivering on proposed digital transformation initiatives is essential to maintain competitiveness and profitability.

The Group has continued to invest in digital audio innovation, podcasting, music streaming and data capabilities to enhance its relevancy. In 2026 the pathway to a leveraged data and streaming capability for an enhanced advertising offering is well mapped and resourced.

In addition, ARN continues to leverage the i-Heart platform and other technologies to ensure resilience and maintain leadership in a rapidly evolving digital landscape.

## Directors' Report

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Cost containment	Disciplined cost management is essential for operational efficiency as the market shows a continued softening and industry shifts cause margin pressures.	Balancing cost containment with strategic investment is critical to sustaining revenue diversification and ensuring the Company remains relevant in a rapidly evolving media landscape. A continued focus on productivity and efficiency across the Group enables resources to be redeployed toward priority initiatives without compromising financial stability.  The Group maintains a sound capital structure with sufficient undrawn financing facilities in place. It will continue to monitor performance and market developments to reassess plans and strategies as required.
Industry Consolidation	<p>The fragmented nature of industry poses a sustainability concern due to a tightening marketplace and restrictive regulatory frameworks pertaining to the structure of the broadcast industry.</p> <p>Industry consolidation, including potential mergers and acquisitions by competitors such as Nine, Seven, or Southern Cross Austereo (SCA), may increase competitive pressure and impact market positioning.</p>	<p>ARN actively monitors industry developments and pursues strategic opportunities to maintain relevance and growth.</p> <p>A range of programs to effectively lobby and advocate for its business objectives and for the broader radio and audio industry have been established and are operating effectively. ARN seeks coordination with industry bodies and key sector players to lobby and advocate necessary changes to the regulatory framework to ensure the industries sustainability.</p>

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### Environmental and Sustainability Risks

The Group is exposed to a range of environmental and sustainability-related risks, including climate-related physical risks and transition risks associated with evolving regulatory and stakeholder expectations. Physical impacts such as extreme weather events may disrupt broadcasting operations, transmission infrastructure or access to facilities, potentially resulting in temporary service interruptions or increased operating and maintenance costs.

Transition risks include changes in environmental regulation, sustainability reporting requirements and energy costs. While the Group's direct environmental footprint is relatively modest, rising energy prices and increasing expectations from advertisers, investors and audiences regarding sustainability performance and transparency may impact costs, reputation and commercial outcomes.

The Board oversees environmental and sustainability risks through the Group's risk management framework. Management monitors relevant developments and implements mitigation measures, including business continuity planning, engagement with transmission providers, and energy efficiency initiatives. The Directors consider these risks to be appropriately managed and not material to the Group's financial position or prospects at this time.

# Directors' Report

## Corporate Social Responsibility

The Directors recognise the corporate social responsibilities of the Group, including the importance of environmental matters, occupational health and safety issues and diversity initiatives. The Directors are committed to compliance with all relevant laws and regulations to ensure the protection of the environment, the community and the health and safety of employees. The operations of the consolidated entity are not subject to any particular and significant environmental regulation under the laws of Australia or Hong Kong.

During FY25, ESG principles continued to be embedded across operations, culture and community engagement, with a focus on responsible leadership, people and positive community impact. The Group leveraged the power of audio and local media to support communities and vulnerable Australians. Key initiatives during FY25 included:

- A national partnership with Musicians Making A Difference (MMAD).
- Delivery of localised metro and regional community initiatives.
- Continued support for emergency broadcasting and local journalism.

## Remuneration Report

The Remuneration Report is set out on pages 23-44 and forms part of this Directors' Report.

## Directors' Meetings

The number of meetings of the full Board of Directors and Board Committees held in the period each Director held office during the financial year, and the number of those meetings attended by each Director in their capacity as a member of the Board or Board Committee were:

	Board of Directors		Audit & Risk Committee		Remuneration, Nomination and Governance Committee	
	Held <sup>1</sup>	Attended <sup>1</sup>	Held	Attended	Held	Attended
Hamish McLennan	12	12	4	4	4	4
Paul Connolly	12	12	4	4	4	4
Ciaran Davis	5	5	N/A	N/A	N/A	N/A
Alison Cameron	12	12	4	4	N/A	N/A
Belinda Rowe	12	12	4	4	4	4
Brent Cubis	12	12	4	4	4	4

<sup>1</sup> The Board held 12 meetings in total, made up of six formal meetings (which are longer in duration and generally held in person) and six additional meetings (which are shorter in duration and generally held by video conference).

Board Sub-Committees were formed for purposes of approving the half-year financial statements and the annual financial statements. These Committee meetings were attended as follows (Held/Attended): Hamish McLennan (1/1), Alison Cameron (1/1), Ciaran Davis (2/2), Brent Cubis (2/2).

## Directors' Interests

The Remuneration Report on pages 23 to 44 contains details of shareholdings of the Directors and Executive Key Management Personnel for the year ended 31 December 2025.

# Directors' Report

## Director Information

### Hamish McLennan

#### **Chairman of the Board and Non-Executive Director (since 30 October 2018)**

Hamish McLennan is an experienced media and marketing executive who brings unparalleled expertise to the Board, given the global roles he has held and his depth of understanding of the changing media landscape and the demands of advertisers.

He has a proven track record as an outstanding leader across the media and advertising sectors.

Previous roles Hamish has held include Executive Chairman and Chief Executive Officer of Ten Network Holdings from 2013 to 2015, Executive Vice President for News Corporation in Sydney and New York from 2012 and 2013, and Global Chairman and CEO of Young & Rubicam, a division of WPP, the world's largest communications services group, from 2006 to 2011.

#### **Committees**

Audit & Risk, Remuneration, Nomination and Governance.

#### **Other directorships and offices**

Director of REA Group Ltd (Chairman) and Light & Wonder Inc (US company, formerly Scientific Games Corp).

#### **Previous directorships of other Australian listed companies (last three years)**

Magellan Financial Group Limited (from 1 March 2016 to 22 October 2024); Magellan Asset Management Limited (from 22 October 2024 to 31 October 2025).

### Ciaran Davis

#### **CEO & Managing Director (from 24 August 2016 to 3 October 2025 as Managing Director)**

On 2 October 2025, it was announced that Ciaran Davis had decided to step down from his role as CEO effective 15 January 2026. Mr Davis retired as Managing Director of ARN Media Limited (and subsidiaries) effective 3 October 2025. During his tenure, Mr Davis led the Company through several transformative milestones, including the successful launch of iHeartRadio, the recruitment of high-profile presenters to strengthen the company's networks and the strategic execution of its divestment plan through the sale of Adshel and its stake in Soprano Design. Prior to becoming Group CEO of ARN Media, Ciaran spent five years as CEO of ARN, repositioning the business to become the number one metropolitan radio operator in Australia. He has over 20 years' media experience working in over 15 countries throughout Europe and the Middle East. From 2022 to 2025, Ciaran was also Chair of Commercial Radio and Audio in Australia – the industry body representing the interests of commercial radio broadcasters throughout Australia.

#### **Other directorships and offices**

Director of a number of ARN Media subsidiaries and joint venture companies to 3 October 2025 and The Australian Ireland Fund Ltd.

#### **Previous directorships of other Australian listed companies (last three years)**

Nil.

# Directors' Report

## **Alison Cameron B Ec**

### **Non-Executive Director (since 5 January 2022)**

Alison is an experienced media executive with a 34-year career spanning finance, sales and management in commercial radio. From 1993–2021, Alison worked for her family's business, privately owned Grant Broadcasters Pty Ltd, and was part of multiple acquisitions over the last 15 years, culminating in the ownership of 48 commercial radio stations in regional Australia. She has a deep understanding of media and regional communities. Alison's most recent role was CEO of Grant Broadcasters where she was responsible for the negotiation of the sale of 47 regional stations to ARN.

Alison was also Director of Grant Broadcasters Pty Ltd from 18 February 2004 to 4 January 2022. In December 2023, she was appointed Director of Ensemble Foundation Limited, a not for profit in the arts sector.

### **Committees**

Audit & Risk.

### **Other directorships and offices**

Director of private companies Craigieburn Resort Pty Ltd, Golden Labrador Pty Ltd, G-Agri Pty Ltd and Gordie Pty Ltd.

### **Previous directorships of other Australian listed companies (last three years)**

Nil.

## **Paul Connolly B Com, FCA**

### **Non-Executive Director (since 18 October 2012)**

Paul Connolly has over 30 years' experience advising on mergers and acquisitions, takeovers, disposals, fundraisings and initial public offerings. Since 1991, Paul has been Chairman of Connolly Capital Limited, a Dublin-based corporate finance advisory firm focused on the telecommunications, media and technology sectors. He was a Director of Esat Telecommunications Limited, an Irish telecommunications company, from 1997 to 2000, and then a Director of Digicel Limited from 2000 to 2006, a Caribbean and Pacific based telecommunications company – he continues to serve as a Senior Advisor to Digicel. In addition, he was a Director of Melita Cable PLC from 2007 to 2016 and a Director of Independent News & Media PLC from 2009 to 2018. From 1987 to 1991, he held the position of Financial Controller of Hibernia Meats Limited and prior to that, he worked with KPMG as an accountant.

### **Committees**

Remuneration, Nomination and Governance (Chair to 1 January 2026), Audit & Risk.

### **Other directorships and offices**

Chairman of private Irish companies Connolly Capital Ltd., Tetrarch Capital Ltd., Business & Finance Ltd. (Irish business media group), Polaris Principal Navigator Ltd., UNICEF Ireland and Non-Executive Director of Bondi Partners (private Australian company).

### **Previous directorships of other Australian listed companies (last three years)**

Nil.

# Directors' Report

## **Brent Cubis B Com, CA, GAICD**

### **Non-Executive Director (since 14 June 2023)**

Brent is an Independent Non-Executive Director and Chairman of the Audit & Risk Committee.

Brent is a highly experienced Non-Executive Director and CFO with over 30 years' experience with boards in senior finance roles. Brent is currently a Non-Executive Director and Chair of the Audit & Risk Committees for AI Media Ltd, Beam Dental Holdings, and Austal Ltd and Silverchain Group. His previous roles have included CFO of Cochlear Ltd and CFO of Nine Network Australia.

### **Committees**

Audit & Risk (Chair from 14 June 2023), Remuneration, Nomination and Governance.

### **Other directorships and offices**

AI Media Technologies Limited, Beam Dental Holdings, Austal Limited and Silverchain Group.

### **Previous directorships of other Australian listed companies (last three years)**

Pacific Smiles Ltd (from 3 October 2024 to 25 November 2025 upon delisting).

Prime Media Group Limited (from 15 April 2021 to 31 March 2022 upon delisting).

A2B Ltd (from 3 October 2022 to 11 April 2024 upon delisting).

EML Payments (from 25 November 2022 to 4 March 2024).

## **Belinda Rowe BA, GAICD**

### **Non-Executive Director (since 5 February 2019)**

Belinda Rowe has extensive experience across the marketing, communications, digital and media sectors. She held leadership roles in global companies such as Telefonica O2 UK, a significant UK telecommunications company as Head of Brand and Marketing Communications. She was a member of the Global Executive Board at Publicis Media and Zenith, one of the largest media communications groups in the world. She also created and led a unique content marketing business across 32 markets with Publicis Media, advising on digital capabilities such as digital content marketing including social and the application of data and technology for dynamic creative solutions. Belinda also has extensive sector experience in telecommunications, media, finance, technology, tourism, consumer products and healthcare. Prior to moving to the UK in 2009, she was CEO of ZenithOptimedia (now Zenith) and Executive Director at Mojo for 10 years in Australia.

### **Committees**

Remuneration, Nomination and Governance (Chair from 1 January 2026), Audit & Risk.

### **Other directorships and offices**

Non-Executive Director of Sydney Swans Ltd, Temple & Webster Group Ltd, and Sky Network Television Limited.

### **Previous directorships of other Australian listed companies (last three years)**

3P Learning Limited (from 20 September 2021 to 20 November 2024).

# Directors' Report

## Company Secretary

### Jeremy Child B Bus LLB MSc

#### Chief Legal Officer & Company Secretary (since 14 August 2019)

Jeremy Child joined ARN Media Limited in 2015 as Group Taxation Manager. He took on the role of Company Secretary in 2019 and then Chief Legal Officer in 2022.

Jeremy previously worked at the Royal Bank of Scotland (formerly ABN AMRO) dealing in a range of tax matters including advising on transactions, products, governance and managing tax audits. Jeremy also consulted at tax firms providing R&D advice with Michael Johnson Associates and GST advice with PwC.

Jeremy is a legal practitioner holding a BBus/LLB from UTS and a MSc from the Stockholm School of Economics.

## Shares Under Option

There were no unissued shares of ARN Media Limited under option at 31 December 2025 and no shares issued during the financial year as a result of the exercise of options. No options have been granted since the end of the financial year.

## Indemnification and Insurance of Directors and Officers

The parent entity's (ARN Media Limited) Constitution provides an indemnity for officers of the Company against liabilities incurred in their capacity as an officer, subject to the limitations imposed by the Corporations Act 2001. This indemnity does not extend to liabilities to the parent entity or any related body corporate, liabilities for pecuniary penalties or compensation orders under specified provisions of the Corporations Act, or liabilities owed to third parties that did not arise from conduct in good faith. In addition, each Director and officer is party to an Access, Indemnity and Insurance Deed, which aligns with the Constitution and indemnifies these individuals, to the extent permitted by law, for liabilities and legal costs incurred in their role as a director or officer of the Company, its subsidiaries, or associated entities, subject to certain limitations. The parent entity also maintains a Directors' and Officers' Liability Insurance Policy for the benefit of all current and former directors, officers, and company secretaries of the parent entity and its consolidated entities. This policy provides cover for liabilities incurred during any policy period, and its terms prohibit disclosure of the nature of the liabilities covered and the premium paid.

## Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

## Proceedings on Behalf of the Company

No person has applied to the court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of a court under section 237 of the *Corporations Act 2001*.

# Directors' Report

## Non-Audit Services

For the financial year, Ernst & Young (EY) was appointed as the Company's external auditor for the first time.

In accordance with the advice of Audit & Risk Committee, the directors are satisfied that any of the non-audit services provided by EY, together with the auditor's independence declaration provided under *Corporation Act 2001*, indicates that the auditor's independence has not been compromised.

## Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration, as required under section 307C of the *Corporations Act 2001*, is provided on page 45.

## Rounding of Amounts to Nearest Thousand Dollars

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission, relating to the rounding off of amounts in this Directors' Report and the financial report. Amounts in this Directors' Report and the financial report have been rounded off to the nearest thousand dollars, or in certain cases to the nearest dollar, in accordance with that instrument.

This Directors' Report is issued in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'Hamish McLennan', with a long horizontal line extending to the right.

**Hamish McLennan**  
Chairman  
Sydney  
25 February 2026

ARN Media

# REMUNERATION REPORT

Full year ended 31 December 2025

# Remuneration Report

## Dear Shareholders

On behalf of the Remuneration, Nomination and Governance Committee and the Board of Directors, I am pleased to present ARN Media's Remuneration Report for 2025.

## Remuneration Changes For 2025

- In February 2025, the Board undertook a comprehensive review of the Executive KMP remuneration framework to ensure our approach continues to align executive reward with shareholder value creation. This review was conducted in consultation with an independent remuneration adviser and major shareholders.
- As a result, ARN has adopted a new remuneration structure, replacing the former Total Incentive Plan (TIP) with a refreshed framework comprising a Short-Term Incentive (STI) and a Long-Term Incentive (LTI). The revised framework strengthens the alignment between the achievement of our transformation agenda and executive reward outcomes, while remaining contemporary, competitive, and reflective of market expectations. It balances the need for strong near-term operational focus with the delivery of sustainable long-term performance.
- The LTI, outlined below and previously detailed in the Notice of Meeting for the 2025 Annual General Meeting, is designed to reward long-term sustainable growth. Performance is assessed over a three-year period (1 January 2025 – 31 December 2027) against statutory earnings per share (EPS) targets.
- The STI is provided in addition to the total fixed remuneration (TFR) and is subject to both financial metrics (80%) and individual strategic objectives (20%) approved annually by the Board. To reinforce alignment with shareholder interests, 75% of STI is paid in cash at the end of the performance period, with the remaining 25% deferred into Rights that vest following the 2026 financial year. This KPI mix is intended to drive both immediate operational discipline and improved future profitability.

## Key Management Personnel (KMP) changes

- As announced on 2 October 2025, Ciaran Davis stepped down as Managing Director on 3 October 2025. The Board acknowledges and sincerely thanks Mr Davis for his 16 years of dedicated leadership, during which he guided ARN through significant industry shifts and strategic divestments.
- To support a smooth transition, our Chief Operating Officer, Michael Stephenson, was appointed CEO in October 2025. Mr Stephenson is widely regarded as one of Australia's most accomplished media executives, having held senior roles across major media organisations over nearly three decades. His remuneration package was reviewed and adjusted as part of his transition to the CEO role, ensuring it was competitively aligned to market benchmarks. Full details were communicated in the ASX announcement of 2 October 2025 and are included in this Report. Remuneration arrangements for the departing CEO & Managing Director are detailed in Section 6 of this Report.
- Alexis Poole commenced as Chief Financial Officer on 1 March 2025. Ms Poole brings over 20 years of experience across financial management, strategy, and transformation in diverse operating environments, strengthening the capability of the executive leadership team.
- FY25 represented a year of significant change for ARN, and the Board remains confident in the depth of expertise within our leadership team to deliver the next phase of transformation.

# Remuneration Report continued

## Performance and Remuneration Outcomes

The Directors' Report outlines the Group's performance for the financial year ended 31 December 2025. During FY25, the Australian media sector continued to operate in a challenging advertising environment.

Against this backdrop, ARN experienced declines in revenue and market share, and the Group's financial performance fell short of the Board's expectations. Therefore, FY25 represented a reset year for the Group.

## Key priorities for 2025

- The Board and management were focused on stabilising the business, reshaping the operating model, and establishing the foundations required to support sustainable long-term growth.
- In response to ongoing revenue pressures, the Group accelerated the transformation program initiated in late FY24, with a clear focus on simplifying operations, reducing the cost base, strengthening execution discipline, and ensuring ARN is digitally enabled and well positioned to pursue the most attractive long-term opportunities.

## Remuneration Outcomes

- While meaningful progress was achieved in FY25, including the realisation of \$24 million in cost savings, the Group's financial performance did not meet the thresholds required for a payout under the financial measures of the Short-Term Incentive (STI). Accordingly, no award was made in respect of these financial metrics.
- Executive KMP, however, delivered strong outcomes against their individual strategic objectives under the Transformation Program. The Committee and the Board considered these outcomes to be critical in stabilising the business and positioning the Group for improved performance in FY26 and beyond. Reflecting this progress, the Board determined an outcome of 85% for the individual component of the STI, resulting in an overall STI outcome of 17% target achieved. Further detail is provided in Section 5 of the Remuneration Report.
- The pool for Non-Executive Director fees for FY25 remained unchanged from FY24.

## FY26 Remuneration Outlook

Looking ahead to FY26, the Board remains focused on stability, alignment and disciplined remuneration outcomes, ensuring executive incentives continue to support sustainable value creation for shareholders.

There will be no change to the CEO's remuneration arrangements in FY26, reflecting the Board's commitment to restraint and alignment with shareholder outcomes.

During the year, the CFO took on additional operational responsibilities in support of the Group's strategic priorities. Following a review of role scope and market benchmarking, the Board approved a remuneration adjustment of 7.7% to better align remuneration with comparable market roles.

The Board has determined that the STI and LTI framework implemented in FY25 will continue unchanged in FY26. The structure and overall performance measures remain consistent, with STI outcomes linked to revenue growth, EBITDA and individual performance objectives, and LTI outcomes assessed against EPS hurdle and stretch targets. This continuity reinforces alignment between executive reward, financial performance and long-term shareholder value.

## Remuneration Report continued

Reflecting a strong focus on governance, shareholder alignment and cost discipline, the Board has not approved any increase to Board or Committee fees for FY26.

On behalf of the Remuneration and Nomination Committee and the Board, I invite shareholders to review the Remuneration Report in full and thank you for your continued interest and support.

A handwritten signature in black ink, appearing to be 'Belinda Rowe', with a long horizontal stroke extending to the right.

**Belinda Rowe**  
Chair of the Remuneration,  
Nomination and Governance Committee

# Remuneration Report continued

## Our Detailed Remuneration Report

This Remuneration Report for the year ended 31 December 2025 outlines key aspects of our remuneration framework and has been audited in accordance with the *Corporations Act 2001*.

Our Remuneration Report contains the following sections:

1. Who this report covers
2. Our value proposition
3. Remuneration governance and framework
4. FY25 Remuneration Framework
5. How 2025 reward was linked to performance
6. Total remuneration for Executive KMP
7. Contractual arrangements with Executive KMP
8. Legacy variable remuneration arrangements
9. Remuneration arrangements of Departing CEO & Managing Director
10. Non-executive Director arrangements
11. Terms and Conditions of Share-Based Remuneration
12. Non-executive Director and Executive KMP shareholdings
13. Other statutory disclosures

### 1. Who This Report Covers

This report covers Key Management Personnel (KMP), comprising Executive Key Management Personnel (Executive KMP) and Non-executive Directors.

Name	Role
<b>Current Executive KMP</b>	
Michael Stephenson <sup>1</sup>	Chief Executive (CEO) and former Chief Operating Officer (COO) (KMP from 20 March 2025)
Alexis Poole	Chief Financial Officer (commenced as KMP on 1 March 2025) <sup>2</sup>
<b>Former Executive KMP</b>	
Ciaran Davis	Departing CEO & Managing Director (ceased as KMP on 3 October 2025)
Andrew Nye	CFO until 17 October 2024 (ceased as KMP on 17 October 2024)

<sup>1</sup> Michael Stephenson commenced with ARN on 20 March 2025 as Chief Operating Officer. He ceased to hold the role of Chief Operating Officer effective 2 October 2025 and was appointed Chief Executive Officer effective 2 October 2025.

<sup>2</sup> James Marsh was appointed by the Board as acting CFO during the period 16 September 2024 to 1<sup>st</sup> March 2025, remained in employment at ARN until the 30<sup>th</sup> April 2025. During this time, he was granted no authority to plan, direct or control the activities of the Group (as these remained with the CEO & Managing Director) and was not considered a KMP during this interim period.

# Remuneration Report continued

## Non-executive Directors

Hamish McLennan	Non-executive Chairman
Brent Cubis	Non-executive Director
Paul Connolly	Non-executive Director
Belinda Rowe	Non-executive Director
Alison Cameron	Non-executive Director

No other changes have occurred to the composition of KMP since 31 December 2025 up to the date of this report.

## 2. Our Value Proposition

At ARN, we are focused on attracting, retaining and motivating talented people who are passionate about creating value through high quality content, strong customer partnerships and disciplined execution in a rapidly evolving media landscape. We recognise that remuneration is one element of a broader employee value proposition, which together supports the attraction and retention of capable leaders and high-performing teams aligned to the Group's strategic priorities.

ARN's values and expected behaviours underpin our culture and provide the framework through which our people are supported to perform at their best. We aim to foster an inclusive and performance-oriented workplace where employees are empowered to deliver meaningful outcomes, exercise appropriate autonomy, and access development opportunities that support both individual capability and organisational effectiveness.

The Board believes that strong alignment between behaviour, performance and ARN's values is critical to achieving sustainable business outcomes. When our people operate in a manner consistent with these expectations, they contribute to improved decision making, stronger stakeholder relationships, enhanced customer outcomes and a more resilient competitive position.

During FY25, ARN commenced this journey with the appointment of a new Chief People Officer and the initial development of a Group wide people strategy, establishing the foundations to strengthen culture, capability and performance in the years ahead.

## 3. Remuneration Governance and Strategy

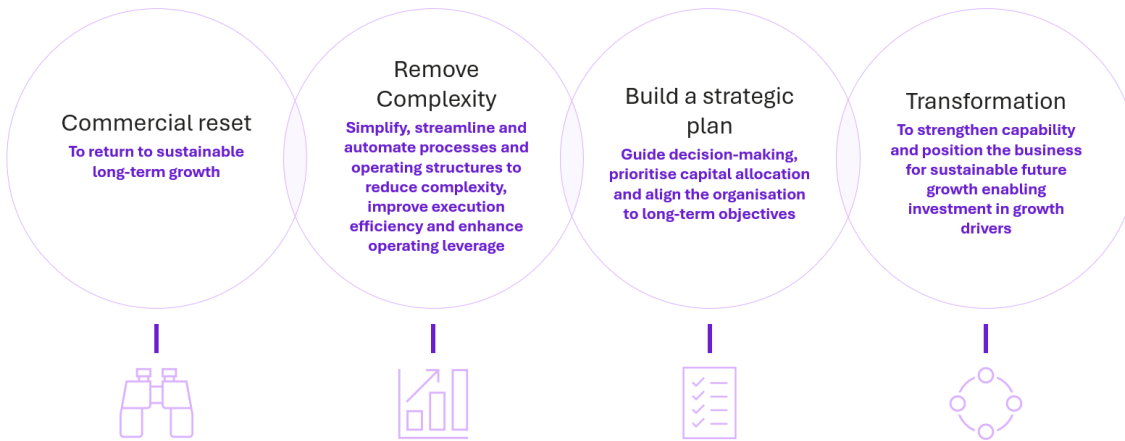
### Remuneration Governance

The role of the Remuneration, Nomination and Governance Committee (the Committee) is to oversee ARN Media's remuneration policies and practices, so they are consistent with and relevant to the achievement of the strategic goals of the Group. Amongst other objectives, the Committee is tasked with reviewing, and recommending to the Board, the reward outcomes and any significant changes to remuneration arrangements for the CEO and other Executive KMP.

### Strategic Priorities

FY25 was focused on setting the foundations and resetting the Company to support ARN's vision of being a leading Entertainment business, underpinned by clear and disciplined strategic priorities. The FY25 strategic priorities were based on four key pillars being:

# Remuneration Report continued



## 4. FY25 Remuneration Framework

The Board initiated a comprehensive review of the KMP remuneration framework and approved a new variable reward framework that replaces the Total Incentive Plan (“TIP”).

The FY25 Remuneration Framework aimed to deliver reward through short-term and long-term incentives that are designed to align Executive KMP performance with the successful delivery of the Transformation Program and long-term shareholder value.

At ARN, the executive remuneration framework is guided by clear remuneration principles designed to align executive reward with the Group’s values, strategic priorities and the long-term interests of shareholders. The framework seeks to support disciplined execution, accountability and sustainable value creation in a dynamic and competitive media environment.

The Board recognises that building and maintaining a strong and constructive culture is critical to business success, employee engagement, and the attraction and retention of high calibre leaders. The remuneration framework plays an important role in reinforcing the behaviours and performance outcomes required to deliver ARN’s strategy, while supporting sound risk management and responsible decision-making.

Accordingly, ARN’s executive remuneration framework is structured around the following key principles:



Alignment with shareholder value and long-term performance through enhanced long-term incentives linked to key financial and strategic performance outcomes, supporting sustainable results over the short and long-term.



Market competitive through alignment against a peer group of companies of a similar size and complexity.



A balanced reward mix — 45% fixed and 55% variable — delivering competitive financial and non-financial elements to strengthen pay-for-performance.



A focus on achieving stretch goals against company financial metrics and individual KPIs aligned to strategic priorities.

## Remuneration Report continued

ARN Media aims to reward Executive KMPs with a level and mix of remuneration appropriate to their position, responsibilities and performance within the Group and is aligned with market practice.

ARN aims to position total remuneration for KMP Executives principally within a competitive range of its peer group. This includes Australian listed companies with characteristics most like ARN when compared against a set of financial and qualitative metrics. Total reward opportunity is intended to provide the opportunity to earn median to top quartile reward for outstanding performance against set stretch targets.

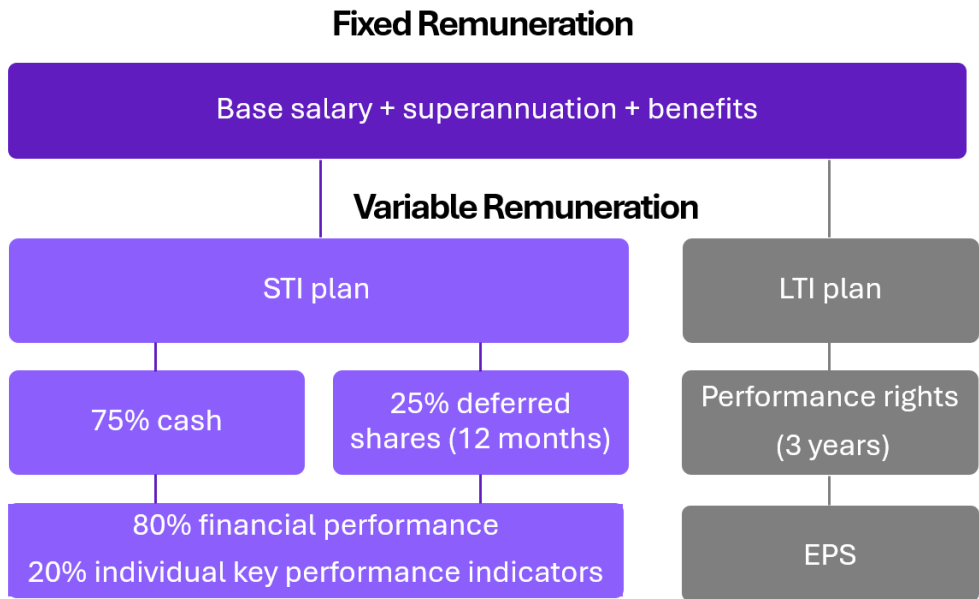
Further details of these incentive plans are outlined in this section. The Executive KMP remuneration framework is summarised below:

### 4.1 Executive KMP Remuneration framework

Element	Delivery	Structure
<b>Fixed remuneration</b>		
<b>Total Fixed Remuneration (TFR)</b>	<b>Cash and Superannuation contributions</b>	<ul style="list-style-type: none"> <li>• Base pay aligned to market, role scope and complexity, skills, knowledge, and experience of the individual</li> <li>• Superannuation aligned to superannuation guarantee charge (SGC) legislation.</li> </ul>
<b>Variable reward</b>		
<i>At risk and linked to performance</i>		
<b>Short-Term Incentive (STI)</b>	<p><b>Cash 75%</b> <i>Delivered at the end of the 12-month performance period</i></p> <hr/> <p><b>Equity 25%</b> <i>Delivered in rights to acquire ordinary shares in the company for nil consideration, subject to a further one-year service period following the end of the performance period</i></p>	<ul style="list-style-type: none"> <li>• 80% financial KPIs (weighted equally between revenue and Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)). This component is funded by the Group's profitability and requires ARN to achieve performance at or above the EBITDA threshold before testing of the financial KPIs can occur.</li> <li>• 20% individual KPIs aligned to ARN's strategic priorities.</li> </ul>
<b>Long-Term Incentive (LTI)</b>	<b>Equity 100%</b> Assessed over a 3-year performance period and delivered in rights to acquire ordinary shares in the company for nil consideration.	<ul style="list-style-type: none"> <li>• Assessed against earnings per share <b>(EPS)</b> targets over a three-year performance period.</li> </ul>

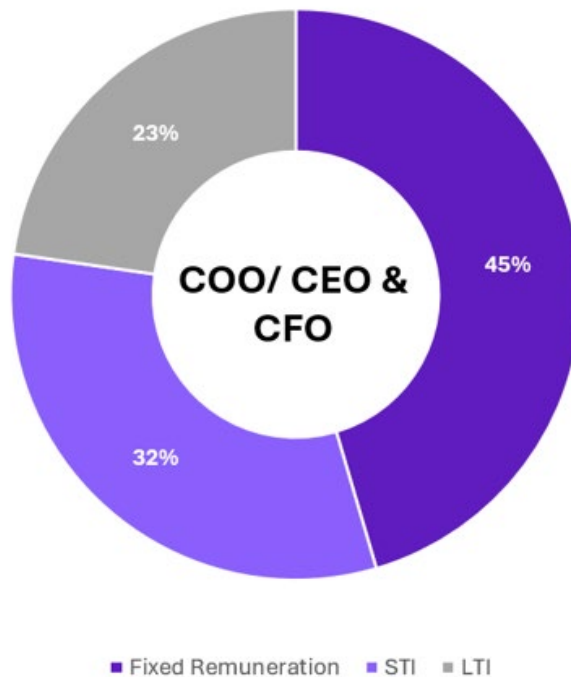
# Remuneration Report continued

The following diagram illustrates the Executive KMP framework:



## KMP Remuneration mix

The remuneration mix between fixed and variable reward is designed to align Executive KMP incentives with the Group’s short-term and long-term performance goals, ensuring a portion of compensation is at risk to drive sustained results. The proportions of reward under each element of the new FY25 Remuneration Framework at “target” is outlined below.



## Remuneration Report continued

### Fixed remuneration

Fixed remuneration is set with reference to our Australian-listed peers and considers the scope and complexity of the role, along with the individual's capabilities, expertise and experience. To maintain market competitiveness, fixed remuneration is reviewed on an annual basis.

### 4.2 FY25 Short-Term Incentive

The FY25 STI is assessed against a balanced scorecard comprising company-wide financial measures and individual measures that are aligned to the delivery of our 12-month Transformation Program strategic priorities. The significant weighting on financial measures emphasises the importance the Board places on ARN's financial performance and in particular EBITDA. Individual measures are linked back to ARN's strategy and seek to promote long-term sustainable growth for our shareholders.

Further detail of the STI is outlined below with FY25 performance outcomes in Section 5 - How 2025 Reward was linked to Performance.

Feature	Description
Instrument	Cash (75%) and deferred rights (25%)
Opportunity levels	<p>The opportunity levels offered to the Executive KMP in FY25 were:</p> <ul style="list-style-type: none"> <li>• COO/CEO<sup>1</sup>: target opportunity of 70% of TFR with a maximum opportunity of 115% of TFR.</li> <li>• CFO: target opportunity of 70% of TFR with a maximum opportunity of 115% of TFR.</li> <li>• Departing CEO &amp; Managing Director: eligible for an STI of up to \$150,000 to be delivered wholly in cash.</li> </ul>
Performance period	STI awards are assessed over a 12-month performance period i.e. the financial year.
Performance measures	<p>Our STI awards are subject to a balanced scorecard comprising company-wide financial and individual measures aligned to our 12-month strategic priorities.</p> <p>Performance is assessed against this balanced scorecard to ensure our Executive KMP are driven to achieve company-wide strategic goals and align with shareholders' interest, while driving individual accountability for their personal contribution.</p> <p>FY25 performance was assessed against:</p> <ul style="list-style-type: none"> <li>• Financial (80%): assessed against revenue (50%) and EBITDA (50%) targets, with the revenue component not being payable unless at least threshold EBITDA is achieved.</li> <li>• The Group financial target was set at Group revenue of \$303.5m and EBITDA (before significant items) of \$62.5m. The financial target was not achieved.</li> <li>• Individual KPIs (20%): assessed against up to 4 goals set for Executive KMP based on measures of success related to our Transformation Program and individual role objectives. <ul style="list-style-type: none"> <li>– Executive KMP are required to have individual measures which are specific, measurable, achievable, relevant and time-bound, and aligned to ARN's strategy.</li> </ul> </li> </ul>
Allocation methodology	<p>Following an assessment of the performance period, 75% of the STI award will be delivered in cash with the remaining 25% in deferred rights which will be converted into shares 12 months after the performance period, subject to remaining in employment with ARN. The Departing CEO &amp; Managing Director will receive the STI wholly in cash.</p> <p>The number of deferred rights is determined by dividing the award by the 30-day volume weighted average (VWAP) share price over the first 30 trading days of 2025 being \$0.6747</p>

<sup>1</sup> For the purposes of this report, "COO/CEO" refers to Michael Stephenson

# Remuneration Report continued

## 4.3 FY25 Long-Term Incentive

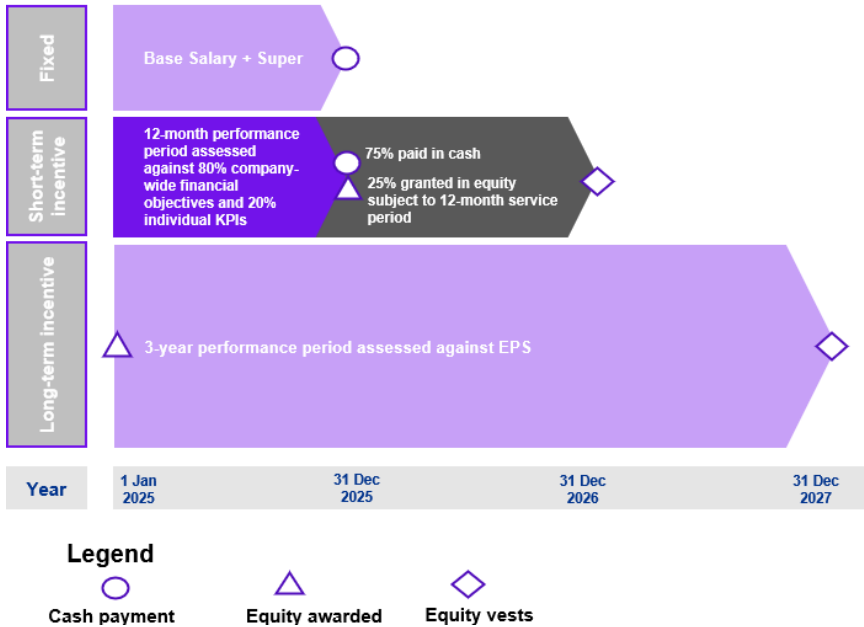
ARN's LTI is designed to align our Executive KMP with the delivery of long-term value to shareholders and encourage an ownership mindset.

Feature	Description								
Instrument	Performance rights are used to align the reward of Executive KMP with value creation for our shareholders.								
Allocation methodology	Performance rights are allocated on a face value basis by dividing the LTI opportunity (see below) by the 5-day VWAP share price over the first five trading days of January 2025 being \$0.7081.								
Opportunity levels	The opportunity levels offered to the Executive KMP in FY25 were: <ul style="list-style-type: none"> <li>• COO/CFO: 50% of TFR</li> <li>• Departing CEO &amp; Managing Director: 70% of TFR</li> </ul>								
Performance period	3-year performance period commencing 1 January 2025 to 31 December 2027. Participants must remain employed for the performance period.								
Performance measures	<p>Vesting of the performance rights is subject to the achievement of performance against earnings per share (<b>EPS</b>) targets. This metric focuses Executive KMP on shareholder value creation over the long-term and provides a strong incentive to achieve ARN's earnings targets.</p> <p>The Board will disclose the EPS targets required to be achieved for partial and full vesting for the performance measure in its FY27 Annual Report.</p> <p>While the actual number of performance rights which will vest cannot be determined until the end of the performance period, the payout schedule is detailed below. The performance rights will vest on a straight-line basis between 50% and 100% for achievement between threshold and stretch targets.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">EPS performance</th> <th style="text-align: left;">Percentage of performance rights that vest</th> </tr> </thead> <tbody> <tr> <td>Below threshold</td> <td>0%</td> </tr> <tr> <td>At threshold</td> <td>50%</td> </tr> <tr> <td>At stretch</td> <td>100%</td> </tr> </tbody> </table>	EPS performance	Percentage of performance rights that vest	Below threshold	0%	At threshold	50%	At stretch	100%
EPS performance	Percentage of performance rights that vest								
Below threshold	0%								
At threshold	50%								
At stretch	100%								
	<p>The Board may apply discretion to ensure that LTI outcomes appropriately reflect the performance of the individual and ARN media, as well as aligning to the interests of our stakeholders. To ensure any adjustments are consistently applied, the Board will have regard to the following principles:</p> <ol style="list-style-type: none"> <li>1. plan integrity and management accountability;</li> <li>2. nature and timing of adjustments;</li> <li>3. transparency; and</li> <li>4. material or significant events (including merger and acquisition activity).</li> </ol>								
Vesting conditions	<p>Vesting will occur following the end of the performance period when the Board determines the number of performance rights that vest, if any, based on the extent to which the performance measure has been satisfied (to occur after the end of the performance period).</p> <p>Performance will be automatically exercised following vesting. Executive KMP will receive one fully paid ordinary share in ARN in relation to each performance right.</p>								

# Remuneration Report continued

## 4.4 FY25 STI and LTI – Illustrative Framework

The following diagrams outlines the operation of the FY25 STI and LTI:



### Other plan features of the STI and LTI

Feature	Description
Board discretion	The Board retains the ultimate discretion regarding remuneration outcomes to ensure that incentive outcomes appropriately reflect the performance of the individual and ARN Media, as well as aligning to the interests of our stakeholders.
Dividends	At the discretion of the Board participants will receive an additional allocation of fully paid ordinary shares or a cash payment at vesting equal to the dividends paid on vested rights over the performance and service periods.
Equity allocation methodology	Equity is granted based on the face value of the rights calculated at the commencement of the performance period.
Clawback	The Board may make or cancel (claw back) awards where it sees fit to align with remuneration policy and/or Company strategic outcomes. The Company may reduce unvested equity awards in certain circumstances such as gross misconduct, material misstatement or fraud. The Board may also reduce unvested awards to recover amounts where performance that led to payments being awarded is later determined to have been incorrectly measured or not sustained.
Treatment of awards on cessation of employment	Awards are forfeited for Bad Leavers (e.g. resignation or termination for cause), while subject to Board discretion, Good Leavers (including but not limited to cessation of employment due to redundancy, total disablement or death) may receive pro-rated awards based on the extent to which performance and service conditions are met.
Treatment of awards on change of control	Subject to Board discretion, participants may receive pro-rated awards based on the extent to which performance and service conditions are met. Where some of the rights vest, the remainder will immediately lapse. In determining whether to exercise its discretion, the Board may have regard to any circumstances it considers appropriate.

# Remuneration Report continued

## 5. How 2025 Reward was Linked to Performance

### Company financial performance

The Company financial performance for FY2021 - 2025 is reflected below:

	2025 <sup>1</sup>	2024 <sup>1</sup>	2023 <sup>1</sup>	2022 <sup>1</sup>	2021 <sup>1</sup>
Group EBITDA	\$45.7m	\$93.1m	\$71.6m	\$91.8m	\$59.8m
Net profit after tax (NPAT)	\$16.1m	\$27.5m	\$29.5m	\$45.1m	\$28.8m
Basic (NPAT) EPS (cents)	1.6	3.9	9.6	14.6	10.4
Revenue	\$285.2m	\$317.1m	\$334.3m	\$344.9m	\$225.0
Dividend paid to shareholders (cents per share)	-	4.8	8.7	8.9	3.5
Increase/(decrease) in share price (%)	(47%)	(27%)	3%	(54%)	14%

<sup>1</sup> Continuing operations before significant items as at the relevant year-end.

### 5.1 FY25 STI Performance and Impact on Remuneration

FY25 was a pivotal year of transformation for the business. Despite material revenue headwinds, the Company, generated significant cash and liquidity improvements, advanced its cost-out program, made meaningful progress in its data transformation initiatives, and undertook a strategic reset to position itself as a leading Australian entertainment business. These actions were critical to strengthening the organisational foundations and improving the long-term earnings profile of ARN.

Executive KMP delivered strong progress on their individual strategic initiatives in the following:

1. Strategic Reset to drive long-term value
2. Enterprise Transformation Program Delivery
3. Improve Liquidity and Capital Allocation
4. Functional Operational Effectiveness

In recognition of this achievement, the Board awarded 85% for the individual component. The Board is satisfied that the individual KPI outcomes are reflective of FY25 performance and will continue to set stretching individual objectives targets that deliver progress towards the Group's transformation priorities.

# Remuneration Report continued

## Performance against FY25 STI performance measures for CFO & CEO/COO

Priority	Outcomes delivered	Result
Strategy reset to drive long-term value	<ul style="list-style-type: none"> <li>KMPs delivered ARN's multi-year strategic plan. Resetting the business for future growth and aligning strategic priorities to ARN becoming a leading Australian entertainment business. The work demonstrated a clear path for multi-year value creation.</li> <li>Established and operationalised enterprise-wide planning and performance rhythm, enhancing operating disciplines, performance monitoring and management reporting to support consistent execution and informed decision-making.</li> </ul>	Substantially achieved
Enterprise Transformation Program Delivery	<ul style="list-style-type: none"> <li>Delivered enterprise transformation initiatives including cost out initiatives, data transformation &amp; outsourcing of back-office operations.</li> </ul>	Achieved
Improve Liquidity and Capital Allocation	<ul style="list-style-type: none"> <li>Strong capital &amp; liquidity management delivering improved cash generation and an enhanced cash conversion cycle, enabling the pay-down of company debt.</li> </ul>	Achieved
Functional Operational Effectiveness	<ul style="list-style-type: none"> <li>Delivered a full transformation of commercial and finance functions. Embedding a more efficient operating model whilst uplifting capability and accountability across teams.</li> </ul>	Substantially achieved

The table below summarises the FY25 STI outcomes:

	STI awarded (cash incentive) \$	STI awarded (equity award) \$	Total STI awarded \$	% of target achieved	% of maximum achieved	% of maximum forfeited
<b>Executive KMP</b>						
Michael Stephenson	83,210	20,075	103,285	17%	15%	85%
Alexis Poole	72,685	17,539	90,225	17%	15%	85%
Ciaran Davis	-	-	-	0%	0%	100%

# Remuneration Report continued

## 6. Total Remuneration for Executive KMP

Details of the Executive KMP remuneration for 2025 and comparatives for 2024 are set out in the table below. The remuneration in this table has been calculated in accordance with accounting standards. Michael Stephenson and Alexis Poole commenced with ARN in FY25. As a result, comparative information has not been provided for FY24.

Executive KMP	Cash salary and fees <sup>1</sup> \$	Short-term benefits		Post-employment benefits	Other long-term benefits	Share-based payments	Termination payments	Total	Performance-related proportion
		Non-monetary benefits <sup>2</sup> \$	Cash incentives <sup>3</sup> \$	Super-annuation <sup>4</sup> \$	Long service leave <sup>5</sup> \$	Equity settled awards <sup>6</sup> \$	\$		\$
<b>Michael Stephenson</b>									
2025	697,080	3,206	83,210	22,483	4,589	96,483	-	907,051	20%
<b>Alexis Poole</b>									
2025	540,769	3,206	72,685	34,941	2,894	79,593	-	734,089	21%
<b>Ciaran Davis – KMP until 2 October 2025</b>									
2025	881,469	41,561	-	29,966	6,608	355,945	852,140 <sup>7</sup>	2,167,689	16%
2024	1,144,624	50,029	103,500	28,666	28,557	310,428	-	1,665,804	25%
<b>Andrew Nye – KMP until 17 October 2024</b>									
2025	-	-	-	-	-	-	-	-	-
2024	482,013	279	-	23,774	41,484	40,743	445,504 <sup>8</sup>	1,033,797	4%
<b>Total</b>									
2025	<b>2,119,318</b>	<b>47,973</b>	<b>155,896</b>	<b>87,390</b>	<b>14,091</b>	<b>532,021</b>	<b>852,140</b>	<b>3,808,829</b>	<b>18%</b>
2024	1,626,637	50,308	103,500	52,440	70,041	351,171	445,504	2,699,601	17%

<sup>1</sup> Cash salary and fees include an accrual for annual leave entitlements, which may vary in line with movements in a KMP's annual leave balance during the year.

<sup>2</sup> Non-monetary benefits typically include novated lease costs, car parking and associated fringe benefits tax.

<sup>3</sup> Cash incentive payments represent short-term incentive awards accrued for the financial year and payable in the subsequent financial year.

<sup>4</sup> 2025 superannuation benefit incorporates the change to the super guarantee from 1 July 2025.

<sup>5</sup> Long service leave relates to amounts accrued during the financial year.

<sup>6</sup> The fair value is derived using the closing share price on the grant date. The equity settled award reflects the expense recognised during the year.

The departing CEO's equity awards vested in accordance with the performance period for the relevant incentive schemes.

<sup>7</sup> Termination payments represent contractual entitlement to fixed remuneration during the gardening leave period commencing 15 January 2026. It does not include statutory payments such as annual leave and long-service leave paid out on termination.

<sup>8</sup> Termination payments represent contractual entitlement to fixed remuneration during the gardening leave period commencing 17 October 2024. It does not include statutory payments such as annual leave and long-service leave paid out on termination.

# Remuneration Report continued

## 7. Contractual Arrangements with Executive KMP

Remuneration and other terms of employment for Executive KMP are formalised in employment contracts. All Executive KMP are employed under contracts with substantially similar terms. The key elements of these employment contracts are summarised below:

<b>Contract duration</b>	<b>Continuing</b>
Notice by individual/Company	Employment may be terminated by either party. Notice periods vary according to contractual terms: CEO & Managing Director – 12 months and CFO – six months.
Termination of employment (for cause)	All contracts provide that employment may be terminated at any time without notice for serious misconduct.
Termination of employment (without cause)	Where employment is terminated by the Company, payment may be made in lieu of notice.
Redundancy	If the Company terminates the employment of an Executive KMP for reasons of redundancy, a redundancy payment would be paid depending on the length of their service. Benefits paid as defined by Corporations Regulations 2001 Reg 2D.2.02 cannot exceed 12 months base salary (average of past three years). Payments for redundancy and accrued leave entitlements are not subject to this cap.
Non-compete/restraint	Executive KMP are subject to non-compete provisions for the term of their notice period.

## 8. Legacy Variable Remuneration Plans

### 8.1 Retention Scheme

The Retention Scheme as detailed in the 2023 and 2024 Annual Report was tested at the conclusion of FY25 (performance period being 1 January 2024 to 31 December 2025). It was introduced to retain the Executive KMP in a period with critical projects underway, including the proposal to acquire Southern Cross Austereo (SCA), extending the Kyle & Jackie O Show into Melbourne, and delivering business simplification and cost reduction.

The Departing CEO & Managing Director successfully delivered the leadership succession, business simplification and cost reduction components and completed the service period, resulting in 55% of the Retention Scheme amount being achieved.

Further detail of the Retention Scheme is outlined below for reference.

## Remuneration Report continued

Feature	Description
Instrument	Performance Rights
Performance Period and Vesting Date	Two years, with 31 December 2025 being the Vesting Date when vested Rights converted to Shares in the Company.
Vesting Conditions	<p>Vesting occurred where the following Vesting Conditions were met over the two-year Performance Period:</p> <ul style="list-style-type: none"> <li>• Service Component (25%) for continued service to the Vesting Date; and</li> <li>• Performance Components allocated as follows: <ul style="list-style-type: none"> <li>– Successful execution of M&amp;A plans (45%)</li> <li>– Delivery of leadership succession plan (15%)</li> <li>– Delivery of business simplification and cost reduction (15%)</li> </ul> </li> </ul>
Holding Lock	<ul style="list-style-type: none"> <li>• 50% of Shares were unrestricted on 31 December 2025; and</li> <li>• 50% of Shares will be restricted until 31 December 2026.</li> </ul>
Allocation Price	<ul style="list-style-type: none"> <li>• The volume weighted average price (VWAP) of A1N stock over the first 30 trading days of 2024, being \$0.9536.</li> </ul>
Quantum	<ul style="list-style-type: none"> <li>• Departing CEO &amp; Managing Director: \$960,000</li> </ul>
Dividend entitlement	The Departing CEO & Managing Director was entitled to dividends from the Retention Scheme vesting date of 31 December 2025, when the performance rights granted under the Retention Scheme converted into shares in the ordinary course.
Board discretion	The Board retains the ultimate discretion regarding remuneration outcomes. The Board may make or cancel (claw back) awards where it sees fit to align with remuneration policy and/or Company strategic outcomes.
TIP Rules	The Retention Scheme was subject to the same TIP Rules as the TIP scheme. In the case of any contradiction between the Retention Scheme terms and the TIP Rules, the Retention Scheme terms will apply.

### 8.2 FY24 TIP

The Departing CEO & MD received a grant of rights under the TIP during 2024. Performance was assessed against 75% financial performance (split equally between EBITDA, EPS and ROIC) and 25% non-financial KPI measures. Please refer to the FY24 Remuneration Report for details on the FY24 TIP scheme. The FY24 TIP outcome for the Departing CEO & MD was 14.6% of target (10.6% of maximum). Refer section 11 for detail on the number of rights that vested on 31 December 2025 (i.e. at the end of the one-year service period following the TIP performance period).

# Remuneration Report continued

## 9. Remuneration Arrangements of Departing CEO & Managing Director

On 3 October 2025, Mr Ciaran Davis stepped down from his role on the Board of ARN as Managing Director and as agreed with the Board resigned from the Company and commenced gardening leave on 15 January 2026.

Mr Davis has shared 16 years of strong and dynamic leadership at ARN, underpinning the company's growth, innovation and enduring success across a rapidly evolving media landscape. He has led ARN through several transformative milestones that have formed part of the evolution that continues today as part of our Transformation Program.

As announced to the ASX on 2 October 2025, Mr Davis was succeeded by Michael Stephenson (former COO). Mr Davis worked closely with him following his announcement to step down to ensure a seamless handover and transition.

Mr Davis received his statutory entitlements upon ceasing employment with ARN. Fully vested shares under the TIP will not be forfeited and will continue to be subject to disposal restrictions.

## 10. Non-Executive Director Arrangements

Non-executive Directors are provided with written agreements which outline the fees for their contribution as Directors. Fees reflect the demands which are made on, and the responsibilities of, the Directors. The Remuneration, Nomination and Governance Committee has the responsibility for reviewing and recommending the level of remuneration for Non-executive Directors in relation to Board and Committee duties.

Non-executive Directors are not eligible to participate in incentive programs or termination payments.

The fees for 2025 provided to Non-executive Directors inclusive of superannuation are shown below:

Role	2025 \$	
	Chair fee <sup>1</sup>	Member fee
Board	324,674	137,148
Audit & Risk Committee	20,318	10,159
Remuneration, Nomination and Governance Committee	20,318	10,159

<sup>1</sup> The Board Chair does not receive member fees.

Other than the scheduled increase in the superannuation guarantee rate at 1 July 2025, there are no other changes to Non-executive Director remuneration planned for 2025.

## Remuneration Report continued

### Approved Fee Pool

The Non-executive Director fee pool of \$1,200,000 per annum was approved by shareholders at the 2015 Annual General Meeting. There was no change to the Non-executive Director fee pool in 2025 and no change is expected for 2026.

Details of the Non-executive Directors' fees for 2025 and 2024 are set out in the table below:

Non-executive Directors	Fees \$	Superannuation \$	Total \$
<b>Hamish McLennan</b>			
<b>2025</b>	<b>294,708</b>	<b>29,966</b>	<b>324,674</b>
2024	294,708	28,665	323,373
<b>Brent Cubis</b>			
<b>2025</b>	<b>150,000</b>	<b>17,625</b>	<b>167,625</b>
2024	150,000	16,898	166,898
<b>Paul Connolly</b>			
<b>2025</b>	<b>150,000</b>	<b>17,625</b>	<b>167,625</b>
2024	150,000	16,875	166,875
<b>Belinda Rowe</b>			
<b>2025</b>	<b>140,909</b>	<b>16,557</b>	<b>157,466</b>
2024	140,909	15,852	156,761
<b>Alison Cameron</b>			
<b>2025</b>	<b>131,818</b>	<b>15,487</b>	<b>147,305</b>
2024	131,818	14,830	146,648
<b>Total</b>			
<b>2025</b>	<b>867,435</b>	<b>97,260</b>	<b>964,695</b>
2024	867,435	93,120	960,555

# Remuneration Report continued

## 11. Terms and Conditions of Share-Based Remuneration

### 2025 STI Award<sup>1</sup>

Executive KMP received a grant of rights under the 2025 STI during 2025. Based on ARN Media's performance, rights have been awarded at the end of 2025 to satisfy STI outcomes. Rights will vest at the end of the one-year service period at the end of 2026 (following the 12-month performance period). The table below shows the number and value of 2025 rights that were awarded and remain unvested at the end of 2025.

Executive KMP	Grant date	Vesting Date	Number of rights granted	Number of rights awarded	Number of rights forfeited	Value per right at grant date \$	Maximum value to be recognised in future years \$
Michael Stephenson	29 September 2025	31 December 2026	240,992	40,969	(200,023)	0.49	10,037
Alexis Poole	29 September 2025	31 December 2026	210,556	35,794	(174,761)	0.49	8,770
Ciaran Davis	8 May 2025	31 December 2026	456,900	-	(456,900)	0.59	-

### 2025 LTI Award<sup>1</sup>

Executive KMP received a grant of rights under the 2025 LTI. The number of rights awarded are subject to 3-year performance against EPS and will be determined at vesting date.

Executive KMP	Grant date	Vesting Date	Number of rights granted	Number of rights awarded	Number of rights forfeited	Value per right at grant date \$	Maximum value to be recognised in future years \$
Michael Stephenson <sup>2</sup>	8 May 2025	31 December 2027	586,075	-	-	0.59	259,338
Alexis Poole	8 May 2025	31 December 2027	480,158	-	-	0.59	212,470
Ciaran Davis	8 May 2025	31 December 2027	1,218,849	-	(1,218,849)	0.59	-

<sup>1</sup> At the discretion of the Board, participants may receive an additional allocation of fully paid ordinary shares or a cash payment at vesting equal to dividends paid on vested rights over the performance and service periods. This value has not been included within this table.

<sup>2</sup> The number of rights granted are based on the COO's salary.

## Remuneration Report continued

### 2024 Retention Scheme

Executive KMP received a grant of rights under the Retention Scheme. The number of rights awarded are subject to two-year performance and service period and will be determined at vesting date. The table below shows the number and value of 2025 rights that were awarded:

Executive KMP	Grant date	Vesting Date	Number of rights granted	Number of rights awarded	Number of rights forfeited/ cancelled	Value per right at grant date \$	Maximum value to be recognised in future years \$
Ciaran Davis	14 May 2024	31 December 2025	1,006,712	553,692	(453,020)	0.86	-

### 2024 TIP

Executive KMP received a grant of rights under the 2024 TIP during 2024. The number of rights awarded were subject to a one-year performance period and vested following a one-year service period at the end of 2025. The table below shows the number and value of 2025 rights that were awarded:

Executive KMP	Grant date	Vesting Date	Number of rights granted	Number of rights awarded	Number of rights forfeited/ cancelled	Value per right at grant date \$	Maximum value to be recognised in future years \$
Ciaran Davis	14 May 2024	31 December 2025	728,996	106,427 <sup>1</sup>	(622,569)	0.86	-

<sup>1</sup> Upon vesting of the rights, the Board approved the issue of 9,792 additional fully paid ordinary shares as a dividend uplift.

### Reconciliation of Rights

The tables below shows a reconciliation of the number of rights held by each Executive KMP from the beginning to the end of the 2025 financial year. Performance rights vest upon satisfaction of the performance and / or service conditions (as applicable) and will be automatically exercised following vesting. At the Board's discretion, the participants may receive an additional allocation of fully paid ordinary shares equal to the value of dividends that were payable on the underlying shares, whilst holding unvested and/or vested rights.

#### Current KMP:

Executive KMP	Balance at start of the year	Granted	Vested	Forfeited	Balance at end of the year
<b>Michael Stephenson</b>					
2025 STI	-	240,992	-	(200,023)	40,969
2025 LTI	-	586,075	-	-	586,075
<b>Total</b>	-	<b>827,067</b>	-	<b>(200,023)</b>	<b>627,044</b>
<b>Alexis Poole</b>					
2025 STI	-	210,556	-	(174,761)	35,794
2025 LTI	-	480,518	-	-	480,518
<b>Total</b>	-	<b>690,714</b>	-	<b>(174,761)</b>	<b>515,953</b>

## Remuneration Report continued

### Former KMP:

Executive KMP	Balance at start of the year	Granted	Vested	Forfeited/ Cancelled	Balance at end of the year	Vested and restricted
<b>Ciaran Davis – KMP until 2 October 2025</b>						
2023 TIP	198,186	-	(198,186) <sup>1</sup>	-	-	198,186 <sup>2</sup>
2024 TIP	116,219	-	(116,219)	-	-	116,219 <sup>3</sup>
Retention Scheme	1,006,712	-	(553,692)	(453,020)	-	276,846 <sup>4</sup>
2025 STI	-	456,900	-	(456,900)	-	-
2025 LTI	-	1,218,849	-	(1,218,849)	-	-
<b>Total</b>	<b>1,321,117</b>	<b>1,675,749</b>	<b>868,097</b>	<b>(2,128,769)</b>	<b>-</b>	<b>591,251</b>

<sup>1</sup> Performance rights vested in FY24.

<sup>2</sup> Held in trust until the end of the 2-year holding lock which is 31 December 2026 for the 2023 TIP.

<sup>3</sup> Held in trust until the end of the 2-year holding lock which is 31 December 2027 for the 2024 TIP.

<sup>4</sup> 50% of shares were unrestricted on 31 December 2025 and 50% will be restricted until 31 December 2026

### 12. Non-Executive Director and Executive KMP Shareholdings

The number of shares in the Company held by each Non-executive Director and Executive KMP during the year including their related parties is summarised below:

	Balance at start of the year	TIP shares released	Other changes during the year	Balance at end of the year
<b>Non-executive Directors</b>				
Hamish McLennan	73,000	-	-	73,000
Brent Cubis	39,034	-	29,000	68,034
Paul Connolly	65,935	-	-	65,935
Belinda Rowe	-	-	80,000	80,000
Alison Cameron <sup>4</sup>	35,934,891	-	-	35,934,891
<b>Executive KMP</b>				
Michael Stephenson	-	-	-	-
Alexis Poole	-	-	20,000	20,000
Ciaran Davis <sup>5</sup>	1,901,064	92,331 <sup>6</sup>	1,208,293	3,201,688

<sup>5</sup> Shares held by Grant Broadcasters Pty Ltd. Alison Cameron holds, directly and indirectly, less than 0.005% of the issued capital in Grant Broadcasters. Janet Cameron, Alison's mother, holds 99.9% of the issued capital in Grant Broadcasters.

<sup>6</sup> The movement in shareholdings is up to 31 December 2025.

<sup>7</sup> 92,331 of shares for the 2022 TIP released from the two-year holding lock.

# Remuneration Report continued

## 13. Other Statutory Disclosures

### Loans Given to Non-Executive Directors and Executive KMP

There are no loans from the Company to the Non-executive Directors or Executive KMP.

### Transactions with Related Parties

The Group recognised \$358,330.59 in property rental expense and \$209,180.84 in services agreement expense to entities associated with Alison Cameron on commercial arm's length terms.

### Securities Trading Policy and Guidelines

The Company's Securities Trading Policy and Guidelines is outlined in the Corporate Governance Statement, which can be found on the Company website. Under the policy, restricted persons, which include Executive KMP, are not permitted to hedge any options, rights or similar instruments prior to them becoming vested or otherwise tradable under the applicable plan.

### External Remuneration Consultants

ARN Media engaged external consultants to provide remuneration advisory services, including benchmarking of remuneration. No remuneration recommendations in relation to any KMP were provided.



**Shape the future  
with confidence**

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## **Auditor's independence declaration to the directors of ARN Media Limited**

As lead auditor for the audit of the financial report of ARN Media Limited for the financial year ended 31 December 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of ARN Media Limited and the entities it controlled during the financial year.

Ernst & Young

Graham Leonard  
Partner  
25 February 2026

ARN Media

# FINANCIAL REPORT

Full year ended 31 December 2025

# Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

	Note	2025 \$'000	2024 \$'000 Restated <sup>1</sup>
Revenue	1.1	285,153	317,091
Other revenue and income	1.1	5,029	3,313
<b>Total revenue and other income</b>		<b>290,182</b>	<b>320,404</b>
Other expenses	1.2	(246,971)	(263,817)
Restructuring costs	1.3	(12,135)	(3,571)
Acquisition costs	1.3	(54)	(4,500)
Finance costs	1.2	(10,697)	(10,990)
Impairment losses on investments	1.3	(1,597)	-
Depreciation and Amortisation	1.2	(14,951)	(14,845)
Share of profits of associates and joint ventures accounted for using the equity method	5.4	3,560	4,817
<b>Profit before income tax</b>		<b>7,337</b>	<b>27,498</b>
Income tax (expense)	4.1	(1,225)	(8,146)
<b>Profit from continuing operations</b>		<b>6,112</b>	<b>19,352</b>
<b>Loss for the year from discontinued operations</b>	6.2	<b>(39,569)</b>	<b>(13,109)</b>
<b>Profit/(loss) for the year</b>		<b>(33,457)</b>	<b>6,243</b>
<b>Other comprehensive income/(loss)</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Net exchange difference on translation of foreign operations	3.7	(357)	356
<i>Item that will not be reclassified to profit or loss:</i>			
Changes in the fair value of equity investments recorded at fair value through other comprehensive income	3.7, 5.3	5,902	(14,025)
<b>Other comprehensive income/(loss), net of tax</b>		<b>5,545</b>	<b>(13,669)</b>
<b>Total comprehensive loss</b>		<b>(27,912)</b>	<b>(7,426)</b>
<b>Profit/ (loss) for the year is attributable to:</b>			
Owners of the parent entity	1.4	(34,673)	3,859
Non-controlling interests		1,216	2,384
<b>Loss/Profit for the year</b>		<b>(33,457)</b>	<b>6,243</b>
<b>Total comprehensive income/ (loss) is attributable to:</b>			
Owners of the parent entity		(29,128)	(9,810)
Non-controlling interests		1,216	2,384
<b>Total comprehensive loss</b>		<b>(27,912)</b>	<b>(7,426)</b>
<b>Total comprehensive income attributable to owners of the parent entity arises from:</b>			
Continuing operations		10,798	2,943
Discontinued operations	6.2	(39,926)	(12,753)
		<b>(29,128)</b>	<b>(9,810)</b>
<b>Earnings per share from continuing operations</b>			
Basic/diluted earnings per share	1.4	1.6	5.5
<b>Earnings per share from continuing and discontinued operations</b>			
Basic/diluted earnings per share	1.4	(11.4)	1.3

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

<sup>1</sup> FY24 figures have been restated for the revenue and expenses relating to the production services reclassification and to separately present the loss from discontinued operations. Refer to Note 1.1 and 1.2 for further information.

# Consolidated Statement of Financial Position

As at 31 December 2025

	Note	2025 \$'000	2024 \$'000 Restated <sup>1</sup>
<b>Current assets</b>			
Cash and cash equivalents	3.2	10,239	18,548
Short term deposits		-	208
Financial assets	3.4, 5.3	11,371	-
Receivables	3.3	49,060	77,820
Other current assets		2,076	2,725
Assets held for sale	6.2	256,626	2,595
Current tax receivables		3,673	-
<b>Total current assets</b>		<b>333,045</b>	<b>101,896</b>
<b>Non-current assets</b>			
Financial assets	3.4, 5.3	7,534	27,299
Investments accounted for using the equity method	5.4	34,441	35,627
Property, plant and equipment <sup>1</sup>	2.3	53,695	61,522
Intangible assets	2.1	329,039	331,242
Right-of-use assets	2.4	53,330	340,560
Other non-current assets		3,045	5,397
<b>Total non-current assets</b>		<b>481,084</b>	<b>801,647</b>
<b>Total assets</b>		<b>814,129</b>	<b>903,543</b>
<b>Current liabilities</b>			
Payables	2.6	28,061	34,699
Contract liabilities		4,885	8,812
Lease liabilities	2.4	3,337	50,987
Current tax liabilities		-	3,351
Provisions	2.5	9,106	9,940
Liabilities directly associated with the assets held for sale	6.2	281,226	-
<b>Total current liabilities</b>		<b>326,615</b>	<b>107,789</b>
<b>Non-current liabilities</b>			
Bank Loans	3.1	73,398	100,647
Lease liabilities	2.4	61,253	302,886
Provisions	2.5	9,589	10,062
Deferred tax liabilities	4.1	92,545	94,268
<b>Total non-current liabilities</b>		<b>236,785</b>	<b>507,863</b>
<b>Total liabilities</b>		<b>563,400</b>	<b>615,652</b>
<b>Net Assets</b>		<b>250,729</b>	<b>287,891</b>
<b>Equity</b>			
Contributed equity	3.5	1,544,039	1,544,039
Reserves	3.7	(51,041)	(63,206)
Accumulated losses	3.7	(1,276,604)	(1,229,195)
<b>Total parent entity interest</b>		<b>216,394</b>	<b>251,638</b>
Non-controlling interests		34,335	36,253
<b>Total equity</b>		<b>250,729</b>	<b>287,891</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

<sup>1</sup> These numbers have been restated to align with the Group's useful life accounting policy. Refer to note 2.3 for further details.

# Consolidated Statement of Cash Flows

As at 31 December 2025

	Note	2025 \$'000	2024 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		408,262	389,791
Payments to suppliers and employees (inclusive of GST)		(312,003)	(320,542)
Interest received		604	834
Interest paid		(22,140)	(19,173)
Income taxes paid		(9,609)	(622)
<b>Net cash inflow from operating activities</b>	<b>3.2</b>	<b>65,114</b>	<b>50,288</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	2.3	(4,112)	(13,732)
Payments for software	2.1	(63)	(659)
Payment for short-term deposits		-	(208)
Proceeds from sale of property, plant and equipment		6,644	81
Proceeds from sale of investment in associate and investments (net of costs to sell)		(1,665)	23
Payments for investments in associates and financial instruments	5.3, 5.4	-	(1,000)
Net payments (to)/ from associate		(3,415)	(847)
Net loans from other entities		-	97
Dividends received		6,255	5,784
Proceeds from sale of shares		14,267	-
<b>Net cash inflow/(outflow) from investing activities</b>		<b>17,911</b>	<b>(10,461)</b>
<b>Cash flows from financing activities</b>			
Drawdown of borrowings	3.1	68,000	109,000
Repayments of borrowings	3.1	(95,000)	(102,000)
Payments for borrowing costs		(1,616)	(101)
Lease incentives received		-	4,902
Principal elements of lease payments		(49,023)	(34,593)
Payments for treasury shares	3.7	(248)	(238)
Dividends paid to shareholders	3.8	(7,200)	(15,027)
Net payments to non-controlling interests		(2,340)	(2,635)
<b>Net cash outflow from financing activities</b>		<b>(87,427)</b>	<b>(40,692)</b>
<b>Change in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of the year		18,548	18,862
Effect of exchange rate changes		541	551
<b>Cash and cash equivalents at end of the year</b>	<b>3.2</b>	<b>14,687<sup>1</sup></b>	<b>18,548</b>

<sup>1</sup> Cash and cash equivalents at the end of the year as presented in the statement of cash flows include amounts relating to both continuing and discontinued operations. Cash and cash equivalents recognised in the statement of financial position relate to continuing operations only. At 31 December 2025, cash and cash equivalents attributable to discontinued operations amounted to \$4.4 million.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

	Contributed equity	Reserves	Accumulated losses	Total	Non-controlling interests	Total equity
Note	\$'000	\$'000	\$'000 Restated <sup>1</sup>	\$'000	\$'000	\$'000
<b>Balance at 1 January 2024</b>	<b>1,544,039</b>	<b>(49,647)</b>	<b>(1,218,027)</b>	<b>276,365</b>	<b>36,504</b>	<b>312,869</b>
Profit for the period	-	-	3,859	3,859	2,384	6,243
Other comprehensive income/(loss)	-	(13,669)	-	(13,669)	-	(13,669)
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>(13,669)</b>	<b>3,859</b>	<b>(9,810)</b>	<b>2,384</b>	<b>(7,426)</b>
Share-based payments	3.7	348	-	348	-	348
Dividends paid to shareholders	3.8	-	(15,027)	(15,027)	-	(15,027)
Acquisition of treasury shares	3.7	(238)	-	(238)	-	(238)
Transactions with non-controlling interests	-	-	-	-	(2,635)	(2,635)
<b>Balance at 31 December 2024</b>	<b>1,544,039</b>	<b>(63,206)</b>	<b>(1,229,195)</b>	<b>251,638</b>	<b>36,253</b>	<b>287,891</b>
<b>Balance at 1 January 2025</b>	<b>1,544,039</b>	<b>(63,206)</b>	<b>(1,229,195)</b>	<b>251,638</b>	<b>36,253</b>	<b>287,891</b>
Profit/(loss) for the period	-	-	(34,673)	(34,673)	1,216	(33,457)
Other Comprehensive loss - Other	-	5,545	-	5,545	-	5,545
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>5,545</b>	<b>(34,673)</b>	<b>(29,128)</b>	<b>1,216</b>	<b>(27,912)</b>
Other Comprehensive loss - Transfers within equity	3.7	5,536	(5,536)	-	-	-
Share-based payments	3.7	1,332	-	1,332	-	1,332
Dividends paid to shareholders	3.8	-	(7,200)	(7,200)	-	(7,200)
Acquisition of treasury shares	3.7	(248)	-	(248)	-	(248)
Sale of Emotive	6.2	-	-	-	(794)	(794)
Transactions with non-controlling interests	-	-	-	-	(2,340)	(2,340)
<b>Balance at 31 December 2025</b>	<b>1,544,039</b>	<b>(51,041)</b>	<b>(1,276,604)</b>	<b>216,394</b>	<b>34,335</b>	<b>250,729</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

<sup>1</sup> Opening accumulated losses have been restated to show the impact to retained earnings of aligning the property, plant and equipment with The Group's useful life accounting policy. Refer to note 2.3 for further details.

# Notes to the Consolidated Financial Statements

## Reporting entity

ARN Media Limited (ARN) is a for profit company limited by ordinary shares, incorporated and domiciled in Australia. The registered address of the Company is 40 Mount Street, Sydney, New South Wales, 2060. The ordinary shares are publicly traded on the Australian Securities Exchange. The financial statements are for the consolidated entity consisting of ARN Media Limited (the Company) and its controlled entities (collectively the Group).

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 25 February 2026. The Directors have the power to amend and reissue the financial statements.

## Basis of Preparation

These general-purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards issued by the International Accounting Standards Board (IASB).

The financial report is presented in Australian dollars which is the Company's functional and presentation currency.

It has been prepared under the historical cost convention, except for certain financial assets and liabilities measured at fair value through other comprehensive income and fair value through profit and loss, as described in note 3.4

The Company presents reclassified comparative information, where required, for consistency with the current year's presentation.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the rounding off amounts in the financial report. In accordance with that Instrument, amounts in the financial report have been rounded to the nearest thousand dollars, except where otherwise indicated, in which case amounts have been presented to the nearest dollar.

## Going Concern

In assessing the appropriateness of the going concern basis, the Directors have considered the Group's financial position, detailed budgets and cash flow forecasts prepared for at least the next 12 months. These forecasts incorporate assumptions relating to forecast operating results, margins and cash flows. Accordingly, the Directors are satisfied that the Group has adequate resources to continue in operation for the foreseeable future and have therefore prepared the consolidated financial statements on a going concern basis.

At 31 December 2025, the Group had net current assets of \$6.4 million (2024: net current liabilities of \$5.9 million). The Group is satisfied that it will be able to meet all its obligations as and when they fall due, supported by its history of generating profits, positive operating cash flows, current cash reserves, and available debt facilities.

## Key Judgements and Estimates

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. These judgements and estimates are based on the information available at the time and are reviewed on an ongoing basis. Actual outcomes may differ from these estimates.

# Notes to the Consolidated Financial Statements

## Judgements

Significant accounting judgements that affect the amounts recognised in the consolidated financial statements are disclosed in the relevant notes:

- Note 1.1 Revenue - whether the Group acts a principal or agent in arrangement involving agencies
- Note 2.4 Leases - whether the Group is reasonably certain to exercise extension options

## Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Note 2.1 Intangible Assets - key assumptions underlying recoverable amounts
- Note 6.2 Discontinued Operations - determining the fair value less cost of disposal of the asset held for sale

# Notes to the Consolidated Financial Statements

## 1. Group Performance

### 1.1 Revenue

	2025 \$'000	2024 \$'000 Restated <sup>1</sup>
<b>Revenue and other income</b>		
Revenue <sup>1</sup>	285,153	317,091
<b>Revenue from contracts with customers</b>	<b>285,153</b>	<b>317,091</b>
Dividend income	1,420	355
Other	2,737	2,095
<b>Other income</b>	<b>4,157</b>	<b>2,450</b>
Interest income	872	863
<b>Total interest and other income</b>	<b>5,029</b>	<b>3,313</b>
<b>Total revenue and other income</b>	<b>290,182</b>	<b>320,404</b>

<sup>1</sup> During the year ended 31 December 2025, management concluded that production services was distinct and separable as it has its own rate card. As a result, it should be classified as revenue rather than an expense. This reassessment represents an error under *AASB 8 Accounting Policies, Changes in Accounting Estimates and Errors*. The impact on comparative information is an increase in revenue of \$9.2m.

Revenue recognised in the year ended 31 December 2025 that was included in the contract liabilities balance as at 1 January 2025 is \$4.9 million (2024: \$1.6 million). This relates to continued operations only.

Dividend income of \$1.4million (2024: \$0.4m) was received from Southern Cross Austereo in October 2025 before ARN disposed of 54% of its investment in SCA.

Other income includes management fees received, rental income and gain on sale and leaseback of properties, and grant income.

## ACCOUNTING POLICY

### Revenue

The Group recognises revenue when control of the service or good passes to the customer, which may occur either at a point in time or over time, depending on the performance obligation. Judgement is required in determining both the timing of revenue recognition and whether revenue is presented on a gross or net basis. Payment terms vary across customer contracts but generally fall within 30 to 90 days from the date of invoice.

The Group generally acts as principal and recognises revenue on a gross basis where it controls the advertising inventory or service prior to transfer and is responsible for delivering the advertising outcome. This includes most radiobroadcasting, digital advertising and production services. In certain arrangements where the Group does not control the underlying service before transfer—such as some podcast, streaming and non-owned radio station placements—the Group acts as agent. In these cases, only the Group's commission or margin is recognised as revenue on a net basis.

Amounts payable to media agencies, including commissions, rebates and incentives, are treated as reductions of revenue where the agency is the customer and there is no distinct services for amounts paid, or recognised net where the Group acts as agent. The treatment is based on the nature of the arrangement and which party controls the underlying advertising service.

# Notes to the Consolidated Financial Statements

## 1.1 Revenue (continued)

### Barter transactions

Barter transactions arise when the Group exchanges advertising airtime or other services for goods or services received from a counterparty, rather than for cash consideration. Barter transactions are recognised only when the fair value of the advertising services provided and the goods or services received can be measured reliably.

Revenue from barter transactions is recognised in accordance with AASB 15 *Revenue from Contracts with Customers* when the Group satisfies its performance obligation by delivering the advertising service, and is measured at the fair value of the advertising services provided. Where available, fair value is assessed using the observable standalone selling prices of comparable advertising inventory, adjusted for internally determined discounts and commercial terms that are consistent with those applied to cash-paying customers.

The cost of goods or services received under barter arrangements is recognised in profit or loss when the related goods or services are consumed or utilised by the Group.

Barter transactions do not result in cash inflows and are presented on a gross basis only where both revenue and the related expense meet the recognition criteria under AASB 15.

The key revenue streams and policies are detailed below:

Type of product/service	Nature and timing of satisfaction of performance obligations
Radio broadcasting revenue	Broadcast revenue is recognised when each advertisement is aired per the contract terms.
Digital revenue	Web revenue is recognised over the time period which the advertisements are displayed. Online radio platforms revenue is recognised at a point in time when each advertisement is aired. Podcast advertising revenue is recognised when advertisements are served. Digital display revenue is recognised at overtime as the advertisement is displayed.
Production service revenue	Production service revenue is provision of talent, creative, and related production activities. Revenue is recognised at a point in time as the service is performed.
Display revenue	Display revenue (Cody) is recognised over the time period which the advertisements are displayed.
Other service revenue	Installation revenue is recognised by reference to stage of completion of the service.

### Contract costs

The Group applies the practical expedient under AASB 15 *Revenue from Contracts with Customers* to expense contract acquisition costs as they are incurred, as the expected costs have an amortisation period of less than 12 months.

### Contract assets

Contract assets relate primarily to the Group's rights to consideration for work completed but not billed at each reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to a customer.

### Contract Liabilities

Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

### Dividend income

Dividend income is recognised in profit or loss when the entity's right to receive the dividend is established, unless it represents a return of capital.

# Notes to the Consolidated Financial Statements

## 1.2 Expenses

	Note	2025 \$'000	2024 \$'000 Restated
Employee benefits expense		121,400	138,741
Talent costs <sup>3</sup>		30,465	20,473
Other expenses <sup>1</sup>		13,039	10,522
Production and distribution expense <sup>2</sup>		19,246	23,654
Professional fees		3,104	4,472
Rental and occupancy expense		8,943	9,436
Selling and marketing expense <sup>2</sup>		41,685	47,401
Software and maintenance costs		6,804	5,565
Travel and entertainment costs		2,285	3,553
<b>Total other expenses</b>		<b>246,971</b>	<b>263,817</b>
Interest on lease liabilities		3,896	3,586
Interest and finance charge		6,633	7,242
Borrowing costs amortisation		168	162
<b>Total finance costs</b>		<b>10,697</b>	<b>10,990</b>
Depreciation on right-of-use assets		5,602	5,792
Depreciation on other assets		7,573	7,255
Amortisation		1,776	1,798
<b>Total depreciation and amortisation</b>		<b>14,951</b>	<b>14,845</b>

<sup>1</sup> Other expenses includes non-operating costs of \$1.8m (2024: \$1.1m income)

<sup>2</sup> During the year ended 31 December 2025, management concluded that production services were distinct and separable. As a result, it should be classified as revenue rather than an expense. This reassessment represents an error under *AASB 8 Accounting Policies, Changes in Accounting Estimates and Errors*. The impact on comparative information is an increase in production and distribution expenses of \$0.1m and selling and marketing expenses of \$9.1m.

<sup>3</sup> Talent costs primarily relate to salaries and wages for on-air talent, including any associated share-based payment expense.

# Notes to the Consolidated Financial Statements

## 1.3 Segment information

### Description of segments

The Group has identified its operating segments based on the internal reports reviewed by the Chief Operating Decision Maker (CODM) in assessing performance and determining the allocation of resources. The Group has determined there was a single operating segment being ARN

Comparative information has been restated to reflect the updated segment structure. This is from continuing operations only.

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Reportable segment	Principal activities
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ARN	Metropolitan and Regional radio networks, on-demand radio, streaming and podcasting (Australia), equity accounted investments including Nova Entertainment (Perth) Pty Ltd and investment in Southern Cross Austereo Media Group Limited (SCA).
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The CODM assesses the performance of the operating segment based on a measure of earnings before interest, tax, depreciation and amortisation (EBITDA) from continuing operations which excludes the effects of significant items such as gains or losses on disposals of businesses and restructuring related costs.

As at 31 December 2025, Cody Outdoor was classified as an asset held for sale. Additionally, Emotive which formed part of the investments segment, was sold on 30 May 2025. These are presented as discontinued operations in note 6.2 and have been excluded from the operating segment disclosure below. The Group's remaining investment in SCA and Corporate segment have subsequently been assumed into the ARN segment. Comparatives have been restated to reflect this change.

# Notes to the Consolidated Financial Statements

## 1.3 Segment information (continued)

### Results by operating segments

The segment information provided to the CODM for the year ended 31 December 2025 is as follows:

2025 \$'000	ARN
<b>Revenue</b>	
Metro	147,260
Regional	110,487
Digital	27,406
<b>Revenue from contracts with customers</b>	<b>285,153</b>
Cost of Sales	(57,820)
Talent costs	(30,465)
<b>Gross Margin</b>	<b>196,868</b>
Share of profits of associates	3,560
Operating expenses excluding talent costs	(154,725)
<b>EBITDA before significant items</b>	<b>45,703</b>
Depreciation and amortisation <sup>A</sup>	(14,951)
Net finance costs	(9,824)
Implementation of software as a service (SaaS) products	-
Restructuring costs <sup>BF</sup>	(12,135)
Property costs	-
Acquisition costs <sup>CF</sup>	(54)
Impairment losses on investments <sup>DF</sup>	(1,597)
Disposal of property <sup>EF</sup>	195
<b>Profit before income tax from continuing operations</b>	<b>7,337</b>
Income tax expense	(1,225)
<b>Profit after tax</b>	<b>6,112</b>

### Summarised statement of cash flows for ARN

	2025 \$'000
Net cash inflows/(outflows) from operating activities	20,381
Net cash inflows/(outflows) from investing activities	17,915
Net cash (outflows) from financing activities	(43,155)
<b>Net increase/(decrease) in cash generated by the division</b>	<b>(4,859)</b>

Explanation of statutory adjustments:

- (A) Consists of depreciation of \$13.2 million and amortisation of \$1.8 million.
- (B) Redundancies and termination costs associated with simplifying and standardising radio operations.
- (C) Our share of SCA acquisition transaction costs associated with the proposed acquisition of SCA.
- (D) Relates to impairment of 3 Keys, FM Facilities and Glam Corner.
- (E) Relates to gain on sale and leaseback of properties.
- (F) These amounts make up significant items of \$13.6m (net \$10m of tax).

# Notes to the Consolidated Financial Statements

## 1.3 Segment information (continued)

2024 Restated \$'000	ARN
<b>Revenue</b>	
Metro	175,615
Regional	115,821
Digital	25,655
<b>Revenue from contracts with customers</b>	<b>317,091</b>
Cost of Sales	(68,226)
Talent costs	(20,473)
<b>Gross Margin</b>	<b>228,392</b>
Share of profits of associates	4,817
Operating expenses excluding talent costs	(170,275)
<b>EBITDA before significant items</b>	<b>62,934</b>
Depreciation and amortisation <sup>A</sup>	(14,845)
Net finance costs	(10,125)
Implementation of software as a service (SaaS) products <sup>B</sup>	(1,982)
Restructuring costs <sup>C</sup>	(3,571)
Property costs <sup>D</sup>	(413)
Acquisition costs <sup>E</sup>	(4,500)
<b>Profit before income tax from continuing operations</b>	<b>27,498</b>
Income tax expense	(8,146)
<b>Profit after tax</b>	<b>19,352</b>

### Summarised statement of cash flows for ARN

	2024 \$'000
Net cash inflows/(outflows) from operating activities	31,179
Net cash inflows/(outflows) from investing activities	(10,373)
Net cash (outflows) from financing activities	(21,038)
<b>Net increase/(decrease) in cash generated by the division</b>	<b>(232)</b>

Explanation of statutory adjustments:

- (A) Consists of depreciation of \$13.0 million and amortisation of \$1.8 million.
- (B) Relates to one off expenditure for new systems implemented.
- (C) Redundancies and termination costs associated with simplifying and standardising radio operations.
- (D) Expenses related to exit from Macquarie Park premises.
- (E) Our share of SCA acquisition transaction costs associated with the proposed acquisition of SCA.

# Notes to the Consolidated Financial Statements

## 1.4 Earnings per share (EPS)

	2025 \$'000	2024 \$'000
<b>a) Reconciliation of earnings used in calculating earnings per share (EPS)</b>		
Profit/(loss) from continuing operations attributable to owners of the parent entity	4,827	16,939
Profit/(loss) from discontinued operations attributable to owners of the parent entity	(39,500)	(13,080)
<b>Profit/(loss) attributable to owners of the parent entity used in calculating basic/diluted EPS</b>	<b>(34,673)</b>	<b>3,859</b>
	<b>Number</b>	<b>Number</b>
<b>b) Weighted average number of shares</b>		
Weighted average number of shares used as the denominator in calculating basic EPS	305,363,680	305,276,304
Adjusted for calculation of diluted EPS:		
Unvested/unexercised rights	1,812,908	840,057
<b>Weighted average number of shares used as the denominator in calculating diluted EPS</b>	<b>307,176,588</b>	<b>306,116,361</b>

## ACCOUNTING POLICY

### Basic earnings per share

Basic earnings per share is determined by dividing:

- the net profit or loss attributable to owners of the Company; by
- the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

### Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account:

- the after-tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

# Notes to the Consolidated Financial Statements

## 2. Operating Assets and Liabilities

### 2.1 Intangible Assets

2025 \$'000	Goodwill	Software	Customer relationships	Digital audio licences	Radio licences	Brands	Total
Cost (net of impairment)	-	5,767	8,311	7,839	299,603	19,558	341,078
Accumulated amortisation	-	(4,552)	(2,078)	(5,409)	-	-	(12,039)
<b>Net book amount</b>	<b>-</b>	<b>1,215</b>	<b>6,233</b>	<b>2,430</b>	<b>299,603</b>	<b>19,558</b>	<b>329,039</b>
Movements							
Opening net book amount	490	1,656	7,272	2,663	299,603	19,558	331,242
Additions	-	63	-	-	-	-	63
Disposals	(490)	-	-	-	-	-	(490)
Transfers and other adjustments	-	-	-	-	-	-	-
Amortisation	-	(504)	(1,039)	(233)	-	-	(1,776)
<b>Closing net book amount</b>	<b>-</b>	<b>1,215</b>	<b>6,233</b>	<b>2,430</b>	<b>299,603</b>	<b>19,558</b>	<b>329,039</b>

2024 \$'000	Goodwill	Software	Customer relationships	Digital audio licences	Radio licences	Brands	Total
Cost (net of impairment)	490	5,704	8,311	7,839	299,603	19,558	341,505
Accumulated amortisation	-	(4,048)	(1,039)	(5,176)	-	-	(10,263)
<b>Net book amount</b>	<b>490</b>	<b>1,656</b>	<b>7,272</b>	<b>2,663</b>	<b>299,603</b>	<b>19,558</b>	<b>331,242</b>
Movements							
Opening net book amount	490	1,610	8,311	2,896	299,603	19,558	332,468
Additions	-	659	-	-	-	-	659
Disposals	-	(244)	-	-	-	-	(244)
Transfers and other adjustments	-	157	-	-	-	-	157
Amortisation	-	(526)	(1,039)	(233)	-	-	(1,798)
<b>Closing net book amount</b>	<b>490</b>	<b>1,656</b>	<b>7,272</b>	<b>2,663</b>	<b>299,603</b>	<b>19,558</b>	<b>331,242</b>

# Notes to the Consolidated Financial Statements

## 2.1 Intangible assets (continued)

### ACCOUNTING POLICY

Summary of other intangible assets

Asset	Useful Life	Amortisation method	Acquired or internally generated
Customer relationships	10 years	Straight-line basis	Acquired
Brand	Indefinite	No amortisation	Acquired
Software	3-10 years	Straight-line basis	Internally generated and acquired
Radio licences	Indefinite	No amortisation	Acquired
Digital audio licences	20 years	Straight-line basis	Acquired

#### Brands

Brands are accounted for as identifiable assets and are brought to account at cost. The Directors have considered the geographic location, legal, technical and other commercial factors likely to impact the assets' useful lives and consider that they have indefinite lives.

Accordingly, no amortisation has been provided against the carrying amount for brands.

#### Customer relationships

Customer relationships represent future income streams attributable to customer relationships. They are accounted for as identifiable assets and carried at cost less accumulated depreciation and any accumulated impairment loss. Amortisation is calculated on a straight-line basis over the useful life of the asset.

#### Software

Costs incurred in developing systems and acquiring software and licences are capitalised. Costs capitalised include materials, services, payroll and payroll related costs of employees involved in development. Amortisation is calculated on a straight-line basis over the useful life of the asset.

Where expenditure relates to Software-as-a-Service (SaaS) arrangements, an assessment is undertaken to determine whether costs can be capitalised.

#### Radio licences

Commercial radio licences were capitalised at cost on initial acquisition. Subsequent renewal costs are expensed as incurred. The licences are considered to have an indefinite useful life, as the Group cannot operate without them and they are renewable every five years under the *Broadcasting Services Act 1992*. There is no foreseeable limit to the period over which they are expected to provide economic benefits. Accordingly, the licences are treated as intangible assets with indefinite useful lives.

#### Digital audio licences

The digital audio licence is accounted for as an identifiable asset and is brought to account at cost. The licence is amortised over the term of the contract on a straight-line basis.

# Notes to the Consolidated Financial Statements

## 2.2 Impairment testing of non-financial assets

### Cash Generating Unit (CGU) Assessment

A cash-generating unit (CGU) is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent from the cash inflows of other assets or groups of assets. The recoverable amount of an asset is determined at the CGU level when it is not possible to estimate the recoverable amount of the individual asset reliably.

For the purposes of impairment testing, management determined that the Group has one CGU. This determination reflects the fact that the cash inflows are highly interconnected and interdependent and are driven by an integrated operating model encompassing shared audiences, content, brands, data, sales capabilities, technology platforms and infrastructure.

The ARN CGU incorporates metropolitan and regional radio networks, on-demand radio, streaming and podcasting in Australia which includes indefinite life intangible assets.

Carrying amount of goodwill and licences allocated to the ARN CGUs is:

	2025 \$'000	2024 \$'000
Goodwill	-	490
Non-amortising intangible assets	319,161	319,161
<b>Total goodwill and indefinite useful life assets</b>	<b>319,161</b>	<b>319,651</b>

### Impairment assessment

The Group performed its annual impairment assessment in December 2025. In assessing indicators of impairment, the Group considered both internal and external factors, including the relationship between its market capitalisation and the carrying value of its net assets. As at 31 December 2025, the Group's market capitalisation of \$125.2 million was below the carrying value of its net assets by \$123.5 million, indicating a potential impairment of intangible assets allocated to the ARN CGU. This indicator, together with ongoing softness in advertising markets, structural shifts in audience consumption and broader macroeconomic uncertainty impacting the media sector, represented indicators of impairment for the ARN CGU.

The Group considered the likely drivers of the market capitalisation deficiency in the context of prevailing market conditions and sector-wide sentiment. Based on the impairment testing performed, the Directors concluded that the fair value less costs of disposal calculations support the carrying value of the ARN CGU as at 31 December 2025, and accordingly no impairment loss was recognised.

### Basis of recoverable amount

The recoverable amount of each CGU has been determined using the fair value less costs of disposal ("FVLCD") methodology. Management has determined that FVLCD provides the most appropriate measure of recoverable amount for ARN, having regard to:

- The nature of the Group's audio and entertainment assets;
- Observable market participant behavior and valuation practices for comparable ASX-listed media and entertainment businesses; and
- The Group's strategic repositioning towards scalable digital audio and streaming platforms.

# Notes to the Consolidated Financial Statements

## 2.2 Impairment testing of non-financial assets (continued)

Fair value represents the price that would be received to sell the CGU in an orderly transaction between market participants at the measurement date. The valuation has been categorised as a Level 3 fair value measurement, reflecting the use of significant unobservable inputs.

Costs of disposal reflect incremental costs directly attributable to the hypothetical sale of a CGU that a market participant would incur, excluding finance costs and income tax.

### Key assumptions

The Group has applied an income-based valuation approach to estimate fair value less costs of disposal (“FVLCD”), whereby forecast post-tax cash flows are discounted to their present value. Operating cash flow projections used in the impairment assessment are based on management’s expectations of future performance, taking into account recent trading outcomes.

The preparation of these projections requires the use of significant judgements and assumptions, which are inherently subjective. This subjectivity is heightened in periods of economic uncertainty, and changes in key assumptions could result in a material change in the recoverable amount of the Group’s assets.

The principal assumptions applied in the cash flow projections include:

- Revenue growth assumptions that incorporate the anticipated recovery in the Metro advertising market and continued digital revenue growth, resulting in a five-year revenue compound annual growth rate (CAGR) of 4.3%;
- Cost of sales and operating expense assumptions that reflect underlying business activity and the expected benefits of productivity and cost-out initiatives, resulting in a five-year compounded EBITDA growth rate (CAGR) of 9.6%; and
- Market demand and operational performance assumptions informed by recent trading results and forward-looking industry expectations.

The cash-flow forecasts used to determine the recoverable amount are derived from management’s Board-approved FY26 budget and ARN’s 2030 Strategy. The forecasts incorporate the following key features:

- FY25 has been treated as a year of transformation and strategic reset, with the period from FY26 to FY30 reflecting stabilisation, recovery and growth, supported by diversification into digital platforms;
- Conservative assumptions have been applied to the recovery in Metro markets, reflecting ongoing macroeconomic and advertising market uncertainty;
- Continued growth in higher margin digital audio and owned streaming products, consistent with the Group’s strategic priorities;
- Transformation and cost-out benefits are phased progressively over the forecast period and have not been accelerated into earlier years; and
- Terminal growth rates are aligned with long-term industry expectations and do not exceed forecast long-term economic growth.

## Notes to the Consolidated Financial Statements

### 2.2 Impairment testing of non-financial assets (continued)

The key assumptions on which management has based its cash flow projections when determining the value in use and fair value less cost of disposal calculations for the ARN CGU are set out below. Management believes that the assumptions applied are reasonable and supportable based on information available at the reporting date; however, actual outcomes may differ from the forecast.

Name of CGU	Dec 2025			Dec 2024		
	Post-tax discount rate	Pre-tax discount rate	Long-term growth rate	Post-tax discount rate	Pre-tax discount rate	Long-term growth rate
ARN	12.25%	17.3%	1.7%	12.25%	17.3%	0.5%

#### Sensitivity analysis

Management have made judgements and estimates in respect of impairment testing of indefinite life intangibles. The impairment assessment is most sensitive to changes in revenue assumptions. Revenue growth assumptions are based on a five-year revenue compound annual growth rate (CAGR) of 4.3% across the explicit forecast period. A decrease of 1% in the assumed revenue growth rate, with all other assumptions held constant, would reduce the recoverable amount by approximately \$90.3 million and would result in the ARN CGU being impaired.

A sustained deterioration in advertising market conditions beyond management's expectations would reduce forecast cash flows and could result in the carrying amount of the CGU exceeding its recoverable amount, assuming no mitigating actions are taken. In practice, management would expect to respond to such conditions through appropriate cost base reductions and operational adjustments. At the reporting date, the recoverable amount of the CGU exceeds its carrying amount by more than \$60 million; however, adverse changes in key assumptions, including lower than forecasted revenue and/or failure to achieve forecast cost efficiencies, could result in an impairment charge in future periods.

The following changes in key assumptions, with all other assumptions remaining constant would trigger impairment:

Assumption	Reduction in headroom \$'000
1.0% reduction in forecasted revenue growth per annum	(90,303)
1.75% increase in the post-tax discount rate	(60,780)

Together any adverse changes in the key assumptions for the ARN CGUs would cumulatively result in an impairment impact.

## ACCOUNTING POLICY

### Impairment

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and whenever there is an indication that they may be impaired. Assets that are subject to amortisation are tested for impairment whenever changes in circumstances indicate that the asset's carrying amount may exceed its recoverable amount. An impairment charge is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (CGUs). Non-financial assets other than goodwill that suffer an impairment are reviewed for possible reversal of the impairment at each reporting date.

## Notes to the Consolidated Financial Statements

### 2.2 Impairment testing of non-financial assets (continued)

#### KEY JUDGEMENTS AND ESTIMATES

The Group assesses other identifiable intangible assets with indefinite useful lives for impairment at least annually, and more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. Other intangible assets are reviewed at each reporting date to assess whether any indicators of impairment exist and, where such indicators are identified, an impairment assessment is performed.

Impairment testing requires the estimation of the recoverable amount of the relevant cash-generating units (CGUs) to which goodwill and other indefinite-life intangible assets are allocated. The recoverable amount is determined using management's best estimates of future cash flows and key assumptions, having regard to historical performance and expected future economic and industry conditions relevant to ARN. Refer above for further details on the key assumptions applied in determining the recoverable amounts.

### 2.3 Property, plant and equipment

2025 \$'000	Freehold land	Buildings	Plant and equipment	Total
Cost	8,405	5,306	85,562	99,273
Accumulated depreciation and impairment	-	(1,003)	(46,048)	(47,051)
Capital works in progress	-	-	1,473	1,473
<b>Net book value</b>	<b>8,405</b>	<b>4,303</b>	<b>40,987</b>	<b>53,695</b>
<b>Movements</b>				
Opening net book amount	10,024	5,835	45,663	61,522
Additions	-	-	4,112	4,112
Depreciation	-	(167)	(7,567)	(7,734)
Transfer to held for sale	-	-	(103)	(103)
Transfers and other adjustments	-	41	(41)	(0)
Disposals	(1,619)	(1,406)	(1,066)	(4,091)
Foreign exchange differences	-	-	(11)	(11)
<b>Closing net book value</b>	<b>8,405</b>	<b>4,303</b>	<b>40,987</b>	<b>53,695</b>

2024 \$'000	Freehold land	Buildings	Plant and equipment	Total <sup>1</sup>
Cost	10,024	6,917	86,246	103,187
Accumulated depreciation and impairment	-	(1,000)	(39,951)	(40,951)
Capital works in progress	-	-	2,784	2,784
Adjustment	-	(82)	(3,416)	(3,498)
<b>Restated net book value<sup>1</sup></b>	<b>10,024</b>	<b>5,835</b>	<b>45,663</b>	<b>61,522</b>
<b>Movements</b>				
Opening net book amount	11,206	7,521	44,724	63,451
Adjustment	-	(83)	(3,415)	(3,498)
<b>Restated net book value<sup>1</sup></b>	<b>11,206</b>	<b>7,438</b>	<b>41,309</b>	<b>59,953</b>
Additions	-	-	12,076	12,076
Depreciation	-	(246)	(7,374)	(7,620)
Transfer to held for sale	(1,140)	(1,447)	(8)	(2,595)
Transfers and other adjustments	(2)	90	(245)	(157)
Disposals	(40)	-	(112)	(152)
Foreign exchange differences	-	-	17	17
<b>Restated Closing net book value</b>	<b>10,024</b>	<b>5,835</b>	<b>45,663</b>	<b>61,522</b>

The Group has no capital commitment as at 31 December 2025 (2024: \$2.1 million).

<sup>1</sup>These numbers have been restated as management's assessment of the acquired PPE from a business combination in 2022 identified a number of assets that were not being depreciated in accordance with the Group's accounting policy. As such, \$3.5m should have been recorded in periods prior to 1 July 2023, which has been corrected as an adjustment to the balances at that time.

# Notes to the Consolidated Financial Statements

## 2.3 Property, plant and equipment (continued)

### ACCOUNTING POLICY

Property, plant and equipment, including leasehold improvements is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

#### Depreciation

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, or, in the case of leasehold improvements, the shorter lease term as follows:

- Land: Indefinite
- Buildings: 20-50 years
- Plant and equipment: 3-30 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the income statement.

#### Impairment of assets

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Assets that are subject to depreciation and amortisation are tested for impairment whenever changes in circumstances indicate that the asset's carrying amount may exceed its recoverable amount. An impairment charge is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Assets that suffer an impairment are reviewed for possible reversal of the impairment at each reporting date.

## Notes to the Consolidated Financial Statements

### 2.4 Leases

As a lessee, the Group leases several assets including property, advertising spaces, motor vehicles and other equipment. The weighted average lease term is 6.5 years (2024: 7.1 years).

#### Right of use assets

2025 \$'000	Property	Motor vehicles	Equipment	Advertising concessions	Total
<b>As at 1 January 2025</b>	<b>63,494</b>	<b>320</b>	<b>278</b>	<b>276,468</b>	<b>340,560</b>
Additions	2,613	-	54	-	2,667
Disposal	(1,946)	-	-	-	(1,946)
Modification/reassessments <sup>1</sup>	(3,549)	-	(18)	1,833	(1,734)
Depreciation expense	(5,722)	(135)	(84)	(27,562)	(33,503)
Foreign exchange differences	(149)	(3)	(2)	(19,785)	(19,939)
Asset Held for Sale	(1,751)	(12)	(58)	(230,954)	(232,775)
<b>As at 31 December 2025</b>	<b>52,990</b>	<b>170</b>	<b>170</b>	<b>-</b>	<b>53,330</b>

2024 \$'000	Property	Motor vehicles	Equipment	Advertising concessions	Total
<b>As at 1 January 2024</b>	<b>59,289</b>	<b>237</b>	<b>38</b>	<b>3,303</b>	<b>62,867</b>
Additions	3,634	230	309	288,131	292,304
Disposal	(2,041)	-	-	(760)	(2,801)
Modification/reassessments <sup>1</sup>	7,384	-	-	-	7,384
Depreciation expense	(4,946)	(149)	(72)	(32,682)	(37,849)
Foreign exchange differences	174	2	3	18,476	18,655
<b>As at 31 December 2024<sup>2</sup></b>	<b>63,494</b>	<b>320</b>	<b>278</b>	<b>276,468</b>	<b>340,560</b>

#### Lease Liability

2025 \$'000	Property	Motor vehicles	Equipment	Advertising concessions	Total
<b>As at 1 January 2025</b>	<b>72,958</b>	<b>323</b>	<b>281</b>	<b>280,311</b>	<b>353,873</b>
Additions	3,099	-	54	1,833	4,986
Disposal	(2,276)	-	-	-	(2,276)
Modification/reassessments <sup>1</sup>	(4,645)	-	(18)	-	(4,663)
Lease payments	(7,220)	(184)	(104)	(57,867)	(65,375)
Interest	3,963	8	14	12,401	16,386
Foreign exchange differences	(137)	(4)	(3)	(19,519)	(19,663)
Asset Held for Sale	(1,465)	(4)	(50)	(217,159)	(218,678)
<b>As at 31 December 2025</b>	<b>64,277</b>	<b>139</b>	<b>174</b>	<b>-</b>	<b>64,590</b>

2024 \$'000	Property	Motor vehicles	Equipment	Advertising concessions	Total
<b>As at 1 January 2024</b>	<b>65,703</b>	<b>234</b>	<b>40</b>	<b>3,415</b>	<b>69,392</b>
Additions	4,393	242	142	289,407	294,184
Disposal	(110)	-	-	-	(110)
Modification/reassessments <sup>1</sup>	6,992	-	200	-	7,192
Lease payments	(7,778)	(167)	(118)	(39,332)	(47,395)
Interest	3,590	12	15	8,085	11,702
Foreign exchange differences	168	2	2	18,736	18,908
<b>As at 31 December 2024</b>	<b>72,958</b>	<b>323</b>	<b>281</b>	<b>280,311</b>	<b>353,873</b>

<sup>1</sup> The movement primarily relates to reassessment of lease terms and changes to lease payments arising from market rent reviews and CPI.

<sup>2</sup> The Group has applied consistent accounting policies year on year. Prior-period comparative information has been reclassified between property and motor vehicles to align with the current year presentation, with no impact on profit or equity.

# Notes to the Consolidated Financial Statements

## 2.4 Leases (continued)

	2025 \$'000	2024 \$'000
Current	3,337	50,987
Non-current	61,253	302,886
<b>Total lease liabilities</b>	<b>64,590</b>	<b>353,873</b>

## ACCOUNTING POLICY

The Group leases properties, transmission sites, advertising spaces, motor vehicles and other equipment, with lease terms typically ranging from 2-20 years. The Group has only taken the option to extend lease terms only for critical sites where it is reasonably certain the option will be exercised.

Lease terms are negotiated on an individual basis and therefore vary in their commercial terms and conditions. Lease agreements do not impose covenants other than security interests held by the lessor over the leased assets, and the Group is prohibited from using leased assets as security for its own borrowing arrangements.

### Recognition and measurement

The Group recognises a right-of-use (ROU) asset and a lease liability at the commencement of each lease. ROU assets are initially measured at cost, comprising the initial lease liability, lease incentives received, initial direct costs and estimated restoration obligations. ROU assets are subsequently depreciated on a straight-line basis over the lease term and carried at cost less accumulated depreciation and impairment.

Lease liabilities are initially measured at the present value of future lease payments and subsequently measured at amortised cost using the effective interest method.

## KEY JUDGEMENTS AND ESTIMATES

### Impairment of Right-of-Use Assets

The Group assesses at the end of each period whether there is any indication that tangible and intangible assets may be impaired. If any such indication exists, the Group estimates the recoverable amount of the net asset of the cash generating unit.

### Lease Term assessment

Determining the lease term requires judgement where extension or termination options exist. Extension periods are included only when it is reasonably certain that the option will be exercised, considering factors such as the strategic importance of the site, operational requirements and the availability of alternative locations.

The maturity analysis of lease liabilities is disclosed in Note 3.3.

## Notes to the Consolidated Financial Statements

### 2.4 Leases (continued)

#### Incremental borrowing rate

The Group applies its incremental borrowing rate (IBR) to discount all lease payments. The IBR reflects the rate the Group would be required to pay to borrow funds for an asset of similar value over a similar term, considering credit risk, lease term, currency and security. The determination of the IBR is informed by recent external financing arrangements, market-based risk-free rates, and lease-specific adjustments based on available observable data.

#### Non-lease component

Lease contracts may contain both lease and non-lease components. Consideration is allocated between these components based on their relative stand-alone prices. Only lease components are included in the measurement of the lease liability. Non-lease components—such as outgoings, service charges and variable payments not linked to an index or rate—are expensed as incurred.

#### Remeasurement

Lease liabilities are remeasured when changes occur in the underlying lease assumptions, including revisions to lease payments arising from changes in an index or rate, or changes in management's assessment of extension or termination options. Corresponding adjustments are made to the carrying amount of the related ROU asset.

#### Short term and Low-value Leases

The Group applies the AASB 16 exemptions for short-term leases (with a lease term of 12 months or less) and low-value assets. Such leases are not recognised on the balance sheet, and lease payments are expensed on a straight-line basis over the lease term.

### 2.5 Provisions

	2025 \$'000	2024 \$'000
<b>Current</b>		
Employee benefits	9,090	9,884
Make good	16	56
<b>Total current provisions</b>	<b>9,106</b>	<b>9,940</b>
<b>Non-current</b>		
Employee benefits	1,479	2,069
Make good	8,110	7,993
<b>Total non-current provisions</b>	<b>9,589</b>	<b>10,062</b>

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	Make good \$'000	Other \$'000	Total \$'000
<b>2025</b>			
Carrying amount at beginning of the year	8,049	-	8,049
Additional amounts recognised	603	-	603
Amounts used	(199)	-	(199)
Reversal	(327)	-	(327)
Foreign exchange differences	-	-	-
<b>Carrying amount at end of the year</b>	<b>8,126</b>	<b>-</b>	<b>8,126</b>

# Notes to the Consolidated Financial Statements

## 2.5 Provisions (continued)

	Make good \$'000	Other \$'000	Total \$'000
<b>2024</b>			
Carrying amount at beginning of the year	9,818	1,046	10,864
Additional amounts recognised	263	-	263
Amounts used	(1,782)	(1,000)	(2,782)
Reversal	(284)	(46)	(330)
Foreign exchange differences	34	-	34
<b>Carrying amount at end of the year</b>	<b>8,049</b>	<b>-</b>	<b>8,049</b>

## ACCOUNTING POLICY

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave, and long service leave, in respect of employees' services up to the reporting date expected to be settled wholly within 12 months from the reporting date are measured at the amounts expected to be paid when settled.

Liabilities for annual leave and long service leave not expected to be settled wholly within 12 months after the end of the reporting date are measured as the present value of expected future payments to be made. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds rates with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer settlement for 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

### Make good

The Group will recognise a make good provision when they are included in lease agreements for which the Group has a legal or constructive obligation. The present value of the estimated costs of dismantling and removing the assets and restoring the site is recognised as a provision.

These costs have been capitalised to right of use assets and property, plant and equipment and are amortised over the shorter of the term of the lease and the useful life of the assets.

At each reporting date, the liability is remeasured in line with changes in discount rates, estimated cash flows and the timing of those cash flows.

# Notes to the Consolidated Financial Statements

## 2.6 Trade and other payables

	2025 \$'000	2024 \$'000 <sup>1</sup>
<b>Trade and other payables</b>		
Trade payables	8,773	5,435
Accrued expenses and other payables	19,288	29,264
<b>Total trade and other payables</b>	<b>28,061</b>	<b>34,699</b>

<sup>1</sup>Comparative figures include discontinued operations.

## ACCOUNTING POLICY

Trade and other payables represent liabilities for goods and services provided to the Group prior to the reporting date that remain unpaid. These amounts are unsecured and are recognised at their nominal amounts. Trade payables arise in the normal course of business and are typically settled in accordance with standard supplier payment terms of 30-60days.

### Accrued expenses

Accrued expenses represent obligations for goods or services received by the Group before the reporting date for which invoices have not yet been issued. They are recognised when a present obligation exists and the amount can be reliably estimated. Accrued expenses are measured at their estimated settlement amount, are unsecured, and are expected to be settled in the normal course of business. They are classified as current liabilities as they fall due within the Group's operating cycle.

## 3. Capital management

### 3.1 Bank loans

	2025 \$'000	2024 \$'000
<b>Non-current bank loans</b>		
Bank loans – unsecured	74,000	101,000
<b>Total non-current bank loans <sup>1</sup></b>	<b>74,000</b>	<b>101,000</b>
Deduct:		
Borrowing costs	2,929	2,515
Accumulated amortisation	(2,327)	(2,162)
<b>Net borrowing costs</b>	<b>602</b>	<b>353</b>
<b>Total non-current interest-bearing liabilities <sup>(1)</sup></b>	<b>73,398</b>	<b>100,647</b>
Net debt <sup>(1)</sup>		
Non-current bank loans	73,398	100,647
Net borrowing costs	602	353
Cash and cash equivalents	(10,239)	(18,548)
Short term deposits	-	(208)
<b>Net debt</b>	<b>63,761</b>	<b>82,244</b>

<sup>1</sup>The Group's loan facilities do not expire until after December 2028. Interest rates during the year range from 5.46% to 6.62%.

## Notes to the Consolidated Financial Statements

### 3.1 Bank loans (continued)

	2025 \$'000	2024 \$'000
<b>As at 1 January</b>	<b>101,000</b>	<b>94,000</b>
Drawdowns	68,000	109,000
Repayments	(95,000)	(102,000)
<b>As at 31 December</b>	<b>74,000</b>	<b>101,000</b>

The Group's debt facilities have a maximum leverage covenant of 3.25 times and a minimum interest cover covenant of 3.0 times. As at 31 December 2025, the leverage ratio was 2.41 times and the interest cover ratio was 4.44 times. Management do not expect a breach of covenants within the next 12 months.

#### (A) Capital Risk Management

The Group is focused on safeguarding its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and maintains an optimal capital structure to reduce its cost of capital.

In order to maintain an optimal capital structure, the Group may:

1. adjust dividends paid to shareholders;
2. return capital to shareholders;
3. issue new shares; or
4. sell assets to reduce debt.

#### (B) Standby arrangements and credit facilities

	2025 \$'000	2024 \$'000
<b>Entities in the Group have access to:</b>		
Loan facilities <sup>(1)</sup>		
Unsecured bank loan facilities	140,000	200,698
Amount of facility utilised <sup>(2)</sup>	(74,000)	(136,538)
<b>Amount of available facility</b>	<b>66,000</b>	<b>64,160</b>
Overdraft facilities		
Unsecured bank overdraft facilities	1,000	1,000
<b>Amount of available facility</b>	<b>1,000</b>	<b>1,000</b>

(1) Pertaining to the revolving cash advance facility.

(2) Relating to bank loans, excludes bank guarantees. \$32.5m of bank guarantees has been utilised as at 31 December 2025. FY24 comparatives include bank guarantees.

## ACCOUNTING POLICY

Interest bearing liabilities are initially recognised at fair value less attributable transaction costs and subsequently measured at amortised cost. Any difference between cost and redemption value is recognised in the income statement over the period of the borrowing on an effective interest basis.

Costs incurred in connection with the arrangement of borrowings are deferred and amortised over the period of the borrowing. These are shown on a net basis with bank loans on the balance sheet.

# Notes to the Consolidated Financial Statements

## 3.2 Cash Flow Information

### Reconciliation of cash

	2025 \$'000	2024 \$'000
<b>Cash at end of the year, as shown in the statement of cash flows, comprises:</b>		
Cash at bank and on hand from continuing operations	10,239	12,560
Cash at bank and on hand from discontinued operations	4,448	5,988
The below reconciliation relates to both continuing and discontinued operations.		
Reconciliation of loss for the year to net cash inflows from operating activities:		
Profit/(loss) for the year	(33,457)	6,243
Depreciation and amortisation	43,605	49,720
Borrowing costs amortisation	172	165
Share of profits of associate and joint ventures	(3,560)	(4,817)
Other non-cash items	974	(46)
Share-based payments expense	1,035	(6)
Net (gain) on sale of non-current assets	2,552	(260)
Changes in assets and liabilities net of effect of acquisitions and changes in accounting policy:		
Decrease/(Increase) in receivables	12,017	(11,129)
(Increase)/decrease in other assets	39	800
(Decrease)/Increase in current tax / deferred tax liabilities	(6,806)	7,701
Increase in provisions and accruals	48,543	1,917
<b>Net cash inflows from operating activities</b>	<b>65,114</b>	<b>50,288</b>

## ACCOUNTING POLICY

For the purposes of presentation on the statement of cash flows, cash and cash equivalents include cash on hand and deposits held at call with financial institutions, net of bank overdrafts, with maturities 90 days or less.

## 3.3 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and foreign exchange risk), credit risk and liquidity risk.

The Group's overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and foreign exchange risk and ageing analysis for credit risk.

Financial risk management is carried out by the Group Treasury function under policies approved by the Board of Directors. The policies provide principles for overall risk management, as well as covering specific areas, such as interest rate risk, foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### (A) Market risk

#### (i) Cash flow and fair value interest rate risk

The Group is exposed to interest rate risk through its long-term borrowings issued at variable rates as well as through its cash and cash equivalents balance. Based on the outstanding net debt as at 31 December 2025, a change in interest rates of +/- 1% per annum with all other variables being constant would impact equity and post-tax profit by \$0.5 million lower/higher.

# Notes to the Consolidated Financial Statements

## 3.3 Financial risk management (continued)

### (ii) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. Individual transactions are assessed, and forward exchange contracts are used to hedge the risk where deemed appropriate.

While the Group has assets and liabilities in multiple currencies, individual entities in the Group do not have a significant foreign exchange exposure to receivables or payables in currencies that are not their functional currency.

### (B) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Group credit risk principally arises from customer receivables, cash and cash equivalents, short-term deposits with banks and financial institutions and financial guarantees (refer to note 6.1 for details).

For banks and financial institutions, credit worthiness is assessed prior to entering into arrangements and approved by the Board.

For customer receivables, the maximum exposure to credit risk at the reporting date is the higher of the carrying value and fair value of each receivable. Risk control involves the assessment of the credit quality, taking into account financial position, past experience and other factors. The utilisation of credit limits is regularly monitored.

Where appropriate, the Group undertakes all of its transactions in foreign exchange with financial institutions.

### Impairment of financial assets – trade receivables

The Group applies the AASB 9 *Financial Instruments* simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the ECL rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The carrying amount of receivables as at reporting date was as follows:

	2025 \$'000	2024 \$'000
Trade receivables	47,188	75,808
Loss allowance	(616)	(510)
Net trade receivables	46,572	75,298
Contract assets	304	308
Other receivables	2,184	2,214
<b>Total receivables</b>	<b>49,060</b>	<b>77,820</b>

The loss allowance determined for trade receivables as at 31 December 2025 and 31 December 2024 is as follows:

	2025 \$'000	2024 \$'000
Opening loss allowance as at 1 January	510	641
Expected credit losses recognised in profit or loss	1,679	197
Receivables written off as uncollectible	(1,573)	(328)
<b>Closing loss allowance</b>	<b>616</b>	<b>510</b>

# Notes to the Consolidated Financial Statements

## 3.3 Financial risk management (continued)

The aging of trade receivables that were not impaired at the end of the reporting date was as follows:

	2025	2024
	\$'000	\$'000
Current	43,120	62,655
31-60 Days	2,823	5,875
61-90 Days	442	5,227
90+ Days	803	2,051
<b>Total trade receivables</b>	<b>47,188</b>	<b>75,808</b>

## ACCOUNTING POLICY

Trade receivables are generally settled within 30 to 90 days and therefore classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. Due to their short-term nature, the carrying value represents fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The Group applies the simplified approach under AASB 9 in measuring expected credit losses for trade receivables and recognises a loss allowance at an amount equal to lifetime expected credit losses at each reporting date. Expected credit loss rates are determined using historical write-off experience over a three-year period and comparable industry data, adjusted for forward-looking macroeconomic information that may affect the ability of debtors to settle outstanding balances. Loss allowances are recognised in profit or loss.

The expected credit loss for trade receivables for 2025 was as follows:

Ageing days of trade receivables	2025 Expected Credit Loss
0-30 Days	0.16%
31-60 Days	0.22%
61-90 Days	2.30%
90+ Days	100%

## Notes to the Consolidated Financial Statements

### 3.3 Financial risk management (continued)

#### (C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available. Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flows. The Group has \$74.0 million in undrawn facilities at 31 December 2025, please refer to note 3.1 for more information.

The tables below analyse the Group's financial liabilities, including interest to maturity into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows.

		Less than one year	Between one and two years	Between two and five years	Over five years
2025	Note	'000	\$'000	\$'000	\$'000
Non-derivative financial liabilities					
Payables		28,061	-	-	-
Bank loans	3.1	4,225	4,225	78,086	-
Lease liabilities	2.4	7,142	7,045	16,673	67,652
<b>Total non-derivatives</b>		<b>39,428</b>	<b>11,270</b>	<b>94,759</b>	<b>67,652</b>
Less: interest		(4,225)	(4,225)	(4,086)	-
<b>Total financial liabilities</b>		<b>35,203</b>	<b>7,045</b>	<b>90,673</b>	<b>67,652</b>

		Less than one year	Between one and two years	Between two and five years	Over five years
2024	Note	'000	\$'000	\$'000	\$'000
Non-derivative financial liabilities					
Payables		34,699	-	-	-
Bank loans	3.1	6,582	6,582	101,577	-
Lease liabilities	2.4	70,143	70,386	197,034	98,076
<b>Total non-derivatives</b>		<b>111,424</b>	<b>76,968</b>	<b>298,611</b>	<b>98,076</b>
Less: interest		(6,582)	(6,582)	(559)	-
<b>Total financial liabilities</b>		<b>104,842</b>	<b>70,386</b>	<b>298,052</b>	<b>98,076</b>

### 3.4 Fair value measurements

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; and
- financial assets at fair value through other comprehensive income.

#### Fair value hierarchy

AASB 13 Fair Value Measurement 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 Financial Statements

### 3.4 Fair value measurements (continued)

#### (A) Recognised fair value measurements

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value:

		Level 1	Level 2	Level 3	Total
	Note	\$'000	\$'000	\$'000	\$'000
<b>2025</b>					
<i>Recurring fair value measurements</i>					
Financial assets:					
Financial assets at fair value through profit and loss	5.3	-	5,434	534	5,968
Financial assets at fair value through other comprehensive income	5.3	12,937	-	-	12,937
<b>Total financial assets</b>		<b>12,937</b>	<b>5,434</b>	<b>534</b>	<b>18,905</b>
<b>2024</b>					
<i>Recurring fair value measurements</i>					
Financial assets:					
Financial assets at fair value through profit and loss	5.3	-	5,144	849	5,993
Financial assets at fair value through other comprehensive income	5.3	21,306	-	-	21,306
<b>Total financial assets</b>		<b>21,306</b>	<b>5,144</b>	<b>849</b>	<b>27,299</b>

During 2024, the Group entered into a convertible note arrangement for \$5.0 million with Airtasker Limited (ASX: ART). Refer to note 5.3 for more information. The Group has designated the financial asset as fair value through profit and loss. As the convertible note will be settled in cash or equity at the discretion of Airtasker, the fair value of the note is determined by reference to the initial finance asset recognised and finance income earned.

The Group purchased shares in Southern Cross Media Limited (SCA) during 2023 for \$38.9 million (including transaction costs). The shares are held at fair value through other comprehensive income. As SCA is listed on the Australian Stock Exchange, the fair value of the shares is determined by reference to the quoted price. The investment is revalued at each reporting period. On 4 December 2025, ARN sold 54% (19.1m shares) of their shareholding in SCA for a share price of \$0.75. The total sale price including transaction costs was \$14.3m. A \$5.9m gain was recognised in the Consolidated Statement of Comprehensive Income.

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 the 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 bank loans approximates the carrying amount.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The level 3 inputs used by the Group are derived and evaluated as follows:

The fair value of lease liabilities disclosed in Note 2.4 is estimated by discounting the minimum lease payments at the Group's incremental borrowing rate. For the period ended 31 December 2025, the borrowing rates were determined to be between 3.3% and 8.0% per annum, depending on the type of lease.

There were no other material level 3 fair value movements during the year.

# Notes to the Consolidated Financial Statements

## 3.5 Contributed Equity

	2025 \$'000	2024 \$'000
Issued and paid up share capital	1,544,039	1,544,039

### (A) Movements in contributed equity during the financial year

	2025 Number shares	2024 Number shares	2025 \$'000	2024 \$'000
Balance at beginning of the year	313,050,373	313,050,373	1,544,039	1,544,039
Issue of ordinary shares	-	-	-	-
<b>Balance at end of the year</b>	<b>313,050,373</b>	<b>313,050,373</b>	<b>1,544,039</b>	<b>1,544,039</b>

### (B) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, attorney or corporate representative is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## 3.6 Share-based payments

### Key management personnel schemes

The Group had the below incentive schemes for its key management personnel during the financial year.

	2024 TIP	Retention Scheme	2025 STI	2024 LTI
Grant date	13 March 2024	14 May 2024	8 May 2025 – 29 September 2025	5 May 2025
Award Type	Performance Rights	Performance Rights	Performance Rights	Performance Rights
Performance Period	1 January 2024 – 31 December 2024	1 January 2024 – 31 December 2025	1 January 2025 – 31 December 2025	1 January 2025 – 31 December 2027
Valuation methodology	Market-based valuation	Market-based valuation	Market-based valuation	Market-based valuation
Participants	Ciaran Davis	Ciaran Davis	All KMPs during the year	All KMPs during the year
2025 expense recognised	\$59,925	\$303,021	\$18,807	\$157,269

Refer to the Remuneration Report for further details.

### 2025 STI scheme

Under the scheme, key management personnel are granted performance rights, with 75% of the award settled in cash and 25% settled in equity, subject to the achievement of financial targets and individual key performance indicators. The cash-settled component is recognised as a liability. The carrying amount of this liability as at 31 December 2025 was \$155,896.

## Notes to the Consolidated Financial Statements

### 3.6 Share-based payments (continued)

The expense recognised for employee services received during the year is shown below:

	2025 \$'000
Expense arising from equity settled share- based payments transactions	19
Expense arising from cash settled share-based payments transactions	156
<b>Total expense arising from share-based payment transactions</b>	<b>175</b>

### Talent awards

As announced in November 2023, the Group entered into new long-term talent contracts with Kyle and Jackie O and Christian O'Connell. The contracts commenced in January 2025 and expire in December 2034 and December 2029, respectively. The vesting period of the share-based payment awards aligns with the term of the respective contracts.

In connection with these arrangements, 6.3m shares were granted to Kyle and Jackie O and 1.2m shares were granted to Chris O'Connell. The share-based payment awards are measured at fair value at the grant date using a market-based valuation methodology and are expensed on a straight-line basis over the vesting period, with a corresponding increase in equity.

For the financial year ended 31 December 2025, an expense of \$800,000 (2024: \$nil) has been recognised as talent costs in the Consolidated Statement of Comprehensive Income in respect of these share-based payment arrangements.

The movement in the number of rights during the year for all incentives schemes are disclosed below:

	2025 Number of rights	2024 Number of rights
As at 1 January	8,970,534	7,955,642
Awarded	3,193,530	1,113,139
Exercised	(285,413)	(132,087)
Other changes	(2,503,553) <sup>1</sup>	33,840
<b>Balance at end of the year</b>	<b>9,375,098</b>	<b>8,970,534</b>

<sup>1</sup> These relate to forfeited or cancelled performance rights.

Share rights outstanding at the end of the year have the following vesting date:

Incentive plan	Vesting date	Weighted average fair value	Number of rights	
			2025	2024
2023 TIP and incentive award	31-Dec-24	\$1.16	-	285,413
2024 TIP and incentive award	31-Dec-25	\$0.84	116,219	116,219
Retention scheme incentive	31-Dec-25	\$0.86	553,692	1,006,712
Talent awards	31-Dec-29	\$0.81	1,239,858	1,239,858
Talent awards	31-Dec-34	\$0.95	6,322,332	6,322,332
2025 STI award	31-Dec-26	\$0.49	76,763	-
2025 LTI award	31-Dec-27	\$0.49 - \$0.59	1,066,234	-
<b>Balance at end of the year</b>			<b>9,375,098</b>	<b>8,970,534</b>

## Notes to the Consolidated Financial Statements

### 3.6 Share-based payments (continued)

#### ACCOUNTING POLICY

The Group provides share-based compensation to employees under its Short-Term Incentive (STI), Long-Term Incentive (LTI) and Talent incentive plans, delivered through share rights.

The fair value of rights is measured at grant date using the closing share price and recognised as an employee benefits expense over the relevant vesting period, with a corresponding credit to equity. Market-based vesting conditions are incorporated into the fair value measurement. Non-market conditions are reflected through the estimate of rights expected to vest.

At each reporting date, the Group updates its estimate of the number of rights expected to vest. Any revisions are recognised under employee benefits expense, with a corresponding adjustment to equity.

Cash-settled share-based payment arrangements are measured at fair value at the grant date and remeasured at fair value at each reporting date until the liability is settled. A corresponding liability is recognised in the statement of financial position.

The fair value of cash-settled share-based payment awards is expensed over the vesting period on a straight-line basis, with changes in fair value recognised in profit or loss. The liability is derecognised upon settlement.

### 3.7 Reserves and Accumulated Losses

	2025 \$'000	2024 \$'000
Reserves		
Foreign currency translation reserve	805	1,162
Share-based payments reserve	9,719	8,387
Investment revaluation reserve	(6,117)	(17,555)
Transactions with non-controlling interests reserve	(53,283)	(53,283)
Treasury shares reserve	(2,165)	(1,917)
<b>Total reserves</b>	<b>(51,041)</b>	<b>(63,206)</b>
Foreign currency translation reserve		
Balance at beginning of the year	1,162	806
Net exchange difference on translation of foreign operations	(357)	356
<b>Balance at end of the year – foreign current translation reserve</b>	<b>805</b>	<b>1,162</b>
Share-based payments reserve		
Balance at beginning of the year	8,387	8,039
Share-based payments expense	1,332	348
<b>Balance at end of the year – share based payments reserve</b>	<b>9,719</b>	<b>8,387</b>
Investment revaluation reserve		
Balance at beginning of the year	(17,555)	(3,530)
Fair value adjustment on financial assets	5,902	(14,025)
Sale of shares in investment	5,536	-
<b>Balance at end of the year - Investment revaluation reserve</b>	<b>(6,117)</b>	<b>(17,555)</b>
Transactions with non-controlling interest reserve		
Balance at beginning of the year	(53,283)	(53,283)
<b>Balance at end of the year</b>	<b>(53,283)</b>	<b>(53,283)</b>
Treasury shares reserve		
Balance at beginning of the year	(1,917)	(1,679)
Acquisition of treasury shares	(248)	(238)
<b>Balance at end of the year</b>	<b>(2,165)</b>	<b>(1,917)</b>

# Notes to the Consolidated Financial Statements

## 3.7 Reserves and Accumulated Losses (continued)

### Nature and purpose of reserves

#### Foreign currency translation reserve

Exchange differences arising on translation of any foreign controlled entities are recognised in other comprehensive income and the foreign currency translation reserve as described in note 6.5.

#### Share-based payments reserve

The share-based payments reserve is used to recognise the fair value of performance rights issued but not yet vested as described in note 3.6.

#### Investment revaluation reserve

The investment revaluation reserve is used to recognise the fair value of shares in other entities that are measured at fair value through other comprehensive income. Refer to note 5.3 for more information.

#### Transactions with non-controlling interest reserve

The transactions with non-controlling interests reserve is used to record the differences described in note 5.2 which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

#### Treasury shares reserve

The treasury shares reserve is used to recognise the value of shares purchased by the Trust.

APN News & Media Employee Share Trust (Trust), a controlled entity, was established in 2017. The Trust purchased 461,388 (2024: 285,513) additional shares in the Company. Employees were issued 855,749 shares during the year (2024: nil). The total shareholding in the Company as at 31 December 2025 was 878,888 shares at an average price of \$0.57 (2024: 1,273,249 shares at \$1.51). This shareholding is disclosed as treasury shares and deducted from equity.

Performance rights that relate to the 2024 TIP have vested and converted into shares.

### Accumulated losses

Movement in accumulated losses are as follows:

	2025 \$'000	2024 \$'000 Restated <sup>1</sup>
Balance at beginning of the year <sup>1</sup>	(1,229,195)	(1,218,027)
Profit/(loss) attributable to owners of the parent entity	(34,673)	3,859
Dividends paid to shareholders	(7,200)	(15,027)
Other Comprehensive loss - Transfers within equity	(5,536)	-
<b>Balance at end of the year</b>	<b>(1,276,604)</b>	<b>(1,229,195)</b>

<sup>1</sup> Opening accumulated losses have been restated to show the impact to retained earnings of aligning the property, plant and equipment with ARNs useful life accounting policy. Refer to Note 2.3 for further details.

## 3.8 Dividends

	2025 \$'000	2024 \$'000
Final dividend for year ended 31 December 2024 of 1.1 cents per share, fully franked paid on 28 March 2025 (Dividend for the year ended 31 December 2024: 3.6 cents per share, paid 22 March 2024)	3,444	11,270
Paid in cash	3,444	11,270
Interim dividend for the year ended 31 December 2025 a fully franked interim dividend of 1.2 cents per share fully franked, paid 25 September 2025 (2024: 1.2 cents per share, paid 23 September 2024)	3,756	3,757
Paid in cash	3,756	3,757
<b>Total dividends</b>	<b>7,200</b>	<b>15,027</b>
<b>Franking credit balance available as at 31 December (at 30% corporate tax rate)</b>	<b>101,111</b>	<b>95,298</b>

# Notes to the Consolidated Financial Statements

## 4. Taxation

### 4.1 Income Tax and Deferred Tax

#### (A) Income tax

	2025 \$'000	2024 \$'000
Current tax expense	3,627	11,319
Deferred tax benefit	(1,744)	(3,130)
Adjustment for current tax of prior periods	(715)	134
<b>Income tax expense</b>	<b>1,168</b>	<b>8,323</b>
Profit/(loss) before income tax expense/benefit from continuing operations	7,337	27,498
Profit/(loss) before income tax expense/ benefit from a discontinued operation	(39,513)	(12,932)
<b>Profit/(loss) before income tax expense/ (benefit)</b>	<b>(32,176)</b>	<b>14,566</b>
Prima facie income tax at 30%	(9,653)	4,370
Difference in overseas tax rates	5,322	2,083
Unrecognised tax losses from discontinued operations	6,505	2,547
Share of profits of associates	(1,068)	(1,445)
Adjustment for current tax of prior periods	(715)	134
Other	777	634
<b>Income tax expense</b>	<b>1,168</b>	<b>8,323</b>
Income tax expense reported in the statement of profit or loss	1,225	8,146
Income tax attributable to a discontinued operation	(57)	177
<b>Income tax expense</b>	<b>1,168</b>	<b>8,323</b>

#### Capital Losses – Australia

As at 31 December 2025, ARN is carrying forward \$180.1 million in capital losses (31 December 2024: \$182.3 million). These are subject to the usual loss carry forward rules regarding change of ownership and same business test.

Assuming various rules are met, these capital losses should be available to shelter future capital gains. No deferred tax asset is recorded for these capital losses as they may only be utilised in the event of capital gains, and it is not currently probable there will be capital gains against which the losses will be utilised.

## ACCOUNTING POLICY

AASB Interpretation 23 Uncertainty over Income Tax Treatments explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method best predicts the resolution of the uncertainty; and
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

# Notes to the Consolidated Financial Statements

## 4.1 Income Tax and Deferred Tax (continued)

### (B) Deferred tax assets and liabilities

2025	Balance 1 Jan 2025 \$'000	Recognised in profit or loss \$'000	Recognised in equity \$'000	Other movements \$'000	Balance 31 Dec 2025 \$'000
Employee benefits	3,506	(684)	-	-	2,822
Doubtful debts	144	40	-	-	184
Accruals/ restructuring	6,780	471	-	39	7,290
Intangible assets	(97,930)	312	-	-	(97,618)
Depreciation	(85)	525	-	(60)	380
Right-of-use assets	(18,576)	2,585	-	-	(15,991)
Lease liabilities	21,427	(2,060)	-	-	19,367
Investments accounted for using the equity method	(7,995)	4	-	(82)	(8,073)
Other	(1,539)	547	-	86	(906)
	<b>(94,268)</b>	<b>1,740</b>	-	<b>(17)</b>	<b>(92,545)</b>

2024	Balance 1 Jan 2024 \$'000	Recognised in profit or loss \$'000	Recognised in equity \$'000	Other movements \$'000	Balance 31 Dec 2024 \$'000
Employee benefits	3,741	(235)	-	-	3,506
Doubtful debts	188	(44)	-	-	144
Accruals/ restructuring	5,241	1,483	-	56	6,780
Intangible assets	(98,242)	312	-	-	(97,930)
Depreciation	(265)	195	-	(15)	(85)
Right-of-use assets	(18,801)	225	-	-	(18,576)
Lease liabilities	19,540	1,887	-	-	21,427
Investments accounted for using the equity method	(8,075)	80	-	-	(7,995)
Other	(694)	(773)	3	(75)	(1,539)
	<b>(97,367)</b>	<b>3,130</b>	<b>3</b>	<b>(34)</b>	<b>(94,268)</b>

The Group did not recognise a deferred tax asset in FY25 in respect of Cody tax losses carried forward (2024: \$9.0 million) as the investment has been classified as discontinued operation.

## ACCOUNTING POLICY

The income tax expense for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and also adjusted for unused tax losses utilised in the year.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

## Notes to the Consolidated Financial Statements

### 4.1 Income Tax and Deferred Tax (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those enacted tax rates applicable to each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Temporary differences in relation to indefinite life intangible assets are determined in line with reference to their respective capital gains tax bases in respect of assets for which capital gains tax will apply.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised in other comprehensive income are also recognised in other comprehensive income.

The Company and its wholly owned Australian controlled entities are part of a tax-consolidated group under Australian taxation law. ARN Media Limited is the head entity in the tax-consolidated group. The wholly owned Australian subsidiaries acquired as part of the acquisition of ARN Regional entered the tax consolidated group in 2022, of which the ARN is the head entity, in accordance with Australian taxation law. Entities within the tax-consolidated group have entered into a tax funding arrangement and a tax sharing agreement with the head entity. Under the terms of the tax funding arrangement, ARN Media Limited and each of the other entities in the tax-consolidated group have agreed to pay (or receive) a tax equivalent payment to (or from) the head entity, based on the current tax liability or current tax asset of the entity. Each entity in the tax-consolidated group measures its current and deferred taxes as if it continued to be a separate taxable entity in its own right.

Judgement is required in relation to the recognition of carried forward tax losses as deferred tax assets. The Group assesses whether there will be sufficient future taxable profits to utilise the losses based on a range of factors, including forecast earnings and whether the unused tax losses resulted from identified causes which are unlikely to recur.

# Notes to the Consolidated Financial Statements

## 5. Group Structure

### 5.1 Controlled Entities

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities in accordance with the accounting policy described in note 6.5.

Name of entity	Country of incorporation/ establishment	% Equity holding	
		2025 %	2024 %
5AD Broadcasting Company Pty Ltd <sup>1</sup>	Australia	100	100
Ambersky Pty. Limited <sup>1,2,3</sup>	Australia	100	100
AMI Radio Pty Limited <sup>1,2,3</sup>	Australia	100	100
APN News & Media Employee Share Trust	Australia	100	100
ARN Adelaide Pty Ltd <sup>1</sup>	Australia	100	100
ARN Brisbane Pty Ltd <sup>1,2</sup>	Australia	100	100
ARN Broadcasting Pty Ltd <sup>1</sup>	Australia	100	100
ARN Communications Pty Ltd <sup>1,2</sup>	Australia	100	100
ARN Limited Partnership	Australia	100	100
ARN New Zealand Pty. Limited <sup>1,2</sup>	Australia	100	100
ARN Overseas Pty. Limited <sup>1,2</sup>	Australia	100	100
ARN Perth Pty Limited <sup>1</sup>	Australia	100	100
ARN Regional Pty Ltd <sup>1,2,3</sup>	Australia	100	100
ARN South Australia Pty Limited <sup>1,4</sup>	Australia	100	100
Australian Radio Network Pty Limited <sup>1,2</sup>	Australia	100	100
Bass Radio Pty Limited <sup>1,2,3</sup>	Australia	100	100
Biffin Pty. Limited <sup>1,2</sup>	Australia	100	100
Black Mountain Broadcasters Pty. Limited	Australia	50	50
Blue Mountains Broadcasters Pty Limited <sup>1</sup>	Australia	100	100
Bluwin Pty Ltd	Australia	50	50
Brisbane FM Radio Pty Ltd	Australia	50	50
Bundaberg Broadcasters Pty. Ltd <sup>1,3</sup>	Australia	100	100
Bundaberg Narrowcasters Pty. Ltd. <sup>1,2,3</sup>	Australia	100	100
Burnie Broadcasting Service Proprietary Limited. <sup>1,2,3</sup>	Australia	100	100
Buspak Advertising (Hong Kong) Limited	Hong Kong	100	100
Cairns Broadcasters Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Capital City Broadcasters Pty. Limited <sup>1</sup>	Australia	100	100
Catalogue Central Pty Limited <sup>1,4</sup>	Australia	-	100
Cody Outdoor International (HK) Limited	Hong Kong	100	100
Commercial Broadcasters Proprietary Limited <sup>1,2,3</sup>	Australia	100	100
Commonwealth Broadcasting Corporation Pty Ltd <sup>1,2</sup>	Australia	100	100
Conversant Media Pty Ltd <sup>1</sup>	Australia	100	100
Covette Investments Pty Limited <sup>1,2</sup>	Australia	100	100
Digi-Lution Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Digital Radio Broadcasting Darwin Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Double T Radio Pty Ltd <sup>1</sup>	Australia	100	100
East Coast Radio Pty. Limited <sup>1,2,3</sup>	Australia	100	100
Emotive Pty Limited	Australia	-	50
Evitome Pty Limited	Australia	100	100
Eyre Peninsula Broadcasters Pty Ltd <sup>1,3</sup>	Australia	100	100
Gergdaam Capital Pty Limited <sup>1,2</sup>	Australia	100	100
Gulgong Pty. Limited <sup>1,2</sup>	Australia	100	100
Haswell Pty. Limited <sup>1,2</sup>	Australia	100	100
Hot 91 Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Hot Tomato Australia Pty Limited <sup>1,3</sup>	Australia	100	100
Hot Tomato Narrowcasting Pty Limited <sup>1,2,3</sup>	Australia	100	100

## Notes to the Consolidated Financial Statements

Name of entity	Country of incorporation/ establishment	% Equity holding	
		2025 %	2024 %
HT&E Broadcasting (Regionals) Pty. <sup>1,2</sup>	Australia	100	100
HT&E Digital Pty Ltd <sup>1,4</sup>	Australia	-	100
ARN Media Finance Pty Ltd <sup>1,2</sup>	Australia	100	100
ARN Media International Pty Ltd <sup>1,2</sup>	Australia	100	100
HT&E Online (Australia) Pty Ltd <sup>1</sup>	Australia	100	100
ARN Media Operations Ltd <sup>1,2</sup>	Australia	100	100
Level 3 Investments Pty Limited <sup>1</sup>	Australia	100	100
Mackay Broadcasters Pty Ltd <sup>1,2,3</sup>	Australia	100	100
North East Tasmanian Radio Broadcasters Proprietary Limited <sup>1,2,3</sup>	Australia	100	100
Northern Tasmania Broadcasters Proprietary Limited <sup>1,2,3</sup>	Australia	100	100
Northern Territory Broadcasters Pty Ltd <sup>1,3</sup>	Australia	100	100
Queensland Regional Broadcasters Pty Ltd <sup>1,3</sup>	Australia	100	100
Radio 96FM Perth Pty Limited <sup>1</sup>	Australia	100	100
Radio Ballarat Pty. Ltd. <sup>1,2,3</sup>	Australia	100	100
Radio Barrier Reef Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Radio Cairns Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Radio Central Victoria Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Radio Gladstone Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Radio Hunter Valley Pty. Limited <sup>1,2,3</sup>	Australia	100	100
Radio Mackay Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Radio Murray Bridge Pty Limited <sup>1,2,3</sup>	Australia	100	100
Radio Rockhampton Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Radio Townsville Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Radio West Coast Pty Ltd <sup>1,3</sup>	Australia	100	100
Riverland Broadcasters Pty Ltd <sup>1,2,3</sup>	Australia	100	100
South Coast & Tablelands Broadcasting Pty Ltd <sup>1,3</sup>	Australia	100	100
Southern State Broadcasters Pty. Limited <sup>1</sup>	Australia	100	100
Speedlink Services Pty Ltd <sup>1,4</sup>	Australia	-	100
Spencer Gulf Broadcasters Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Star Broadcasting Network Pty Ltd <sup>1,2,3</sup>	Australia	100	100
Tasmanian Broadcasters Pty Ltd <sup>1,2,3</sup>	Australia	100	100
The Hot Tomato Broadcasting Company Pty Limited <sup>1,2,3</sup>	Australia	100	100
The Internet Amusements Group Pty Limited <sup>1,4</sup>	Australia	-	100
The Level 3 Partnership	Australia	100	100
The Radio Sales Network Pty Ltd <sup>1,2,3</sup>	Australia	100	100
The Roar Sports Media Pty Ltd <sup>1</sup>	Australia	100	100
Tibbar Broadcasting Pty Limited <sup>1</sup>	Australia	100	100
Wesgo <sup>1,2</sup>	Australia	100	100
Wilson & Horton Australia Pty Ltd <sup>1</sup>	Australia	100	100
Wilson & Horton Finance Pty Ltd <sup>1,2,4</sup>	Australia	-	100
Wollongong Broadcasters Pty. Limited <sup>1,2,3</sup>	Australia	100	100

- (1) These companies are parties to a deed of cross guarantee dated 28 April 2017 under which each company guarantees the debts of the others (Deed of Cross Guarantee). These companies represent a Closed Group for the purposes of ASIC Corporations (Wholly owned Companies) Instrument 2016/785 and there are no other members of the Extended Closed Group.
- (2) These wholly owned entities have been relieved from the requirement to prepare a financial report and Directors' report under ASIC Corporations (Wholly owned Companies) Instrument 2016/785.
- (3) These companies acquired in 2022 entered the Assumption Deed which provides for the joining of each company to the Deed of Cross Guarantee dated 28 April 2017.
- (4) These companies were deregistered with ASIC in 2025.

As at 31 December 2025, The Group own 50% (FY24: 50%) of AmplifyCBR Pty Ltd which is incorporated into Australia. It is accounted for as a joint operation by consolidating the assets, liabilities, revenues and expenses in relation to the ARN interests held in this joint operation.

# Notes to the Consolidated Financial Statements

## 5.2 Interests in Other Entities

### (A) Material subsidiaries with non-controlling interests

Set out below are the Group's principal subsidiaries with material non-controlling interests. Unless otherwise stated, the subsidiaries as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group, and the proportion of ownership interests held is equal to the voting rights held by the Group.

Name of entity	Place of business and country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		2025	2024	2025	2024	
Brisbane FM Radio Pty Ltd	Australia	50%	50%	50%	50%	Commercial radio

### (B) Non-controlling interests

Financial information for each subsidiary that has non-controlling interests that are material to the Group is summarised in the table below. The amounts disclosed for each subsidiary are before intercompany eliminations.

	Brisbane FM Radio Pty Ltd	
	2025 \$'000	2024 \$'000
<b>Summarised balance sheet</b>		
Current assets	9,159	9,634
Current liabilities	848	1,195
Current net assets	8,311	8,439
Non-current assets	54,130	67,477
Non-current liabilities	33	62
Non-current net assets	54,097	67,415
Net assets	62,408	75,854
Accumulated non-controlling interests	31,204	37,927
<b>Summarised statement of comprehensive income</b>		
Revenue	17,889	21,297
Profit for the period	3,768	4,795
Other comprehensive income	-	-
Total comprehensive income	3,768	4,795
Total comprehensive income allocated to non-controlling interests	1,884	2,398
Dividends paid to non-controlling interests	2,017	1,890
<b>Summarised statement of cash flows</b>		
Net inflows from operating activities	4,720	6,400
Net outflows from investing activities	-	(46)
Net outflows from financing activities	(4,680)	(6,347)
Net increase in cash and cash equivalents	40	7

# Notes to the Consolidated Financial Statements

## 5.2 Interests in Other Entities (continued)

### ACCOUNTING POLICY

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, balance sheet and statement of changes in equity respectively.

The effects of all transactions with non-controlling interests are recorded in equity if there is no change in control. Where there is a loss of control, any remaining interest in the entity is remeasured to fair value and a gain or loss is recognised in the income statement. Any losses are allocated to the non-controlling interests in subsidiaries even if the accumulated losses should exceed the non-controlling interests in the individual subsidiary's equity.

## 5.3 Financial assets

	Note	2025 \$'000	2024 \$'000
Financial assets recognised through other comprehensive income	3.4	12,937	21,306
Financial assets recognised through profit and loss	3.4	5,968	5,993
<b>Total financial assets</b>		<b>18,905</b>	<b>27,299</b>

It was announced on 4 July 2024 that ARN Media had entered into a convertible note arrangement with Airtasker Limited (ASX: ART) in exchange for ARN Media's advertising services. The arrangement is over a two-year period for \$5.0 million at a 5.8% coupon rate. At maturity, Airtasker has the option to settle the outstanding convertible note into ordinary shares at a 10% discount to Airtasker's 30-trading day volume weighted average share price or repay the outstanding note, including interest in cash. ARN Media has designated the financial asset as fair value through profit and loss. During the period the Group recognised \$0.3 million (2024: \$0.1million) in finance income in relation to the coupon.

The Group had a 14.8% share in Southern Cross Media Group Limited (SCA) in 2024 and designated the investment as fair value through other comprehensive income. In 2025, the Group sold 54% of its shares in SCA. Refer to note 3.4 for more information on determining the fair value

### ACCOUNTING POLICY

#### Classification and initial measurement of financial assets

Financial assets are initially measured at fair value, plus transaction costs. This excludes those financial assets classified as at fair value through profit or loss which are initially measured at fair value. Subsequent measurement of financial assets is at fair value or amortised cost where certain criteria are met.

#### Financial assets at amortised cost and impairment

The Group's loans and receivables (refer to note 3.3(B)) meet the requirements for measurement at amortised cost based on the purpose for which the assets and liabilities are held and the contractual terms.

Details about the Group's impairment policies and the calculation of the loss allowance are provided in note 3.3(B).

#### Financial assets at fair value

The Group measures its investments and convertible notes as financial assets at fair value, as determined in the manner described in note 3.4. At initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to recognise gains and losses on equity instruments not held for trading, in other comprehensive income. Otherwise, all gains and losses are recognised in profit or loss.

# Notes to the Consolidated Financial Statements

## 5.4 Investments Accounted for Using the Equity Method

### Interests in associates

	2025 \$'000	2024 \$'000
Shares in associates	34,441	35,627
Total investments accounted for using the equity method <sup>1</sup>	34,441	35,627
Share of profits of associates	3,560	4,817

<sup>1</sup> During the year, an impairment was recognised for investments that experienced losses and were not expected to generate operating profits in the near term.

Set out below are the associate and joint ventures of the Group as at 31 December 2025. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business/country of incorporation	Ownership interest		Nature of relationship	Measurement method	Consolidated carrying values	
		2025	2024			2025 \$'000	2024 \$'000
3 Keys Records Pty Ltd	Australia	40%	40%	Associate <sup>1</sup>	Equity method	-	1,495
Nova Entertainment (Perth) Pty Ltd	Australia	50%	50%	Associate <sup>2</sup>	Equity method	34,441	34,132

The Group also holds less than 50% investments in FM Facilities Sydney, FM Facilities Melbourne, and Digital Radio Broadcasting Perth, Digital Radio Broadcasting Hobart, Digital Radio Broadcasting Brisbane, Digital Radio Broadcasting Sydney, Digital Radio Broadcasting Adelaide and Digital Radio Broadcasting Melbourne.

- (1) The Group acquired a 35% stake in 3 Keys Records Pty Ltd in 2023. This was increased to 40% in 2024 with the acquisition and redistribution of shares by 3 Keys Records Pty Ltd.
- (2) On 1 March 2020, Nova Entertainment (Perth) Pty Ltd, an FM radio station in Perth, became an associate of the Group.

Below is a reconciliation of investments accounted for using the equity method:

	2025 \$'000	2024 \$'000
Carrying amount at the beginning of the financial year	35,627	35,392
Impairment of investments	(1,331)	-
Share of profit	3,560	4,817
Dividend received	(4,835)	(5,429)
Other	1,420	847
Total investments accounted for using the equity method	34,441	35,627

## Notes to the Consolidated Financial Statements

### 5.4 Investments Accounted for Using the Equity Method (continued)

Financial information for Nova Perth investment which is material to the Group is summarised in the table below.

	<b>Nova Entertainment (Perth) Pty Ltd</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Summarised balance sheet</b>		
Current assets	6,537	6,539
Current liabilities	2,480	2,743
Current net assets	4,057	3,796
Non-current assets	23,451	26,059
Non-current liabilities	2,564	2,847
Non-current net assets	20,887	23,212
Net assets	24,944	27,008
<b>Summarised statement of comprehensive income</b>		
Revenue	30,148	32,239
Profit for the period	7,806	8,849
Other comprehensive income	-	-
Total comprehensive income	7,806	8,849
Total share of profit of associate	3,903	4,425

#### Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income of the associate, is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends received from associates are recognised in the consolidated financial statements as a reduction in the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

#### Joint arrangements

Under AASB 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

# Notes to the Consolidated Financial Statements

## 5.4 Investments Accounted for Using the Equity Method (continued)

### Joint operations

The Group recognises its direct right to, and its share of, jointly held assets, liabilities, revenues and expenses of joint operations.

### (i) Joint ventures

The interest in a joint venture is accounted for using the equity method after initially being recognised at cost. Under the equity method, the Group's share of the profits or losses of the joint venture is recognised in the income statement, and the share of post-acquisition other comprehensive income is recognised in other comprehensive income.

When the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

## 5.5 Parent Entity Financial Information

### (A) Summary of financial information for the parent entity

The ultimate and parent entity within the Group is ARN Media Limited.

The individual financial statements for the parent entity show the following aggregate amounts:

	2025 \$'000	2024 \$'000
<b>Balance sheet</b>		
Current assets	5,492	468
Total assets	684,224	678,125
Current liabilities	41	2,981
Total liabilities	416,781	402,575
<b>Net assets</b>	<b>267,443</b>	<b>275,550</b>
Contributed equity	1,544,039	1,544,039
Reserves		
Share-based payments reserve	7,934	8,386
Retained earnings		
Closing profit reserve	146,233	153,433
Closing loss reserve	(1,430,763)	(1,430,308)
<b>Total equity</b>	<b>267,443</b>	<b>275,550</b>
(Loss) for the year	(455)	(716)
Total comprehensive (loss)	(455)	(716)

### (B) Guarantees entered into by the parent entity

Refer to note 6.1 for details.

### (C) Contingent liabilities and contractual commitments of the parent entity

The parent entity did not have any contingent liabilities as at 31 December 2025 (2024: \$nil) and did not have any contractual commitments as at 31 December 2025 (2024: \$nil).

# Notes to the Consolidated Financial Statements

## 5.5 Parent Entity Financial Information (continued)

### ACCOUNTING POLICY

The financial information for the parent entity, ARN Media Limited, has been prepared on the same basis as the consolidated financial statements, except for:

#### Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment losses in the financial statements of the parent entity.

Dividends received from subsidiaries are recognised in the parent entity's income statement when its right to receive the dividend is established.

## 5.6 Deed of Cross Guarantee

Companies in the Closed Group are party to a deed of cross guarantee dated 28 April 2017 under which each guarantees the debts of the others. These companies represent a Closed Group for the purposes of ASIC Corporations (Wholly owned Companies) Instrument 2016/785. The companies party to Deed of Cross Guarantee are detailed at note 5.1.

Set out below are the consolidated income statement and summary of movements in consolidated retained earnings for the year ended 31 December 2025 for the Closed Group:

	2025 \$'000	2024 \$'000 Restated <sup>1</sup>
Revenue	259,267	287,653
Other revenue and income	12,868	10,354
Expenses from operations before impairment, finance costs, depreciation and amortisation	(280,205)	(252,638)
Finance costs	(10,200)	(10,481)
Depreciation and amortisation	(14,305)	(13,113)
Share of profits of associate and joint ventures	3,560	4,817
<b>Profit/(loss) before income tax</b>	<b>(29,015)</b>	<b>26,592</b>
Income tax benefit/(expense)	870	(6,610)
<b>Profit/(loss) attributable to owners of the parent entity</b>	<b>(28,145)</b>	<b>19,982</b>
<b>Accumulated losses</b>		
Balance at beginning of the year <sup>1</sup>	(1,450,425)	(1,455,380)
Profit/(loss) attributable to owners of the parent entity	(28,145)	19,982
Dividends paid to shareholders	(7,200)	(15,027)
Other Comprehensive loss - Transfers within equity	(5,536)	-
<b>Balance at end of the year</b>	<b>(1,491,306)</b>	<b>(1,450,425)</b>

<sup>1</sup> Opening accumulated losses have been restated to show the impact to retained earnings of aligning the property, plant and equipment with ARNs useful life accounting policy.

## Notes to the Consolidated Financial Statements

### 5.6 Deed of Cross Guarantee (continued)

Set out below is the consolidated balance sheet as at 31 December 2025 for the Closed Group:

	2025 \$'000	2024 \$'000 Restated <sup>1</sup>
<b>Current assets</b>		
Cash and cash equivalents	9,481	12,376
Financial assets	11,371	-
Receivables	63,154	82,532
Tax assets	3,653	-
Other current assets	2,052	2,279
Assets held for sale	-	2,595
<b>Total current assets</b>	<b>89,711</b>	<b>99,782</b>
<b>Non-current assets</b>		
Other financial assets	35,957	63,274
Investments accounted for using the equity method	34,441	35,627
Property, plant and equipment <sup>1</sup>	52,965	59,486
Right-of-use assets	53,287	59,948
Intangible assets	252,703	254,409
Other non-current assets	3,045	2,778
<b>Total non-current assets</b>	<b>432,398</b>	<b>475,522</b>
<b>Total assets</b>	<b>522,109</b>	<b>575,304</b>
<b>Current liabilities</b>		
Payables	41,486	27,841
Contract liabilities	4,367	5,528
Lease liabilities	3,311	2,740
Current tax liabilities	-	2,777
Provisions	8,855	9,261
<b>Total current liabilities</b>	<b>58,019</b>	<b>48,147</b>
<b>Non-current liabilities</b>		
Bank loans	73,398	100,647
Lease liabilities	61,250	66,512
Provisions	9,461	9,605
Deferred tax liabilities	92,575	94,625
<b>Total non-current liabilities</b>	<b>236,684</b>	<b>271,389</b>
<b>Total liabilities</b>	<b>294,703</b>	<b>319,536</b>
<b>Net assets</b>	<b>227,406</b>	<b>255,768</b>
<b>Equity</b>		
Contributed equity	1,544,039	1,544,039
Reserves	174,673	162,154
Accumulated losses <sup>1</sup>	(1,491,306)	(1,450,425)
<b>Total parent entity interest</b>	<b>227,406</b>	<b>255,768</b>
<b>Total equity</b>	<b>227,406</b>	<b>255,768</b>

<sup>1</sup>Opening accumulated losses and property, plant, and equipment have been restated to align with the Group's useful life accounting policy. Refer to Note 2.3 for further details.

# Notes to the Consolidated Financial Statements

## 6. Other

### 6.1 Contingent Liabilities

The Parent entity and all wholly-owned controlled entities have provided guarantees in respect of banking facilities. As at 31 December 2025, the facilities had been drawn to the extent of \$107.2 million (2024: \$136.5 million), of which \$33.2 million (2024: \$35.5 million) of the balance pertains to bank guarantees.

The Group did not have any other contingent liabilities and unrecognised capital contractual commitments as at 31 December 2025 (2024: \$nil).

#### Claims

Claims for damages are made against the Group from time to time in the ordinary course of business. The Directors are not aware of any claim that is expected to result in material costs or damages.

### 6.2 Discontinued Operations

The Group made a decision to put up for sale its Hong Kong based outdoor business, Cody Outdoor. This decision to put Cody Outdoor up for sale follows the announcement at ARN Media's AGM held on 8 May 2025 that the Board had commenced a full strategic review of Cody, to assess optionality.

Cody Outdoor's position in the Hong Kong Outdoor advertising market has been rebuilt, having obtained two key contracts, being the bus body advertising contract with The Kowloon Motor Bus Company (1933) Limited (as previously announced on 8 July 2024), and the Hong Kong Tramways Tram Body Advertising Contract (as previously announced on 22 February 2024).

The Groups investment in Emotive Pty Ltd was sold on 30 May 2025. The Group received \$1 in cash proceeds and \$1.5 million in contingent consideration. The Group has determined the disposal of the Groups investment in Emotive Pty Ltd meets the definition of a discontinued operation for the period.

Financial information relating to the discontinued operations is set out below.

#### ASSETS HELD FOR SALE – CODY OUTDOOR

Claims for damages are made against the Group from time to time in the ordinary course of business. The Directors are not aware of any claim that is expected to result in material costs or damages.

#### (A) Assets held for sale

##### Cody Outdoor

At 31 December 2025, the Hong Kong disposal group was stated at fair value less costs to sell and comprised of the following assets:

	Dec-2025 \$'000	Dec-2024 \$'000
<b>Disposal group held for sale</b>		
Receivables	16,744	19,857
Cash and cash equivalents	4,448	4,219
Property, plant and equipment	103	173
Right-of-use assets	232,775	278,596
Other assets	2,556	2,956
<b>Total assets of disposal group held for sale</b>	<b>256,626</b>	<b>305,801</b>

# Notes to the Consolidated Financial Statements

## 6.2 Discontinued Operations (continued)

### (B) Liabilities directly associated with assets held for sale

#### Cody Outdoor

	Dec-2025 \$'000	Dec-2024 \$'000
<b>Disposal group held for sale</b>		
Payables	9,271	6,778
Contract liabilities	6,065	2,699
Provisions	47,212	384
Lease liabilities	218,678	282,401
<b>Total liabilities directly associated with assets held for sale</b>	<b>281,226</b>	<b>292,262</b>

### (C) Financial performance and cash flow information

#### Cody Outdoor

	Dec-2025 \$'000	Dec-2024 \$'000
<b>Disposal group held for sale</b>		
Revenue and other income	75,273	47,023
Expenses	(73,607)	(17,408)
Depreciation and amortisation	(28,451)	(34,389)
Finance costs	(12,751)	(8,230)
<b>(Loss) before income tax</b>	<b>(39,536)</b>	<b>(13,004)</b>
Income tax credit/(expense)	-	-
<b>(Loss) after income tax from discontinued operations attributable to owners of the parent entity</b>	<b>(39,536)</b>	<b>(13,004)</b>

#### Cody Outdoor

	Dec-2025 \$'000	Dec-2024 \$'000
Net cash inflows/(outflows) from operating activities	44,881	18,587
Net cash inflows/(outflows) from investing activities	11	(31)
Net cash (outflows) from financing activities	(44,123)	(19,654)
<b>Net increase/(decrease) in cash generated by the division</b>	<b>769</b>	<b>(1,098)</b>

# Notes to the Consolidated Financial Statements

## 6.2 Discontinued Operations (continued)

### EMOTIVE – DISCONTINUED OPERATION

#### (A) Financial performance and cash flow information

	Dec-2025	Dec-2024
	\$'000	\$'000
Revenue	3,697	10,846
Expense	(3,632)	(10,181)
Depreciation and Amortisation	(203)	(486)
Finance Costs	(55)	(107)
<b>Profit/(loss) before Income Tax</b>	<b>(193)</b>	<b>72</b>
Income tax credit/(expense)	57	(177)
<b>Profit/(loss) from operation</b>	<b>(136)</b>	<b>(105)</b>
Net gain on disposal <sup>a</sup>	103	-
<b>Profit/(loss) after income tax from discontinued operations</b>	<b>(33)</b>	<b>(105)</b>
<b>Total Profit/(loss) attributable to</b>		
Owners of the parent entity	34	(78)
Non-controlling interest	(67)	(27)

Explanation of items related to discontinued operations.

(a) Profit from the sale of Emotive as detailed in section (b) below.

#### Emotive

	Dec-2025	Dec-2024
	\$'000	\$'000
Net cash inflows/(outflows) from operating activities	(148)	522
Net cash inflows/(outflows) from investing activities	(15)	(57)
Net cash (outflows) from financing activities	(149)	-
<b>Net increase/(decrease) in cash generated by the division</b>	<b>(312)</b>	<b>465</b>

#### (B) Gain on disposal of Emotive

#### Emotive

	Dec-2025
	\$'000
Total Sale Consideration	1,342
Less: Emotive assets and liabilities at date of sale	(2,033)
Non-controlling interest at date of sale	794
<b>Gain on Sale</b>	<b>103</b>
Income tax expense on gain	-
<b>Gain on sale after income tax</b>	<b>103</b>

\$1 was received as initial consideration for the sale with the remainder relating to contingent consideration to be received over 30 months which has been measured at the present value totalling \$1.3 million.

# Notes to the Consolidated Financial Statements

## 6.2 Discontinued Operations (continued)

### (C) Assets and liabilities at the date of sale

#### Emotive

The carrying amount of the assets and liabilities as at the date of sale (30 May 2025) were:

	30 May 2025 \$'000	Dec-2024 \$'000
Receivables	1,537	1,260
Cash and cash equivalents	1,665	1,977
Property, plant and equipment	1,002	1,079
Right-of-use assets	1,835	1,946
Deferred tax assets	813	246
Goodwill	490	490
Other assets	132	79
<b>Total assets of disposal group</b>	<b>7,474</b>	<b>7,077</b>
Payables	1,939	1,964
Contract liabilities	695	407
Provisions	206	245
Deferred tax liabilities	550	0
Current tax liabilities	-	146
Lease liabilities	2,051	2,145
<b>Total liabilities of disposal group</b>	<b>5,441</b>	<b>4,907</b>
<b>Assets and liabilities at date of sale</b>	<b>2,033</b>	<b>2,170</b>

## 6.3 Remuneration of Auditors

During the year, the following fees were paid or payable for services provided by the auditor of the Group, its related practices, non-related audit firms and other professional advisory and consulting firms:

	2025 \$	2024 \$
Remuneration for audit or review of the financial reports		
EY – Australian firm	629,100	-
EY – Overseas firm	97,255	-
Remuneration for other assurance services		
EY – Australian firm	10,500	-
EY – Overseas firm	10,442	-
<b>Total fees for Ernst &amp; Young</b>	<b>747,297</b>	<b>-</b>
Remuneration for audit or review of the financial reports		
PricewaterhouseCoopers – Australian firm	27,546	1,052,538
PricewaterhouseCoopers – Overseas firm	-	95,377
Remuneration for other assurance services		
PricewaterhouseCoopers – Australian firm	10,500	93,636
PricewaterhouseCoopers – Overseas firm		10,781
Remuneration for other services		
PricewaterhouseCoopers – Australian firm <sup>1</sup>	-	925,956
Remuneration for tax compliance services		
PricewaterhouseCoopers – Australian firm	-	29,040
<b>Total fees for PricewaterhouseCoopers</b>	<b>38,046</b>	<b>2,207,328</b>

<sup>1</sup> This was a non-recurring cost relating to services provided for SCA acquisition in the prior year.

# Notes to the Consolidated Financial Statements

## 6.4 Related Parties

### (A) Key management personnel compensation

	2025 \$	2024 \$
Short-term employee benefits	2,323,187	2,647,881
Post-employment benefits	87,390	145,560
Other long-term benefits	14,091	70,041
Termination benefits	852,140	445,504
Share-based payment	532,021	351,171
<b>Total</b>	<b>3,808,829</b>	<b>3,660,157</b>

Detailed remuneration disclosures are provided in the Remuneration Report.

### (B) Transactions with other related parties

The aggregate amounts recognised in respect to the following types of transactions and each class of related party involved were as follows:

Type of transaction	Class of other related party	2025 \$	2024 \$
Property rental	Key management personnel <sup>(1)</sup>	358,331	762,348
Services	Key management personnel <sup>(2)</sup>	209,181	239,417

(1) The Group incurred property rental expenses to entities associated with Alison Cameron on commercial arm's length terms.

(2) The Group incurred services agreement expenses to entities associated with Alison Cameron on commercial arm's length terms.

### (C) Payables with other related parties

There were no amounts payable to related parties as at 31 December 2025 (2024: \$nil).

### (D) Commitments with other related parties

There were \$nil commitments to related parties as at 31 December 2025 (2024: \$nil).

## 6.5 Other Material Accounting Policies

### Principles of consolidation – subsidiaries

The consolidated financial statements incorporate the assets and liabilities of ARN Media Limited and its subsidiaries. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-entity transactions, balances and unrealised gains on transactions between Group entities are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income

# Notes to the Consolidated Financial Statements

## 6.5 Other Material Accounting Policies (continued)

statement, statement of comprehensive income, balance sheet and statement of changes in equity respectively.

### Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars, which is ARN Media Limited's functional and presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

#### (iii) Group entities

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet;
- equity items are translated at fixed historical rates at the date of acquisition;
- income and expenses are translated at average exchange rates for the year; and
- all resulting exchange differences are recognised in other comprehensive income

### New and amended accounting standards adopted by the Group

There are no new accounting standards, interpretations and amendments significantly impacting the Group in the financial year ended 31 December 2025.

#### Standards issued not yet effective

Certain new accounting standards and interpretations have been issued that are not yet effective for the financial year ended 31 December 2025. Management are currently assessing the impact of the Consolidated Financial Statements of the Group:

- AASB 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

Other than those mentioned above, there are no standards and interpretations that are not yet effective and that are expected to have a material impact on the Group in the current or future reporting period and on foreseeable future transactions.

## Notes to the Consolidated Financial Statements

### 6.6 Subsequent Events

On 22 January 2026, subsequent to the end of the financial year, the Group sold 7.2 million shares, representing 20% of its shareholding, in Southern Cross Austereo Limited at a price of \$0.67 per share. Total proceeds from the disposal was \$4.8 million, net of transaction costs.

As the disposal occurred after the reporting date, it represents a non-adjusting event and has not been reflected in the financial statements for the year ended 31 December 2025. The Directors are not aware of any matter or circumstance that has arisen since the end of the financial year that has significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

# Consolidated Entity Disclosure Statement

## Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Name of entity	Entity Type	Country of incorporation/ establishment	% Capital held	Australian resident or foreign resident	Foreign Tax Jurisdiction of foreign resident
5AD Broadcasting Company Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Ambersky Pty. Limited	Body Corporate	Australia	100	Australian	N/A
AMI Radio Pty Limited	Body Corporate	Australia	100	Australian	N/A
AmplifyCBR Pty Limited	Body Corporate	Australia	50	Australian	N/A
APN News & Media Employee Share Trust	Trust	Australia	100	Australian	N/A
ARN Adelaide Pty Ltd	Body Corporate	Australia	100	Australian	N/A
ARN Brisbane Pty Ltd	Body Corporate	Australia	100	Australian	N/A
ARN Broadcasting Pty Ltd	Body Corporate	Australia	100	Australian	N/A
ARN Communications Pty Ltd	Body Corporate	Australia	100	Australian	N/A
ARN Media Finance Pty Limited	Body Corporate	Australia	100	Australian	N/A
ARN Media International Pty Ltd	Body Corporate	Australia	100	Australian	N/A
ARN Media Limited	Body Corporate	Australia	N/A	Australian	N/A
ARN Limited	Partnership	Australia	100	Australian	N/A
ARN Media Operations Ltd	Body Corporate	Australia	100	Australian	N/A
ARN New Zealand Pty. Limited	Body Corporate	Australia	100	Australian	N/A
ARN Overseas Pty. Limited	Body Corporate	Australia	100	Australian	N/A
ARN Perth Pty Limited	Body Corporate	Australia	100	Australian	N/A
ARN Regional Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Australian Radio Network Pty Limited	Body Corporate	Australia	100	Australian	N/A
Bass Radio Pty Limited	Body Corporate	Australia	100	Australian	N/A
Biffin Pty. Limited	Body Corporate	Australia	100	Australian	N/A
Black Mountain Broadcasters Pty. Limited	Body Corporate	Australia	50	Australian	N/A
Blue Mountains Broadcasters Pty Limited	Body Corporate	Australia	100	Australian	N/A
Bluwin Pty Ltd	Body Corporate	Australia	50	Australian	N/A
Brisbane FM Radio Pty Ltd	Body Corporate	Australia	50	Australian	N/A
Bundaberg Broadcasters Pty. Ltd	Body Corporate	Australia	100	Australian	N/A
Bundaberg Narrowcasters Pty. Ltd.	Body Corporate	Australia	100	Australian	N/A
Burnie Broadcasting Service Proprietary Limited	Body Corporate	Australia	100	Australian	N/A

## Consolidated Entity Disclosure Statement

Name of entity	Entity Type	Country of incorporation/ establishment	% Capital held	Australian resident or foreign resident	Foreign Tax Jurisdiction of foreign resident
Buspak Advertising (Hong Kong) Limited	Body Corporate	Hong Kong	100	Australian	Hong Kong
Cairns Broadcasters Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Austereo Capital FM Pty Limited & Capital City Broadcasters Pty Ltd	Partnership	Australia	50	Australian	N/A
Capital City Broadcasters Pty. Limited	Body Corporate	Australia	100	Australian	N/A
Cody Outdoor International (HK) Limited <sup>1</sup>	Body Corporate	Hong Kong	100	Australian	Hong Kong
Commercial Broadcasters Proprietary Limited	Body Corporate	Australia	100	Australian	N/A
Commonwealth Broadcasting Corporation Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Conversant Media Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Covette Investments Pty Limited	Body Corporate	Australia	100	Australian	N/A
Digi-Lution Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Digital Radio Broadcasting Darwin Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Double T Radio Pty Ltd	Body Corporate	Australia	100	Australian	N/A
East Coast Radio Pty. Limited	Body Corporate	Australia	100	Australian	N/A
Evitome Pty Limited	Body Corporate	Australia	100	Australian	N/A
Eyre Peninsula Broadcasters Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Gergdaam Capital Pty Limited	Body Corporate	Australia	100	Australian	N/A
Gulgong Pty. Limited	Body Corporate	Australia	100	Australian	N/A
Haswell Pty. Limited	Body Corporate	Australia	100	Australian	N/A
Hot 91 Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Hot Tomato Australia Pty Limited	Body Corporate	Australia	100	Australian	N/A
Hot Tomato Narrowcasting Pty Limited	Body Corporate	Australia	100	Australian	N/A
HT&E Broadcasting (Regionals) Pty.	Body Corporate	Australia	100	Australian	N/A
HT&E Online (Australia) Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Level 3 Investments Pty Limited	Body Corporate	Australia	100	Australian	N/A
Mackay Broadcasters Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Melbourne F.M. Facilities Pty. Limited	Body Corporate	Australia	50	Australian	N/A
North East Tasmanian Radio Broadcasters Proprietary Limited	Body Corporate	Australia	100	Australian	N/A

<sup>1</sup> ARN has assessed its controlled entity disclosure obligations with respect to the Cody Outdoor business consisting of Cody Outdoor International (Hong Kong) Limited and Buspak Advertising (Hong Kong) Limited and determined they are Australian tax residents, however the income derived by these companies is treated as non-assessable non-exempt income in Australia

## Consolidated Entity Disclosure Statement

Name of entity	Entity Type	Country of incorporation/ establishment	% Capital held	Australian resident or foreign resident	Foreign Tax Jurisdiction of foreign resident
Northern Tasmania Broadcasters Proprietary Limited	Body Corporate	Australia	100	Australian	N/A
Northern Territory Broadcasters Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Queensland Regional Broadcasters Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Radio 96FM Perth Pty Limited	Body Corporate	Australia	100	Australian	N/A
Radio Ballarat Pty. Ltd.	Body Corporate	Australia	100	Australian	N/A
Radio Barrier Reef Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Radio Cairns Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Radio Central Victoria Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Radio Gladstone Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Radio Hunter Valley Pty. Limited	Body Corporate	Australia	100	Australian	N/A
Radio Mackay Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Radio Murray Bridge Pty Limited	Body Corporate	Australia	100	Australian	N/A
Radio Rockhampton Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Radio Townsville Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Radio West Coast Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Riverland Broadcasters Pty Ltd	Body Corporate	Australia	100	Australian	N/A
South Coast & Tablelands Broadcasting Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Southern State Broadcasters Pty. Limited	Body Corporate	Australia	100	Australian	N/A
Spencer Gulf Broadcasters Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Star Broadcasting Network Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Sydney FM Facilities Pty Ltd	Body Corporate	Australia	50	Australian	N/A
Tasmanian Broadcasters Pty Ltd	Body Corporate	Australia	100	Australian	N/A
The Hot Tomato Broadcasting Company Pty Limited	Body Corporate	Australia	100	Australian	N/A
The Level 3 Partnership	Body Corporate	Australia	100	Australian	N/A
The Radio Sales Network Pty Ltd	Body Corporate	Australia	100	Australian	N/A
The Roar Sports Media Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Tibbar Broadcasting Pty Limited	Body Corporate	Australia	100	Australian	N/A
Wesgo	Body Corporate	Australia	100	Australian	N/A
Wilson & Horton Australia Pty Ltd	Body Corporate	Australia	100	Australian	N/A
Wollongong Broadcasters Pty. Limited	Body Corporate	Australia	100	Australian	N/A

## Directors' Declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 46 to 99 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in Note 5.1 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note 5.6.
- (d) In the Directors' opinion, the Consolidated Entity Disclosure Statement set out on page 100 to 102 is true and correct.

Page 50 of the Annual Report confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors, after receiving the declarations required to be made by the Chief Executive and Chief Financial Officer in accordance with section 295A of the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read 'Hamish McLennan', with a long horizontal line extending to the right.

**Hamish McLennan**

Chairman

Sydney

25 February 2026



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## Independent auditor's report to the members of ARN Media Limited

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of ARN Media Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.



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## Impairment Testing of Intangible Assets

Why significant	How our audit addressed the key audit matter
<p>At 31 December 2025, the Group's consolidated statement of financial position included intangible assets amounting to \$329.0 million, representing 40.2% of total assets.</p> <p>As disclosed in Note 2.1 to the financial report, the Directors have assessed intangible assets for impairment at 31 December 2025.</p> <p>This assessment involved critical accounting estimates and assumptions, based upon conditions existing as at 31 December 2025, specifically concerning factors such as forecast cashflows, discount and terminal growth rates. The estimates and assumptions relate to future performance, market and economic conditions which are inherently subjective and in times of economic uncertainty the degree of subjectivity is higher than it might otherwise be. Changes in certain assumptions can lead to significant changes in the recoverable amount of these assets.</p> <p>As a result, we considered the impairment testing of intangible assets to be a key audit matter.</p>	<p>Our audit procedures, with involvement from our valuation specialists, where appropriate, included the following:</p> <ul style="list-style-type: none"> <li>▪ Assessed whether the impairment testing methodology used by the Group met the requirements of Australian Accounting Standards.</li> <li>▪ Assessed the Group's determination of the cash generating unit (CGU) used in the impairment model, based on our understanding of the Group's cash inflows.</li> <li>▪ Tested the mathematical accuracy of the impairment testing model including the consistency of relevant data with latest Board approved forecasts.</li> <li>▪ Assessed the reasonableness of future cash flow forecasts used by the Group by considering the reliability of the Group's historical cash flow forecasts, our knowledge of the business and corroborating data with external information where possible.</li> <li>▪ Evaluated the appropriateness of the discount and growth rates (including terminal growth rate) applied in the model and with reference to external data.</li> <li>▪ Performed sensitivity analysis on key assumptions including revenue growth and discount rates.</li> <li>▪ Considered the market capitalisation of the Group in comparison to its carrying value.</li> <li>▪ Assessed the adequacy of the disclosures relating to impairment of intangible assets in the financial report, including those made with respect to judgements and estimates.</li> </ul>

## Revenue

Why significant	How our audit addressed the key audit matter
<p>ARN generates the majority of its revenue through selling advertising space across their portfolio of audio assets.</p> <p>We recognise revenue is a key metric upon which the Group measures and assesses performance.</p> <p>As disclosed in Note 1.1 to the financial report, the specific revenue recognition criteria varies according to revenue source.</p> <p>We considered this a key audit matter due to the number of revenue sources and multiple systems used to process and measure the revenue recognition.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>▪ Assessed the appropriateness of the Group's revenue recognition accounting policies against the requirements of AASB 15.</li> <li>▪ Observed evidence of revenue occurrence, including independent validation of broadcast or impression advertisements throughout the period for a sample of revenue transactions.</li> <li>▪ Selected a sample of pre and post year end transactions and tested whether revenue was recognised in the correct period.</li> <li>▪ Used data analytical procedures to corroborate expected correlations between revenue, cash and accounts receivable.</li> <li>▪ Agreed a sample of cash receipts to bank and source documentation to confirm that the receipts correlating to trade receivables represents cash receipts used to clear trade receivables from third parties.</li> </ul>



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Why significant	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li>▪ For revenue-generating transactions settled through non-cash consideration, we selected a sample of transactions and assessed the appropriateness of the recognition and measurement of revenue recorded.</li> <li>▪ Assessed the adequacy of the disclosures included in Note 1.1 to the financial report.</li> </ul>

### Information other than the financial report and auditor’s report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company’s 2025 annual report other than the financial report and our auditor’s report thereon. We obtained the directors’ report that is to be included in the annual report, prior to the date of this auditor’s report, and we expect to obtain the remaining sections of the annual report after the date of this auditor’s report.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- ▶ The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- ▶ The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

- ▶ The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ▶ The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.



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### **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other



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matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on the audit of the Remuneration Report**

### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 23 to 44 of the directors' report for the year ended 31 December 2025.

In our opinion, the Remuneration Report of ARN Media Limited for the year ended 31 December 2025, complies with section 300A of the *Corporations Act 2001*.

### **Responsibilities**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink, appearing to read 'Ernst &amp; Young'.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Graham Leonard'.

Graham Leonard  
Partner  
Sydney  
25 February 2026

# Shareholder Information

## (A) Substantial shareholders

The following information is extracted from substantial shareholder notices received by the Company as at 3 February 2026:

Name	Number of shares
Samuel Terry Asset Mgt (Sydney)	71,169,009
Seven West Media (Sydney)	45,517,739
News (Sydney)	43,736,386
Grant Broadcasters (Sydney)	35,934,891
MA Asset Mgt (Sydney)	26,363,395

## (B) Top 20 holders of fully paid ordinary shares

The following information is extracted from the share register as at 3 February 2026:

Name	Number of shares	% of total shares
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	73,236,430	23.39
Seven West Media Investments Pty Ltd	45,517,739	14.54
HSBC Custody Nominees (Australia) Limited	41,774,814	13.34
Citicorp Nominees Pty Limited	36,782,640	11.75
Grant Broadcasters Pty Ltd	35,934,891	11.48
Bilgola Nominees Pty Limited	15,274,409	4.88
UBS Nominees Pty Limited	10,428,251	3.33
WHSP Holdings Pty Limited	7,578,132	2.42
Quasar Media Services Pty Ltd	3,161,166	1.01
Henderson Media Pty Ltd	3,161,166	1.01
Randolph Duke Investments Pty Ltd	3,000,000	0.96
BNP Paribas Nominees Pty Ltd	2,727,793	0.87
Dragon Smoke Pty Ltd	1,239,858	0.40
Bishop Family Company Pty Ltd	1,000,000	0.32
Palm Beach Nominees Pty Limited	1,000,000	0.32
SHL Family Holdings Pty Ltd	1,000,000	0.32
BNP Paribas Nominees Pty Ltd	946,350	0.30
Mr Iain Milton Sibbald	850,000	0.27
Sling Super Pty Ltd	550,000	0.18
BNP Paribas Nominees Pty Ltd (IB AU NOMS RETAILCLIENT DRP)	536,298	0.17
<b>Total</b>	<b>285,699,937</b>	<b>91.26</b>

## (C) Analysis of individual ordinary shareholdings as at 3 February 2026

Holding	Number of shareholders	% of total shareholders	Number of shares	% of total shares
1 to 1,000	3,443	72.33	805,348	0.26
1,001 to 5,000	722	15.17	1,681,698	0.54
5,001 to 10,000	200	4.2	1,508,098	0.48
10,001 to 100,000	328	6.86	10,475,605	3.35
100,001 and over	67	1.45	298,579,624	95.45
<b>Total</b>	<b>4,760</b>	<b>100</b>	<b>313,050,373</b>	<b>100</b>

# Shareholder Information (continued)

## 2. Unquoted Securities

There were 878,888 performance rights on issue at 31 December 2025 (2024: 1,273,249).

## 3. Directors' Interests

The relevant interest of each Director in the securities of the parent entity as at 3 February 2026 was:

Director	Number of shares	Number of options
Hamish McLennan	73,000	-
Brent Cubis	68,034	-
Paul Connolly	65,935	-
Ciaran Davis <sup>(1)</sup>	3,201,688	-
Belinda Rowe	80,000	-
Alison Cameron <sup>(2)</sup>	35,934,891	-

(1) Pacific Custodians Pty Limited is the registered legal holder for shares held in trust belonging to Employees as part of the incentive plan. As noted in the Directors' interests, Ciaran Davis holds 3,201,688, of which 2,723,079 is held in Pacific Custodians Pty Limited.

(2) 35,934,891 Ordinary Shares held by Grant Broadcasters Pty Ltd. Alison Cameron holds, directly and indirectly, less than 0.005% of the issued capital in Grant Broadcasters. Janet Cameron, Alison's mother, holds 99.9% of the issued capital in Grant Broadcasters.

## 4. Other Information

### Stock exchange listing

ARN Media shares are listed on the ASX (code A1N).

### Enquiries

Shareholders or investors with any enquiries concerning their shareholding, shareholder details, dividend information, or administrative matters, should direct their enquiries to the Share Registry. Contact details for the Share Registry appear on the Corporate Directory page in this Annual Report 2025.

### Dividend payments

Dividends to shareholders may be paid direct to any bank, building society or credit union account in Australia. Shareholders who wish to receive dividends by electronic transfer should advise the Share Registry.

### Tax file number (TFN)

The Company is obliged to deduct tax from unfranked or partially franked dividend payments to shareholders resident in Australia who have not supplied their TFN to the Share Registry. To avoid this deduction, you should advise the Share Registry of your TFN.

### Register your email address

Shareholders are encouraged to register their email address to receive dividend advices, notification of availability of annual reports, notices of meeting, access to online voting and other shareholder communications. To register, shareholders should go to [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au), log in to their shareholding through the Investor Centre and select the "All communication by email" option.

# Shareholder Information (continued)

## 4. Other Information (continued)

Other services available to shareholders at this website include: viewing details of their shareholdings, updating address details, updating bank details and obtaining a variety of registry forms.

### **Consolidation of holdings**

Shareholders who have multiple issuer-sponsored holdings and wish to consolidate their separate shareholdings into one account should advise the Share Registry in writing.

### **Change of name or address**

Shareholders who are issuer sponsored should notify the Share Registry in writing of any change in either their name or registered address. If a change of name has occurred, it will be necessary to supply a certified copy of the relevant deed poll or marriage certificate.

Shareholders sponsored by a broker (CHESS) should advise their broker of the amended details.

### **Dividend Reinvestment Plan (DRP)**

The Directors determined to suspend the DRP effective from 15 February 2018.

Shareholders may elect to participate in any future DRP for all or part of their shareholding. Shareholders wishing to participate in any future DRP should contact the Share Registry. Terms and conditions of the DRP, the DRP Guide and forms to apply for, vary or cancel participation in the DRP are also available on the Company's website, <https://investors.arn.com.au/dividend-reinvestment-plan>

### **Investor information**

The Annual Report is the most comprehensive publication with information for investors. Copies of the 2025 Annual Report may be obtained by contacting the Share Registry or on the Company's website, <https://investors.arn.com.au/>. Other financial and relevant information, including press releases on financial results and Chairman's addresses, are available from the corporate office in Sydney, or at the Company's website, <https://investors.arn.com.au/>.

[Brooklyn] (0:03 - 0:32)

Here's your latest info now. Morning, I'm Brooklyn Ross. Former Prince Andrew has been let go for now after his arrest in the UK last night.

He was taken into custody at his home with no heads up to the King, according to reports. It is the first time a royal family member has been arrested in about 400 years. It's all over emails within the Epstein files that claim to show Andrew sharing confidential government info with Epstein when he was Trade Commissioner.

[Kyle] (0:32 - 0:39)

Does anyone know what the information was? I haven't read that anywhere, what it actually was, the information. Yeah.

[Brooklyn] (0:40 - 0:52)

Because it sounds very dastardly and bad, but... I know that Andrew was in a particular country and then was kind of the result of that meeting is he sent Epstein an email about that.

[Kyle] (0:53 - 0:56)

Oh, for Epstein to profit off it or just, oh, guess what I'm doing?

[Brooklyn] (0:56 - 1:05)

Either way, it's not allowed. Well, it just wasn't allowed, that's the thing. Yeah, and I don't know, police have probably just been waiting to find what they can with Andrew.

[Kyle] (1:06 - 1:14)

But that's not the way the law is supposed to work. You don't wait to pounce on anything that you can. Like, they couldn't get him in any of that Epstein shit.

[Brooklyn] (1:14 - 1:21)

Yeah, but they look for evidence, you know. But yeah, King Charles...

[Kyle] (1:21 - 1:26)

I don't think anything's going to happen to the bloke, just quietly. Yeah, would he end up in jail?

[Bruno] (1:27 - 1:52)

What is it? What are you telling us? So he didn't just ring him up and blurt out a couple of things.

[Kyle] (1:53 - 1:54)

This is a document that's been sent.

[Bruno] (1:57 - 2:04)

And he's alleged to have forwarded them on to people just via email and be like, oh, yeah, here you go.

[Brooklyn] (2:04 - 2:29)

No good. Yeah. Same with at workplaces.

Like, you know, you can't just send documents. You know, that can be against your work contract, right? Yeah.

If you just forward something to a friend, it's like, well, if that was to do with work, it can be very bad for you. Oh, there's a lot of rules, isn't there? Yeah, a lot of rules.

It's more than a world. A rule-free world.

[Jackie O] (2:31 - 2:32)  
Yeah. Sorry.

[Brooklyn] (2:33 - 2:36)  
Are you still looking up Andrew's birth chart?

[Jackie O] (2:36 - 2:36)  
I'm just reading it now.

[Kyle] (2:36 - 2:39)  
It's actually starting to affect your job here.

[Jackie O] (2:39 - 2:41)  
Oh, no, because this is my job.

[Kyle] (2:41 - 2:43)  
It's like if you're a drug addict. No, that's not your job.

[Jackie O] (2:43 - 2:48)  
I said it earlier in the show. I said I'd be coming back with it. This is part of the segment.

[Kyle] (2:48 - 2:57)  
Let me just tell you. I don't think anyone here expects you to be like a star sign expert at the detriment of everything else.

[Jackie O] (2:57 - 3:02)  
But don't you want to know what Andrew's astrology reading is based on his chart, what it says?

[Brooklyn] (3:02 - 3:05)  
Is there something shocking in there?

[Jackie O] (3:05 - 3:08)  
I'm telling you, this stuff never fails, ever.

[Brooklyn] (3:08 - 3:09)  
What does it say?

[Jackie O] (3:09 - 3:10)  
It says that...

[Brooklyn] (3:10 - 3:12)  
Oh, for Christ's sake, Brooklyn.

[Jackie O] (3:12 - 3:17)  
Yeah, there is a particular star that is so exact with... It's basically they're saying it's so prominent.

[Kyle] (3:17 - 3:20)  
But you said every one of these stars with the...

[Jackie O] (3:20 - 3:34)  
It's so perfect. Because some stars are less prominent in the theme of your life, and then they also tell you what happens later in life based on where these stars are. And it says in his later life, it says that this is a very challenging star.

[Kyle] (3:35 - 3:35)  
It's so generic.

[Jackie O] (3:36 - 4:05)  
No, because it says... Let me see. So this is the mind..

This could be the mind becoming increasingly fixated on certain ideas in ways that others find extreme. And it puts the person at odds with mainstream thinking or accepted norms. And it is often one of the strongest traditional associations with incarceration of any fixed star.

Combined with Saturn, the planet of consequences...

[Kyle] (4:05 - 4:09)  
This isn't perfectly accurate. This is still very loosey-goosey.

[Jackie O] (4:09 - 4:58)  
At the setting phase, this raises a genuine possibility of involvement in a very public way with the legal system and of his structures dissolving around him. Oh, that's... It does.

It's true. It goes on about how everything he's built, how he's been under scrutiny in the public eye for so long. It talks about how he's been at odds with that.

And then it talks about how in later life that whole structure that has been built around him comes crumbling down through something that he became fixated on that was not accepted by the public. It was seen as extreme or socially unacceptable. But he stands by the fact that it's not.

And that it is associated with imprisonment.

[Kyle] (4:58 - 5:09)  
Hang on, hang on, hang on. Just so everyone's aware of what was going on. The beginning when she was stammering through it, she was reading.

This whole bit at the end, which seems like the proof, all just came out of her mouth without reading.

[Jackie O] (5:09 - 5:24)  
Because I actually read. It's really detailed. I read all of it.

I was trying to find a little section that was actually, you know, written down. But all of this I have read in prior parts of the chart.

[Kyle] (5:24 - 5:49)  
I don't mean to be rude, but as I said, it's fascinating. But I don't think it should be at the detriment of everything else on the show, this relentless research into the patterns. I only just did it then.

I was literally just doing it then. It's affecting other things. Your fixation on this has made you almost unworkable.

[Brooklyn] (5:49 - 5:51)  
It's not that bad.

[Jackie O] (5:51 - 5:53)  
Brooklyn, you're not talking.

[Kyle] (5:53 - 5:54)  
I'm talking.

[Jackie O] (5:54 - 5:55)  
You do that. That's not fair.

[Kyle] (5:56 - 6:03)  
But it's actually true. You might have done that in five minutes, but you're off with the fairies with this shit.

[Jackie O] (6:03 - 6:06)  
No, no, no. Tell me where I've been off with the fairies during the show.

[Kyle] (6:06 - 6:08)  
I don't have to prove anything.

[Jackie O] (6:08 - 6:11)  
You can't accuse me of doing something and then say I don't have to say it.

[Kyle] (6:11 - 6:13)  
Listen to the program. You'll hear yourself.

[Jackie O] (6:13 - 6:15)  
No, just give me one example.

[Kyle] (6:15 - 6:17)  
Be aware of what's really going on.

[Jackie O] (6:17 - 6:21)  
I am, Kyle. I totally am offended by you saying something like that.

[Kyle] (6:21 - 6:24)  
Too bad if you are because that's the reality of what we're dealing with here.

[Jackie O] (6:24 - 6:29)  
Oh, that is so unfair. I have been in here doing the segment totally fine and normal.

[Kyle] (6:30 - 6:32)  
You've had your head on that looking into the stars.

[Jackie O] (6:32 - 6:35)  
It's too much. Yeah, I did because I just told you I was going to do it.

[Kyle] (6:35 - 6:40)  
I heard all that, but it's too much. It's affecting everything else. You're too fixated on it.

[Jackie O] (6:40 - 6:42)  
What? Tell me what it affected during the show.

[Kyle] (6:43 - 6:48)  
Every segment, every time you've spoken, you don't even know what's going on.

[Jackie O] (6:48 - 6:48)  
Is that true, guys?

[Kyle] (6:48 - 6:49)  
You're so focused on this.

[Jackie O] (6:49 - 7:00)  
Can someone back that up? Tell me one spot in the show where I have been off with the fairies not knowing what's going on. Just one person to back it up.

Give an example.

[Kyle] (7:00 - 7:02)  
Not one of them is going to say anything. They're all too terrified.

[Jackie O] (7:03 - 7:04)  
Terrified of me?

[Kyle] (7:05 - 7:08)  
Not of you. Terrified of getting involved. No, please.

Not of you.

[Speaker 5] (7:09 - 7:15)  
Please, feel free. Good on you, guys. You're so brave.

I'll jump in here if anyone wants to.

[Kyle] (7:15 - 7:17)  
You're so brave. We don't need your carniness, Peter.

[Brooklyn] (7:18 - 7:19)  
She's asking a serious question.

[Speaker 6] (7:19 - 7:20)  
I'll throw it to Brooklyn then, if Brooklyn wants the answer.

[Brooklyn] (7:21 - 7:29)  
Well, yeah, I don't think you're that bad, Jackie. I mean, you're obviously loving the star signs at the moment, and you've got an interest, and it's a deep interest.

[Kyle] (7:30 - 7:44)  
I love looking at houses on the internet as well, but I don't ruin every other thing in my life just to keep looking at houses on the internet. You've got to even it out. It is fascinating, but you're too involved.

[Brooklyn] (7:45 - 7:51)  
You're too deep. Well, I think there's a middle ground between the two of you. You love it a lot, Jackie.

[Jackie O] (7:51 - 7:57)  
I don't give you a hard time for becoming obsessed with American politics and always talking about Trump.

[Kyle] (7:57 - 7:59)  
That's a completely different thing, Jackie.

[Jackie O] (7:59 - 8:01)  
But why, Kyle? Why is it different?

[Kyle] (8:01 - 8:11)

Because you're not doing the rest of the job, and everyone in this building has mentioned it to me, and I've just said I'm not getting involved. That's a management position. I've got no problem.

[Jackie O] (8:11 - 8:12)  
Okay, well, let management talk to me then.

[Kyle] (8:13 - 8:14)  
They won't talk either.

[Jackie O] (8:14 - 8:18)  
No, please, I welcome it. If someone's actually said that, like, tell me who.

[Kyle] (8:18 - 8:32)  
Everyone has said what's going on with Jackie. She's off today. You're not getting mad.

Everyone you can see has said something over the last month at some stage. It doesn't have to be this big thing here. It's not great.

It's just a fact.

[Brooklyn] (8:33 - 8:34)  
Kyle, hang on.

[Kyle] (8:34 - 8:34)  
It's not bad.

[Brooklyn] (8:34 - 8:37)  
It's hard to say that to someone, saying hi to everyone.

[Kyle] (8:37 - 8:50)  
Brooklyn, wake up. I'm not lying to her to make her feel bad. This is actually what people have said to me.

And I like that she goes off on these buzzers. I've got no issue. But it is affecting everything else.

[Jackie O] (8:50 - 8:54)  
I would never say things like that about you.

[Kyle] (8:54 - 8:56)  
You have no idea how much. Well, too bad. Because I'm not doing that.

[Jackie O] (8:56 - 9:04)  
Yeah, but, Kyle, you make out like you sit there like you're perfect. There are so many things that you don't do. And I would never bring them up.

And I would never say what people say.

[Kyle] (9:04 - 9:07)  
What do you mean what I don't do? Feel free.

[Jackie O] (9:07 - 9:10)  
It's open forum. I don't want to get into a tit-for-tat. I think it's mean and nasty.

[Kyle] (9:10 - 9:13)

Because there is nothing. What have you got a problem with?

[Jackie O] (9:13 - 9:18)

I don't have a problem. But if I brought up the things that people, you know, say.

[Kyle] (9:19 - 9:25)

People here in the building say about me about the ins and outs of how the show is produced.

[Speaker 7] (9:25 - 9:26)

No, no, not about that.

[Kyle] (9:26 - 9:30)

What are you talking about? Personal insults? I don't care about those things.

Well, what is it?

[Jackie O] (9:30 - 9:35)

It's just around like, you know, it doesn't matter because I'm not going to do that.

[Kyle] (9:35 - 9:36)

Because there is no example.

[Jackie O] (9:36 - 9:37)

There is, actually.

[Kyle] (9:37 - 9:39)

Well, feel free to spit it out.

[Brooklyn] (9:39 - 9:41)

Can we leave it here for now?

[Kyle] (9:41 - 9:47)

Brooklyn, I'm not tiptoeing through this bullshit for another couple of weeks.

[Jackie O] (9:47 - 9:52)

No, it's just like I wouldn't, yeah, I wouldn't do that to you.

[Kyle] (9:52 - 9:54)

I'm not doing it for fun.

[Jackie O] (9:54 - 9:58)

Yeah, but I just don't understand why, why you did.

[Kyle] (9:58 - 10:01)

Because it's affecting the whole sound of the program.

[Jackie O] (10:01 - 10:05)

And you don't think things you do affect us? You don't think that there are times that it affects us?

[Kyle] (10:05 - 10:24)

As I said, this is constant. You don't know what the fuck is going on all the time because you're looking at that phone playing in the stars and it's ridiculous. Okay.

Like, you can enjoy that, but you can't take over your whole life. That's all I'm saying. I don't have any personal issue with you.

But who's to tell you these things? No one.

[Brooklyn] (10:28 - 10:36)

I'm not sure if she's asleep or not. She looks asleep. Jackie, I love you.

It's not about love. Yeah, well, and we all do, obviously.

[Kyle] (10:38 - 10:40)

You can't start crying about it. Well, it's not even that big a deal.

[Jackie O] (10:41 - 10:43)

No, it's a total attack, Kyle. It really is.

[Kyle] (10:43 - 10:44)

Oh, Jackie.

[Jackie O] (10:44 - 10:49)

Kyle, to say you don't know what the f\*\*\* is going on, you're not doing your job. That's an attack. And I won't do that.

[Kyle] (10:49 - 10:54)

It's not an attack. It's an actual fact, babe. I'm so sorry.

That's the reality of what's going on.

[Jackie O] (10:54 - 10:57)

I would never do something like that to you, on air like that.

[Kyle] (10:57 - 11:03)

Well, that doesn't mean that I'm not going to be honest with you if asked, which you did ask, and I told you.

[Jackie O] (11:03 - 11:08)

No, you actually threw it out there. I didn't ask Kyle to do my job properly.

[Kyle] (11:08 - 11:13)

I'm not married to you. I don't have to buy into all this backwards and forwards. You were this, you were this, you were that.

[Jackie O] (11:13 - 11:16)

I'm not interested. You just throw it out there, and then I'll just pop it.

[Kyle] (11:18 - 11:24)

Oh, what are you doing? The woe is me. Like, I dared say something to you because I think it's a problem.

[Jackie O] (11:24 - 11:31)

Yeah, it was hurtful. It actually was. To say that, I come in here, and I do my job, and I do it well.

[Kyle] (11:32 - 11:36)

I don't know. I wouldn't say that. Lately, no.

I wouldn't agree.

[Jackie O] (11:36 - 11:40)

Well, you know what? Use get someone else, then. You someone else instead of me.

[Kyle] (11:41 - 11:43)

Like, seriously. Isn't that a bit extreme? Isn't that a bit extreme?

[Jackie O] (11:44 - 11:49)

No, because if you don't think I'm doing my job well, and you don't think I'm very good, get someone else.

[Kyle] (11:49 - 11:57)

I didn't say you're not very good. I said you're off with the fairies. You're unfocused.

You don't give a shit. You're not doing your job well. That is correct.

You're not.

[Brooklyn] (11:59 - 12:13)

I like that you're both here having this conversation, and no one has walked out. And I don't like you fighting, but I'm glad this is out. Poor old Brooklyn's like someone's child.

I don't want you two to fight. We're not fighting.

[Kyle] (12:13 - 12:15)

Yeah. This is just talking.

[Brooklyn] (12:16 - 12:16)

All right.

[Kyle] (12:16 - 12:19)

I'm going to go to sport. I'm being as gentle. Oh, are you wrapping up, though?

[Brooklyn] (12:20 - 12:23)

Well, I've got to do sport at some point. Sport check in a sec.

[Kyle] (12:24 - 12:33)

If you're still with us, diary time. These are the best bits on and off the air for the week. Is this a standoff here, or what are we doing here?

[Jackie O] (12:33 - 12:38)

No, go ahead. Do what you want to do. I'm actually not over it, and I'm not going to pretend I am.

[Kyle] (12:40 - 12:41)

Over what? The disagreement?

[Jackie O] (12:41 - 12:41)

Yeah.

[Kyle] (12:43 - 12:46)

Oh, well, nice to see you're running the professional line here.

[Jackie O] (12:46 - 12:48)

No, I'm not going to pretend and be fake about it.

[Kyle] (12:49 - 12:52)

You don't have to pretend, but, you know, that's how I feel.

[Jackie O] (12:52 - 12:55)

Yeah, no, this is how I feel right now.

[Kyle] (12:55 - 13:01)

Well, congratulations. I'm not sure what you want me to do about it. Is this going to make it awkward for the next hour?

That's your plan?

[Jackie O] (13:01 - 13:03)

I don't know, actually. Not sure.

[Kyle] (13:03 - 13:07)

Well, we'll see how it goes. Here is the diary, guys, when we were on happier terms throughout the week.

[Jackie O] (13:08 - 13:12)

I have read in prior parts of the chart.

[Kyle] (13:13 - 13:37)

I don't mean to be rude, but, as I said, it's fascinating, but I don't think it should be at the detriment of everything else on the show. This relentless research into the patterns of the... I only just did it then.

I was literally just doing it then. It's affecting other things. Your fixation on this has made you almost unworkable.

[Brooklyn] (13:37 - 13:39)

Oh, it's not that bad.

[Jackie O] (13:39 - 13:41)

Brooklyn, shut up. You're not talking.

[Kyle] (13:41 - 13:42)

I'm talking.

[Jackie O] (13:42 - 13:43)

You do that. That's not fair.

[Kyle] (13:44 - 13:51)

But it's actually true. You might have done that in five minutes, but you're off with the fairies with this shit.

[Jackie O] (13:51 - 13:54)

It's mental. Tell me where. I've been off with the fairies during the show.

[Kyle] (13:54 - 13:56)

I don't have to prove anything.

[Jackie O] (13:56 - 13:59)

No, you do. You can't accuse me of doing something and then say I don't have to say it.

[Kyle] (13:59 - 14:01)

Listen to the program. You'll hear yourself.

[Jackie O] (14:01 - 14:02)  
Oh, no, just give me one example.

[Kyle] (14:02 - 14:05)  
Be aware of what's really going on.

[Jackie O] (14:05 - 14:09)  
I am, Kyle. I totally am offended by you saying something like that.

[Kyle] (14:09 - 14:12)  
Look, too bad if you are, because that's the reality of what we're dealing with here.

[Jackie O] (14:12 - 14:17)  
Oh, that is so unfair. I have been in here doing the segment totally fine and normal.

[Kyle] (14:18 - 14:20)  
You've had your head on that looking into the stars.

[Jackie O] (14:20 - 14:23)  
It's too much. Yeah, I did, because I just told you I was going to do it.

[Kyle] (14:23 - 14:28)  
I heard all that, but it's too much. It's affecting everything else. You're too fixated on it.

[Jackie O] (14:28 - 14:30)  
What? Tell me what it affected during the show.

[Kyle] (14:31 - 14:36)  
Every segment, every time you've spoken, you're off with the fairies. You don't even know what's going on.

[Jackie O] (14:36 - 14:37)  
Is that true, guys?

[Kyle] (14:37 - 14:37)  
You're so focused on this.

[Jackie O] (14:37 - 14:48)  
Can someone back that up? Tell me one spot in the show where I have been off with the fairies, not knowing what's going on. Just one person to back it up.

Give an example.

[Kyle] (14:48 - 14:50)  
Not one of them is going to say anything. They're all too terrified.

[Jackie O] (14:52 - 14:52)  
Terrified of me?

[Kyle] (14:53 - 14:56)  
Not of you. Terrified of getting involved. Not of you.

[Speaker 5] (14:57 - 15:03)  
Please, feel free. Good on you, guys. You're so brave.

I'll jump in here if anyone wants to hear from me.

[Kyle] (15:03 - 15:07)

You're so brave. We don't need your carniness, Peter. She's asking a serious question.

[Speaker 6] (15:07 - 15:08)

I'll go out to Brooklyn then if Brooklyn wants the answer.

[Brooklyn] (15:09 - 15:17)

Well, yeah, I don't think you're that bad, Jackie. I mean, you're obviously loving the star signs at the moment and you've got an interest and it's a deep interest.

[Kyle] (15:18 - 15:32)

I love looking at houses on the internet as well, but I don't ruin every other thing in my life just to keep looking at houses on the internet. You've got to even it out. It is fascinating, but you're too involved.

[Brooklyn] (15:33 - 15:39)

You're too deep. Well, I think there's a middle ground between the two of you. You love it a lot, Jackie.

[Jackie O] (15:39 - 15:45)

I don't give you a hard time for becoming obsessed with American politics and always talking about Trump.

[Kyle] (15:45 - 15:47)

That's a completely different thing, Jackie.

[Jackie O] (15:47 - 15:49)

But why, Kyle? Why is it different?

[Kyle] (15:49 - 15:59)

Because you're not doing the rest of the job and everyone in this building has mentioned it to me and I've just said I'm not getting involved. That's a management position. I've got no problem.

[Jackie O] (15:59 - 16:01)

Okay, well, let management talk to me then.

[Kyle] (16:01 - 16:02)

They won't talk either.

[Jackie O] (16:02 - 16:06)

No, please, I welcome it. If someone's actually said that, like tell me who.

[Kyle] (16:06 - 16:22)

Everyone has said what's going on with Jackie. She's off today. You're not getting mad.

Everyone you can see has said something over the last month at some stage. It doesn't have to be this big thing here. It's not great.

It's just a fact. Kyle, hang on.

[Brooklyn] (16:22 - 16:25)

It's not bad. It's hard to say that to someone saying, oh, everyone.

[Kyle] (16:25 - 16:38)

Brooke, wake up, dickhead. I'm not lying to her to make her feel bad. This is actually what people have said to me, and I like that she goes off on these buzzers.

I've got no issue, but it is affecting everything else.

[Jackie O] (16:38 - 16:42)  
I would never say things like that about you.

[Kyle] (16:42 - 16:44)  
Too bad because I'm not doing that.

[Jackie O] (16:45 - 16:48)  
Yeah, because you make out like you sit there like you're perfect.

[Kyle] (16:48 - 16:49)  
No, I'm not.

[Jackie O] (16:49 - 16:52)  
There are so many things that you don't do, and I would never bring them up, and I would never say what people say.

[Kyle] (16:52 - 16:55)  
What do you mean what I don't do? Feel free.

[Jackie O] (16:55 - 16:58)  
It's open forum. I don't want to get into a tit-for-tat. I think it's mean and nasty.

[Kyle] (16:58 - 17:01)  
Because there is nothing. What have you got a problem with?

[Jackie O] (17:01 - 17:06)  
I don't have a problem, but if I brought up the things that people, you know, say.

[Kyle] (17:07 - 17:13)  
People here in the building say about me, about the ins and outs of how the show is produced.

[Speaker 7] (17:13 - 17:14)  
No, no, not about that.

[Kyle] (17:14 - 17:18)  
What are you talking about? Personal insults? I don't care about those things.

Well, what is it?

[Jackie O] (17:19 - 17:23)  
It's just around like, you know, it doesn't matter because I'm not going to do that.

[Kyle] (17:23 - 17:24)  
Because there is no example.

[Jackie O] (17:24 - 17:25)  
There is, actually.

[Kyle] (17:25 - 17:35)

Well, feel free to spit it out. Can we leave it here for now? Griffin, I'm not tiptoeing through this bullshit for another couple of weeks.

[Jackie O] (17:35 - 17:46)

No, it's just like I wouldn't, yeah, I wouldn't do that. I'm not doing it for fun. Yeah, but I just don't understand why.

Why you did.

[Kyle] (17:46 - 17:49)

Because it's affecting the whole sound of the program.

[Jackie O] (17:49 - 17:54)

And you don't think things you do affect us? You don't think that there are times that it affects us?

[Kyle] (17:54 - 18:12)

As I said, this is constant. You don't know what the fuck is going on all the time because you're looking at that phone playing in the stars and it's ridiculous. Okay.

But you can enjoy that, but you can't take over your whole life. That's all I'm saying. I don't have any personal issue with you.

But who's to tell you these things? No one.

[Brooklyn] (18:17 - 18:28)

I'm not sure if she's asleep or not. She looks asleep. Jackie, I love you.

It's not about love. Yeah, well, and we all do, obviously. You can't start crying about it.

Well, it's not even that big a deal.

[Jackie O] (18:29 - 18:31)

No, it's a total attack, Kyle. It really is.

[Kyle] (18:31 - 18:32)

Oh, Jackie.

[Jackie O] (18:33 - 18:38)

Kyle, to say you don't know what the F is going on, you're not doing your job, that's an attack. And I won't do that.

[Kyle] (18:38 - 18:42)

It's an actual fact, babe. I'm so sorry. That's the reality of what's going on.

[Jackie O] (18:42 - 18:45)

I would never do something like that to you on air like that.

[Kyle] (18:46 - 18:51)

Well, that doesn't mean that I'm not going to be honest with you if asked, which you did ask, and I told you.

[Jackie O] (18:51 - 18:54)

No, you actually threw it out there. I didn't ask.

[Kyle] (18:54 - 19:01)

Oh, for Christ's sake. I'm not married to you. I don't have to buy into all this backwards and forwards.

You're a this, you're a this, you're a that.

[Jackie O] (19:01 - 19:04)

I'm not interested. You just throw it out there and then I'll just pop it.

[Kyle] (19:06 - 19:12)

Oh, what are you doing? It wasn't the woe is me. I dared say something to you because I think it's a problem.

[Jackie O] (19:12 - 19:19)

Yeah, it was hurtful. It actually was. To say that, I come in here and I do my job and I do it well.

[Kyle] (19:20 - 19:24)

I don't know. I wouldn't say that. Lately, no.

I wouldn't agree.

[Jackie O] (19:24 - 19:28)

Well, you know what? You get someone else then. You someone else instead of me.

[Kyle] (19:29 - 19:32)

Seriously, get someone else. Isn't that a bit extreme? Isn't that a bit extreme?

[Jackie O] (19:32 - 19:37)

No, because if you don't think I'm doing my job well and you don't think I'm very good, get someone else.

[Kyle] (19:37 - 19:41)

I didn't say you're not very good. I said you're off with the fairies. You're unfocused.

[Jackie O] (19:42 - 19:42)

You don't give a shit.

[Kyle] (19:43 - 19:45)

You're not doing your job well. That is correct. You're not.

Okay.

[Brooklyn] (19:47 - 20:01)

I like that you're both here having this conversation and no one has walked out. And I don't like you fighting, but I'm glad this is out. Poor old Brooklyn's like someone's child.

I don't want you two to fight. We're not fighting.

[Kyle] (20:01 - 20:03)

This is just talking.

[Brooklyn] (20:03 - 20:05)

All right, I'm going to go to school.

[Kyle] (20:06 - 20:07)

Oh, are you wrapping up?

[Brooklyn] (20:08 - 20:11)

Well, I've got to do sport at some point. Sport check in a sec.



HERBERT SMITH  
FREEHILLS  
KRAMER

Kyle Sandilands  
Quasar Media Services Pty Ltd as trustee  
for Quasar Media Services Trust  
2 McManus Street  
McMahons Point NSW 2060  
kyle@kingkyle.com; bruno@kingkyle.com

3 March 2026  
82811772  
By Email

Dear Kyle

Private and Confidential

### **Notification of Breach and Direction to Remedy**

We confirm we act for Commonwealth Broadcasting Corporation Pty Ltd (**CBC**) and Australian Radio Network Pty Ltd (**ARN** together with CBC and all related bodies corporate of CBC, the Group).

We refer to the Broadcast Services Agreement between CBC and Quasar Media Services Pty Ltd (**Quasar**) dated 21 November 2023 (as amended from time to time) (**Agreement**), pursuant to which Quasar is engaged as a "Contractor" to provide the "Program Services" and has agreed to make you available to CBC as the "Presenter" (all such terms as defined in the Agreement).

We are instructed to write to Quasar as Contractor and to you as Presenter, pursuant to the Agreement, to give notice for the purposes of clauses 17.1(a) and 17.1(b) of the Agreement.

#### **The incident on 20 February 2026**

We are instructed that during the 20 February 2026 show, you made abusive, humiliating, and belittling comments to, and about, Ms Henderson while on-air. This included attacks on Ms Henderson's personal character, work ethic, and job performance, and accused her of having lost touch with reality. You stated that everybody at the radio station was talking about these failings, thereby impressing on her the idea that her conduct and performance was so bad, that they were generally the talk of the station.

These comments were intended seriously and were not said in jest. They manifested hostility towards Ms Henderson and were calculated to offend and distress her. You also invited team members to engage in personal criticism of Ms Henderson.

You persisted with this conduct despite Ms Henderson being visibly distressed and embarrassed.

Under clause 3(c) the Agreement, you (through Quasar) are solely responsible for controlling the manner in which Quasar provides the Program Services, subject to the agreement.

Under clause 5.3(h) of the Agreement, Quasar is required to procure that you will ensure that you will utilise the necessary skills, qualifications, expertise and experience to perform the Program Services.

Under clause 5.3(i) of the Agreement, Quasar is required to procure that you will use your best endeavours to achieve the 'Objectives' of the Position outlined in Item 8 of Schedule 1. Those Objectives include to provide an entertaining and enlivening 'Program' to the Sydney and



Melbourne markets. 'Program' is defined, relevantly, as a breakfast program to be presented by you and Ms Henderson, and titled 'The Kyle and Jackie O Show'. Those Objectives are inseparable from the obligation imposed by Item 7 of Schedule 1 and clause 5.2 of the Agreement to work with Ms Henderson and the production team toward achieving the Objectives.

These obligations, against the background of your long relationship with Ms Henderson and experience working with her, required you and Quasar to make a responsible assessment at all times of how you should conduct yourself towards Ms Henderson in the provision of Program Services. Your and Quasar's failure to meet those requirements made your serious misconduct referred to above especially egregious.

Ms Henderson, who has worked in close partnership with you for 25 years to deliver the Kyle and Jackie O show, has decided following this incident that she cannot present with you.

**Notice to remedy – serious misconduct for the purposes of clause 17.1(a)(ii)**

CBC considers that the conduct described above constitutes you committing an act of serious misconduct which affects or compromises the Program Services (as defined in the Agreement) by causing serious and imminent injury to CBC's business (for the purposes of clause 17.1(a)(ii) of the Agreement). The serious and imminent injury to the Company's business is Ms Henderson's refusal to ever present with you again.

CBC hereby gives you notice in writing (for the purposes of clause 17.1(a) of the Agreement) to remedy the serious misconduct described above (under the heading 'The Incident on 20 February 2026') within 14 days (the last date of which is the **Response Date**).

**Notice to remedy – serious or persistent breach or non-observance of terms of the Agreement for the purposes of clause 17.1(b)**

CBC also considers that the conduct described above constitutes Quasar committing a serious or persistent breach or non-observance of terms of the Agreement. The terms in question are clauses 5.2, 5.3(a), 5.3(h) and 5.3(l).

CBC hereby gives you notice in writing (for the purposes of clause 17.1(b) of the Agreement) to remedy same within 14 days (the last date of which is the **Response Date**).

**Directions**

During the period from the date of this letter until the Response Date, you and Quasar are directed:

- (a) not to make any comment publicly about the circumstances referred to in this letter;
- (b) to keep the issues referred to in this letter confidential;
- (c) not to victimise anyone who may have made complaints about your conduct;
- (d) not to disparage ARN or any Group Member (as defined in the Agreement), its or their officers, directors, employees and contractors (**Group**); and/or
- (e) not to contact any of the Group without prior written consent from me.

You can of course seek legal advice, and we welcome and encourage you to do so. Further, if you consider there is a requirement to breach a direction in order to rectify the breaches referred to above, please let us know immediately in writing so that this can be considered.



HERBERT SMITH  
FREEHILLS  
KRAMER

If you breach these reasonable directions, this letter is notification under clause 17.1(d) of the Agreement that such breach would or could result in the termination of the Agreement.

Similarly, in accordance with clause 20 of the Agreement, until the Response Date, Quasar is suspended because of CBC's genuine and serious concern regarding your serious misconduct. Quasar will continue to receive its Fee (as defined in the Agreement) during the period of the suspension.

CBC reserves its rights in respect of the financial loss arising from these breaches and the ability to claim on the indemnities in the Agreement.

Yours sincerely

Yours sincerely

**Michael Gonski**  
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10 March 2026

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Dear Colleagues

**Quasar Media Services Pty Ltd and Kyle Sandilands  
Commonwealth Broadcasting Corporation Pty Ltd and Australian Radio Network Pty Ltd  
Purported Notification of Breach and Direction to Remedy**

- 1 We act for Quasar Media Services Pty Ltd (**Quasar**) and Kyle Sandilands (**Presenter**).
- 2 We refer to the correspondence addressed to our clients dated 3 March 2026 which is styled as a “notification of breach and direction to remedy” (**Notice**).
- 3 The conduct said to constitute a breach of the Agreement is described as “[t]he incident on 20 February 2026”: the presentation of material by the Presenter “while on air” on that date that your clients allege was “abusing, humiliating and belittling” to Ms Jackie Henderson (**Impugned Material**).
- 4 The Notice purports to be a notice for the purposes of clause 17.1(a) and 17.1(b) of the Broadcast Services **Agreement** between the Commonwealth Broadcasting Corporation Pty Ltd (**CBC**) and Quasar. It is not a valid notice under either of those provisions. It should therefore immediately be withdrawn.
- 5 Non exhaustive reasons as to why this is so are set out below.

**The Presenter has not committed “serious misconduct” within the meaning of the cl 17.1(a) Agreement**

- 6 Clause 17.1(a) confers upon CBC a right to terminate the Agreement if certain preconditions are met.
- 7 One is that the Presenter has, in fact, committed an act of “serious misconduct”.
- 8 “Serious misconduct” is not defined by the Agreement, but must take its meaning from the Agreement as a whole.

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- 9 Under cl 6(d) of the Agreement, CBC acknowledged “the tone, style, voice and robust character with which the Presenter has performed radio presenter services during his career” and confirmed it was “desired” by CBC that the President “prepare and present material” with a “robust character”. It cannot be “misconduct” (let alone, “serious misconduct”) for the Presenter to present material of a “robust character” that CBC “desired” and promised to pay Quasar handsomely for. Subclause 6(d) is not referred to in the Notice.
- 10 Consistent with the foregoing, pursuant to cl 6(b) of the Agreement, CBC assumed the responsibility of providing “censorship, review and guidance” (see cl 6(d)) including by providing a censor at all times to monitor all recordings of the Presenter made in the course of the Program Services, with CBC operating a 30-second delay for each broadcast of any program involving the Presenter and CBC having the duty to censor and Dump “any serious disparaging comments in relation to any Company employee or contractor”. Subclause 6(b) is not referred to in the Notice.
- 11 Pursuant to cl 5.5 of the Agreement, despite anything to the contrary in the Agreement, the Contractor and the Presenter are not in breach of the Agreement, nor does CBC have any rights against Quasar or the Presenter unless four conditions are satisfied.
- 12 Those conditions include the following:
- (b) *the Presenter had actual knowledge that the material prepared or presented by the Presenter would, or was likely to, breach a term of the Agreement or give rise to a Claim; and*
  - (c) *the aspect of the material that would, but for cl 5.5, breach the Agreement or give rise to a Claim could not have been known by the Censor or the legal clearance personnel of the Company privy to the material prior to its exploitation.*
- 13 Those conditions are not dealt with in the Notice. Indeed, clause 5.5 is not referred to in the Notice at all.
- 14 It is not clear why CBC says that cl 5.5 is satisfied or whether it has reflected upon whether cl 5.5 is satisfied at all.
- 15 Be that as it may:
- (a) there is no basis for any assertion that the Presenter had actual knowledge that the Impugned Material would or was likely to breach a term of the Agreement or give rise to a Claim (in fairness, no such assertion is made in the Notice);
  - (b) the Impugned Material was not material that could not have been known by the Censor. Self-evidently, the Impugned Material was material that the Censor knew about and was entitled to Dump had it wished to do so.
- 16 Therefore, even if the presentation of the Impugned Material was capable of constituting “serious misconduct” for the purposes of the Agreement (which is denied), Quasar and the Presenter are relieved from any liability in relation to that conduct. This is confirmed by cl 17.1(m) of the Agreement. Again, that subclause is not referred to in the Notice.
- 17 Clauses 5.5 and 17.1(m) are fatal to any suggestion that CBC has (or may in the future have) a right to terminate the Agreement under cl 17.1(a) of the Agreement.

**Presentation of the Impugned Material did not cause serious and imminent injury of CBC’s business**

- 18 Another precondition to the right to terminate conferred by cl 17.1(a) of the Agreement arising is (relevantly) that the Presenter committed an act that, objectively, caused “serious

and imminent injury” to CBC’s business.

- 19 Our clients deny that the presentation of the Impugned Material caused any such injury.
- 20 The Notice does not identify with specificity what injury is said to have been caused by the presentation of the Impugned Material. Instead, it merely asserts that what it describes as “Ms Henderson’s refusal to ever present with [the Presenter] again” was such an injury.
- 21 That seems to be a reference to a comment attributed by CBC to Ms Henderson that she “cannot continue to work with Mr Kyle Sandilands”. At the same time, Ms Henderson made a public statement last Friday that she “did not quit or resign”.
- 22 Even if (which is not admitted) Ms Henderson advised that she “cannot continue to work with Mr Kyle Sandilands”, that would not have caused a serious and imminent injury to CBC’s business.
- 23 Rather, if CBC has suffered any injury in connection with the Impugned Material, it was caused by CBC’s precipitous decision to terminate its services agreement with Henderson Media Pty Ltd (**Henderson Media**) under which Ms Henderson previously presented the Kyle and Jackie O Show (**Henderson Services Agreement**). That decision was made in breach of cl 2A(c) of the Agreement, which requires CBC to use its best endeavours to ensure that Ms Henderson performs her services and cooperates with the Presenter. It seems that CBC made no attempt to discharge its duty under that provision. Again, cl 2A(c) is not referred to in the Notice.
- 24 It follows that the Presenter has not committed an act that caused serious and imminent (or any) injury to CBC’s business within the meaning of cl 17.1(a) of the Agreement. This, again, is fatal to the validity of the Notice insofar as it relies on cl 17.1(a).

**The Presenter has not been given a “reasonable opportunity” to remedy the alleged serious and imminent injury to CBC’s business**

- 25 Another precondition to the right to terminate conferred by cl 17.1(a) is that the Presenter has been given a “reasonable opportunity” to remedy what that subclause describes as “the same”.
- 26 The Notice proceeds on the basis that the thing that the Presenter must be given a reasonable opportunity to remedy is the “act of serious misconduct”. That misreads cl 17.1(a). An “act” cannot be “remed[ied]”. Only its consequences can.
- 27 Thus, what cl 17.1(a) requires the Presenter to be given a reasonable opportunity to remedy is (relevantly) the “serious and imminent injury to [CBC’s] business” caused by the “act of serious misconduct”.
- 28 Here the “serious and imminent injury” is said to be “Ms Henderson’s refusal to ever present with [the Presenter] again”.
- 29 CBC has not given the Presenter a reasonable opportunity to remedy that alleged injury. On the contrary, CBC’s action in terminating the Henderson Services Agreement acts as an effective “Catch-22”, preventing the Presenter from remedying Ms Henderson’s alleged “refusal to ever present with [the Presenter] again”. More precisely, the termination of the Henderson Services Agreement has prevented the Presenter from remedying any injury to CBC caused by Ms Henderson’s refusal to ever present with the Presenter again. Even if the Presenter were to procure Ms Henderson to reverse any refusal to present with the Presenter again, any opportunity for her to do so has been destroyed by the termination by CBC of the Henderson Services Agreement.
- 30 The Presenter has thus been denied by CBC a reasonable opportunity to remedy the injury said to have been caused by the presentation of the Impugned Material. Again, this is fatal to

the validity of the Notice and means that CBC does not have and will not accrue a right to terminate under cl 17.1(a).

**CBC does not have and will not accrue a right to terminate under cl 17.1(b)**

- 31 In what reads like an afterthought, the Notice also asserts that the presentation of the Impugned Material constituted a “serious or persistent breach or non-observance of the terms of the Agreement”.
- 32 How the presentation of the Impugned Material on a single occasion can constitute a “persistent breach” is unexplained.
- 33 Nor is it explained how the presentation of the Impugned Material could constitute a breach of any of the contractual provisions identified in the Notice (even if cl 5.5 were put to one side):
- (a) cl 5.2 requires Quasar to ensure Mr Sandilands complies with the specific obligations of the “Role” detailed in Item 7 to Schedule 1. The item requires Mr Sandilands to “be available to perform the Program Services” at particular times; attend meetings; take input and directions from content directors; participate in coaching/planning sessions; play commercials; read broadcasting standards and codes; attend training; attend executive promotions; support contests; work with co-presenters to achieve “the Objectives” (being to provide an entertaining and enlivening program to Sydney and Melbourne markets); attend “Group client appearances”; and make public appearances as requested. The notion that the presentation of the Impugned Material involved any failure to comply with any of these requirements makes no sense;
  - (b) cl 5.3(a) requires Quasar to provide the Program Services “diligently and faithfully” and to the best of its knowledge and expertise. It is not credible to suggest that the presentation of the Impugned Material involved any departure from this requirement;
  - (c) cl 5.3(h) requires Quasar to ensure it utilises the necessary skills, qualifications, expertise and experience to perform the Program Services. How or why this provision is relevant has not been explained. On no tenable analysis can there be said to have been any breach of this requirement; and
  - (d) cl 5.3(l) requires Quasar to use its “best endeavours” to achieve the “Objectives”. How this provision can tenably be said to have been breached by the Presenter presenting the Impugned Material is difficult to fathom. As outlined above, the “Objectives” are the provision of an entertaining and enlivening program. The Notice does not identify how or why the program is said not to have met the relevant criteria nor how Quasar failed to use its best endeavours to achieve these objects.
- 34 In any event, cl 5.5 of the Agreement is a complete answer to any suggestion that Quasar has breached the Agreement. As explained above, on no view have all of the conditions in cl 5.5 been satisfied in relation to the presentation of the Impugned Material (see, in particular, paragraphs 11 to 15 above). It follows that the presentation of the Impugned Material does not constitute a breach of the Agreement.
- 35 Further, if (which is denied) there were a breach of the kind that is capable of enlivening cl 17.1(b), Quasar has not been given a reasonable opportunity to “remedy” “same”. Again, the remedy contemplated by cl 17.1(b) is a remedy of the consequences of the alleged breach, here the consequences are of Ms Henderson allegedly refusing to ever present with the Presenter again.

36 CBC denied Quasar a reasonable opportunity to remedy that state of affairs by precipitously terminating the Henderson Services Agreement before Quasar had an opportunity to take any steps to effect such a remedy. This is fatal to any reliance on cl 17.1(b) in the same way that it is fatal to any reliance on cl 17.1(a).

#### **No power to terminate**

37 The upshot of the above is that the Notice is not a valid notice for purposes of cl 17.1 and CBC does not have, and will not accrue, a right to terminate under that clause.

38 Our clients invite CBC to confirm that the Notice is withdrawn and that it will not purport to terminate the Agreement.

#### **The purported directions**

39 The Notice purports to direct our clients not to do certain things and to keep the issues referred to in the Notice confidential (**Purported Directions**). At the same time, the issues referred to in the Notice have been a matter of significant public comment in recent days, triggered by announcements that ARN Media Limited has made to the market and communications to all staff within ARN.

40 The Notice does not identify the source of power CBC purports to rely upon to make the Purported Directions. The Agreement does not confer any such power and the direction is neither lawful nor reasonable.

41 While the Notice refers to cl 17.1(d) of the Agreement, that subclause has no relevant application. That subclause refers to “lawful and reasonable directions” given “as to the performance of the Program Services”. “Program Services” means, essentially, the services of the Presenter associated the presentation and publicity of The Kyle and Jackie O Show.

42 The Purported Directions have nothing to do with that. If anything, the Purported Directions concern *not* providing Program Services.

43 In any event, the Purported Directions are not reasonable and are therefore not capable of enlivening cl 17.1(d). In particular, it is not reasonable to purport to direct Quasar and the Presenter to keep the issues referred to in the Notice confidential in circumstances where CBC’s parent company has not done so and where the issues referred to in the Notice have been subject to considerable public commentary.

44 Our clients consider the Purported Directions to be void and of no effect.

#### **Purported Suspension**

45 The Notice records that Quasar is purportedly suspended pursuant to cl 20 of the Agreement (**Purported Suspension**).

46 Our clients do not accept that that Purported Suspension is a valid exercise of the power in cl 20 of the Agreement.

47 According to the Notice, the Purported Suspension was imposed because of what is said to be CBC’s “genuine and serious concern regarding [the Presenter’s] serious misconduct”.

48 Our clients do not accept that CBC has a “genuine and serious concern” in the relevant sense because CBC’s concern proceeds on a misunderstanding of the Agreement and in particular as to what is constituted by “serious misconduct” for the purposes of the Agreement.

49 It follows that the Purported Suspension is invalid and the Presenter should immediately be invited back on air. Our clients invite CBC to do so without delay.

50 In the meantime, Quasar reserves its right to make a claim against CBC for the loss suffered by CBC's wrongful Purported Suspension.

**Conclusion and the way forward**

51 The Notice is invalid for the reasons outlined above. So too are the Purported Directions and the Purported Suspension.

52 Any attempt to terminate the Agreement will be unlawful and ineffective.

53 Quasar remains ready, willing and able to perform its obligations under the Agreement.

54 The Notice, Purported Directions and Purported Suspension should immediately be withdrawn and the Presenter invited back on air immediately.

In the meantime, all documents, communications, recordings, transcripts or records relating to our clients, Ms Henderson, Henderson Media Pty Ltd, the KIIS Breakfast show (and any proposed variation to, or replacement of, the broadcast), Australian Radio Network Pty Ltd (together with CBC and all other related bodies corporate (together, the **Group**)), the Group's employee's and officers, and the matters set out in this letter should be preserved and must not be destroyed. We ask that you confirm by reply as soon as possible that all such documents will be preserved.

Yours faithfully,



Johnson Winter Slattery



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15 March 2026  
Matter 82811772  
By Email

Dear Colleagues

Private and Confidential

**Your Clients: Quasar Media Services Pty Ltd (Quasar) and Kyle Sandilands (Mr Sandilands)**

**1. Introduction**

We refer to your letter dated 10 March 2026 (**Your Letter**) and the Notice of Breach and Direction to Remedy issued on 3 March 2026 (the **Notice**).

We also refer to the Agreement as defined in the Notice and use other terms defined in the Notice.

Below we respond to the assertions in Your Letter in detail. Where we provide no response to the numerous allegations in Your Letter, this should not be taken as an admission that those allegations have merit.

In summary, what has occurred is as follows:

- On 20 February 2026, your client, Mr Sandilands seriously abused his co-worker, Ms Henderson, in the workplace. Mr Sandilands' conduct is described on the first page of the Notice. Your Letter does not take issue with that description. Rather, your clients appear to be saying that the Agreement permitted or indeed required your client to engage in conduct of that kind. It included the following serious abuse from Mr Sandilands to Ms Henderson:
  - *"Jackie you live in a world... a rule-free world."*
  - *"it's actually starting to affect your job here... it's like if you're a drug addict."*
  - *"hang on, just so everyone's aware of what is going on, the beginning when [Ms Henderson] was stammering through it, she was reading."*
  - *"it's affecting other things. Your fixation on this has made you almost unworkable."*
  - *"you're off with the fairies with this shit, it's mental."*  
*[after Ms Henderson said she was offended.]*
  - *"well too bad if you are."*  
*[after Ms Henderson said "that was so unfair"]*
  - *"every segment every time you've spoken, you're off with the f... you don't even know what's going on."*

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[after Ms Henderson said “tell me one spot in the show where I have been off with the fairies not knowing what’s going on”]

- “not one of them’s gonna say anything, they’re all too terrified.”
  - “I love looking at houses on the internet as well. But I don’t ruin every other thing in my life just to keep looking at houses on the internet.”
  - “...because you’re not doing the rest of the job and everyone in this building has mentioned it to me. I have just said I’m not getting involved, that’s a management position... I’ve got no problem.”
  - “everyone has said what’s going on with Jackie. She’s off today... you’re not getting... Everyone you can see has said something over the last month at some stage. Doesn’t have to be this big thing here. It’s not great. It’s just a fact.”
  - “I’m not tippy-toeing through this bullshit for another couple of weeks.”
  - “this is constant, [you] don’t know what the fuck’s going on all the time because you’re looking at that phone, playing in the stars and it’s ridiculous.”
  - “You can’t start crying about it. It’s not even that big of a deal.”
- [after Ms Henderson said “it’s a total attack Kyle, it really is”]
- “it’s not an attack, it’s an actual fact babe. I’m sorry, that’s the reality of what’s going on.”
  - “christ sake, I’m not married to you, I don’t have to buy in to all this backwards and forwards.... I’m not interested.”
  - “oh what are you doing, the woe is me. I dared say something to you because I think it’s a problem.”
- [after Ms Henderson said “It was hurtful. It actually was. To say that. I come in here and I do my job and I do it well.”]
- “I don’t know. I wouldn’t say that lately. No. I wouldn’t agree.”
  - “I didn’t say you’re not very good, I said you’re off with fairies, you’re unfocused, you don’t give a shit.”
  - “that is correct, you’re not [doing your job well].”

- Ms Henderson subsequently indicated through her solicitors that she “cannot continue to work with Mr Sandilands” and that “...direct contact with Mr Sandilands is now untenable”.
- Accordingly, our client issued the Notice.

In Your Letter, you assert on behalf of your clients that Mr Sandilands has not engaged in serious misconduct or breached the Agreement, and that the Notice has no legal consequence. Those assertions are addressed in detail below.

But at a general level, it is notable that a critical aspect of the position set out in Your Letter is your contention that, due to what you say is the operation of clause 5.5 of the Agreement, CBC has no remedy against either of your clients in respect of Mr Sandilands’ abuse of Ms Henderson.

That contention is based on a fundamental misunderstanding of the scope and effect of clause 5.5 of the Agreement, which is addressed below. We note that if that contention about the effect of clause 5.5 of the Agreement were correct, our clients would have no



legal rights against your clients in respect of anything said by Mr Sandilands in the workplace without prior warning, no matter how egregious, if what was said happened to have made it to air.

Moreover, on your clients' interpretation, your clients would enjoy this immunity from consequences for the remaining 8 years of the Agreement, using our client's radio licence while potentially putting it at risk, and be paid \$80 million to do so, and our clients could do nothing about it.

Our clients do not consider that a Court would be attracted to that position.

## **2. Assertions under the heading "The Presenter has not committed 'serious misconduct' within the meaning of clause 17.1(a)"**

Under this heading, leaving aside the assertions about the operation of clause 5.5 of the Agreement (which are dealt with separately below), Your Letter asserts that your clients' conduct was not 'serious misconduct' because of clauses 6(b) and 6(d) of the Agreement.

Neither of these clauses has that effect.

In respect of clause 6(d), it concerns the way in which the Company exercises its responsibilities in connection with "censorship, review and guidance", and to do so "*where possible*" to assist the Presenter to present "in the robust character desired by the Company". It is patently not a provision that contractually requires or permits your clients to engage in any kind of abusive behaviour merely because you describe it as "robust". In any event, what Mr Sandilands did went beyond, indeed well beyond, presenting the Program in a 'robust character'. Your clients may disagree, but it is difficult to see why a Court would.

In respect of clause 6(b), Your Letter at [10] misstates what the sub-clause says. It does not impose a duty on CBC (or the Censor) to dump any serious disparaging comments.

In any event, your clients' reliance on the role of the Censor and dumping is misconceived, because Mr Sandilands' conduct was serious misconduct irrespective of whether it went to air.

## **3. Assertions under the heading "Presentation of the Impugned Material did not cause serious and imminent injury to CBC's business"**

The assertions under this heading are based on a misapprehension, in particular in relation to the words 'Presentation of the Impugned Material'. Our clients do not agree that this is the correct description of Mr Sandilands' serious misconduct. Mr Sandilands seriously abused his colleague. It was broadcast to air, but it would have been serious misconduct even if it had not gone to air, and each of Mr Sandilands' abusive utterances was serious misconduct in the 30 second period before it went to air. It was not the *presentation* of material that was the serious misconduct.

As to the balance of the assertions under this heading of Your Letter, the simple point is that Ms Henderson indicated that she cannot continue to work with Mr Sandilands, and that was clearly caused by your client's serious misconduct as described in the Notice. The fact that our clients terminated the Henderson Broadcast Services Agreement (**Henderson Agreement**) is irrelevant in respect of the serious and imminent injury to CBC, because she had already made it clear that she could not continue to work with Mr Sandilands.

Given that position, your clients' reliance on clause 2A(c) of the Agreement is misplaced. Our client cannot force Ms Henderson to work with Mr Sandilands if she refuses to do so, and whatever the content of the 'best endeavours' obligation, it cannot require our clients to force Ms Henderson to do so or to keep the Henderson Agreement on foot once repudiated by her and her services company.



**4. Assertions under the heading “The Presenter has not been given a ‘reasonable opportunity’ to remedy the alleged serious and imminent injury to CBC’s business”**

Our clients do not agree with the assertions in Your Letter at [25]-[27] that, on the proper construction of the Agreement, ‘same’ in clause 17.1(a) refers (only) to the effects referred to in clause 17.1(1)(a)(i) or (ii). Primarily that is because of the natural meaning of the clause. Clause 17.1(b) provides for your client to ‘remedy same’ and in that case what needs to be remedied is clearly the breach of contract, being (or at least potentially being) an act rather than its consequence. But additionally, that is because it is very common for contracts to provide for a period in which a defaulting party may remedy a breach of contract, which again will usually be an act rather than a consequence of some other act. Thus, we do not agree that it is right to say, in interpreting a contract, that an act cannot relevantly be ‘remedied’.

In any event, nothing turns on the point, because your clients take the position that even if your clients’ interpretation is correct, they are not able to remedy either the serious misconduct identified by CBC, or the serious and imminent injury caused by it identified by CBC.

Your clients’ chief complaint under this heading is the same addressed in the previous section, being that the Henderson Agreement has been terminated. As noted in the previous section, Ms Henderson and her company already indicated that they would not work with Mr Sandilands again, and so the termination of that agreement is irrelevant to whether or not she will ever work with Mr Sandilands again.

It may be that the circumstances of your clients’ conduct, being serious misconduct and a breach of the Agreement, are such that the conduct and its consequential serious and imminent injury to the Company’s business are simply not capable of being remedied. The Agreement contemplates that in those circumstances, CBC has the right to terminate.

If your clients’ position is that the identified serious misconduct, or its consequential serious and imminent injury to the Company’s business, or both, are not capable of being remedied (notwithstanding the provision of 14 days to do so, being the maximum contemplated by the Agreement in clause 17.1(a) and (b)), then please let us know.

**5. Assertions under the heading “CBC does not have and will not accrue a right to terminate under clause 17.1(b)”**

As to Your Letter at [32], the Notice refers to a ‘serious or persistent’ breach, picking up the language of clause 17.1(b). Plainly it is enough for the purposes of the section for Quasar’s conduct to constitute a serious breach of contract, and it was.

As to Your Letter at [33], our clients disagree that the identified conduct was not a serious breach by Quasar:

- Your Letter at [33(a)] refers to clause 5.2, which *inter alia* required Quasar to ensure that Mr Sandilands “works with” Ms Henderson, and to work with her to achieve the objectives at set out in clause 7 of Schedule 1. The Objectives include the provision of “an entertaining and enlivening program”. Serious abuse of Ms Henderson was the antithesis of working ‘with’ her. Nor was this conduct directed towards achieving the Objectives. Indeed, Mr Sandilands denigrated Ms Henderson’s *performance on the program*.
- As to Your Letter at [33(b)] and [33(c)], we do not understand how in the circumstances Quasar could be said to have provided the Program Services ‘diligently and faithfully’, to the best of its knowledge and expertise, utilising the necessarily skills, expertise and experience.



- As to Your Letter at [33(d)], Mr Sandilands controls Quasar, and Quasar was obliged to use its best endeavours to achieve the objective of providing an entertaining and enlivening breakfast program to be presented with Ms Henderson, titled 'The Kyle and Jackie O Show'. Mr Sandilands seriously abused Ms Henderson and denigrated her performance on that program. That is a serious failure to use best endeavours to achieve that objective. It is concerning that Mr Sandilands appears to consider otherwise, and thinks his conduct was consistent with providing an entertaining and enlivening program with Ms Henderson.

As to Your Letter at [35]-[36], our clients disagree with the assertions therein for the same reasons addressed above in relation to the corresponding assertions made in Your Letter as regards clause 17.1(a).

## **6. Your clients' reliance on clause 5.5 of the Agreement**

Your Letter relies on clause 5.5 of the Agreement in multiple places (Your Letter at [11]-[17], [34]) and so it is convenient to deal with it separately. Our clients make the following points about this clause (noting clause 17.1(m) does not affect matters because it simply refers back to clause 5.5).

*First*, they do not consider that clause 5.5 applies at all, because the relevant serious misconduct and serious breach of contract did not 'arise out of' materials presented by Mr Sandilands. The conduct in question was serious abuse of a co-worker in the workplace, which happened to have been recorded and put to air. It was serious misconduct, and a serious breach of contract, irrespective of its 'presentation' and before it went to air. Clause 5.5 has no application in the circumstances.

*Secondly*, clause 5.5 does not, and was not intended to, apply to conduct that constituted serious misconduct (irrespective of whether it might also be a breach of the Agreement or give rise to a Claim (as defined in the Agreement)). Whereas the chapeau refers to breach of the Agreement, it does not refer to serious misconduct. Most tellingly, clause 5.5(c) refers to conduct that, but for clause 5.5 would either breach the Agreement or give rise to a Claim (as defined in the Agreement); it does not refer to conduct that would, but for clause 5.5, be serious misconduct. Similarly, the terminology of 'misconduct' and 'serious misconduct' is terminology used in workplace relations law, and its field of operation concerns conduct in the workplace. That is all consistent with the point made above that the clause is not directed to protecting Mr Sandilands against workplace misconduct.

*Thirdly*, clause 5.5(a) supports the propositions above because they provide that the proviso will not be met if the 'materials' do not go to air. Thus on your interpretation of the Agreement, Mr Sandilands could abuse Ms Henderson (or others in the workplace) as much as he wanted in presenting the program, and if the Censor dumped it, there would be no remedy against him, irrespective of how egregious the serious misconduct was. That is not a sensible interpretation.

*Fourthly*, in any event, even if clause 5.5 does apply, then the proviso to that clause applies because each of sub-clauses (a) to (d) was satisfied.

Your Letter at [13]-[15] contends that neither sub-clause (b) or sub-clause (c) was satisfied. Our clients disagree.

As to sub-clause (b), plainly Mr Sandilands knew that seriously abusing his co-worker in the way that he did was at least likely to breach of the Agreement or give rise to a Claim. We note in this regard that 'Claims' includes 'demands' and would include any actions or demands brought by Ms Henderson.

As to sub-clause (c), again, this sub-clause is satisfied, and your clients' assertion to the contrary is premised upon an absurd interpretation of the Agreement that makes no



sense because it would have the effect that the proviso to clause 5.5 could never, in principle, be satisfied.

For the proviso in clause 5.5 to be satisfied, each of sub-clauses (a) to (d) needs to be satisfied. For the proviso in sub-clause (c) to be satisfied, it would have to be the case that the offending aspects of the 'material' "*could not have been known by the Censor... privy to the material prior to exploitation*". Alternatively, if the words 'privy to the material' in the sub-clause are not to be read distributively, it would have to be the case that the offending aspects of the 'material' "*could not have been known by the Censor... prior to exploitation*".

CBC was required to provide a Censor at all times to monitor all recordings of Mr Sandilands and operate a 30 second delay: clause 6(b) of the Agreement. It follows that if (as Your Letter at [15(b)] asserts) any material that the Censor received in real time (i.e., as it was said by Mr Sandilands, without forewarning) was information that "*was not information that could not have been known by the Censor*", then sub-clause 6(b) *could never* be satisfied, simply because the Censor had the information for 30 seconds before it went to air.

Indeed, on your interpretation of the Agreement, it does not matter what the Censor does if Mr Sandilands engages in serious misconduct whilst on the air. On your interpretation, if the Censor dumps it, the proviso does not apply because clause 5.5(a) will not be satisfied; but if the Censor does not dump it, the proviso still does not apply because clause 5.5(c) will not be satisfied.

Thus on your clients' interpretation, the elaborate proviso to which the parties have agreed in clause 5.5(a) to (d) could never operate, and is illusory.

That is not a sensible interpretation of the Agreement. A sensible interpretation of the Agreement would give the proviso in clause 5.5 a potential field of operation when read in conjunction with clause 6(b). Given that clause 5.5(c) also refers to 'legal clearance', this limb of the proviso appears to be directed to material that either the Censor or 'legal clearance personnel' could have been known about either some reasonable period of time before it was presented by Mr Sandilands (such that a sensible decision could be made about whether it should go to air), or at least prior to being said by Mr Sandilands. But whatever the correct interpretation, on no view is sub-clause 5.5(c) not satisfied merely because the Censor heard the words when Mr Sandilands said them, or else the proviso could never apply.

## **7. Assertions under the heading "The purported directions"**

As to Your Letter at [39]-[44] our clients disagree with the assertion that the directions it provided to your client in the Notice are void and of no effect. We refer your clients to clause 5.3(c) of the Agreement which requires your clients to comply with all lawful and reasonable directions given by our clients, where CBC has a right to give such directions under the Agreement, and CBC plainly has the right to give lawful and reasonable directions as to the performance of the Program Services (see eg cl 17.1(d)). The Program Services are in effect all of the services provided by Quasar under the Agreement, and include (underlining added) "*all work necessary for [Mr Sandilands] to plan and prepare Mr Sandilands' broadcast material related to the Program and its promotion and the promotion of the Radio Station*" and any further material or services in relation to the publicity for the Radio Station or the Program. Each of the directions given was 'as to' those services.

We note that the directions issued to your clients are consistent with your clients' obligations of confidentiality under the Agreement which relevantly include (under clauses 22.1 and 1.1 of the Agreement) information regarding the employment or engagement or termination thereof of any person employed and/or engaged by CBC or any Group Member, and any information of or possessed by the Company or any Group Member



which is marked as confidential, is by nature confidential or the Contractor knows or ought to know is confidential.

We remind you that if your clients considered that there was a need to breach a direction in order to remedy under clause 17.1, they were invited to contact us immediately in writing. The Notice therefore included a pathway for your clients to make contact with a member of the Group, subject to notifying CBC/ARN in writing so that it could be considered.

Ms Henderson had indicated to our clients that further contact with Mr Sandilands was untenable. To the extent Mr Sandilands genuinely wishes to contact Ms Henderson or take other steps for the purpose of remedying the situation, the mechanism for doing so was clearly identified in the Notice. No such request has been made.

In any event, you have candidly indicated that your clients regard the directions as being of no effect. That is consistent with Mr Sandilands' conduct, as he has ignored them and not complied with them, including at least through making public statements.

Similarly, we understand in any event from media reports that Mr Sandilands may already be in contact with Ms Henderson. If that is the case, then again, clearly Mr Sandilands has ignored the directions. In any event, CBC is prepared to consent to Mr Sandilands being in contact with Ms Henderson *provided that* Mr Sandilands first obtains permission from Ms Henderson's lawyers to speak to her, as her solicitors have previously advised that direct contact with Mr Sandilands is untenable. Her solicitors are Peta Tumpsey and Nicholas Pullen at HWLE Lawyers.

Our clients reserve all of their rights in respect of your clients' failures to comply with the directions.

#### **8. The balance of Your Letter**

Our clients note and disagree with the assertions in Your Letter at [46], [48]-[52].

CBC declines the invitation in Your Letter at [49].

CBC declines to withdraw the things Your Letter at [54] asserts should be withdrawn.

We note that your clients still have days left to remedy the serious misconduct and serious breach identified in the Notice, if it is capable of being remedied. We invite your clients to make every effort to do so.

We confirm that our clients do not propose to delete or destroy any documents that may be relevant to any dispute between our respective clients.

Our clients otherwise reserve all rights.



HERBERT SMITH  
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KRAMER

Yours sincerely

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17 March 2026

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Dear Colleagues

**Quasar Media Services Pty Ltd and Kyle Sandilands  
Commonwealth Broadcasting Corporation Pty Ltd and Australian Radio Network Pty Ltd  
Purported Notification of Breach and Direction to Remedy**

We write in response to your correspondence of 15 March 2026. We continue to rely on our correspondence of 10 March 2026. The terms defined in that correspondence are repeated herein.

We note the following:

**Characterisation of the 20 February 2026 on-air exchange**

- 1 Our clients take issue (and have always taken issue) with the characterisation of the Presenter's comments on 20 February 2026 as constituting "seriously abusive conduct" towards Ms Henderson. That characterisation is neither a fair nor available one, particularly when the exchange is considered in context.
- 2 The exchange on 20 February 2026 was one which was within the bounds of the program CBC procured the Presenter and Ms Henderson to present. It was precisely the kind of exchange which featured regularly during the presentation of the Kyle & Jackie O show and which CBC encouraged, condoned and commercially exploited.

**Clause 5.5**

- 3 Clause 5.5 is unequivocal: Quasar and the Presenter cannot be in breach of the Agreement, nor does CBC have any rights against them, in relation to "material prepared or presented" by the Presenter unless the four enumerated conditions are satisfied. That the provision does not refer to "serious misconduct" is irrelevant. It provides that CBC cannot rely on cl 17.1 to the extent that the asserted termination right arises out of material the Presenter presents.

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- 4 The provision does not operate to denude CBC of any rights “in relation to anything said by Sandilands in the workplace without prior warning, no matter how egregious”. Rather, the provision captures matters “arising out of” material prepared or presented by the Presenter unless each of (a) to (d) of cl 5.5 is satisfied. Accordingly, it does not apply to general workplace discussions or conversations which did not arise out of the preparation or presentation of material on the Kyle & Jackie O Show. Its sphere of operation is limited to matters which arise out of material that is in fact prepared and presented by the Presenter. That language reflects a deliberate contractual allocation of risk in respect of on-air content, including content which may be contentious, provocative or controversial.
- 5 The Presenter’s comments during the 20 February 2026 broadcast fell squarely within cl 5.5. They arose directly from (and were in fact) material presented by the Presenter under the Agreement. Clause 5.5 is triggered and CBC cannot rely on any of the grounds for termination in cl 17.1 unless it satisfies each of the four elements in cl 5.5. It cannot satisfy (b), given that the Presenter did not know the material would or was likely to breach a term of the Agreement or give rise to a Claim. It also cannot satisfy (c), as the material was clearly known to the Censor prior to it being broadcast by your client.
- 6 Your correspondence also asserts that the Presenter’s comments were misconduct “irrespective of whether they went to air” and that the asserted “abusive utterances” were “serious misconduct” *before they went to air*. This attempted reframing is inconsistent with the Notice. The Notice specifically identified the alleged breach as involving the presentation on air of material which was asserted to be abusive or humiliating. Any assessment of Ms Henderson’s reaction to the Presenter’s comments is, for instance, inextricably linked to the fact that they were broadcast.
- 7 It is not permissible for CBC to recast the particularised breach after the issue of a notice under cl 17.1. Quasar is entitled under cl 17.1 to be told in clear and unequivocal terms what the nature of the asserted breach is in order for them to have a reasonable opportunity to remedy it. This new and materially different alleged breach is disconnected from, and inconsistent with, the Notice, and cannot now be relied upon.
- 8 The reframing is, in any event, unsustainable. The phrase “arising out of” is of wide import and captures anything that relates to or is associated with materials prepared or presented by the Presenter and the clause captures any material which is ultimately presented or which is prepared for presentation or matters concerning such material. The distinction which you seek to draw in your correspondence is artificial and incongruent with the plain terms of cl 5.5.
- 9 We note that the agreement is not an ambiguous instrument. Its terms were carefully drafted and negotiated by parties who shared a clear and informed understanding of the relevant context, including the nature of the Kyle and Jackie O show, the individuals involved, the commercial value and nature of the performance being delivered, and the regulatory environment, informed by a decade of continuous contractual association.
- 10 The notion that CBC could do nothing about the Presenter putting its radio licence at risk is baseless. A radio broadcasting licence is issued by the Regulator, ACMA, to the broadcast licensee. The Agreement has been carefully calibrated with the regulatory functions of ACMA in mind. Amongst other things, CBC is able and obliged to Dump material which it adjudges may be non-compliant with applicable Codes of Practice or laws under cl 6(b).

#### **Clause 6(b)**

- 11 The terms of clause 6(b) are pellucid. CBC is required to provide a Censor. That Censor is made responsible for monitoring all recordings of the Presenter made in the course of the Program Services. The Censor is obliged to apply a 30-second delay “*to ensure compliance*

*with... this Agreement*". The Censor is required to "Dump" content that does not comply with the Agreement.

- 12 Any content that breaches the Agreement must be dumped by the Censor. That outcome is the clear and considered consequence of the language agreed between commercial parties who had a long-standing understanding of the Kyle & Jackie O Show dynamic, content, production processes and regulatory context. It does not lie in the mouth of CBC to assert that the Presenter breached the Agreement during the 20 February 2026 broadcast in relation to materials which CBC elected not to Dump and which it broadcast and commercially exploited.

**Clause 17.1(a)**

- 13 Your correspondence mischaracterises our correspondence of 10 March 2026. We do not assert that the on-air exchange was not serious misconduct only because of cll 6(b) and (d) to the Agreement. The exchange was not, objectively assessed, "serious misconduct" in a general sense. "Serious misconduct" at common law usually involves conduct of a repudiatory kind. On no analysis did the exchange on 20 February 2026, leaving cll 6(b) and (d) to one side, constitute misconduct let alone serious misconduct.
- 14 In an employment context, assessment of whether conduct constitutes serious misconduct requires that the nature of the business and the position held by the employee to be considered. Applying this framework, the nature and circumstances of the Kyle & Jackie O show and the banter and commentary which CBC supported, promoted, sanctioned and commercially exploited entail that the Presenter's comments cannot sensibly be said to constitute "serious misconduct".

**Presentation of the Impugned Material did not cause serious and imminent injury to CBC's business**

- 15 Your correspondence makes clear that CBC terminated Ms Henderson's contract. CBC is therefore the cause of Ms Henderson no longer presenting the program. To the extent that there has been injury to CBC, this has flowed from its unilateral decision to sack Ms Henderson and not from any conduct of our clients or either of them.
- 16 This significant circumstance was not referred to in the Notice. Nor has CBC given our clients particulars of how that circumstance came to occur such as:
- (a) when Ms Henderson and her company "indicated" she could not work with the Presenter;
  - (b) whether this was indicated by Ms Henderson herself or someone else on her behalf (and, if so, who);
  - (c) who the indication was given to;
  - (d) whether the indication was communicated orally or in writing;
  - (e) what, if any, communications CBC had with Ms Henderson in relation to this matter; and
  - (f) what, if any, other avenues were explored by CBC besides the unilateral termination of Ms Henderson's contract.
- 16.2 Your correspondence mischaracterises the requirements of cl 2A(c) of the Agreement. The requirement that CBC use its best endeavours to ensure that Ms Henderson performs her services and cooperates with the Presenter. Whatever the content of this obligation, it cannot be deemed as satisfied by CBC taking *no* such endeavours.

- 16.3 Regardless of CBC's termination of Ms Henderson's contract, cl 2A of the Agreement is designed specifically to address circumstances where Ms Henderson is no longer a co-presenter. Relevantly, cl 2A does not permit your client to unilaterally terminate the Agreement where Ms Henderson's contract is terminated. It is apparent that your client seeks to circumvent this mechanism.

#### **Clause 17.1(b)**

- 17 Nothing in cl 2 or in Items 7 and 9 of Schedule 1 to the Agreement requires that Quasar ensure the Presenter "works with" Ms Henderson to achieve the objectives detailed in Item 9. Your assertions about cl 5.2 are meritless.
- 18 There is no substance to your assertions that the Presenter did not diligently and faithfully provide the Program Services nor use his best endeavours to achieve the requisite objectives.
- 19 CBC's reliance on cl 17.1(b) appears to be an afterthought. There was no "serious" or "persistent" breach or non-observance of any Agreement terms.

#### **Reasonable opportunity to remedy**

- 20 Your contentions that cl 17.1(a) and (b) require remedying of an "act" rather than the consequences of an act cannot be accepted. A past act or omission cannot be remedied. What can be remedied are the consequences or the effects and implications of that past act. Properly construed, these provisions permit Quasar the opportunity to remedy the consequences of any relevant past acts or omissions.
- 21 CBC has not provided Quasar with an opportunity to remedy the asserted breaches. It appears that CBC has acted opportunistically by taking no steps at all to seek to ensure that Ms Henderson performed her services at all relevant times and cooperated with our clients to provide the Program Services. Rather, CBC appears to have taken Ms Henderson's indication about wishing to no longer work with the Presenter as a justification for the immediate termination of the Henderson Agreement.
- 22 These matters underscore that any failure to remedy is not attributable to Quasar, but to decisions taken unilaterally by CBC.
- 23 We reiterate that the Presenter is willing to return to work forthwith. He is willing to work with another co-presenter if Ms Henderson remains unwilling to work with him. He is also willing to work with Ms Henderson again. There is nothing which needs to be done by him to remedy anything: Quasar is ready, willing and able to perform work and satisfy its obligations under the Agreement.

#### **The purported directions**

- 24 CBC's reliance on cl 5.3(c) of the Agreement to found a basis for the directions is without merit. That provision does not confer a freestanding right to issue lawful and reasonable directions. Rather, it is limited to instances "*where the Company has a right to give such directions under this Agreement*". Thus, another provision of the Agreement must confer a specific right to give the directions. No such provisions exist.
- 25 Contrary to your contention, cl 17.1(d) cannot be relied upon to ground a basis for the purported directions. That provision supplies a right to terminate where a lawful and reasonable direction has been "given in accordance with this Agreement" which concerns "the performance of the Program Services". Like cl 5.3(c), it does not repose any right to issue direction. Rather, it founds a right to terminate where a lawful and reasonable direction has been issued "in accordance with" the Agreement about the performance of the Program Services as defined in cl 1.1. The phrase "in accordance with" makes clear that the direction must have been issued pursuant to or under a power conferred by the Agreement. In any

event, the purported directions do not concern *the performance* of the Program Services. Amongst other things, they have nothing to do with live or recorded broadcasts, work necessary to prepare broadcast materials, or further materials or services reasonably required by the Company for the Program and publicity where these have first been agreed to by our clients. It is untenable to suggest the directions concern work necessary for the Presenter to perform, plan and prepare broadcast material or the promotion of such material or the radio station.

- 26 The confidentiality obligations imposed by clause 22 do not avail CBC. That provision imposes obligations on Quasar in relation to "Confidential Information" as defined in cl 1.1. It does not allow CBC to issue directions to keep confidential matters which are, on no analysis, not confidential. Nor does it operate to permit CBC to prevent the Presenter from communicating with persons including Ms Henderson.

### **Moving forward**

- 27 Nothing set out in your correspondence of 15 March 2026 detracts from our analysis of the invalidity of the Notice.
- 28 Please confirm by **4pm today, 17 March 2026** that, on reflection, CBC agrees that the Notice, Purported Directions and Purported Suspension are invalid and withdrawn.
- 29 We note that any purported termination relying upon the Notice will be invalid and of no effect.

Yours faithfully,



Johnson Winter Slattery

## Danya Balakrishnan

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**From:** Jessup, Nerida <nerida.jessup@hsfkramer.com>  
**Sent:** Wednesday, 18 March 2026 12:03 AM  
**To:** Kevin Lynch  
**Cc:** Joseph El Hagg; Danya Balakrishnan; Gonski, Michael  
**Subject:** Quasar Media Services Pty Ltd and Kyle Sandilands - Commonwealth Broadcasting Corporation Pty Ltd and Australian Radio Network Pty Ltd - Termination of Agreement [HSF-AUS01.FID7054382]  
**Attachments:** Termination Letter - Quasar and Kyle Sandilands - 18 March 2026.pdf

Dear Colleagues

Please find **attached** correspondence of today's date issued to your clients.

Yours sincerely

**Nerida Jessup**  
Partner  
Herbert Smith Freehills Kramer

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18 March 2026  
82811772  
By Email

Dear Kevin

Private and Confidential

### Termination of Agreement

As you are aware, we act for Commonwealth Broadcasting Corporation Pty Ltd (**CBC**) and Australian Radio Network Pty Ltd (**ARN**, and together with CBC, all related bodies corporate of CBC, the **Group**). We are instructed to write to your clients as follows.

We refer to the Broadcast Services Agreement between CBC and Quasar Media Services Pty Ltd (**Quasar**) dated 21 November 2023 (**Agreement**) and are instructed to write to Quasar as Contractor and Mr Sandilands, as Presenter as defined in the Agreement on behalf of CBC. We also refer to the Notification of Breach and Direction to Remedy that was issued to Quasar and Mr Sandilands on 3 March 2026 (**Notice**).

That Notice identified your client's serious misconduct for the purpose of clause 17.1(a)(ii) of the Agreement and Quasar's (including through Mr Sandilands' actions) serious or persistent breach or non-observance of the terms of the Agreement for the purpose of clause 17.1(b) of the Agreement, the terms in question being clauses 5.2, 5.3(a), 5.3(h) and 5.3(l). Pursuant to that Notice, Quasar as Contractor and Mr Sandilands as Presenter were given 14 days to remedy the identified matters.

Fourteen days have now elapsed since Mr Sandilands and Quasar were provided with the Notice.

The matters identified in the Notice have not been remedied.

Accordingly, for the purposes of clause 17.1(a) of the Agreement, either:

- the identified serious misconduct is not capable of being remedied; or
- the Presenter, having been given a reasonable opportunity to remedy the identified serious misconduct by notice in writing referring specifically to clause 17.1(a), has not remedied,

and, accordingly, CBC is entitled to terminate the Agreement pursuant to clause 17.1(a) of the Agreement.

Further, for the purposes of clause 17.1(b) of the Agreement, either:

- the identified serious breach of the Agreement is not capable of being remedied; or
- Quasar, having been given a reasonable opportunity to remedy the identified serious breach of the Agreement by notice in writing referring specifically to clause 17.1(b), has not remedied,

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and, accordingly, CBC is entitled to terminate the Agreement pursuant to clause 17.1(b) of the Agreement.

CBC hereby gives notice in writing to the Contractor that it terminates the Agreement.

**Post-termination matters**

In accordance with CBC's obligations under clause 17.2 of the Agreement, upon Termination, we confirm that CBC will pay Quasar:

- any Fee (exclusive of GST) which has not been paid up to the Termination Date pursuant to the Agreement;
- any expenses incurred in accordance with clause 12.4 of the Agreement which have not yet been reimbursed;
- a pro-rata payment of the Revenue Share and the Contra Airtime up to the Termination Date (all such terms as defined in the Agreement) in accordance with the Agreement;
- any other entitlements of Quasar under the Agreement that have accrued and are payable and have not yet been paid or provided.

As CBC has already made payment in advance to your clients as at 1 March 2026 in respect of payments for the CADA Consultancy Fee and the Flight Allowance, together with the Services and IP Payments pursuant to the Agreement, CBC requires Quasar and Quasar Intellectual Property Pty Ltd to repay to CBC (as a debt immediately owing) a pro-rata portion of these payments based on the period from the Termination Date to 31 March 2026.

By operation of Item 18 of Schedule 1 of the Agreement, Quasar is required to repay to CBC (as a debt immediately owing) a pro-rata portion (based on the period the Contractor will not provide services for the balance of the ten-year Term as a proportion of the ten years) of the One-off Commencement Fee. We will write to you separately as to the precise calculation of this amount.

We also note for the purposes of Item 9A of Schedule 1 of the Agreement, the Board will consider whether to determine that the Commencement Shares should be forfeited, in which case the limited recourse loan referred to in that Item will require repayment and the Commencement Shares will be compulsorily disposed in satisfaction of the loan.

Pursuant to clause 17.5 of the Agreement, CBC requires that your clients immediately deliver to CBC (whether in electronic form or otherwise) all Confidential Information (as defined in the Agreement), books, documents, papers, materials, credit cards, motor vehicles and other property of CBC or any Group Member which is in Quasar's or Mr Sandiland's possession, power or control.

We remind your clients that their obligations under clauses 18 (restraint) and 22 (Confidential Information) and 32 (Indemnity) of the Agreement continue to apply following Termination of the Agreement.



HERBERT SMITH  
FREEHILLS  
KRAMER

Yours sincerely

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Herbert Smith Freehills Kramer LLP and its affiliated and subsidiary businesses and firms, Herbert Smith Freehills Kramer (US) LLP and its affiliate, and Herbert Smith Freehills Kramer, an Australian Partnership, are separate member firms of the international legal practice known as Herbert Smith Freehills Kramer. We practise in Australia through Herbert Smith Freehills Kramer, an Australian Partnership (ABN 98 773 882 646).

# JOHNSON | WINTER | SLATTERY

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**Our Ref:** D8949  
**Doc ID:** 501831678.3

18 March 2026

Michael Gonski and Nerida Jessup  
Partner  
Herbert Smith Freehills Kramer  
Level 34, 161 Castlereagh Street  
Sydney NSW 2000

**BY EMAIL:** [michael.gonski@hsfkramer.com](mailto:michael.gonski@hsfkramer.com)  
[nerida.jessup@hsfkramer.com](mailto:nerida.jessup@hsfkramer.com)

Dear Colleagues

**Quasar Media Services Pty Ltd and Kyle Sandilands  
Commonwealth Broadcasting Corporation Pty Ltd and Australian Radio Network Pty Ltd  
Purported Termination of Agreement**

- 1 We refer to your letter sent this morning at 12:03am (**Midnight Letter**).
- 2 That letter purported to terminate the Broadcast Services Agreement between Commonwealth Broadcasting Corporation Pty Ltd and Quasar Media Services Pty Ltd dated 21 November 2023 (**Agreement**) in reliance on the purported notification of breach and direction to remedy dated 3 March 2026 (**Notice**).
- 3 You did not respond to our letter dated 17 March 2026 before sending the Midnight Letter.
- 4 For the reasons set out in our letter dated 17 March 2026 and our earlier letter of 10 March 2026, the purported termination is invalid and of no effect.
- 5 As a result, neither party to the Agreement has been discharged from performance of that Agreement by reason of the Midnight Letter or otherwise. Consistent with that, Quasar remains ready, willing and able to perform its obligations under the Agreement including to provide the Program Services to CBC.
- 6 Likewise, CBC remains liable to perform its obligations under the Agreement including a continuing obligation to pay the Fee (as defined) and other payments referred to in the Agreement.
- 7 Our clients understand from the Midnight Letter that CBC does not wish for Quasar to provide the Program Services, refuses to take the steps necessary on its part to permit Quasar to provide the Program Services and waives its right to insist on Quasar providing the Program Services.
- 8 For so long as that remains the position, CBC will be liable to pay the Fee and other payments contemplated by the Agreement during the period in which Quasar is prevented from providing the Program Services by reason of CBC's conduct. To put it another way, if and to the extent that the Agreement is to be read as imposing any precondition to Quasar's

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entitlement to the Fee and other payments, any such condition is satisfied by Quasar's tender and CBC's refusal of performance.

- 9 Quasar will issue invoices to CBC in relation to the Fee and other payments in the ordinary way.
- 10 If what is outlined in paragraph 7 above does not correctly summarise CBC's position, please let us know as a matter of urgency and Quasar will cause for the Presenter to attend to provide the Program Services.
- 11 As to the demands set out in the Midnight Letter, each wrongly presupposes a valid termination of the Agreement. Given that the purported termination is invalid, there is at present no "Termination Date", no obligation to repay any amounts under the Agreement, no basis to forfeit the Commencement Shares, and clause 17.5 is not engaged.

Yours faithfully,



Johnson Winter Slattery

armmedia

Annual Report  
2023



All  
Audio



2023 demonstrates the continued strength of our core audio assets.

**#1** Metro Radio Network<sup>4</sup>  
**arn 6.2m**  
 (4.4% YoY increase and highest annual cume average)<sup>5</sup>

**#1** Podcast Publisher<sup>2</sup>  
**iHeart RADIO 6.8m**  
 (+26.8% audience growth YoY and highest annual audience average)<sup>6</sup>

## arn is All Audio

ARN Media owns Australia's leading audio company, ARN, connecting with over 8 million people<sup>1</sup> each week through broadcast and digital radio across every state and territory in Australia. ARN owns 58 radio stations across 33 markets, plus 46 DAB+ stations nationwide. We also reach almost 7 million people each month<sup>2</sup> through the fastest growing audio format, podcasts. ARN maintains a long-term licence to operate digital entertainment platform, iHeartRadio delivering radio, music, and podcasts to over 2.6 million registered users<sup>3</sup>.

Our vision is to provide the most complete audience experience for listeners, and the most comprehensive audio solutions for advertisers, through:

- Generating strong returns from core broadcast radio assets
- Distributing content as widely as possible
- Investing in new digital audio formats
- Building an integrated audio business, and
- Embracing digital transformation and AI innovation.



Will & Woody – KIIS Network Drive

## In this report

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1. GfK Metro S8 2023, GfK GC/Canb/New S3 2023, Xtra Insights Latest Surveys, Cumulative Reach, Mon–Sun 12am–12am, p10+, represented stations.  
 2. Triton Australian Podcast Ranker, Sales Representation Audience, monthly average Jan–Dec23 (vs Jan–Dec22).  
 3. iHeartRadio Australia, Registration Data, Lifetime Users, as at Dec 2023.  
 4. GfK Metro S1–8 2023, SMBAP, AM/FM/DAB+, Mon–Sun, 0530–2359, Cume, p10+ (vs S1–8 2022).

# About



ARN creates quality connections between content, audiences and advertisers.

We are focused on creating the content people seek, delivering it in the format they want and enabling access to those audiences for our advertisers.

## EMOTIVE

A creative agency devising ideas that change the way people feel about brands.

## cody

OUT OF HOME

Pioneer of the highest quality innovation and premium connected on-the-go advertising solutions in Hong Kong.

### Content

Connecting Australian communities through Australia's greatest depth and breadth of audio content across live, local, and on-demand formats.

#### Broadcast Networks

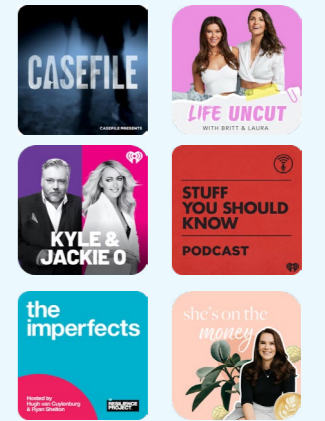
We are committed to maintaining our hyper-localised approach to content, acting as a pillar of the communities we broadcast in.



#### On-air talent



#### Podcasting



### Innovation

Enabling access to our audience through effective all-of-audio solutions and partnerships.



### Distribution

Everywhere our listeners are connecting Broadcast Radio, DAB+ and Digital Streaming.

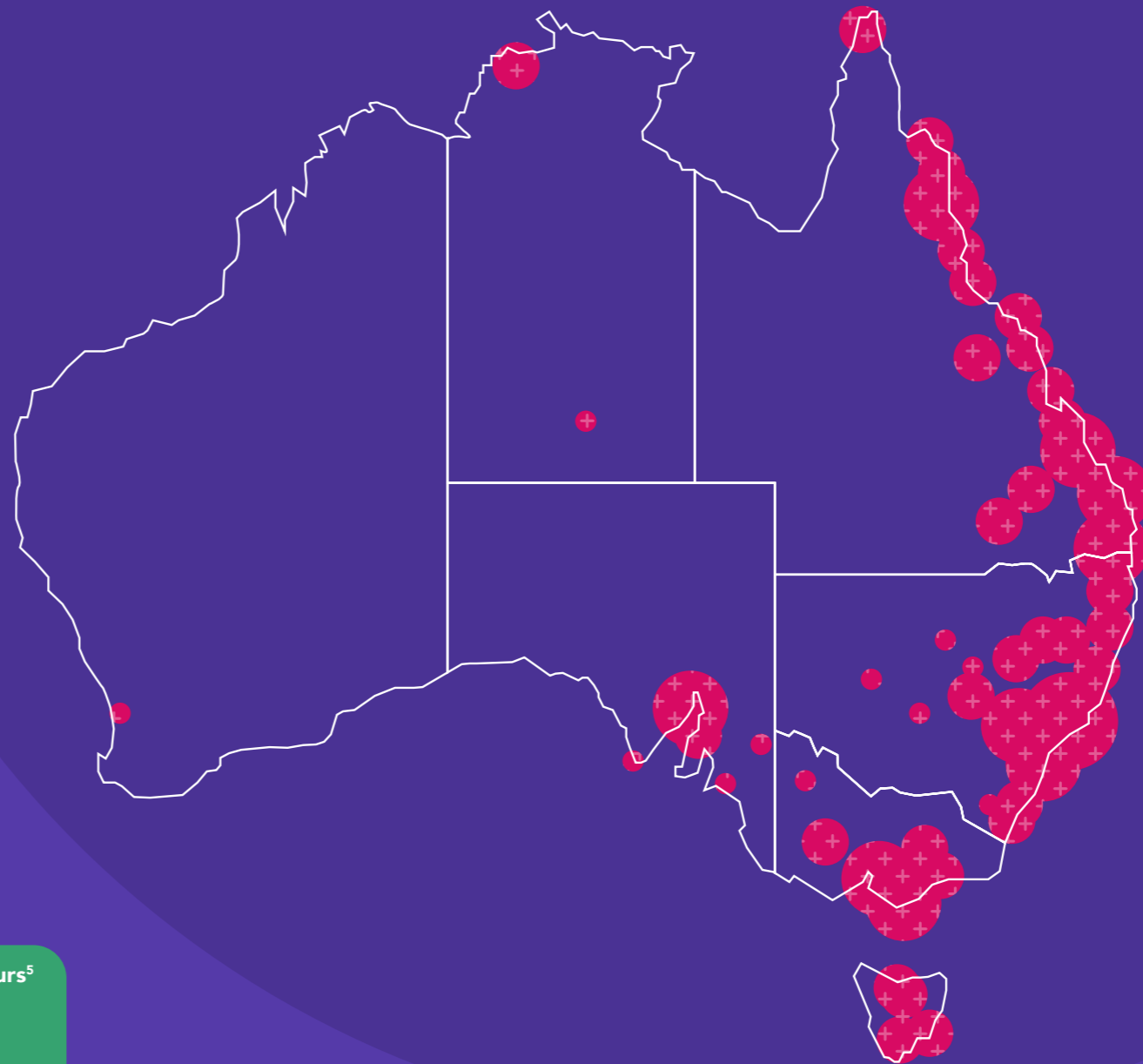


## Connected with over 8 million Australians every week

Whether it's entertaining, informative, or educational we're generating audio content 24/7 to connect with audiences across every state and territory in Australia.

At ARN we connect over 8 million people<sup>1</sup> to their communities each week through unparalleled live and local content. We enrich 6.8 million podcast listeners<sup>2</sup> lives, who access our podcasts on demand via every available major digital audio platform. And through offering a curated listening experience, more than 2.6 million people<sup>3</sup> have registered on iHeartRadio to date.

A strategic focus on delivering a variety of content and listening options enabled by digital audio, has contributed to increasing our total audience footprint across the last 12 months.



**6.2m**  
Best ever cume<sup>7</sup>

**▲44%**  
YoY growth in cume

Radio audience nationally (weekly)<sup>1</sup>

over **8m**

Digital websites reach (monthly)<sup>4</sup>

**1.2m**

Streaming listening hours<sup>5</sup>

**115m**

**#1** ARN Regional Stations<sup>6</sup>

**102.9**  
hot tomato  
on the Gold Coast

**hitz 93.9**  
in Bundaberg

**Hot 100**  
in Darwin

**STAR 102.7**  
in Cairns

**zinc 96.1**  
in Gympie

**Power FM**  
in Ballarat

**viver 94.9**  
in Ipswich

**chilli FM**  
in Launceston

**7HO FM**  
in Hobart

**#1** FM Melbourne Breakfast<sup>9</sup>

for GOLD 104.3's Christian O'Connell

**26**  
of the last 29 surveys



**#1** FM Sydney Breakfast<sup>8</sup>

for KIIS 1065's Kyle & Jackie O

**40**  
in a row



1. GfK Metro S8 2023, GfK GC/Canb/New S3 2023, Xtra Insights Latest Surveys, Cumulative Reach, Mon–Sun 12am–12am, p10+, represented stations.  
2. Triton Australian Podcast Ranker, Publisher Audience, monthly average Jan–Dec 2023.  
3. iHeartRadio Australia, Registration Data, Lifetime Users, as at Dec 2023.  
4. Google Analytics – ARN Web Assets – Jan–Dec23 average.  
5. Triton and AdsWizz/StreamGuys, Total Radio Streaming, Total Listening Hours Jan–Dec 2023 (vs Jan–Dec 2022).

6. GfK Gold Coast, S3 2023, Share, Mon–Sun 0530–2359, p10+; Xtra Insight (Bundaberg S1–23, Darwin S1–21, Cairns S1–23, Gympie S1–22, Ballarat S1–21, Ipswich S1–21, Launceston S1–21, Hobart S1–23), Share, Mon–Sun 12am–12am, p10+.  
7. GfK Metro S1–8 2023, SMBAP, AM/FM/DAB+, Mon–Sun, 0530–2359, Share P10+ unless stated otherwise.  
8. GfK S1–8 2023, Sydney, FM Stations, Mon–Fri, 0530–0900, Share, p10+.  
9. GfK S1–8 2023, Melbourne, FM Stations, Mon–Fri, 0530–0900, Share, p10+.

## Delivering our strategy

ARN's goal is to build the best broadcast radio and digital audio business in Australia, offering our audiences and advertisers a gateway to develop deeper connections in the booming world of audio.

Against a backdrop of tough economic conditions our focus in 2023 was strengthening the business from the core, while building the foundations to create further value for our shareholders.

We firmly believe ARN is the most well-run audio business in Australia and with the integration of the Regional Network now complete, we are well positioned to identify and deliver further efficiencies across the breadth of our operations.

### Three pillars for growth

#### Content

Connecting Australian communities through Australia's greatest depth and breadth of audio content across live, local and on-demand formats.

#### Distribution

Everywhere our listeners are connecting: Broadcast Radio, DAB+ and Digital Streaming.

#### Innovation

Enabling access to our audience through effective all-of-audio solutions and partnerships.



**ARN's Audiosphere delivers the most complete audio solutions in Australia**

1. GfK Metro S1-8 2023, SMBAP, AM/FM/DAB+, Mon-Sun, 0530-2359, Cume, p10+ (vs S1-8 2022).  
 2. Triton Australian Podcast Ranker, Sales Representation Downloads, Total Jan-Dec23 (vs Jan-Dec22).  
 3. Xtra Insights Latest Surveys, Cumulative Reach, Mon-Sun 12am-12am, p10+.

4. GfK Metro S1-8 2023, SMBAP, AM/FM, Mon-Sun, 0530-2359, Share, p10+.  
 5. Triton and AdsWizz/StreamGuys, Total Radio Streaming, Total Listening Hours Jan-Dec 2023 (vs Jan-Dec 2022).  
 6. iHeartRadio Australia, Registration Data, Lifetime Users, as at Dec 2023.

In 2023 we grew total audiences even further

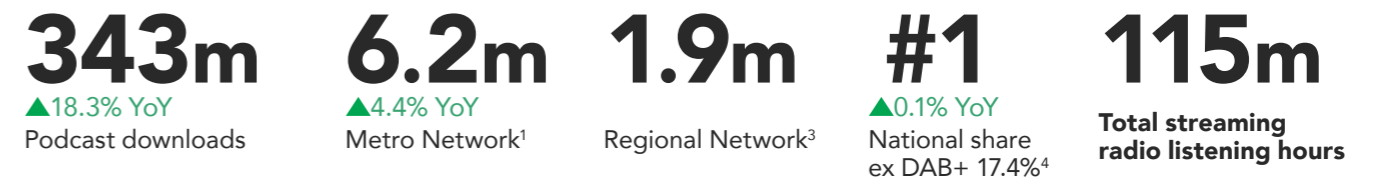


### Our strategic focus areas

#### Scale of audiences

We continued to grow our audience across broadcast radio, digital audio streaming and podcasting through a considered content strategy that delivers Australia's most popular content from world class talent, coupled with a distribution strategy that delivers content everywhere audiences seek it.

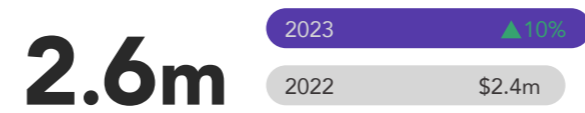
#### ARN listenership (surveyed stations)<sup>1</sup>



#### Increasing digital data and targeting capabilities

Continual improvement of data housing, management and accessibility has enabled for better data usage and performance monitoring to deliver a more robust total targeting solution for our clients.

#### Registered users (lifetime)<sup>3</sup>



#### Total addressable audience



#### Solution based selling

Relentless optimisation of our commercial offering and suite of 'All Audio' marketing products, allowed for increased depth of market engagement and incremental revenue opportunities from new and existing clients.

#### ARN digital revenue



#### ARN total revenue



## Chairman's letter 2023

### I am pleased to report that 2023 has been a year of significant achievement for ARN Media despite challenging economic conditions.

ARN Media Limited (ARN Media) delivered a strong operational performance in a highly competitive market against a backdrop of reduced consumer spend, a slowing economy and a reduction in government advertising spend, which impacted revenues.

Our focus in 2023 has been strengthening the business from the core, while building foundations to create more value for our shareholders.

Importantly, shareholders approved the Company's name change from HT&E Limited to ARN Media Limited, reflecting our ambition to build the most valuable audio entertainment business in Australia.

As part of our strategy, in June ARN Media acquired a 14.8% stake in Southern Cross Media Group Limited (SCA), spending \$38.3 million to acquire the equity interest, believing it represented attractive value for shareholders. Subsequently in October 2023 ARN Media and Anchorage Capital Partners formed a consortium to make a non-binding indicative proposal to acquire SCA through a scheme of arrangement.

For both ARN Media and SCA shareholders, the proposed transaction would create a focused metro radio network of 10 stations across Sydney, Melbourne, Brisbane, Adelaide and Perth, anchored by the KIIS and Triple M brands in each of these locations and with differentiated, nationally and locally relevant talent.

It would also create a larger, growing and profitable regional radio footprint of 88 stations, up from 47 today, plus full ownership of ARN Media's two existing stations in Canberra, delivering a more compelling regional network for advertisers and communities.

Additionally, there is the opportunity to benefit from cost and other efficiencies resulting from combining retained and acquired radio stations, under the management of ARN Media's well regarded and cost focussed management team.

The Board believes there is enhanced future growth potential and an accelerated path to profitability through a proposed digital audio joint venture of greater scale, allowing ARN Media to compete more effectively with global digital platforms.

Under the Indicative Proposal, SCA shareholders would receive 0.753 ARN Media shares and 29.6 cents cash per SCA share. The Consortium remains open to working with SCA to structure the cash component of consideration as a pre-completion fully franked special dividend, which is expected to provide access to additional value of 12.7 cents per SCA share from franking credits for eligible existing SCA shareholders.

#### Major talent contracts

A core pillar of ARN Media's strategy has been to invest in the best and most trusted radio and audio on-air talent in Australia to cement our leadership position. In November we announced that we had extended the contracts of our two top rating Breakfast shows in Sydney and Melbourne for significant periods.

KIIS 1065's Kyle and Jackie O were secured until 31 December 2034, which is another ten years on top of their existing arrangements. The Kyle and Jackie O Show will also broadcast live into Melbourne on KIIS 101.1 commencing in 2024 on a date to be confirmed.

GOLD 104.3's Christian O'Connell has been secured until 31 December 2029, another five years on top of his existing arrangement.

The new multi-layered contracts are designed to create full alignment with ARN Media's objectives, incentivising and rewarding superior performance. The contracts include base fees, revenue share on incremental growth, sign-on bonuses and shares in ARN Media.

The current audience ratings bonus structure is to be replaced, with the new structure designed to reward ratings success, only if incremental annual station revenue growth is achieved.

The total base fee increases under these new contract arrangements, which take effect from January 2025, will be offset by lower content costs resulting in part from the live broadcast of the Kyle and Jackie O Show into Melbourne, and will be limited to a net total increase of approximately \$2-3 million per annum.

This long term, significant investment in our key talent is equivalent to other media companies investment in sports rights which bring the certainty of audiences, commercial sponsors and provide the best prospect of delivering long-term value for shareholders. We are confident it will deliver increased revenue and improved shareholder returns over the medium term.

#### Strong balance sheet

ARN Media has one of the strongest balance sheets in Australian media today with net debt of \$75.1 million and leverage of 1.26 times EBITDA.

The strategic investment in SCA in June was funded from the \$66.3 million received from the sale of our 25% interest in Soprano Design Pty Limited in March 2023, with additional monies used to pay down debt.

The Group's financing facilities have stable tenure and sustained undrawn limits remaining as we continue to be focused on capital management.

Group operating costs were limited to +2% in the period with key integration projects implemented and completed.

The share buyback was paused following the announcement of the proposal to acquire SCA.

The Board remains committed to maintaining strong dividends for shareholders thanks to the high cash generating nature of the business.

#### Board Changes

Brent Cubis was appointed to the Board following the resignation of Roger Amos. Brent is a strong addition to the Board with more than 30 years of experience in public and private companies across a broad range of industries including media, medical devices, health and property. Brent was also appointed Chair of ARN Media's Audit and Risk Committee.

With this appointment, we have the right mix of skills to navigate the opportunities and market conditions we see today.

I would like to thank Roger for his valuable contribution to the Board over the last five years. We have benefited enormously from his wisdom and his pivotal role as Chairman of the Audit and Risk Committee in the settling of ARN Media's long running tax dispute with the ATO.

#### The year ahead

Looking ahead ARN Media faces the ongoing challenge of uncertain advertising markets.

We are well placed to navigate the year ahead and firmly believe ARN is the most well-run audio business in Australia. With the integration of the Regional Network now complete, we are now well positioned to identify and deliver further efficiencies across the breadth of our operations.

ARN Media understands the sector and the potential for value creation through the proposed acquisition of SCA by the ARN Media and Anchorage Consortium. We remain confident that the Indicative Proposal to acquire SCA represents a compelling value proposition for both ARN Media and SCA.

However, shareholders should note that no binding agreement to implement the Indicative Proposal has been reached with SCA at this time and there is no certainty that a transaction will eventuate.

There is no doubt that there will be further media market consolidation in Australia, and we will continue to explore appropriate opportunities as they arise.

We welcome the recent investment in ARN Media by Seven West Media, acquiring a 20% stake in November. Seven West Media is supportive of our proposal to acquire SCA.

Finally, I would like to thank our people, clients, and shareholders for supporting us.

  
Hamish McLennan  
Chairman

"Our focus in 2023 has been strengthening the business from the core, while building foundations to create more value for our shareholders."



## CEO's letter 2023

### ARN Media delivered a strong operating performance in 2023 as we remained focused on delivering our 'All Audio' strategy.

Local advertising markets presented ongoing challenges stemming from macro-economic conditions, and total ARN revenues of \$307.0 million were down 2% on the prior period, and EBITDA of \$72.2 million, was down 17%.

Our focus on building an integrated audio business by leveraging the strength of our metro, regional and digital audio assets saw us performing well in key audience metrics across all markets.

#### Strength in radio audiences and ratings

ARN was the #1 metropolitan radio network in Australia on an annualised basis again, and we recorded our best ratings results with our highest ever cumulative audience, reaching over 6.2 million people a week.

Across our metropolitan network, overall listeners increased by 4% year on year.

ARN continues to lead key metropolitan markets with #1FM stations in the two largest markets of Sydney and Melbourne. In Melbourne, Gold 104.3 is #1FM in 2023 for Breakfast, Morning, Afternoon and Drive, led by The Christian O'Connell Show who has been #1FM for almost every survey since 2020.

ARN is a major force in regional radio, with 47 regional stations across Australia serving as key pillars of the communities they broadcast in.

With our ownership of Australia's leading broadcast and on-demand audio companies, we now connect with over 8 million people each week across every state and territory in Australia, through broadcast and digital radio.

In total, we have 58 radio stations across 33 markets, plus 46 DAB+ stations nationwide and maintain a long term licence to operate digital entertainment platform, iHeartRadio, which has now accrued 2.6 million registrations. We reach almost 7 million people each month through podcasts on iHeart.

Metropolitan commercial radio audiences continue to grow with an additional 282,000 people listening in 2023 compared to 2022.

This means that 82% of the metro population aged 10 years and older listened to radio in the past seven days. And they are listening for longer, with industry surveys in 2023 showing people listened for more than 13 hours per week, an increase of 2% compared to 2022.

#### Digital audio performance & path to breakeven

Digital revenues grew 36% to \$19.8 million, and EBITDA loss narrowed to \$8.8m in 2023 reflecting the increased appetite amongst Australians to consume podcasts and stream live radio on digital devices. Of critical importance is our strategy to continue attracting new listeners to the iHeart platform through highly sought after and reputable content.

ARN benefits from our unique, long-term partnership with iHeartMedia to license the iHeart digital audio platform in Australia. This gives us access to an unrivalled slate of premium podcast content, international radio stations and an exhaustive library of curated playlists. This low capital expenditure investment model has allowed us to focus on delivering a cashflow breakeven run rate by December 2024.

Podcast listening has now reached mass appeal with significant increases in both weekly (+26.8%) and monthly (+7%) listening across 2023. During the year, 43% of Australians listened to podcasts each month with 74% of those listeners choosing to listen to ARN's iHeartPodcast Network. Podcast listeners are deeply engaged, listening to an average of five episodes per week.

We continue to be the No 1 Podcast publisher, with 6.8 million listeners, +27% audience growth year on year and our highest annual audience average to date.

Continued optimisation of our product offering and Commercial team composition and structure, allowed for increased depth of market engagement. With a backdrop of challenging macro-economic conditions, we were able to uncover incremental revenue opportunities from new and existing clients.

#### Regional integration complete & synergies

On 4th January 2022, ARN Media Limited (ARN Media) completed the acquisition of ARN Regional from Grant Broadcasters, growing the network to over 8 million listeners across every state and territory in the country. During that year we focused on the first phase of integration, hitting all milestones and realising revenue synergy targets. In 2023 we continued to prioritise the critically important connection to community through investing in local teams, local content and improving infrastructure.

Two years on from acquiring the regional radio network and within our integration timeline, we are pleased to confirm that the business is now fully integrated, with singular inventory, revenue and finance systems.

Our goal to deliver revenue synergies of up to \$20 million per annum within the first three years following the acquisition of the regional business was impacted by reduced national agency advertiser budgets and considerably lower government spend following the Federal Election in 2022. Excluding the impact of reduced government spend, we have delivered approximately \$8 million annual incremental revenues after two years.

We remain confident in delivering further incremental revenues in 2024.

#### Cost management a key priority

ARN Media commenced a two-year program of work in 2023 to simplify the business, focusing on reducing complexity, prioritising higher yield activities and extracting maximum value from our content.

Permanent annualised savings of more than \$10 million have been identified over two years, with \$6.5 million to be realised in 2024.

Incorporating an additional \$3-\$4 million marketing investment to support the launch of the Kyle & Jackie O Show into Melbourne, and with the benefit of the cost out program, total ARN Audio people and operating costs are expected to grow by 2-4% versus 2023.

#### ARN Media Investments

Cody Outdoor (Cody) has made progress towards rebuilding its position in the Hong Kong Outdoor market. In February 2024, we announced that Cody had been successful in its bid to secure the iconic Hong Kong Tramways Tram Body Advertising contract from incumbent, JC Decaux. Under the five-year contract, Cody will be responsible for selling advertising on the iconic tramway fleet that transit the key districts of Hong Kong Island.

Securing the HK Tramways Tram Body contact is a significant step towards Cody regaining its position as a significant player over the medium term, should the right opportunities present themselves.

Cody was impacted by the loss of the Western Harbour Tunnel (WHT) advertising contract in August 2023, local currency revenues and earnings finished back 23% and 28% respectively.

Emotive, an independent creative agency in which ARN Media holds a 51% stake, had its most successful year to date, further expanding its client base, improving revenues and earnings.

Emotive works with an enviable roster of local and international clients, including; Optus, Google, YouTube, Breville, Seven, Audible, Revlon, Wotif, Unilever and Pernod Ricard.

#### Looking to 2024

ARN Media is in a strong position to deliver value for shareholders in 2024, although we continue to face uncertainty in advertising markets.

The significant investments in on-air talent announced in the last quarter of 2023, with Kyle Sandilands, Jackie 'O' Henderson and Christian O'Connell re-signing long term contracts, give us confidence we can maintain the ratings success of the past five to seven years.

These long-term talent contracts have been structured to incentivise incremental revenue growth and provide a level of surety to the revenue prospects for the network in the key Sydney and Melbourne markets.

Under new arrangements Kyle & Jackie O will commence broadcasting live into the Melbourne market from 2024 supported by launch partner, Chemist Warehouse. As the world's most successful radio show we are very confident broadening its reach into Melbourne will attract new audiences and expand commercial opportunities given Melbourne is the largest radio advertising market in Australia.

ARN's differentiator remains our obsession with the powerful connection that our on-air talent have with their audiences, delivered in real time and we believe that will continue to drive continued strong performances in 2024.

We believe ARN is the most well-run audio business in Australia and with the integration of the Regional Network now complete, we are well positioned to identify and deliver further efficiencies across the breadth of our operations.

Our long-awaited relocation of the Sydney office, studios and corporate head office from Macquarie Park to North Sydney, will take place in the first quarter of the year. It is a significant long-term investment and means ARN will be situated closer to key clients and agency partners and is expected to aid employee retention and engagement metrics.

We are also optimistic that we can progress our Indicative Proposal to acquire SCA with our consortium partner, Anchorage Capital Partners. The rationale for the proposal is very compelling as we see a significant value creation opportunity by bringing together certain ARN Media and SCA radio and digital audio assets.

Finally, I would like to thank all of our people, our strong management team, the Board and our shareholders and look forward to working with all of you in 2024.



**Ciaran Davis**  
CEO & Managing Director



## Operating and Financial Review

This Operating and Financial Review should be read in conjunction with the Chairman's letter and the Chief Executive Officer's letter.

### Overview

ARN Media Limited (ARN Media) presents its results for the year ending 31 December 2023.

In the financial report the ARN segment consists of the ARN Metro and ARN Regional businesses. Cody Outdoor (Cody) and Investments, containing Emotive and ARN Media's investment in Southern Cross Media Group Limited (SCA), remain in separate operating segments.

On a statutory basis, Group revenues from ordinary activities of \$334.3 million decreased \$10.6 million compared with prior period. ARN segment revenues declined \$7.8 million in the year owing to the challenging current macro-economic conditions impacting consumer confidence and demand for advertising. Loss of the Western Harbour Tunnel contract for Cody in August contributed \$3.7 million to the Group revenue decline.

Tight cost control restricted Group costs before significant items to \$270.3 million, an increase of 2% compared to the prior year.

Underlying Group earnings before significant items, interest, tax, depreciation, and amortisation (EBITDA) of \$71.6 million decreased by \$20.2 million as compared to the previous period, owing to the revenue and cost changes outlined, and lower share of associate income following the successful divestment of the Group's interest in Soprano Design Pty Limited (Soprano) in March 2023.

The statutory loss attributable to ARN Media shareholders of \$9.8 million was impacted by a \$39.1 million gain on the sale of the Group's interest in Soprano, offset by a non-cash impairment charge against intangible asset balances of \$103.7 million taken in the second half of the year.

### Summary of financial performance

AUD million <sup>1</sup>	2023	2022	Change
Revenue	334.3	344.9	(3%)
Other income	2.5	3.4	(25%)
Share of profits of associates	5.1	9.7	(48%)
Costs	(270.3)	(266.2)	2%
<b>EBITDA<sup>2</sup></b>	<b>71.6</b>	<b>91.8</b>	<b>(22%)</b>
Depreciation	(17.5)	(17.8)	(2%)
Amortisation	(2.1)	(2.4)	(12%)
<b>EBIT<sup>3</sup></b>	<b>52.0</b>	<b>71.6</b>	<b>(27%)</b>
Net interest expense	(6.7)	(5.6)	20%
<b>Profit before tax</b>	<b>45.2</b>	<b>66.0</b>	<b>(31%)</b>
Tax expense	(12.9)	(17.5)	(26%)
<b>Profit after tax</b>	<b>32.3</b>	<b>48.5</b>	<b>(33%)</b>
Less: non-controlling interests	(2.9)	(3.4)	(15%)
<b>NPAT attributable to ARN Media shareholders</b>	<b>29.5</b>	<b>45.1</b>	<b>(35%)</b>
Significant items net of tax <sup>4</sup>	(39.3)	(221.5)	(82%)
<b>NPAT attributable to ARN Media shareholders</b>	<b>(9.8)</b>	<b>(176.3)</b>	<b>(94%)</b>
EBITDA margin	21.4%	26.6%	
Underlying basic EPS (cents)	9.6	14.6	
Dividend per share (cents)	7.1	5.0	
Dividend per share from 2023 profits (cps) <sup>5</sup>	0.0	5.2	

- Totals may not add due to rounding.
- EBITDA from continuing operations and before significant items, represents the Group's total segment result.
- EBIT from continuing operations and before significant items.
- Commentary on significant items is included in note 1.3 to the consolidated financial statements.
- Dividend declared in February 2023 of 5.2cps paid from parent entity profits since 1 January 2023.

### ARN Media revenue

**\$334.3m**

2023 \$334.3m ▼ 3%

2022 \$344.9m

2021 \$329.5m

### EBITDA

**\$71.6m**

2023 \$71.6m ▼ 22%

2022 \$91.8m

2021 \$96.0m

The impairment charge is a consequence of reduced earnings stemming from the current macro economic environment and with consideration to market capitalisation of ARN Media and earnings multiple of its publicly traded peers. The impairment is a non-cash accounting adjustment that relates to the historical book value of the Groups assets.

### Underlying drivers of performance of ARN Media

ARN Segment revenues in 2023 were down 2%, to \$307.0 million. Earnings before interest, tax, depreciation and amortisation before significant items were down 17% to \$72.2 million.

ARN Segment total broadcast advertising revenues were down 4% to \$287.2 million, impacted by challenging macro-economic conditions, and significantly reduced government advertising spend. Metro advertising revenues finished back 5%, despite increasing audiences and strong ratings performance in key markets, while regional advertising revenues were less impacted, back 3%. Digital audio continued to grow, up 36% to \$19.8 million and reducing the overall revenue shortfall compared to the previous period.

ARN Media total operating costs increased by 2% to \$270.3 million, comparing favourably against broader inflation which increased by over 4% in the year. Continued management focus on people and operating costs restricted overall cost growth, despite on-going salary and inflation pressures.

Group depreciation and amortisation expense of \$19.6 million decreased by 3% in the year. This resulted in EBIT before significant items of \$52.0 million compared with \$71.6 million in the prior year, and net profit after tax attributable to shareholders, before significant items (NPAT) of \$29.5 million.

Details on the significant items totalling \$39.3 million (net of tax), including an impairment charge on intangible asset balances in the current year of \$103.7 million are included in note 1.3 to the Financial Report.

## Operating and Financial Review continued

### Financial Position

The Group had net assets at 31 December 2023 of \$316.4 million, \$43.0 million lower than December 2022 net assets of \$359.4 million.

Key changes to assets of the Group in the period include the disposal of the Group's 25% interest in Soprano for \$66.3 million, the acquisition of a 14.8% investment in SCA for \$38.9 million, further capital investment of \$19.9 million and a \$103.7 million impairment of intangible assets.

### Cash and capital management

The balance sheet of the Group remains in a sound position, with net debt of \$75.1 million and leverage on a pro forma pre AASB-16 basis of 1.26 times EBITDA. The Group retains debt facilities with undrawn limits of \$100.0 million, most of which expire in January 2027.

Investing cashflows include \$38.9 million for the acquisition of shares in SCA, capital expenditure of \$19.9 million, offset by proceeds from the sale of the Group's interest in Soprano for \$62.9 million, net of transaction costs.

On-going capital expenditure requirements for the Group typically range between \$8–10 million per annum. Capital expenditure of \$19.9 million in the current period incorporates \$11.5 million for the Sydney office, studios and corporate head office relocation project, scheduled for completion in early 2024.

The accretive share buy-back was paused in October following the announcement of a non-binding indicative proposal to acquire 100% of SCA.

In consideration of the trading result for the period and current economic environment, the Company declared a dividend of 3.6 cents per share.

### Purchase of investment in Southern Cross Media Group Limited

The Group announced in June 2023 that it had purchased a 14.8% interest in SCA for \$38.9 million (including transaction costs).

In October 2023 ARN Media and Anchorage Capital Partners Pty Limited ("ACP") (together "Consortium") announced their non-binding indicative proposal to acquire 100% of the fully diluted share capital of SCA through a scheme of arrangement. SCA shareholders would receive 0.753 ARN Media shares and 29.6 cents cash per share if the proposal is accepted.

The combined radio and television assets of ARN Media and SCA would separate into independent ownership by each ARN Media and ACP as outlined in the indicative proposal. The proposed transaction is subject to a number of conditions, including due diligence and regulatory approval, and there is no certainty that a transaction will eventuate.

The acquisition of the initial 14.8% interest was reviewed by the Takeovers Panel. In its decision released on 17 January 2024, the Panel found that although unacceptable circumstances applied in relation to the acquisition of 6.83% of SCA shares, the Takeovers Panel also found that ARN Media was able to retain the relevant 6.83% subject to certain conditions.

### Sale of Soprano Design Pty Limited

On 31 March 2023, the Group completed the sale of its 25% interest in Soprano to Potentia Capital (Potentia), a leading Australian technology focused private equity firm. The Group received \$66.3 million in cash as consideration for the sale of its interest, recognising a gain of \$39.1 million. For tax, capital gains from the disposal were sheltered by available historical capital losses.

The Group recognised a gain of \$39.1 million on the sale of its investment in Soprano Design Pty Limited

### Cash flow generation

AUD million <sup>1</sup>	2023	2022	Change %
Operating cash flows and lease payments <sup>2</sup>	35.1	54.7	(36%)
Tax payments	(24.5)	(25.4)	(3%)
Tax settlement (incl interest and penalties)	0.0	(22.3)	(100%)
<b>Cash flow from operating activities and lease payments</b>	<b>10.5</b>	<b>7.0</b>	<b>50%</b>
Investing cash flows	8.3	(221.4)	(>100%)
Borrowings	9.0	17.0	(47%)
Dividends paid to shareholders	(26.8)	(27.6)	(3%)
Share buy back	(3.7)	(2.3)	56%
Other financing cash flows	(2.4)	(6.0)	(59%)
Cash at the beginning of the year	23.9	257.1	(91%)
Effect of foreign exchange for the year	0.0	0.1	(99%)
<b>Cash at end of year<sup>3</sup></b>	<b>18.9</b>	<b>23.9</b>	<b>(21%)</b>
Bank loans	(94.0)	(85.0)	11%
<b>Net debt</b>	<b>(75.1)</b>	<b>(61.1)</b>	<b>23%</b>

- Totals may not add due to rounding.
- Operating cash flows, plus principal repayments on finance leases accounted for under AASB 16 Leases from 1 January 2019.
- Excludes amounts held in short-term deposit with banking institutions.

# Review of Operations

## In 2023 we remained focused on delivering our 'All Audio' strategy despite ongoing challenges in local advertising markets stemming from macro-economic conditions.

Our focus on building an integrated audio business by leveraging the strength of our metro, regional and digital audio assets, saw us performing well in key audience metrics across all markets, while maintaining momentum on critical integration and core infrastructure projects.

### Three areas of focus

Our strategic intent remains to build the best broadcast radio and digital audio business in Australia and offer audiences and advertisers a gateway to develop deeper connections in the booming world of audio. We do this by delivering on three key areas.

#### Content

Live and local content delivered by Australia's best talent, and supported by brands that people know and trust. We continue to invest in the long-term talent partnerships that give audiences and advertisers the stability they seek in turbulent times.

#### Distribution

Distributed across our comprehensive network of broadcast radio stations and on iHeartRadio, Australia's most established digital audio platform.

#### Audience growth across radio, podcast, streaming<sup>1,2,3</sup>

- #1 radio stations across key markets: FM Syd, FM Melb, national DAB+ station<sup>4</sup>
- #1 Radio streaming app<sup>5</sup>
- #1 Podcast publisher<sup>6</sup>
- #1 Radio network share<sup>7</sup>

#### Innovation

Commercialised through a suite of innovative, data and technology led products and partnerships.

#### Continued momentum in digital audio revenue growth

+36% digital revenue (vs 2022)

#### Continued momentum in digital audio listening

+27% podcast listening (vs 2022)<sup>2</sup>

+37% audio streaming (vs 2022)<sup>3</sup>

#### Continued growth in data availability and sophistication of use

### Key talent renewals

When it comes to content, ARN's differentiator remains an obsession with the powerful connection that talent have with their audiences, delivered in real time and critically in regional areas; hyper localised.

This year we announced several significant investments in on-air talent that give us confidence in maintaining the ratings success of the past five to seven years. These long-term talent contracts have been structured to incentivise incremental revenue growth and provide a level of surety to the revenue prospects for the network in key Sydney and Melbourne markets.

#### Kyle & Jackie O

In a landmark deal that will see the world's most successful radio show remain on air with the KIIS Network until the end of 2034, Kyle Sandilands and Jackie 'O' Henderson re-signed with ARN in November of 2023. Simultaneously, we announced that the duo will commence broadcasting live into the Melbourne market from 2024 supported by launch partner Chemist Warehouse.

Since launching KIIS 1065 in 2014, The Kyle & Jackie O Show has cemented its position as Australia's most successful radio show. Its audience share reached an impressive 17.9% in June 2023<sup>8</sup>, accompanied by a record cumulative audience of 921,000 listeners, marking a milestone unmatched by any other show. ARN and The Kyle & Jackie O Show's partnership has seen the show maintain its position as #1FM breakfast show for an incredible 40 surveys straight while also claiming #1 overall in Sydney, six of eight times across 2023<sup>9</sup>.

The unprecedented nature of this deal is akin to highly competitive sports rights deals that bring the certainty of audiences and commercial sponsors as well as provide the best prospect of delivering long-term value for shareholders.

#### Christian O'Connell

In November, ARN also announced a five-year contract renewal with Christian O'Connell who leads the #1 FM breakfast show for Melbourne's Gold 104.3<sup>10</sup>.

Signing for a further five years (until at least the end of 2029), ARN is thrilled to be continuing the longstanding partnership with Christian, alongside Jack Post and Patrina Jones, who together not only form Melbourne's #1FM Breakfast Show but can also be heard syndicated to an additional 27 stations across the country.

Launching with ARN in June 2018, The Christian O'Connell Show is all about connection, which explains its unprecedented success, holding the title of Melbourne's #1FM breakfast show for 26 out of the last 29 surveys.

Christian celebrated his 25th anniversary in radio, first joining GOLD104.3 in 2018 after a successful career in the UK, where he was the youngest ever inductee into the UK's Radio Academy Hall of Fame and had won more Radio Academy Awards than any other person. He has since recorded over 1,000 shows with the GOLD104.3 family.

The total base fee increases under these new contract arrangements for Kyle & Jackie O and Christian O'Connell, that take effect from January 2025, will be offset by lower content costs resulting in part from the live broadcast of the Kyle and Jackie O Show into Melbourne, and will be limited to a net total increase of approximately \$2-3 million per annum.

#### Will & Woody

The KIIS Network's popular drive duo Will & Woody also signed with ARN for a further three years until the end of 2026.

Will & Woody first joined KIIS in 2018 and since then, the boys have not only achieved ratings success with ARN, including reaching the #1 National Drive Show twice in the 2023 GfK Radio Ratings Surveys<sup>11</sup> but have also been able to use their platform as a vehicle for social change, particularly around mental health.

The show has grown its audience exponentially since starting out as a national drive show on the KIIS Network. In 2021 it expanded its reach via syndication to 42 stations across the country and now speaks to 1.631 million people each week. The duo is also in high demand with advertisers who recognise the value of their candid connection with audiences.

### Continued connection as radio audiences grow

#### Growth from the core

ARN continues to be #1 metropolitan radio network in Australia<sup>7</sup> reaching over 6 million people a week<sup>1</sup>.

In a highly competitive market, ARN finished 2023 as the #1 metropolitan network for people 10+, with our highest ever cumulative audience<sup>1</sup>. Across our metropolitan network, overall listeners increased by close to 12.7% year on year<sup>1</sup>.

ARN continues to lead key metropolitan markets with #1FM stations in the two largest markets; Sydney and Melbourne. In Melbourne, GOLD104.3 is #1FM in 2023 for Breakfast, Morning, Afternoon and Drive<sup>12</sup>, led by The Christian O'Connell Show who has been #1FM for almost every survey since 2020.

In Sydney, ARN has maintained its Breakfast duopoly leadership with KIIS 1065's Kyle & Jackie O and WFSM's Jonesy & Amanda finishing in the #1FM and #2FM spots respectively in 2023.<sup>13</sup>

In the less regularly surveyed but equally important regional markets, ARN drove impressive results. In the largest non-capital market of the Gold Coast, ARN's Hot Tomato remained a strong overall #1, increasing 10+ Share YoY. Of the nine of ARN's other major regional markets surveyed in 2023, ARN increased cume in five and held #1 rankings in Cairns, Hobart & Bundaberg<sup>14</sup>.

1. GfK Metro S1-8 2023, SMBAP, AM/FM/DAB+, Mon-Sun, 0530-2359, Cume, p10+ (vs S1-8 2022).
2. Triton Australian Podcast Ranker, Sales Representation Audience, monthly average Jan-Dec23 (vs Jan-Dec22).
3. Triton and AdsWizz/StreamGuys, Total Radio Streaming, Cumulative Reach, Jan-Dec23 (vs Jan-Dec22).
4. GfK Metro S1-8 2023, Syd Share FM/Melb Share FM/SMBAP Cume DAB+, Mon-Sun 0530-2359, p10+.
5. Edison Research, The Infinite Dial 2023.
6. Triton Australian Podcast Ranker, Publisher Audience, monthly average Jan-Dec 2023.
7. GfK Metro S1-8 2023, SMBAP, AM/FM, Mon-Sun, 0530-2359, Share, p10+.
8. GfK S3 2023, Sydney, FM, Mon-Fri, 0530-0900, Share and Cume, p10+.
9. GfK S1-8 2023, Sydney, AM/FM, Mon-Fri, 0530-0900, Share, p10+.
10. GfK S1-8 2023, Melbourne, FM Stations, Mon-Fri, 0530-0900, Share, p10+.
11. GfK S1-8 2023, SMBAP, FM, Mon-Fri, 1600-1900, Share (unless stated otherwise), p10+.
12. GfK S1-8 2023, Melbourne, FM, Mon-Fri, 0530-0900/0900-1200/1200-1600/1600-1900, Share, p10+.
13. GfK S1-8 2023, Sydney, FM Stations, Mon-Fri, 0530-0900, Share, p10+.
14. GfK Gold Coast, S3 2023, Share, Mon-Sun 0530-2359, p10+; Xtra Insight (Bundaberg S1-23, Darwin S1-21, Cairns S1-23, Gympie S1-22, Ballarat S1-21).
15. GfK S1-8 2023, SMBAP, FM, Mon-Fri, 1600-1900, Share (unless stated otherwise), p10+.
16. GfK S1-8 2023, FM, Mon-Fri, 0530-900 Syd/1800-1900 SMBAP, p10+.

**Will & Woody**  
Highest national reach ever for ARN Drive show

**#1** ranked FM drive show in Sydney, #2 nationally

**1,631,000** Total Audience Reach Number  
**+10% Growth (+153,000)<sup>15</sup>**

**Jonesy & Amanda**  
#2 FM breakfast show in Sydney<sup>13</sup>

Achieved its **highest share** (annual average) since 2018

**Highest cume ever** in 2023, **+11% growth YoY**

**Kyle & Jackie O**  
Record breaking cume, reaching more listeners than any other show in the country

**#1** ranked breakfast show in Sydney for the 40th consecutive time<sup>13</sup>

**1,396,000** Total Audience Reach Number (includes Hour of Power)<sup>16</sup>  
**+13% Growth (+163,000)**

**Christian O'Connell**  
5th consecutive year of growth<sup>10</sup>

**Annual share of 10.5** is the highest ever FM breakfast share in the Melbourne market since 2011

Since joining in 2018, the Christian O'Connell Show has **grown its audience reach** by 43%

## Review of Operations continued

### Continued elevation of our news offering

News is a key element in radio programming and last year we made changes to better reflect who we are, strengthen our news service delivery, and enhance the quality of the content we produce. Key to this was the prioritisation of local news with a Local News First approach for regional markets; leading every bulletin between 6am – 9am workdays.

In 2023 we enhanced this strategy further with the introduction of long-form local news content via the Your News Now podcast.

### More audio connections in more places, more often

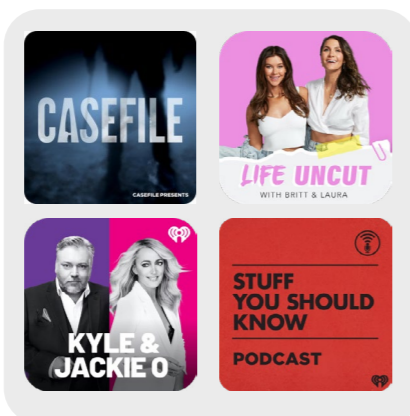
#### ARN digital audio

We continue to prioritise investment in digital audio to capitalise on continued strong growth in listening to live streaming of radio and podcasting.

Digital audio advertising spend in Australia grew to over \$244 million with strong growth across podcast and streaming advertising expenditure. In the September quarter, podcasting grew 20% and streaming grew 14%, on the comparative prior year period<sup>9</sup>.

ARN digital audio advertising revenues reached \$19.8 million, up 36% on the prior period. The launch of a simplified suite of digital products and prioritisation of digital sales capability and capacity saw revenue growth accelerate in the June quarter. Balancing necessary investment for future growth with profitability is a key priority. The EBITDA loss in the period of \$8.8 million is an improvement compared to prior year, and we remain on-track to steering the digital audio business to the point of break even run rate by the end of 2024.

Our strategy is to deliver platform agnostic content across as many platforms as possible so that our audiences can consume whenever, wherever they want. This allows us to reach diverse audiences, maximise revenue potential and ensure long term relevance.



### Podcast listening continues to grow

Podcast listening has reached mass appeal with significant increases in both weekly (+27%) and monthly (+7%) listening. Across 2023, 43% of Australians listened to podcasts each month<sup>1</sup> with 74% of those listeners choosing to listen to ARN's iHeartPodcast Network<sup>2</sup>

ARN's iHeart finished the year as the leading podcast publisher<sup>3</sup> for the 44th consecutive time with on average almost 7 million combined listeners and more than 28 million monthly downloads<sup>4</sup>. This represents 27% year on year audience growth, outstripping the market which grew 7%<sup>2</sup>.

We reach 74% Australian Podcast Listeners and claim more podcast hits over 1 million monthly downloads<sup>4</sup> than any other publisher in the latest Ranker<sup>5</sup>. These include the #1 overall podcast Casefile, Life Uncut and Stuff You Should Know. In addition, we hold 4 of the top 10 reaching podcasts, including the #1 Catchup, #1 Crime, #1 Relationship, #1 Knowledge, #1 Finance and #1 Health and Wellness podcasts.

Of critical importance is our strategy to continue attracting new listeners to the iHeart platform through highly sought after and reputable content, both original and represented.

This year we created originals including The Pool Room with Tony Armstrong (winner of Best Sports Podcast at the Australian Podcast Awards), Two Good Sports with Georgie Tunny and Abbey Gelmi, Picture Discuss with Merrick Watts, Concealed with Art Simone, Judge Gina with Gina Liano, Amanda Keller's Double A Chatterbox and the return of Christian O'Connell's Stuff of Legends.

We also expanded our news offering by launching Your News Now into the nation's Top 30 shows alongside partnering to launch Australia's only Indigenous Podcast Network, BlakCast. The combination of these new to network titles resulted in additional 600,000 monthly downloads (November 2023).

We entered into sales representation partnerships with TED, Seven West Media and leading sports podcast publishers, Clubby Sports and the Sports Social Network.

### Content led growth strategy in digital audio delivering path to profitability

ARN continues our long-term partnership with iHeartMedia to license the digital audio platform in Australia. This gives us access to an unrivalled slate of premium podcast content, international radio stations and an exhaustive library of curated playlists. This low capital expenditure investment model has allowed us to focus on delivering a cashflow breakeven run rate by December 2024.

Growth of the platform has been achieved through a content led approach enabled by a flexible operating model that gives us the opportunity to respond to changing audience and market demand. We have invested in refining our approach to direct customer communications, capitalising on our breadth of owned assets to increase registered users to 2.6 million (up 10% year on year)<sup>6</sup>. The increase in user base along with strategic content programming has also seen us grow streaming hours by 6%<sup>7</sup>, underpinned by growth in brand metrics with awareness of platform sitting at 87%<sup>8</sup>.

ARN continues to be one of Australia's leading broadcast and on-demand audio companies.



Britt, Laura & Mitch – THE PICK UP, KIIS Network

1. Edison Infinite Dial Australia, 2023 (vs 2022).
2. Triton Ranker/Edison Podcast Monthly Population estimate, 2023.
3. Triton Australian Podcast Ranker, Publisher Audience, monthly average Jan–Dec 2023.
4. Triton Australian Podcast Ranker, Sales Representation Audience, monthly average Jan–Dec23 (vs Jan–Dec22).
5. Triton Australian Podcast Ranker, Sales Representation Audience, Dec 2023.
6. iHeartRadio Australia, Registration Data, Lifetime Users, as at Dec 2023.
7. Triton and Adswizz/StreamGuys, Total Radio Streaming Hours, CY23 vs CY22.
8. iHeartRadio Brand Tracking Wave 1–3 2023.
9. Australian Online Advertising Expenditure Report, IAB Australia, September 2023.

## Review of Operations continued

### Continued investment in strengthening the regional network

On 4th January 2022, ARN completed the acquisition of ARN Regional from Grant Broadcasters, growing the network to over 8 million listeners across 135 stations in every state and territory in the country. In 2022 we focused on the first phase of integration, hitting all milestones and realising cost and revenue synergy targets. Into 2023 we continued to prioritise the critically important connection to community through investing in local teams, local content, and improving infrastructure.

### Radio remains critical to connecting regional communities

A report commissioned by Commercial Radio and Audio and released in August<sup>1</sup> reinforced the important role that radio plays in delivering trusted, local content to listeners as well as contributing to Australia's GDP. Key highlights include that commercial radio's 260 Australian stations:

- Contribute \$1 billion annually to the Australian GDP
- Provides a \$320 million annual boost to regional Australia
- Produces 1.1 million hours of local content, across broadcast, streaming and podcasts

- Plays 160,000 hours of Australian music, or 2.7 million Australian songs
- Broadcast 42,000 hours of news and 2,200 hours of emergency service content
- Supports 6,600 full time jobs, with 38% in regional Australia

### Integration complete – delivering national support to local experts

Two years on from acquiring the regional radio network and within our integration timeline, we are pleased to confirm that the business is now fully integrated, with singular inventory, revenue and finance systems.

The regional business continues to perform incredibly well, with local direct revenues finishing ahead of a very strong 2022 performance.

Our goal to deliver revenue synergies of up to \$20 million per annum within the first three years following the acquisition of the regional business, was impacted by reduced national agency advertiser budgets and considerably lower government spend following the Federal Election in 2022. Excluding the impact of reduced government spend, we have delivered approximately \$8 million annual incremental revenues after two years.

With the integration now complete, we remain confident in delivering further incremental revenues in 2024.

### Investments

#### Cody Outdoor (Cody)

Cody has made progress towards rebuilding its position in the Hong Kong Outdoor market. Cody was successful in its bid to secure the iconic Hong Kong Tramways Tram Body Advertising contract from incumbent, JC Decaux.

Under the five-year contract, Cody will be responsible for selling advertising on the tramway fleet that transit the key districts of Hong Kong Island. Securing the HK Tramways Tram Body contact is a significant stepping stone towards Cody regaining its position as a significant player over the medium term, should the right opportunities present themselves.

Cody was impacted by the loss of the Western Harbour Tunnel (WHT) advertising contract in August 2023, local currency revenues and earnings finished back 23% and 28% respectively.

### Emotive

Emotive, an independent creative agency in which ARN Media holds a 51% stake, had its most successful year to date, further expanding its client base, improving revenues and earnings.

As a full-service creative agency, Emotive is uniquely structured to respond to its clients' business needs, offering strategy, creative, design, production, creative amplification, and brand experience services.

Emotive works with an enviable roster of local and international clients, including Optus, Google, YouTube, Breville, Seven, Audible, Revlon, Wotif, Unilever and Pernod Ricard.

### Bolstering community connection through improved infrastructure

#### 2EC/Power FM

##### Batemans Bay

Larger fit for purpose office with new studios, boardroom, and staff amenities. State-of-the-art Q-sys announcer panel set up, the studio is now at the forefront of technology and highest quality for listeners and clients.

#### 4RO

##### Rockhampton

Brand-new, purpose-built station, complete with two new studios.

#### River 949

##### Ipswich

A new reception, boardroom and staff amenities.

#### Magic 899/5CC

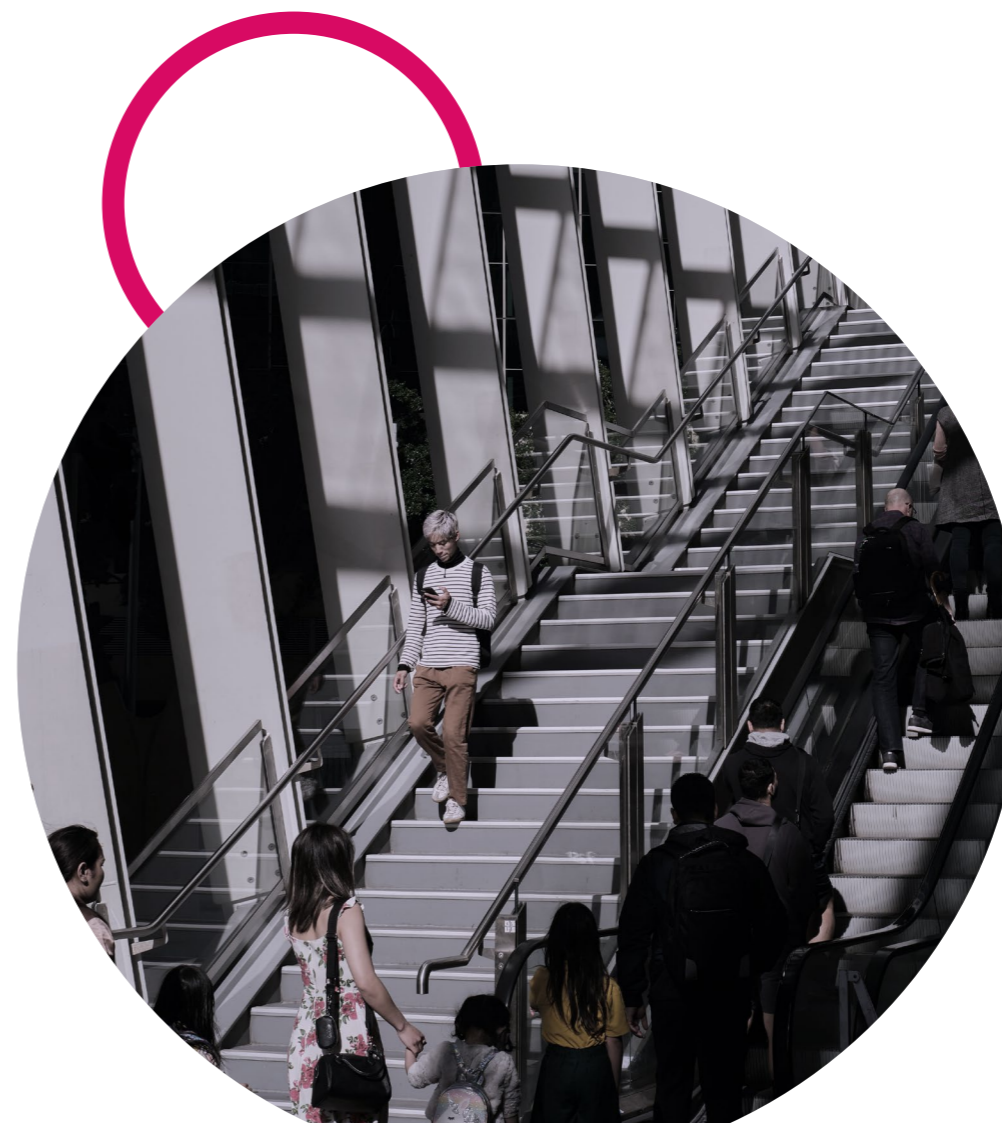
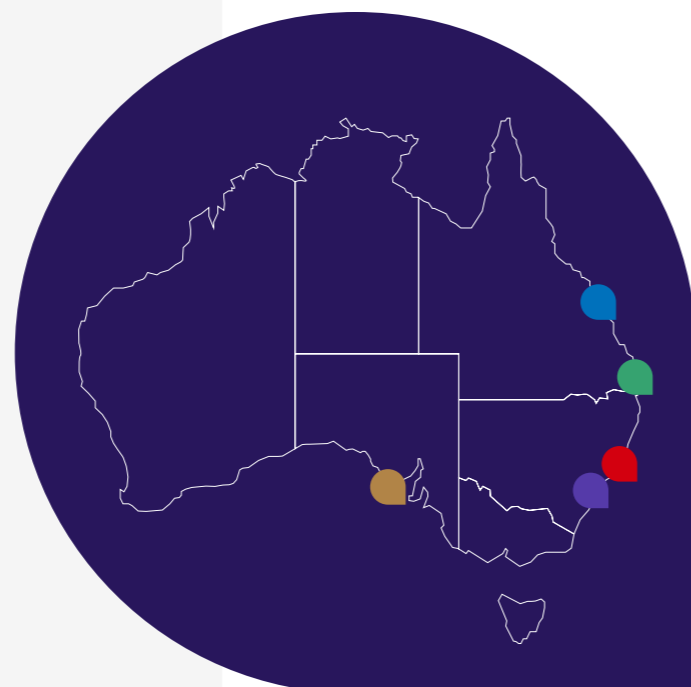
##### Port Lincoln

New premises featuring three entirely new studios – and every other area refurbished including a newsroom, sales area, shared space for announcers/promo team, reception, boardroom, and staff amenities.

#### Wave

##### Wollongong

Rooftop mural, branded reception decal and a freshly painted interior to match the striking and new exterior.



1. <https://www.commercialradio.com.au/RA/media/General/Documents/CRA-Deloitte-Connecting-Communities-2023-Report.pdf?ext=.pdf>

## 2023 awards

In 2023 our people lived our values of “aim high” and “own it” with a number of sought-after achievements recognised across audio. We celebrated the following award wins across the business.

### Australian Commercial Radio Awards (ACRAS)

In its 34th year, the ACRAs are a celebration of the wealth of talent that drives the Australian commercial radio industry. Winners are awarded across 39 categories and cover all areas of radio broadcasting. In 2023, we reinforced our position as Australia’s leading audio company, taking home an astounding 28 awards, the best year for ARN on record.



Patrina Jones presented with The Glenn Daniel Award – Best News Presenter FM

### Categories won by ARN

- Best On Air Team (Metro) – Jonesy & Amanda
- Individual Talent of the Year (Metro) – Kyle Sandilands
- Individual Talent of the Year (Provincial) – Ellie Angel-Mobbs
- Best Program/Content Director (Metro) – Tony Aldridge
- Best Program/Content Director (Provincial) – Rod Cuddihy
- Best Networked Show – Kyle & Jackie O Hour of Power
- The Brenno/Best New Talent On Air – Radio (Country) – Isabella Roldan
- Station of the Year (Metro) – KIIS 1065
- Station of the Year (Non-Metro) – Mix 106.3
- Sales Team of the Year (Non-Metro) – GOLD FM 98.3 & AM 1071 Sales Team
- Best Regional Salesperson (Regional) – Ronnie Young
- Promotions Director of the Year (Metro) – Annette George
- Promotions Director of the Year (Non-Metro) – Zak Davies
- Most Creative Station Promotion (Metro) – ARN Marketing “Win A Billboard”
- Best Marketing Campaign – The Christian O’Connell Show, ARN Marketing “Win A Billboard”
- Most Innovative SAB or Podcast Format – ARN/iHeart “TikTok Trending on iHeartRadio”

- Best Radio Show Producer (Non-Metro) – Haylee Potts
- Digital Team of the Year – Joshua Fox & Ella Kanna
- Best Digital Content Director – Scott Couchman
- Best Station Produced Commercial – Campaign (Provincial) – Be SafelBe Alive – Chris Tankey, Cath Bell & Adam Jansen
- Brian White Award for Excellence in Journalism (Non-Metro) – Katie Woolf
- The Glenn Daniel Award – Best News Presenter FM – Patrina Jones
- Best Documentary – Radio – Bali Bombing 20 Years On – Chris Davis & Ben Ryan
- Best Community Campaign (Metro) – Mel Dzelde Rescue: The Spirit of Christmas; The Ali Clarke Breakfast Show
- Best Community Campaign (Provincial) – Pack the Bus, Mix 106.3 Product Team
- Best Community Campaign (Country) – Thank A First Responder Day – Dana Hamilton
- Best Talk Presenter (Non-Metro) – Katie Woolf
- Music Director of the Year – Jake Powell

### Australian Podcast Awards

The Australian Podcast Awards is an annual celebration of the quality and breadth of Australian podcast content. Sponsored by ARN’s iHeart, the event showcases and celebrates 30 winners across a range of genres and categories.

### Categories won by ARN:

- Podcast Champion Winner – Life Uncut with Britt Hockley & Laura Byrne
- Indigenous Podcast Winner – Black Magic Woman with Mundanara Bayles
- Business Podcast Winner – She’s on The Money with Victoria Devine
- Sport Podcast Winner – The Pool Room with Tony Armstrong

### Media i Awards

The Media i Awards provide recognition in sales excellence for teams and individuals across all media channels. The awards are the culmination of over 2,000 media agency peers voting for the individuals and teams they believe achieved excellence in the discipline and are the only awards program of its kind in Australia.

### Categories won by ARN:

- Ashley Lush – NSW Radio/Audio Streaming Salesperson of the Year
- QLD Sales Team of the Year

### Mediaweek Power List

In its third year, Mediaweek released its annual Power 100 list. The list recognises the media executives who control the content across the Media industry in Australia.

### Mediaweek 100 Power List:

- Ciaran Davis
- Duncan Campbell
- Peter Whitehead
- Corey Layton

### Mediaweek Star Power 25 List:

- Kyle & Jackie O #1
- Laura Byrne and Brittany Hockley #12
- Christian O’Connell #13
- Amanda Keller and Brendan Jones #16

### APAC Broadcasting+ Award for Media Strategy

The Asia-Pacific Broadcasting Awards recognises innovation and excellence in the broadcasting industry.

### Categories won by ARN:

- ARN, Innovation Award for personalised listener streaming experience

### Quarter One Creative Collection Competition

An initiative from the Outdoor Media Association, the OMA Creative Collection was born to acknowledge and celebrate the best Out of Home creative and innovation executions quarterly.

### Categories won by ARN:

- ARN Marketing, The Christian O’Connell Show, GOLD 104.3FM – Best Use of Multi-Format Winner

### Legal 500 GC Powerlist

This list highlights influential in-house lawyers and in 2023 recognised the following members of ARN’s legal team:

- Will Aplin
- Jeremy Child



L-R Erin Donati, Donna Gordon, Jack Post, Lauren Joyce presented with Best Marketing Campaign “Win a Billboard” – The Christian O’Connell Show

## InTune: We Hear You

# 'InTune' is Business Done More Sustainably

Being 'InTune' is how we think about our Environmental, Social and Governance (ESG) priorities and how they align with our operating environment, team, communities, audiences, and planet.

In 2023 we focused on lifting our ESG strategy off the page in practical ways with immediate impact, while keeping our eye on the prize of long-term, sustainable change.

We know done well, InTune can positively impact our team beyond work, the lives of listeners, our relationships with partners and suppliers, our reputation with shareholders and investors, and the health of the living environments we broadcast from and to.



Galey & Emily Jade – Hot Tomato Gold Coast

InTune delivers on ARN's strategic priorities in four key areas:

### InTune with Our Communities

We make quality connections with our communities through our audiences, clients and partners by understanding what's important to them and giving back in big and small ways.

**Key programs of work undertaken in 2023 include:**

- Creation of a bespoke charity strategy for activation in 2024
- Identifying 'hearing' as ARN's 'hero' charity cause area
- Activation of community 'moments' including National Reconciliation Week, NAIDOC Week, International Women's Day, Inclusion@Work Week, RUOK? Day and more
- Participating in CRA radio, social and economic value research

Read more on page 26



### InTune with Our Team

Our people are the reason for our success. We know diverse, inclusive teams collaborate more constructively and find even more ways to innovate, achieve and enjoy their life's best work.

**Key programs of work undertaken in 2023 include:**

- Diversity Council of Australia's Inclusive Employer Index
- Establishing a Gender Equality strategy and work group
- Establishing a Reconciliation Action Plan (RAP) work group
- Delivering extensive inclusion and mental health training
- Delivering 200+ hours of leadership coaching
- Launching 'ARN Awards' internal recognition program
- Participating in OMG's Diversity, Equity, Inclusion questionnaire

Read more on page 30



### InTune with Our Living Planet

We are heard in suburbs, cities and regions near and far, so we strive to protect and regenerate those communities today to sustain tomorrow.

**Key programs of work undertaken in 2023 include:**

- Progressing our net zero journey
- Joined CitySwitch as signatories
- Green energy procurement planning
- Green Music Australia's Green Action Plan program
- Co-founding 'Green Ears' audio industry collaboration
- Participating in OMG's Sustainability and Carbon Offset Evaluation
- Participating in Singtel/CDP reporting (Emotive)

Read more on page 32



### InTune with Best Practice

Ethical, transparent, and accountable governance structures and controls underpin all we do.

**Key programs of work undertaken in 2023 include:**

- Risk management framework matured and aligned to ISO3100
- Compliance Assurance mapping
- Media governance training refresh
- Refresh of Whistleblower communications
- Creation of the In-House Legal Podcast
- Project Review Board established to maximise impact and controls
- Pre-boarding and offboarding compliance automation

Read more on page 34



## InTune: We Hear You continued

# InTune with Our Communities

We make quality connections with our communities through audiences, clients and partners by understanding what's important, to them and giving back in big and small ways.

As experts in audio, we know listening is a powerful way to connect and give voice to diverse groups of people, including those who can't access screens, digital devices or data. It's also the only medium which doesn't depend on literacy or technical ability to access. So, from the most remote locations to those listening deep into the night, radio leaves no one behind.

This means radio and the 'radio people' at ARN play a unique and critical role in connecting communities. From delivering community service announcements, to sponsorship of clubs, to fundraising for schools, to hyper-localised news bulletins, to weather and disaster reporting we rise with the sun, live and local every day to create even more real connections.

### Community Service Announcements

In 2023, we supported 325 diverse community service organisations from the Dylan Alcott Foundation to Citizens for the Great Barrier Reef, the Cancer Council, National Science Week, Bravehearts, Musicians Making a Difference and more. Our Community Service Announcements (CSA's) include providing airtime support and digital inventory. In 2023 we delivered over 1,293,267 impressions which equates to over \$51,000 in value and 214,000 radio spots which equates to \$22.1 million in value (up from \$18.4 million in 2022). Some charities also received airtime vouchers used as auction items at fundraising events to the value of \$318,000.

### On Air Activities

ARN consistently uses our voice for good as we reach into the communities we broadcast from and to. From fundraising to awareness campaigns and give-backs, we invest time and resources to support those around us as part of our commitment to helping create a better tomorrow for our communities.

### Shift20

In support of former Australian of the Year Dylan Alcott's Shift20 Initiative, ARN took a national approach. Shift20 aims to increase visibility of Australians with disabilities in advertising and media. Across nine markets and 14 networks, ARN provided 5,338 pro bono spots, equivalent to over \$600,000 in advertising revenue. Dylan Alcott was interviewed on regional and metro shows which across breakfast and drive with almost 3 million listeners tuned-in.

### Stars of the Eurobodalla

For the 8th consecutive year, 2EC and Power FM Bega helped deliver another successful Stars of the Eurobodalla. Raising money for cancer research and information services through the Cancer Council, the local Batemans Bay Community donated time, resources and money to host the 2023 Dance for Cancer. Host of 2EC Brekky Bar, Kimmi Saker raised \$27,665 (a record), MCee'd the event and competed as a dancer – requiring 12 weeks of dance lessons donated by local studios. In total the event raised over \$176,000.

### Christian O'Connell's Christmas Campaign with Backpacks 4 VIC Kids

In 2023, over 6,000 children in Victoria were taken into care and faced waking up on Christmas morning without a present. So after hearing these sobering statistics, Christian O'Connell called on listeners to make a small donation to B4VK who gift Santa Sacks to Victorian kids in need. The team set a goal of raising \$35,000 and far exceeded this goal before the show ended that day! The team ultimately raised \$239,262 which provided almost 7,000 children in-need with a gift for Christmas.

### Find My Family

ARN Melbourne got behind the Find my Family promo. To help ARN Adelaide delivered a campaign to help reunite relatives with family they'd lost touch with and no longer had means to connect. The result was an outpouring of support from the community. Listeners called to share stories and encourage those seeking to never give up. Nicole who participated was reunited with her father who she hadn't seen since she was a child. The moment was broadcast live on the Ali Clarke breakfast show and was an emotional moment both for Nicole and her father, as well as the KIIS team and listeners.

### Far North Queensland Disaster Relief/Support

Throughout the natural disaster that hit Far North Queensland in December 2023 where cyclone Jasper and subsequent flooding left many residents displaced, the team at Star 102.7 and 4CA camped at the station for 3 days, sleeping on air mattresses and shared shifts to keep the community informed with 24/7 updates. The team donated 400 water bottles to the Mud Army who help with clean up, and \$1,000 worth of toys in conjunction with Toyworld Cairns for the Children whose homes and Christmas presents were ruined due to the floods.

### Variety Tasmania Children's Charity

7HOFM supported a major fundraising event which saw the building of Madison House; a new home entirely built and fitted with donated time and money. The team worked with the local community encouraging 62 local businesses to lend their support. With on-air appeals, live broadcasts and crosses at every stage of the build and on auction day, the house sold over the \$300,000 reserve and donations totalled \$572,000. All money raised went to the Variety Breakfast Club ensuring thousands of school children get a healthy breakfast in Hobart.

### Kyle & Jackie O's Givebacks

Another year of heartfelt 'Givebacks' on the Kyle and Jackie O show saw tears of joy, laughter and excitement as well-deserving Australians got a helping hand from the KJ Team. Reuniting a daughter and her unsuspecting mother on Mother's Day, gifting a hard-working uber driver with a new car to continue to work, and providing an all-expenses paid trip to Disneyland for a single mum and her two kids are just a few of the moments from 2023's \$100,000 worth of 'Givebacks'.

### Sydney Children's Hospitals Foundation Christmas Appeal

WSFM Sydney are proud partners with the Sydney Children's Hospitals Foundation and support Sydney Sick Kids and Christmas Appeals each year. Running from late November Jonesy and Amanda supply live mentions and promo spots on JAM Nation to raise awareness and drive donations. WSFM socials featured patient stories with links to donate and the team participated the appeals "Giving Day" visiting Sydney-based children's hospitals to help spread Christmas spirit. WSFM partnered with Bay Vista Dessert to provide 1,000 free pancake passes to patients, families and staff and helped raised \$6.5 million for Sydney Children's Hospitals Foundation.

The 'radio people' at ARN play a unique and critical role in connecting communities.

### Koinz 4 Kids 2023

For 20+ years our Teams in Devonport and Burnie, Tasmania have fundraised to support children of the North-West Coast and in 2023 they raised a whopping \$45,940 for the Fairy Godmothers. In July the team dedicated on-air promotions, hosted sausage sizzles, trivia nights, and live music events to achieve this fantastic result. The businesses involved received free social promotion and on-air shout outs on 7AD, 7BU, Sea FM 107.7 and Sea FM 101.7. The stations encouraged many local schools to organise Crazy Hair Days, Coin Lines and Casual Clothes Days as Koinz 4 Kids continues to drive strong community connection.

### Hunter Valley Christmas Spectacular

The Christmas Spectacular is a household name in the Hunter region. Running for nine consecutive years, this free community carols event is organised and sponsored by ARN's Muswellbrook Team. They invest around \$60,000 each year to gather 3,000–4,000 locals who sing and watch an amazing fireworks display. It's a family friendly event with face painting and a jumping castle for the kids, plus food stalls and markets operated by local businesses of the Muswellbrook area.



## InTune: We Hear You continued

### InTune with Our Communities

#### UnLtd. Partnership

ARN is a Gold Sponsor and long-time partner of UnLtd., an organisation connecting the media, marketing and creative industries to make significant social change. Through campaign support, inventory, CSAs, volunteering and more, ARN delivered over \$2.2 million worth of value for charities supporting young people at risk. The activity included:

- 'UnLtd. Open' sponsorship for golf competitions across Sydney and Melbourne with > 250 people participating; > \$300,000 in donations; and ARN taking second place at the Melbourne event.
- 'UnLtd. Big Kahuna' sponsorship of a surf competition with the inaugural Mitch Waters Encouragement Award going to team ARN.
- Dolly's Dream campaign support and awareness raising, to help smash stigma around mental health and break the silence around bullying.
- Support for MOOD by stocking MOOD Tea at offices and provision of media inventory to spread the word about saving lives, one cup of tea at a time.
- A barrage of event support, amazing DJs and fun activations.

In addition, ARN has a strong ongoing relationship with Musicians Making a Difference (MMAD) who transform young lives through music. In 2023, ARN brought a unique three-week campaign to life across radio podcasts; podcasting support; iHeart playlists, promos and customer communications; as well as ARN team member engagement. Some particularly special moments included superstar MMAD artist Conrad Sewell's live interviews and a performance by MMAD artists at ARN's Sydney HQ.



#### Charity and Community Leave

ARN has always provided our team with access to an annual day of paid Charity Leave and in 2023 we extended this commitment to two days, which can be used to support a charity or community service of each team member's choice.

#### Planet Ark Tree Planting Day

**Abby Brown,**  
Organisational Effectiveness Specialist

"With ARN's support, I used my charity day working for Planet Ark's National Tree Day, the largest community tree planting event in Australia – which is important to me as an environmentalist and nature-lover. It was a great feeling contributing to the 27 million trees planted since it started almost 30 years ago and getting to meet and work with other volunteers getting our hands dirty planting. I'm excited to volunteer again next year."



#### YoungCare

**Samantha Cannon,**  
Sales Operations Manager

"Community and giving back is really important to me and this year I was able to use my 'charity day' at ARN to volunteer for a wonderful charity – Youngcare. Youngcare works to improve the lives of young Aussies living with physical disabilities. I helped with Christmas gift wrapping to raise much needed funds. I can't wait to use my charity day again in 2024 to do my bit for my community."



KIIS 101.1 Melbourne at UnLtd. Golf Day

#### News and Information in the Community

##### Responsible Journalism During Times of Crisis

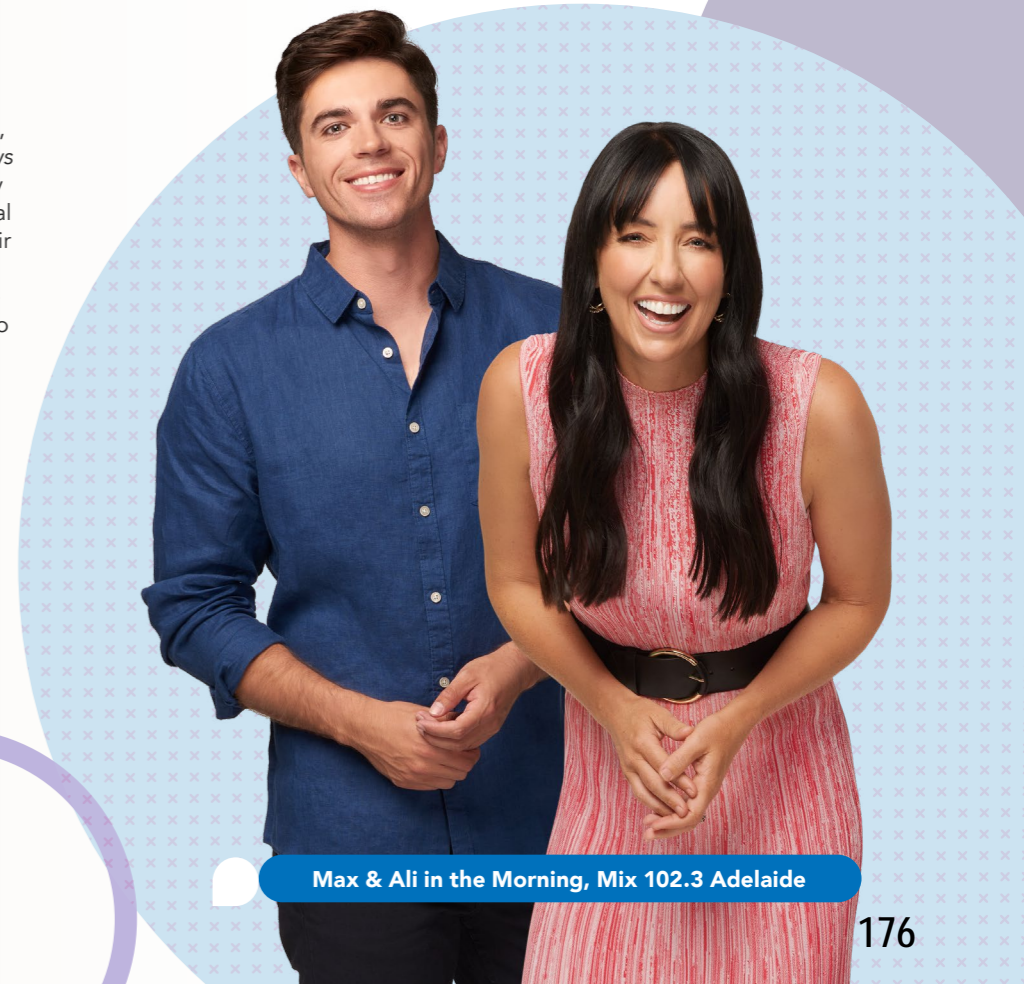
ARN is committed to responsible journalism. During times of crisis, our journalists serve as a trusted source, providing regular and timely updates seven days a week. Our listeners receive authentic, impartial, and straightforward news and information. For many, our bulletins serve as their primary source of news, so we prioritise all perspectives to remain relevant to our audiences. Our robust editorial standards extend across regional and metro newsrooms, ensuring whether it's a bulletin on KIIS, a regional update, or a podcast on iHeart, the information is accurate, balanced, and transparent.

##### Investment in Regional Storytelling

ARN understands the vital role of local news in our regional communities. In 2023, we expanded ultra-local news services in South Australia, Queensland, and Tasmania. The *iHeart Regional News* initiative features distinct titles, carefully tailored to their market. Each week, local journalists explore issues impacting their audiences, presenting content that is relevant and relatable. These deep dive stories air in content airtime and are also available as podcasts.

#### Enhancing On-Demand Accessibility

To maintain our position as industry leaders in audio news, we continued to shift journalists, workflows, and news output from linear to on-demand offerings. By pioneering in this space, we meet the needs of audiences, while recognising the opportunities of digital audio. Radio news plays a vital "double duty" role, leveraging owned and operated distribution channels, plus third-party opportunities like Spotify, Google, and Alexa to enhance accessibility. Our flagship national news podcast, *Your News Now (YNN)* also launched and has consistently ranked as one of Australia's best-performing news podcasts, creating tailored bulletins based on location and preferences. The potential of this innovative approach is significant and shows our commitment to setting new industry standards.



Max & Ali in the Morning, Mix 102.3 Adelaide

## InTune: We Hear You continued

# InTune with Our Team

Our people are the reason for our success. We know diverse, inclusive teams collaborate more constructively and find *even more* ways to innovate, achieve and enjoy their life's best work.

### ARN's Constructive Culture

In 2023, we remained focused on creating the most constructive culture possible enabling our people to create even more connections that count. Our constructive culture is driven by our focus on achievement and is brought to life through four core behaviours of Aim High, Own It, Be Your Best Self and Make a Difference which underpin all we do.

In 2023 our People and Culture initiatives were selected for their ability to continue empowering our people to do their life's best work.

### Inclusion and Belonging Focus

Bringing our diversity and inclusion (D&I) strategy to life has been a significant piece of work implemented in 2023. As members of the Diversity Council Australia (DCA), ARN's D&I strategy is founded in evidence-based resources and is delivered through events, webinars and capability programs.

In addition, ARN participated in DCA's 2023 Inclusive Employer Index – evaluating ARN's state of inclusion as compared with the Australian Workforce benchmark and DCA member benchmark.

ARN was named one of the DCA's most inclusive employers for 2023 marking a significant milestone in our commitment to fostering inclusivity and the creation of D&I initiatives including:

**Delivering DCA Inclusion 101 Training** to develop knowledge and confidence in discussing and developing D&I capability for 200+ leaders including the ARN Executive Team and available to the entire workforce through a digital learning program.

**Establishing a Gender Equality Working Group** to develop and drive ongoing implementation of ARN's gender equality progress, strategy and policies including the Workplace Gender Equality Agency's (WEGA) six gender equality indicators.

**Establishing a Reconciliation Working Group** to develop ARN's 'Reflect' Reconciliation Action Plan (RAP) in collaboration with our Aboriginal Cultural Capability partner 'Black Card' and with representation on the RAP Working Group from Black Card's Founder and CEO Mundanara Bayles.

**Delivering 'Black Card' Aboriginal Cultural Education** to develop and deepen understanding of Aboriginal history, perspectives and approaches to knowledge delivered in workshops to 50+ leaders including the ARN Executive Team and RAP Working Group.

**Launching ARN's Radio and Podcasting Scholarship with the Australian Film, Television and Radio School (AFTRS)** to develop capability in a future student from any cultural background/group under-represented in media today through a Graduate Diploma student in Radio and Podcasting.

**Creating an Internal Storytelling Campaign 'Everyone Belongs'** to share real stories of diversity and inclusion at ARN by having our team share lived experiences of diversity including living with a physical and/or mental disability; neurodivergence; LGBTQI+ identities; flexible work; living with a mental health condition; and experiences from single parenting to religious beliefs and more.

### 'In-Conversation' Series

To inform, inspire and support the curiosity of our team in some of the complex issues we all manage at work and in life, in 2023 ARN launched a series of lunchtime webinars. Hosted by ARN's Head of News and Information, 'In Conversation' covered topics including:

- 'Gender Beyond Binary' with G Flip and Rhys Nicholson
- 'RUOK?' with Yumi Stynes and Osher Gunsberg
- 'Difference is Beautiful' with Dylan Alcott
- 'What's NAIDOC Week?' with Aboriginal DJ Soju Gang and musician Scott Darlow
- 'Do We Still Need International Women's Day?' with the Diversity Council of Australia

The 'In Conversation' series provides moments of togetherness for our team and is another way we create connections that count.



ARN Melbourne and Knoxbrooke School to Work Young Adults

### Centres of Excellence

We continue to deepen our expertise by investing in centres of excellence that we recognise as critical to the success of our organisational design and to the delivery of our products and services including:

**News and Information:** To revolutionise news delivery, we established a new News Leadership Team and shifted workflows from disposable linear bulletins to on-demand to meet audience expectations and consumption. Realising significant savings and previously untapped opportunities to monetise digital news, embedding a 'Local News First' approach in 2023 further shows our commitment to quality storytelling, controlling our editorial agenda and investing in new talent pathways.

**People Operations:** To meet the needs of our growing workforce, evolving regulatory landscape and provide the best employment experiences in People Operations we streamlined payroll operations following systems uplift and introduced subject matter expertise in Remuneration and Benefits; Systems and Data; and Workplace Health and Safety.

**Visual Production:** To craft unique visuals, TVCs, event creative, original content series, digital assets and establish ARN as a complete content enterprise, we have established a dedicated visual production team who connect strategy with creativity. The multidisciplinary team of producers, directors, motion graphics creators and DoPs work across marketing, commercial, content and corporate to grow brands visually and elevate commercial offerings while driving cost efficiencies.

**Governance:** To further evolve ARN's control environment and assurance mechanisms, we realigned internal structures and appointments including PwC Partner rotation, ARC Chair, Head of Risk and Assurance, Head of Finance for Reporting and Operations.

### Recognition and the ARN Awards

In addition to the many industry awards and accolades ARN claimed in 2023, this year we also launched a new internal recognition and awards program – The ARN AWARDS.

The ARN Awards are an annual celebration of the achievements of our people, and our unique culture. The awards recognise excellence in both *what we do* (delivering on strategy) and *how we do it* (behaviours and culture). Across four Business Awards categories and three People Awards categories, we've created a program with opportunities for everyone at ARN to enter.

The ARN Awards will be presented as part of an interactive company conference to be held simultaneously online and in-person bringing our diverse teams together to celebrate.

### Capability Building

Our approach to capability centres around creating opportunities to coach our team in areas which drive business outcomes and personal engagement. To do this, we develop and cascade targeted programs to meet our people's evolving needs which this year included:

**Leadership@ARN:** Our award-winning program providing leaders with insights into their impact and the role they play in creating culture. The program includes completion of the Human Synergistics Life Styles Inventory (LSI) debriefed by accredited coaches, virtual workshops, on-the-job assignments, 1:1 coaching, pre/post work, plus peer-to-peer 'hubs'. Leadership@ARN is our most 'in demand' program and has been delivered to more than 200 leaders, with 50% participating in 2023.

**Adopt a Show:** A 12-month program providing coaching and mentoring to Regional breakfast teams from a Senior Content Director in a Metro market through critiques of a show's audio; written coaching feedback and actions for the coming month; plus video coaching with the local Content Director, Talent and General Manager.

### The In-House Legal Podcast:

A unique and innovative series designed for Journalists, Content Directors and Digital Producers created by ARN Journalists, Legal and Learning teams with episodes including Ask a Lawyer, Contempt, Privacy, Surveillance, Defamation and Copyright – so our busy people can listen and learn on-the-go.

### Health, Safety and Wellbeing

This year, we continued to improve of our Workplace Health and Safety Management System including physical and psychological health and safety from a comprehensive, organisation-wide psychosocial review; to a regional review; and focus on horseplay and practical jokes for content teams. In addition, our Safety Committee Meetings have a regular cadence and provide opportunities to review and implement learnings from systems data, site inspections, legislative changes, training and national projects.

Our Team's wellbeing is supported across initiatives including evidence-based mental health training and support for leaders delivered by registered psychologists from the Black Dog Institute. All team members and their immediate families can access to our Employee Assistance Program (EAP) which provides free, confidential psychological counselling and support for a range of professional and personal issues. Team members can also access an external, anonymous whistleblowing reporting and management service managed by KPMG Fair Call.



## InTune: We Hear You continued

# InTune with Our Living Planet

We are heard in suburbs, cities and regions near and far, so we strive to protect and regenerate those communities *today* to sustain tomorrow.

In 2023, we have focused on establishing a stepwise approach to achieving our long-term environmental sustainability goals. This has included building internal sustainability knowledge, resources and data, audio industry peers, decarbonisation specialists and right-sized consultants for specialist support.

Our key activities for 2023 included:

### Progressing Our Journey

Our long-term approach is acting to reduce greenhouse gas emissions before balancing hard-to-avoid emissions through offsets for those we can't avoid through a net zero pathway which includes:

- 1 Establishing our baseline applying the Greenhouse Gas Protocol's scoped approach.
- 2 Readyng our team for success by embedding mindsets which support behavioural change.
- 3 Finding ways to reduce office emissions starting with simple steps for improved energy efficiency, waste management and recycling, or eliminating single use items.
- 4 Taking a stepwise approach to procuring energy generated from renewable sources.
- 5 Looking up and downstream of our operations.
- 6 Responding to our team, community and investor expectations.
- 7 Offsetting emissions as a last resort.

### Becoming City Switch Signatories

ARN are signatories to CitySwitch, Australia's free, flagship decarbonisation program for office-based business made possible through council partners and NAEBERS. CitySwitch provides tools, resources, events, best practice sharing, webinars and workshops to office-based businesses committed to reducing their carbon footprint based on the Greenhouse Gas Protocol. As members, ARN receives support moving toward net zero using a framework which begins with measuring baseline scope 1 & 2 emissions (which ARN achieved in 2022) and reporting annually as we progress towards net zero.

### Green Energy Procurement Planning

As with most businesses where electricity is the primary emitter of greenhouse gasses, investing in, structuring and managing procurement of sustainable energy through a renewable electricity tender is an essential step on our path to net zero. So, in 2023 we progressed our baseline data collection to determine the right time to assess and secure a commercially attractive, sustainable electricity procurement solution for our portfolio. In tandem with exploring renewable energy options, a future tender process to obtain the best-possible offers for electricity contracts has been investigated.

### Participating in Green Music Australia's 'Green Action Program'

Green Music Australia (GMA) charity which works to improve the industry's environmental performance. The 'Green Action Program' (GAP) program devised by GMA supports aligned businesses to understand, monitor and improve their environmental impact. In 2023, ARN participated in the GAP program alongside industry peers ABC Music, Universal Music Australia, Music NSW, and the Electronic Music Conference. ARN's relationship with GMA continues through a music industry environmental reporting platform AMIDESI which analyses environmental data.

### 'Green Ears' Audio Industry Collaboration

Green Ears is a collaboration of Australian audio businesses which envisions a future where audio thrives in environmentally sustainable ways. Green Ears is open to all Australian radio stations, audio creators, peak bodies and suppliers committed to this vision. Green Ears is an informal collaboration sharing insights, learnings, progress, and ambitions on sustainability for the good of our industry.

ARN became a founder of Green Ears in 2023 and participates by exchanging sustainability information, ideas, and best practices to inspire and motivate our industry's people, partners, providers and audiences using our collective impact.

In 2023, we have focused on establishing a stepwise approach to achieving our long-term environmental sustainability goals.



Jade and Damien, breakfast hosts of WAVEFM 96.5

## InTune: We Hear You continued

# InTune with Best Practice

ARN Media's long-term success requires strong governance, across both corporate and media areas of operation.

### Corporate Governance

ARN is an ASX listed company with an objective of increasing shareholder value within an appropriate framework of corporate governance. The Company continues to adhere to the best practice recommendations established by the ASX Corporate Governance Council.

The documents detailing the Company's corporate governance framework are available at <http://arn.com.au/corporate-governance/>. The Corporate Governance Statement and the Code of Conduct are our key guiding documents with charters in place to guide the Board, the Audit and Risk Committee and the Remuneration, Nomination and Governance Committee.

The Company also has detailed policies regarding Market Disclosure, Risk Management, Securities Trading, Fraud, Diversity, Conflict of Interest, Modern Slavery and Whistleblower. The Whistleblower program ensures people can raise concerns regarding actual or suspected contraventions of the Company's ethical and legal standards without fear of reprisal or feeling threatened by doing so. The policy includes an externally managed hotline to give whistleblowers confidence and the ability to make complaints on an anonymous basis.

### Media and Content Governance

As a media and content organisation, particularly in the commercial radio broadcast industry, ARN operates in a heavily regulated environment. The company takes its obligations seriously and has implemented a range of controls to ensure compliance with the various laws, regulations, codes and standards that apply, including the *Broadcasting Services Act* and the *Commercial Radio Code of Practice* as administered by the Australian Communications and Media Authority (ACMA). These controls include internal policies, training and education on the Code and specific topics that are frequently encountered by media organisations, such as content regulation, defamation, copyright, privacy, anti-surveillance laws, advertising restrictions and consumer protection.

ARN also recognises the importance of protecting the intellectual property rights in its original and licensed content and brands, which are recognisable around the country. It protects those rights through a variety of pre-emptive and reactionary measures, including registration of trademarks and enforcement of its rights against infringers. The company respects the rights of third parties and obtains the authorisation, licences and clearances necessary when using their content. ARN is well attuned to rapid changes in technology, particularly in the digital sphere, and its robust approach to leveraging these advances in a compliant manner means it is well placed to navigate this evolving environment.

### Australian music and artists

Commercial radio is an important part of the Australian creative ecosystem, providing a platform for musical artists and other creative professionals. Radio networks have a legal obligation to broadcast minimum quotas of music performed by Australian artists. This helps support the development of the Australian music industry and artists' careers. ARN's radio stations make a concerted effort to contribute to Australian artists, directly through royalty payments and indirectly by supporting new and established artists by playing their music, promoting gigs and upcoming tours and interviewing them on air.

As a media and content organisation, particularly in the commercial radio broadcast industry, ARN operates in a heavily regulated environment.



## Board of Directors



**Hamish McLennan**  
**Chairman of the Board and**  
**Non-Executive Director**  
 (since 30 October 2018)

Hamish McLennan is an experienced media and marketing executive who brings unparalleled expertise to the Board, given the global roles he has held and his depth of understanding of the changing media landscape and the demands of advertisers.

He has a proven track record as an outstanding leader across the media and advertising sectors.

Previous roles Hamish has held include Executive Chairman and Chief Executive Officer of Ten Network Holdings from 2013 to 2015, Executive Vice President for News Corporation in Sydney and New York from 2012 and 2013 and Global Chairman and CEO of Young & Rubicam, a division of WPP, the world's largest communications services group from 2006 to 2011.

### Committees

Audit & Risk, Remuneration, Nomination and Governance.

### Other Directorships and offices

Director of REA Group Ltd (Chairman), Magellan Financial Group Limited (Deputy Chairman), Claim Central Pty Limited, Light & Wonder (US Company, formerly Scientific Games Corp) and Garvan Institute of Medical Research (Fundraising Board).

### Previous directorships of other Australian listed companies (last three years)

iProperty Group Pty Ltd (from 16 February 2016 to 6 February 2019) (delisted).



**Ciaran Davis**  
**CEO & Managing Director**  
 (since 24 August 2016)

Ciaran Davis is responsible for the strategic and operational direction of the business. He has transformed a business with large debt and a declining asset portfolio centred on traditional publishing, into one of the most exciting media businesses in Australia today.

Prior to becoming Group CEO of ARN Media, Ciaran spent five years as CEO of ARN repositioning the business to become the number one metropolitan radio operator in Australia.

He has over 20 years media experience working in over 15 countries throughout Europe and the Middle East.

In 2022, Ciaran became Chair of Commercial Radio and Audio in Australia – the industry body representing the interests of commercial radio broadcasters throughout Australia.

### Other Directorships and offices

Director of a number of ARN Media subsidiaries and joint venture companies and The Australian Ireland Fund Ltd.

### Previous directorships of other Australian listed companies (last three years)

Nil.



**Alison Cameron**  
**B Ec**  
**Non-Executive Director**  
 (since 5 January 2022)

Alison is an experienced media executive with a 34 year career spanning finance, sales and management in commercial radio. From 1993–2021, Alison worked for her family's business, privately owned Grant Broadcasters Pty Ltd and was part of multiple acquisitions over the last 15 years, culminating in the ownership of 48 commercial radio stations in regional Australia. She has a deep understanding of media and regional communities. Alison's most recent role was CEO of Grant Broadcasters and was responsible for the negotiation of the sale of 47 regional stations to ARN.

Alison is also a Director of the government's National Film and Sound Archive, and Chair of their Finance Committee and a member of the Audit and Risk Committee. Alison was also Director of Grant Broadcasters Pty Ltd from 18 February 2004 to 4 January 2022 and in December 2023, was appointed Director of Ensemble Foundation Limited, a not for profit in the arts sector.

### Committees

Audit & Risk Committee.

### Other Directorships and offices

Director of National Film and Sound Archive since May 2020. Director of private companies Craigieburn Resort Pty Ltd, Golden Labrador Pty Ltd, G-Agri Pty Ltd and Gordie Pty Ltd.

### Previous directorships of other Australian listed companies (last three years)

Nil.



**Paul Connolly**  
**B Com, FCA**  
**Non-Executive Director**  
 (since 18 October 2012)

Paul Connolly has over 30 years' experience advising on mergers and acquisitions, takeovers, disposals, fundraisings and initial public offerings. Since 1991, Paul has been Chairman of Connolly Capital Limited, a Dublin-based corporate finance advisory firm focused on the telecommunications, media and technology sectors. He was a Director of Esat Telecommunications Limited, an Irish telecommunications company, from 1997 to 2000, and then a Director of Digicel Limited from 2000 to 2006, a Caribbean and Pacific based telecommunications Company – he continues to serve as a Senior Advisor to Digicel. In addition, he was a Director of Melita Cable PLC from 2007 to 2016 and a Director of Independent News & Media PLC from 2009 to 2018. From 1987 to 1991, he held the position of Financial Controller of Hibernia Meats Limited and prior to that, he worked with KPMG as an accountant.

### Committees

Remuneration, Nomination and Governance (Chair), Audit & Risk.

### Other Directorships and offices

Chairman of private Irish companies Connolly Capital Ltd., Tetrarch Capital Ltd., FrameSpace Ltd., Business & Finance Ltd. (Irish business media group), Polaris Principal Navigator Ltd. and UNICEF Ireland.

### Previous directorships of other Australian listed companies (last three years)

Nil.



**Brent Cubis**  
**B Com, CA, GAICD**  
**Non-Executive Director**  
 (since 14 June 2023)

Brent was appointed as a Director of ARN Media Limited on 14 June 2023. He is an Independent Non-Executive Director and Chairman of the Audit and Risk Committee.

Brent is a highly experienced Non-executive Director, and CFO with over 30 years' Experience with boards in senior finance roles. Brent is currently a Non-executive Director and Chair of the Audit & Risk Committees for A2B Ltd (ASX: A2B), EML Payments Ltd (ASX:EML), Silverchain Group, Carbon Cybernetics and leading youth cancer charity Canteen Australia. His previous roles have included CFO of Cochlear Ltd, CFO of Nine Network Australia and a Non-executive Director of Prime Media Group Limited.

### Committees

Audit & Risk (Chair), Remuneration, Nomination and Governance.

### Other Directorships and offices

A2B Ltd, EML Payments Ltd, Silverchain Group, Carbon Cybernetics and Canteen Australia.

### Previous directorships of other Australian listed companies (last three years)

Prime Media Group Limited (from 15 April 2021 to 31 March 2022).



**Belinda Rowe**  
**BA, GAICD**  
**Non-Executive Director**  
 (since 5 February 2019)

Belinda Rowe has extensive experience across the marketing, communications, digital and media sectors. She held leadership roles in global companies such as Telefonica O2 UK, a significant UK telecommunications company as head of their Brand and Marketing Communications. She was a member of the Global Executive Board at Publicis Media and Zenith, one of the largest media communications groups in the world. She also created and led a unique content marketing business across 32 markets with Publicis Media, advising on digital capabilities such as digital content marketing including social and the application of data and technology for dynamic creative solutions. Belinda also has extensive sector experience in telecommunications, media, finance, technology, tourism, consumer products, and healthcare.

Prior to moving to the UK in 2009 she was CEO of ZenithOptimedia (now Zenith) and Executive Director at Mojo, for 10 years in Australia.

### Committees

Audit & Risk, Remuneration, Nomination and Governance.

### Other Directorships and offices

Non-Executive Director of Sydney Swans Ltd, Temple & Webster Group Ltd, 3P Learning Ltd and Sky NZ Ltd.

### Previous directorships of other Australian listed companies (last three years)

Nil.



# Directors' Report

## Corporate Governance Statement

The Board of ARN Media Limited endorses good corporate governance practices and oversees an organisation-wide commitment to high standards of legislative compliance and financial and ethical behaviour.

The Directors' overriding objective is to increase shareholder value within an appropriate framework that protects the rights and enhances the interests of all shareholders and ensures the Company is properly managed.

The Company has considered the best practice recommendations established by the ASX Corporate Governance Council Corporate Governance Principles and Recommendations 4th Edition, February 2019 and has complied with the ASX recommendations for the entire reporting period (unless otherwise indicated in the Company's Corporate Governance Statement).

A description of how the Company's main corporate governance practices and policies, together with the policies and charters referred to in it, is available on the Company's website, <https://arn.com.au/corporate-governance/>

## Directors' Report

Your Directors present their report on the consolidated entity consisting of ARN Media Limited and the entities it controlled at the end of, or during, the year ended 31 December 2023. Throughout this report, the consolidated entity is also referred to as the Group.

### 1. Directors

The Directors of ARN Media Limited during the financial year and up to the date of this report consisted of:

Hamish McLennan (Chairman) (appointed 30 October 2018)  
 Roger Amos (appointed 30 November 2018; resigned 17 May 2023)  
 Paul Connolly (appointed 18 October 2012)  
 Ciaran Davis (CEO & Managing Director) (appointed 24 August 2016)  
 Belinda Rowe (appointed 5 February 2019)  
 Alison Cameron (appointed 5 January 2022)  
 Brent Cubis (appointed 14 June 2023)

Details of the current Directors' qualifications, experience and responsibilities are set out on pages 36 and 37.

### 2. Company Secretary

The Company Secretary of ARN Media Limited is Jeremy Child (appointed 14 August 2019)

Details of the current Company Secretary's qualifications, experience and responsibilities are set out on page 38.

### 3. Principal Activities

ARN Media is a leading media and entertainment company listed on the Australian Securities Exchange which operates audio and digital businesses in Australia as well as outdoor assets in Hong Kong.

ARN Media owns Australian Radio Network (ARN), Australia's leading metropolitan and regional radio broadcaster and home to the national KIIS and Pure Gold networks and youth radio network CADA.

ARN operates music, streaming and podcasting distribution platform iHeartRadio, under a long term licence agreement, along with a content creation business Emotive.

ARN Media also owns Cody Out-of-Home in Hong Kong, which has a network outdoor advertising panels across major Hong Kong tunnels.

# Directors' Report

(Continued)

## Dividends

Dividends paid to owners of ARN Media Limited during the financial year were as follows:

Dividends			
Type	Cents per share	AUD million	Date of Payment
2022 Dividend <sup>i</sup>	5.2	16.1	23 March 2023
Interim 2023	3.5	10.7	21 September 2023

(i) Paid from parent entity profits since 1 January 2023

Since the end of the financial year, the Directors have declared the payment of a fully franked dividend of 3.6 cents per ordinary share.

## 4. Consolidated Result and Review of Operations

Information on the operations and financial position of the Group and its business strategies and prospects is set out in the Chairman's letter, Chief Executive Officer's letter and Operating & Financial Review on pages 8 to 21.

## 5. Significant Changes in the State of Affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the consolidated entity during the financial year under review not otherwise disclosed in this Directors' Report or the consolidated financial statements.

## 6. Matters Subsequent to the End of The Financial Year

Events occurring after balance date are outlined in note 6.6 to the consolidated financial statements.

## 7. Likely Developments and Expected Results of Operations

Overall strategic direction and prospects are discussed in the Chairman's and Chief Executive Officer's letters on pages 8 to 11 and the Operating & Financial Review on pages 12 to 21.

Further information as to likely developments in the operations of the consolidated entity and the expected results of those operations in subsequent financial years has not been included in this Directors' Report because, in the opinion of the Directors, it would prejudice the interests of the consolidated entity.

## 8. Risk Management

The Board plays an active role in the setting and oversight of ARN Media's Risk Management Framework.

The Australian advertising industry is subject to inherent risks including, but not limited to, exposure to macroeconomic factors, technological and social changes impacting consumer behaviours and advertiser spending, market competition and impacts of changes in government regulations.

The process of identifying, monitoring and mitigating significant business risks under the Group's Risk Management Framework is outlined in further detail in the Corporate Governance Statement which is available on the Company website, <https://arn.com.au/corporate-governance/>

## Directors' Report

(Continued)

The Group has identified a number of key business and financial risks which may impact on ARN Media's achievement of its strategic and financial objectives. They include, but are not limited to:

Risk	Description
Changes in radio audience share	<p>In Australia, the Group operates within the radio and digital advertising sectors. Any decline in radio audience share could affect advertising revenue and financial results.</p> <p>The Group mitigates this risk by investing in its on-air talent and total audio offering, which span across radio, music streaming and podcasting, in addition to the attraction and retention of experienced and high performing executives and employees.</p>
Loss of key on-air talent	<p>Recruiting and retaining the best on-air talent is integral to being able to maintain and grow audience share.</p> <p>Fixed term contracts are in place, with terms reviewed and contracts renewed with sufficient regularity to mitigate the risk of losing key on-air talent.</p>
Changes in advertiser and/or audience preferences	<p>Remaining relevant to advertisers and audiences is critical to meeting the Group's strategic objectives. Changes in audience preferences leading to audience fragmentation could over time, result in revenue declines.</p> <p>The Group remains focused on improving commercial revenue share through its "Defining Audio through Connections that Count" commercial proposition. The Group's relevance to advertising agencies and clients is amplified by the network of stations across regional Australia. The Group continues to invest in digital audio innovation, podcasting, music streaming and data capabilities. Further, investment in capabilities include retaining experienced media executives, hiring proven on-air talent, participation in industry bodies, advertising and market research.</p>
Macroeconomic factors	<p>The ability for the Group to execute its strategy is linked to ongoing economic stability in those markets in which it operates. If economic conditions were to deteriorate, there could be a significant reduction in Group revenues and earnings.</p> <p>The Group maintains a sound capital structure with sufficient undrawn financing facilities in place. It will continue to monitor performance and market developments to reassess plans and strategies as required.</p>
Loss of broadcasting licence	<p>While considered unlikely, the loss of an Australian radio broadcasting licence would have a material impact on Group revenues and earnings.</p> <p>The Group has long-standing controls in place to minimise the risk of legislation compliance breaches.</p>
Disruption of technology systems, security breaches and data privacy	<p>There are a number of technology systems that are critical to the operations of the Group and to the protection and maintaining of privacy of data.</p> <p>The Group continues to invest in cyber security and strengthening its IT Risk Management Framework to reduce the occurrence of outages, enable early detection of issues and mitigate operating and financial impacts. Continuous incident detection and response services are in place as well as regular staff cyber awareness briefings and training.</p>

# Directors' Report

(Continued)

## 9. Corporate Social Responsibility

The Directors recognise the corporate social responsibilities of the Group, including the importance of environmental matters, occupational health and safety issues and diversity initiatives. The Directors are committed to compliance with all relevant laws and regulations to ensure the protection of the environment, the community and the health and safety of employees. The operations of the consolidated entity are not subject to any particular and significant environmental regulation under the laws of Australia or Hong Kong.

## 10. Remuneration Report

The Remuneration Report is set out on pages 46 to 61 and forms part of this Directors' Report.

## 11. Directors' Meetings

The number of meetings of the full Board of Directors and Board Committees held in the period each Director held office during the financial year and the number of those meetings attended by each Director in their capacity as a member of the Board or Board Committee were:

	Board of Directors		Audit & Risk Committee		Remuneration, Nomination and Governance Committee	
	Held	Attended	Held	Attended	Held	Attended
Hamish McLennan	12	12	4	4	3	3
Roger Amos (resigned 17 May 2023)	3	3	1	1	1	1
Paul Connolly	12	12	4	4	3	3
Ciaran Davis	12	12	N/A <sup>1</sup>	N/A <sup>1</sup>	N/A	N/A
Alison Cameron	12	12	4	4	N/A	N/A
Belinda Rowe	12	12	4	4	3	3
Brent Cubis (since 14 June 2023)	9	9	2	2	2	2

<sup>1</sup> Ciaran Davis attended all Audit & Risk Committee meetings

Committees were formed for purposes of approving the half-year financial statements, annual financial statements, 2022 Annual Report, 2023 Notice of Annual General Meeting and non-indicative proposal to acquire Southern Cross Austereo (SCA). These meetings were attended as follows (Held/Attended): Hamish McLennan (3/3), Ciaran Davis (4/4), Roger Amos (1/1), Brent Cubis (2/2).

## 12. Directors' Interests

The Remuneration Report on pages 46 to 61 contains details of shareholdings of the Directors and Executive Key Management Personnel for the year ended 31 December 2023.

## 13. Shares Under Option

There were no unissued shares of ARN Media Limited under option at 31 December 2023 and no shares issued during the financial year as a result of the exercise of options. No options have been granted since the end of the financial year.

## 14. Indemnification of Directors and Officers

The parent entity's Constitution provides for an indemnity for officers of the Company against any liability incurred by an officer of the Company in their capacity as an officer. Under the *Corporations Act 2001*, this indemnity does not extend to a liability to the parent entity or a related body corporate of the parent entity, a liability for a pecuniary penalty or compensation order under certain provisions of the *Corporations Act 2001* or a liability that is owed to someone other than the parent entity or a related body corporate of the parent entity, which did not arise out of conduct in good faith.

An Access, Indemnity and Insurance Deed is also provided to each Director and officer who serves as a director or officer of the Company, a subsidiary or an associated entity. The deed is consistent with the Constitution and indemnifies these persons to the extent permitted by law for liabilities and legal costs incurred as a director of these entities (subject to some limitations).

## 15. Insurance of Directors and Officers

The parent entity has paid for an insurance policy for the benefit of all persons who are or have been directors or officers of the parent entity or any other company in the consolidated entity against liabilities incurred during any one policy period. The insured persons include current and former directors, officers and company secretaries of the parent entity and any other company in the consolidated entity. The insurance policy specifically prohibits the disclosure of the nature of the liability covered and the premium paid.

# Directors' Report

(Continued)

## 16. Proceedings on Behalf of the Company

No person has applied to the court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of a court under section 237 of the *Corporations Act 2001*.

## 17. Non-Audit Services

The Group may decide to employ its auditors on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group is important.

For the financial year, the Company's auditor, PricewaterhouseCoopers, received or is due to receive \$239,647 for the provision of non-audit services. Full details of the amounts paid or payable to the auditors for audit and non-audit services provided during the financial year are set out in note 6.3 to the consolidated financial statements.

The Company auditor has provided the Directors with an Auditor's Independence Declaration in relation to the audit, a copy of which is provided on page 62. The auditor has also confirmed to the Directors that it has in place independence quality control systems which support its assertions in relation to its professional and regulatory independence as auditor of the consolidated entity (including the requirements of APES 110 Code of Ethics for Professional Accountants).

The Audit & Risk Committee has reviewed the fees provided to the auditor for non-audit services in the context of APES 110, the requirements of the Audit & Risk Committee Charter, the Audit Firm Service Provider Policy and general corporate governance practices adopted by the consolidated entity.

Based on the above factors, the Audit & Risk Committee has no reason to believe that there has been any compromise in the independence of the auditor due to the provision of these non-audit services and has advised the Board accordingly.

In accordance with the advice of the Audit & Risk Committee, the Directors are therefore satisfied that the provision of non-audit services during the financial year by the auditor is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and that the provision of non-audit services during the financial year did not compromise the auditor independence requirements of the *Corporations Act 2001*.

## 18. Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration, as required under section 307C of the *Corporations Act 2001*, is provided on page 62.

# Directors' Report

(Continued)

## 19. Rounding of Amounts to Nearest Thousand Dollars

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission, relating to the rounding off of amounts in this Directors' Report and the financial report. Amounts in this Directors' Report and the financial report have been rounded off to the nearest thousand dollars, or in certain cases to the nearest dollar, in accordance with that instrument.

This Directors' Report is issued in accordance with a resolution of the Directors.



**Hamish McLennan**  
Chairman

Sydney  
22 February 2024

# Remuneration Report

Dear Shareholders

On behalf of the Remuneration, Nomination and Governance Committee and the Board of Directors, I am pleased to present ARN Media's Remuneration Report for 2023.

The Chairman's and CEO & Managing Director's reports outline the performance of the Group in 2023. Despite the ongoing challenges experienced by local markets in a slowing economy and the impact this has had on Group advertising revenues and earnings, the Group maintained its market leading metropolitan radio audience share, completed the integration of the regional radio network, re-signed our key on-air talent on long-term contracts, and continued to grow digital audio audiences and revenues.

The completion of the sale of ARN Media's long-held investment in Soprano Design for \$66.3 million placed the Group in a strong position to further pursue its ambition to be the most successful audio entertainment business in Australia. The acquisition of a 14.8% stake in Southern Cross Media Group Limited in June followed by a non-binding proposal to acquire the whole business as part of a consortium saw the Group executing on its strategy.

The announcement in November that we had extended our two top rating Breakfast shows in Sydney and Melbourne on long term contracts was a significant strategic step to invest in the best and most trusted radio and audio on-air talent in Australia to cement our leadership position and provide the best prospect of delivering long-term value for shareholders.

ARN Media's financial performance for 2023 finished behind its revenue targets, and the remuneration outcomes set out below reflect this performance.

## Remuneration Approach and Changes For 2023

There were no changes to the CEO & Managing Director's and the CFO's Total Financial Remuneration ('TFR') for 2023, other than passing on the increase in the superannuation guarantee rate on the maximum superannuation contribution base at 1 July 2023.

The structure and financial metrics of the Group's Total Incentive Plan (TIP) in 2023 remained consistent with the 2022 plan.

## Performance and Remuneration Outcomes For 2023

As previously outlined, ARN Media's financial performance in 2023 fell short of ambitious revenue targets and accordingly the financial performance thresholds below were not met;

- Reported EBITDA before significant items and discontinued operations, of \$71.6 million was down 22% versus 2022 and 21.7% below target;
- EPS on a post-tax basis, before significant items, of 9.6 cents was 32.5% below target; and
- ROIC, calculated based on earnings before interest and tax (EBIT) and before significant items, of 10.6%, compared to target of 15.1%.

Executive KMP met most of their individual key performance indicator (KPI) targets.

## Remuneration Changes For 2024

A review of Executive KMP remuneration was undertaken, with the support of external remuneration specialists, SW Corporate. This review included consideration of high-level benchmarking data and advice regarding Executive KMP retention schemes. Having considered this advice, the Committee recommends the implementation of a Retention Scheme for the Executive KMP, the details of which are included in this report.

The Board believes the Group's total remuneration and incentive plan continues to strongly align our management team with the interests of shareholders.



**Paul Connolly**

Chair of the Remuneration,  
Nomination and Governance Committee

# Remuneration Report

(Continued)

## Our Detailed Remuneration Report

This Remuneration Report for the year ended 31 December 2023 outlines key aspects of our remuneration framework and has been audited in accordance with the *Corporations Act 2001*.

Our Remuneration Report contains the following sections:

- A. Who this report covers
- B. Changes to remuneration for 2024
- C. Remuneration governance and framework
- D. How 2023 reward was linked to performance
- E. Total remuneration for Executive KMP
- F. Actual remuneration for 2023
- G. Contractual arrangements with Executive KMP
- H. Non-executive Director arrangements
- I. Share-based remuneration
- J. Non-executive Director and Executive KMP shareholdings
- K. Other statutory disclosures.

### A. Who This Report Covers

This report covers Key Management Personnel (KMP), comprising Executive Key Management Personnel (Executive KMP) and Non-executive Directors.

Name	Role
<b>Executive KMP</b>	
Ciaran Davis	Chief Executive Officer (CEO & Managing Director)
Andrew Nye	Chief Financial Officer (CFO)
<b>Non-executive Directors</b>	
Hamish McLennan	Non-executive Chairman
Brent Cubis	Non-executive Director (from 14 June 2023)
Roger Amos	Non-executive Director (resigned 17 May 2023)
Paul Connolly	Non-executive Director
Belinda Rowe	Non-executive Director
Alison Cameron	Non-executive Director (from 5 January 2022)

No other changes have occurred to the composition of KMP since 31 December 2023 up to the date of this report.

# Remuneration Report

(Continued)

## B. Changes to Remuneration For 2024

The Committee reviews Executive KMP remuneration on a periodic basis, often with the assistance of external remuneration specialists. In 2023, SW Corporate was engaged to provide high-level benchmarking data and advice regarding Executive KMP retention schemes.

Having considered this advice, the Committee recommends the implementation of the following Retention Scheme for the Executive KMP. The Retention Scheme is provided in addition to the 2024 TIP. The Retention Scheme is intended to retain the Executive KMP in a period with critical projects underway, including the proposal to acquire SCA, extending the Kyle & Jackie O Show into Melbourne, and delivering business simplification and cost reduction.

The Committee also recognises that the KMPs did not receive any of the 75% financial component of TIP awards during 2019, 2020, 2022 or 2023 (largely due to prevailing market conditions in those years). This means the TIP provides only a limited retention mechanism over the near-term period when these critical projects are underway.

The Retention Scheme recommended is designed to retain the Executive KMPs and is summarised as follows:

Feature	Description
Instrument	Performance Rights
Performance Period and Vesting Date	2 years, with 31 December 2025 being the Vesting Date when vested Rights convert to Shares in the Company.
Vesting Conditions	<p>Vesting will occur where the following Vesting Conditions are met over the two-year Performance Period:</p> <ul style="list-style-type: none"> <li>• Service Component (25%) for continued service to the Vesting Date; and</li> <li>• Performance Components allocated as follows: <ul style="list-style-type: none"> <li>○ Successful execution of M&amp;A plans (45%)</li> <li>○ Delivery of leadership succession plan (15%)</li> <li>○ Delivery of business simplification and cost reduction (15%)</li> </ul> </li> </ul>
Holding Lock	<ul style="list-style-type: none"> <li>• 50% of Shares will be unrestricted on 31 December 2025; and</li> <li>• 50% of Shares will be restricted until 31 December 2026.</li> </ul>
Allocation Price	The volume weighted average price (VWAP) of A1N stock over the first 30 trading days of 2024.
Participants and Quantum	<ul style="list-style-type: none"> <li>• CEO &amp; Managing Director: \$960,000</li> <li>• CFO: \$460,000 (equivalent to ~80% of total fixed remuneration)</li> </ul>
Treatment on cessation of employment during the Performance Period	<p>If during the Performance Period an individual ceases employment, then:</p> <ul style="list-style-type: none"> <li>• For Bad Leavers, awards are forfeited.</li> <li>• Bad Leaver status may be due to termination for cause, resignation, or any other similar situation determined by the Board.</li> <li>• For Good Leavers: <ul style="list-style-type: none"> <li>○ The Service Component will vest in full in the ordinary course at the end of the Performance Period;</li> <li>○ The Performance Components will be pro-rated for the portion of the Performance Period served and left on foot to be tested and Vest in the ordinary course at the end of the Performance Period.</li> </ul> </li> <li>• Good Leaver is anyone that is not a Bad Leaver. Good Leaver status may be due to death, total and permanent disability or genuine retirement.</li> <li>• Vested awards still remain subject to the Holding Lock.</li> <li>• The Board has discretion to determine an alternate treatment depending on the circumstances.</li> </ul>
Change of Control	<p>Where the Board recommends a transaction to the Company's shareholders that may result in a change of control of the Company, then unvested Performance Rights will vest in full to be sold into the relevant Change of Control transaction.</p> <p>This however is subject to discretion of the Board to determine otherwise, having regard to matters including the transaction circumstances and performance against the Performance Components.</p>
Dividend entitlement	Participants will be entitled to dividends from the Vesting Date, when the Performance Rights convert into Shares. At the discretion of the Board participants will receive an additional allocation of Performance Rights or a cash payment at vesting equal to the dividends paid on vested rights over the Performance Period.
Board discretion	The Board retains the ultimate discretion regarding remuneration outcomes. The Board may make or cancel (claw back) awards where it sees fit to align with remuneration policy and/or Company strategic outcomes.

# Remuneration Report

(Continued)

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TIP Rules	The Retention Scheme will be subject to the same TIP Rules as the TIP scheme. In the case of any contradiction between the Retention Scheme terms and the TIP Rules, the Retention Scheme terms will apply.
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## C. Remuneration Governance and Framework

### Remuneration Governance

The role of the Remuneration, Nomination and Governance Committee is to oversee ARN Media’s remuneration policies and practices, so they are consistent with and relevant to the achievement of the strategic goals of the Group. Amongst other objectives, the Committee is tasked with reviewing, and recommending to the Board, reward outcomes and any significant changes to remuneration arrangements for the Chief Executive Officer (CEO) & Managing Director and other Executive KMP.

### Remuneration Framework

We believe that building and maintaining a primarily constructive culture enables business success, drives internal engagement, and allows us to attract and retain the best people. Our remuneration framework has a key role to play and is structured in alignment with the following principles:



Market competitive through alignment against a peer group of companies of a similar size and complexity



Rewards the creation of shareholder value through the sustainable delivery of short and long-term business outcomes



A holistic “total reward” offering across financial and non-financial elements that balances reward with retention



A focus on stretch goal achievement, leveraging financial and non-financial KPIs to balance the “what” with the “how”

ARN Media aims to reward Executive KMPs with a level and mix of remuneration appropriate to their position, responsibilities and performance within the Group and aligned with market practice. Executive KMP remuneration is comprised of two main elements, Total Fixed Remuneration (TFR) and Total Incentive Plan (TIP). The TIP is a simple and effective plan that encompasses both long and short-term reward.

ARN Media aims to position total remuneration for KMP Executives principally within a competitive range of a peer group. This includes Australian listed companies with characteristics most like ARN Media when compared against a set of financial and qualitative metrics. Total reward opportunity is intended to provide the opportunity to earn median to top quartile reward for outstanding performance against set stretch targets.

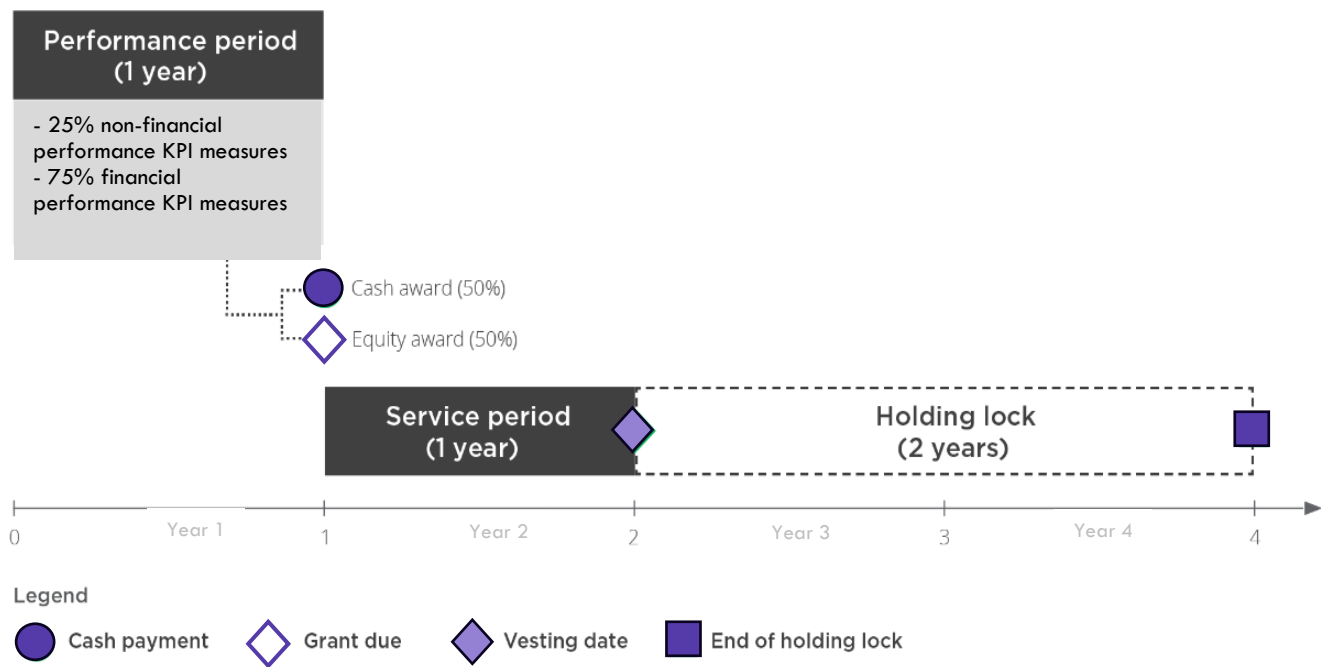
# Remuneration Report

(Continued)

The Executive KMP remuneration framework is summarised below.

	Element	Delivery	Structure
<b>Fixed</b>	<b>Total Fixed Remuneration (TFR)</b>	<b>Cash and Superannuation Contributions</b>	<ul style="list-style-type: none"> <li>– Base pay aligned to market, role scope and complexity, and skills, knowledge, and experience of the individual</li> <li>– Superannuation aligned to SGC</li> </ul>
<b>Variable</b> <i>'At risk' and linked to performance</i>	<b>Total Incentive Plan (TIP)</b> <i>Financial performance of the company and individual performance over the year</i>	<p><b>Cash 50%</b> <i>Delivered at the end of the financial year</i></p> <hr/> <p><b>Equity 50%</b> <i>Delivered in rights to acquire ordinary shares in the company at nil consideration, subject to a further 1-year service period and 2-year holding lock</i></p>	<ul style="list-style-type: none"> <li>– KPIs set at the start of the financial year</li> <li>– 75% financial KPIs (weighted equally between ROIC, EBITDA, and EPS)</li> <li>– 25% non-financial KPIs (delivery of strategic business initiatives/priorities)</li> <li>– Retention element through long-term focus of KPIs, target setting process and structure of delivery of equity</li> <li>– The higher weighting of financial to non-financial metrics emphasises the importance the Board places on ARN Media's financial performance</li> </ul>

The TIP provides Executive KMPs with the opportunity to receive cash and equity following an assessment against specified financial and non-financial performance KPIs based on a one-year performance period. The following diagram illustrates the operation of the TIP.



Other remuneration arrangements will be entered into on an 'as needs' basis as determined by the Board. These may include retention and transaction/project completion incentives.

# Remuneration Report

(Continued)

## Performance Measures

Financial Key Performance Indicators (KPIs) make up 75% of the target TIP with performance measured based on Group earnings before interest, tax, depreciation and amortisation (EBITDA) (25%), Group earnings per share (EPS) (25%) and Group return on invested capital (ROIC) (25%), before significant items, per the table below.

EBITDA and EPS		ROIC	
EBITDA and EPS performance	Percentage of target opportunity awarded	ROIC performance	Percentage of target opportunity awarded
<95% of budget	0%	Below threshold <sup>1</sup>	0%
95% of budget	25%	At threshold	25%
>95% to <100% of budget	Pro-rata between 25% and 100%	Between threshold and budget	Pro-rata between 25% and 100%
100% of budget	100%	At budget	100%
>100% to <110% of budget	Pro-rata between 100% and 150%	Between budget and stretch	Pro-rata between 100% and 150%
At or above 110% of budget	150%	At or above stretch	150%

The financial performance award schedule is designed to provide only limited awards where performance is below budget, with upside for performance above budget, up to a maximum cap of 150%.

EPS in 2023 was derived from Net Profit After Tax (NPAT) attributable to owners of the parent as a percentage of weighted average number of shares on issue. ROIC in 2023 was derived from EBIT as a percentage of adjusted total equity. Both measures were on a pre-significant items basis.

(1) Threshold will be determined with reference to prior year ROIC, next 12-months expected earnings and forecast changes to capitalisation in the annual Group budget.

# Remuneration Report

(Continued)

Non-financial KPIs make up 25% of the target TIP and are aligned to key strategic priorities for the Group. For 2023, the Executive KMPs were accountable for delivering the following outcomes to achieve their non-financial KPIs:

Strategic Priority	Outcomes Delivered
Transformation of ARN	<ul style="list-style-type: none"> <li>• Evolved strategic planning processes to align with sustainable, long-term performance</li> <li>• Completed the integration of the regional business, including alignment of core finance people, processes, and technology</li> <li>• Delivered an all-of-audience content strategy and executed a strategy for key on-air talent contract retention</li> <li>• Grew share of audience in metro and key competitive regional markets</li> <li>• Ongoing investment in digital, technology, finance, and cyber security capability, and data management</li> </ul>
Leadership of ARN people and culture transformation	<ul style="list-style-type: none"> <li>• Ongoing investment in leaders, content, news, and sales professionals through the design and delivery of capability development programmes</li> <li>• Development of a sustainable business framework (ESG) that ensures appropriate focus on and engagement with ARN's people and community, care for the environment, and adherence to governance frameworks</li> </ul>
Balance sheet, cost, and capital management	<ul style="list-style-type: none"> <li>• Successful divestment of Soprano Design</li> <li>• Continued the centralisation of key support functions, insourcing of key processes, and investment in systems to deliver efficiencies</li> <li>• Secured, designed, and managed the build of a new Sydney / corporate head office that caters to the current and future needs of the business</li> </ul>

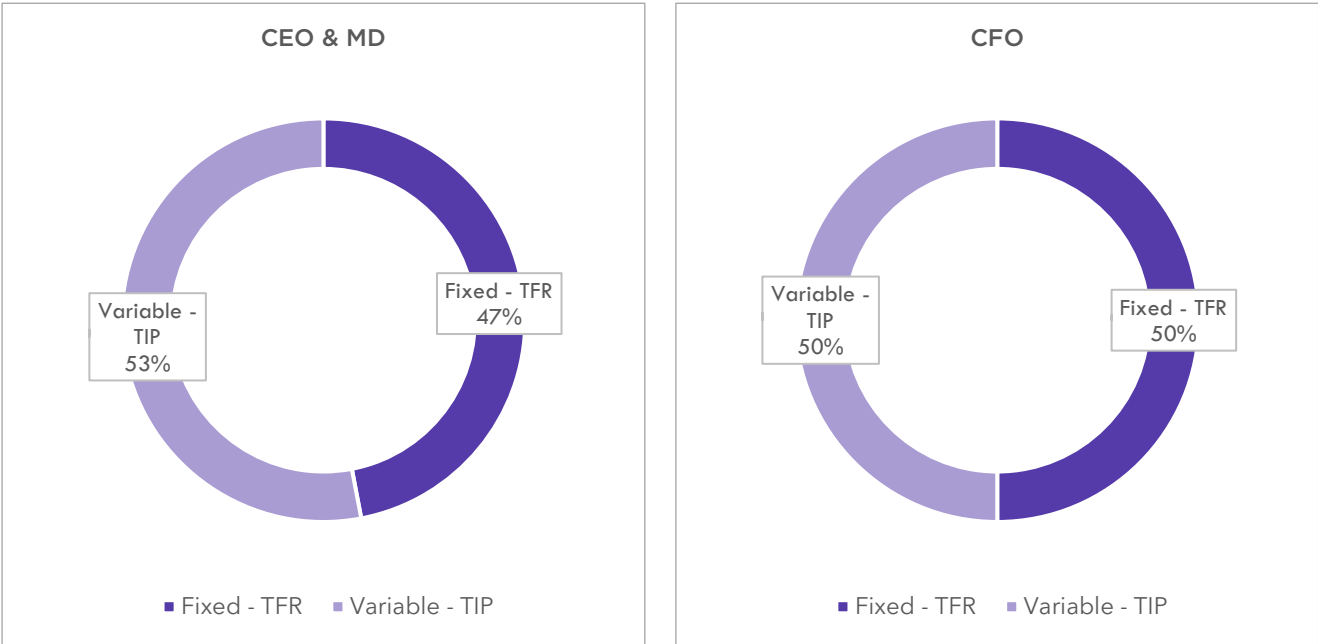
# Remuneration Report

(Continued)

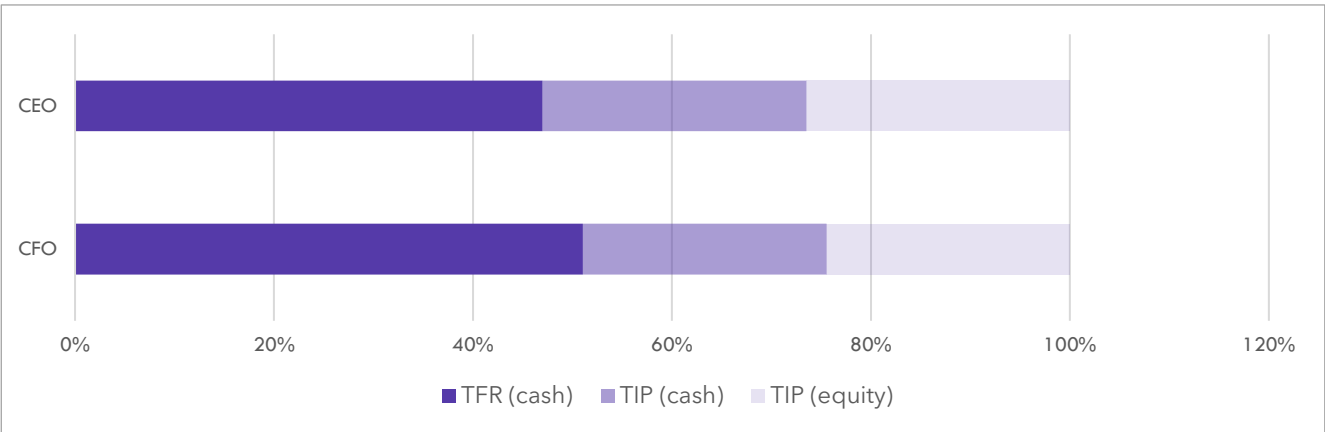
## KMP Remuneration Mix

The remuneration mix between fixed and variable pay incentivises executives to focus on the Group's short and long-term performance, with a portion of remuneration at risk.

There has been no change to the target remuneration mix for Executive KMP in 2023.



To further reinforce the alignment of Executive KMPs to shareholder interests, 50% of the TIP is delivered as rights to acquire ordinary shares, with a 1-year service period and further 2-year holding lock. This serves as a strong retention driver, as well as providing further incentive for effective long-term decision-making. The following diagram shows the mix of cash (short-term reward) and equity (long-term reward) delivered at target across total remuneration for Executive KMPs.



# Remuneration Report

(Continued)

## Other plan features

Feature	Description
Dividends	At the discretion of the Board participants will receive an additional allocation of fully paid ordinary shares or a cash payment at vesting equal to the dividends paid on vested rights over the performance and service periods.
Equity allocation methodology	Equity is granted based on the face value of the rights calculated at the commencement of the performance period.
Clawback	The Company may reduce unvested equity awards in certain circumstances such as gross misconduct, material misstatement or fraud. The Board may also reduce unvested awards to recover amounts where performance that led to payments being awarded is later determined to have been incorrectly measured or not sustained.
Treatment of awards on cessation of employment	Awards are forfeited for 'bad' leavers (e.g. resignation or termination for cause), while 'good' leavers (e.g. cessation of employment due to redundancy, total disablement or death) receive pro-rated awards based on the extent to which performance and service conditions are met.
Treatment of awards on change of control	Participants receive pro-rated awards based on the extent to which performance and service conditions are met.

The Board retains the ultimate discretion regarding remuneration outcomes. The Board may make or cancel (claw back) awards where it sees fit to align with remuneration policy and/or Company strategic outcomes.

## D. How 2023 Reward was Linked to Performance

### Performance Measures

The overall Company performance for 2023 is reflected in the performance measures below.

	2023	2022	2021	2020	2019
Group EBITDA <sup>1</sup>	\$71.6m	\$91.8m	\$59.8m	\$49.3m	\$75.6m
Net profit after tax (NPAT) <sup>1</sup>	\$29.5m	\$45.1m	\$28.8m	\$15.4m	\$34.2m
Weighted average number of shares outstanding	306,896,245	309,873,237	276,605,346	279,530,868	283,605,019
Basic (NPAT) EPS (cents)	9.6	14.6	10.4	5.5	12.1
ROIC	10.6%	10.7%	13.9%	8.0%	14.0%
Dividend paid to shareholders (cents per share)	8.7	8.9	3.5	4.6	8.0
Increase/(decrease) in share price (%)	3%	(54%)	14%	9%	7%

(1) Continuing operations before significant items.

## Performance and Impact on Remuneration

### (i) 2023 TIP Award

ARN Media's continuing operations EBITDA, EPS and ROIC performance in 2023 fell short of targets set at the beginning of the year, and consequently the financial component (75%) was not achieved and no awards were made under this component of the 2023 TIP.

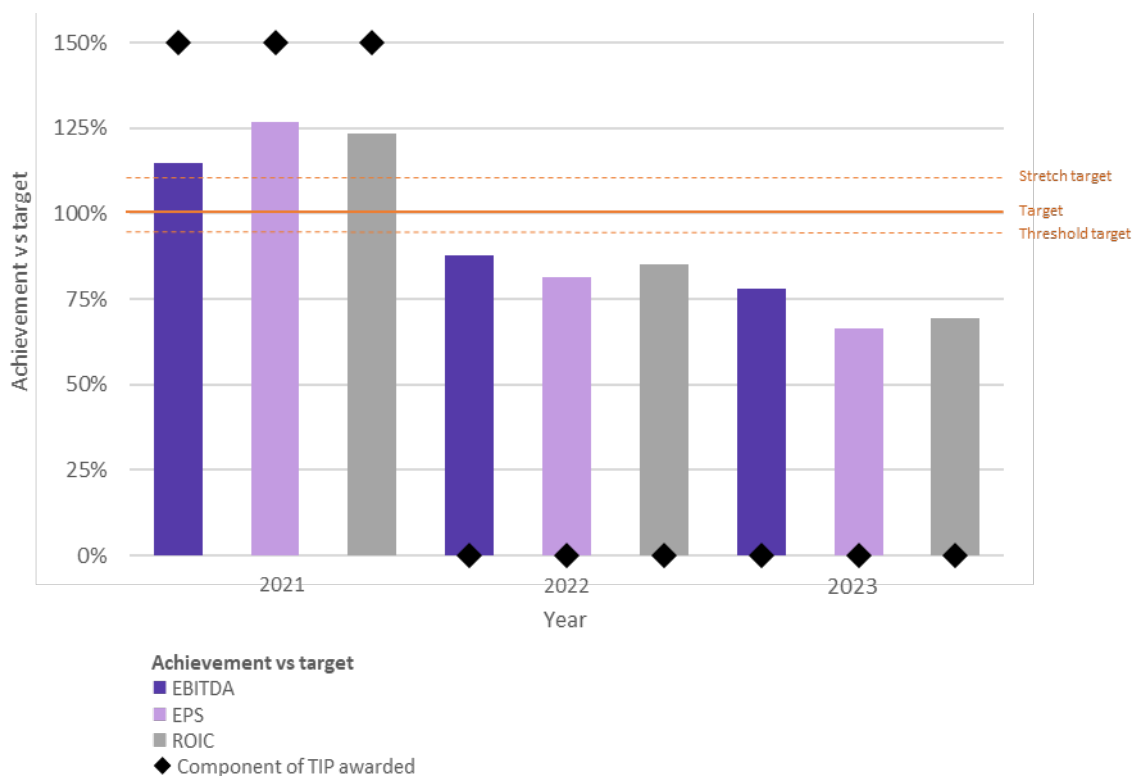
Performance for the 2023 financial year is outlined in the table below:

2023 TIP financial metrics	EBITDA performance	EPS performance	ROIC performance
Group: continuing operations	Between target and maximum; 78.3% of target achieved	Between target and maximum; 67.5% of target achieved	Between target and maximum; 70.0% of target achieved

# Remuneration Report

(Continued)

The chart below shows over the last three years, Group results used for TIP assessment as a percentage of targets, and the corresponding TIP component award outcome:



ARN Media's financial performance conditions in 2022 and 2023 were not met and no awards were made for the financial components of the TIP. The financial performance in 2021 surpassed the stretch target on all financial performance conditions resulting in the maximum award for financial metrics.

The table below summarises the 2023 TIP outcomes:

	TIP awarded (cash incentive) \$	TIP awarded (equity award) <sup>1</sup> \$	Total TIP awarded \$	% of target achieved	% of maximum achieved	% of maximum forfeited
<b>Executive KMP</b>						
Ciaran Davis	164,398	164,398	328,796	23.8%	17.3%	82.7%
Andrew Nye	72,354	72,354	144,708	25.0%	18.2%	81.8%

(1) This differs from the accounting fair value of the equity award (included in section E, which is calculated in accordance with accounting standards and expensed over two financial years, covering both the performance and service periods).

# Remuneration Report

(Continued)

## E. Total Remuneration for Executive KMP (statutory disclosure)

Details of the Executive KMP remuneration for 2023 and comparatives for 2022 are set out in the table below. The remuneration in this table has been calculated in accordance with accounting standards and therefore differs from the information included in section F.

Executive KMP	Short-term benefits		Post-employment benefits	long-term benefits	Other	Total	Performance-related proportion
	Cash salary and fees <sup>1</sup>	Non-monetary benefits <sup>2</sup>	Cash incentives <sup>3</sup>	Super-annuation <sup>4</sup>	Fair value equity awards <sup>6</sup>		
	\$	\$	\$	\$	\$	\$	%
<b>Ciaran Davis</b>							
2023	1,123,300	49,705	164,398	25,895	21,274	1,550,130	21.3%
2022	1,099,208	37,440	155,250	24,430	60,444	1,963,623	37.8%
<b>Andrew Nye</b>							
2023	559,916	1,098	72,354	25,895	6,811	738,242	19.6%
2022	566,278	938	66,844	24,430	3,869	896,635	33.6%
<b>Total</b>							
2023	1,683,216	50,803	236,752	51,790	28,085	2,288,372	20.7%
2022	1,665,486	38,378	222,094	48,860	64,313	2,860,258	36.5%

- (1) Cash salary and fees include an accrual for annual leave entitlements. The value may change where a KMP's annual leave balance changes as a result of taking additional or less leave than the leave accrued during the year. 2022 has been revised to include a \$40,723 reduction for Ciaran Davis as more leave was taken than accrued in the year and an increase of \$14,846 for Andrew Nye as less leave was taken than accrued in the year.
- (2) Non-monetary benefits typically include novated lease costs, car parking and associated fringe benefits tax.
- (3) Cash incentive payments relate to cash TIP awards accrued for the relevant year and paid in the year following.
- (4) 2023 superannuation benefit incorporates the change to the super guarantee from 1 July 2023.
- (5) Long service leave relates to amounts accrued during the year.
- (6) The fair value is derived using the closing share price on the grant date.

# Remuneration Report

(Continued)

## F. Actual Remuneration for 2023 (non-statutory disclosure)

The following section sets out the value of remuneration which has been received by Executive KMP for the 2023 performance year.

The figures in the following table are different to those shown in the statutory table in Section E because that table includes the apportioned accounting value for all vested TIP grants. It also includes accrued long service leave and non-monetary benefits provided in addition to an individual's TFR.

The TIP values represent the cash portion (50%) of the total TIP awarded for each year. Vested TIP in 2023 is the value of the TIP that was granted in 2022 and vested at the end of 2023 based on the share price at 31 December 2023, consistent with prior Remuneration Reports.

Executive KMP	TFR <sup>1</sup> \$	TIP \$	Vested TIP <sup>2</sup> \$	Total \$
<b>Ciaran Davis</b>				
<b>2023</b>	<b>1,197,802</b>	<b>164,398</b>	<b>92,331</b>	<b>1,454,531</b>
2022	1,159,867	155,250	551,480	1,866,597
<b>Andrew Nye</b>				
<b>2023</b>	<b>585,810</b>	<b>72,354</b>	<b>39,756</b>	<b>697,920</b>
2022	590,708	66,844	217,700	875,252
<b>Total</b>				
<b>2023</b>	<b>1,783,612</b>	<b>236,752</b>	<b>132,087</b>	<b>2,152,451</b>
2022	1,750,575	222,094	769,180	2,741,849

(1) TFR comprises base salary including and accrual for annual leave entitlements, retirement benefits and other remuneration related costs. The value may change where a KMP's annual leave balance changes as a result of taking additional or less leave than the leave accrued during the year. 2022 has been revised to include a \$40,723 reduction for Ciaran Davis as more leave was taken than accrued in the year and an increase of \$14,846 for Andrew Nye as less leave was taken than accrued in the year.

(2) Vested TIP in 2023 includes the shares in relation to 2022 TIP that have now vested valued at the share price at vesting date.

# Remuneration Report

(Continued)

## G. Contractual Arrangements with Executive KMP

Remuneration and other terms of employment for Executive KMP are formalised in employment contracts. All Executive KMP are employed under contracts with substantially similar terms. The key elements of these employment contracts are summarised below:

Contract duration	Continuing
Notice by individual/Company	Employment may be terminated by either party. Notice periods vary according to contractual terms: CEO & Managing Director – 12 months and CFO – six months.
Termination of employment (for cause)	All contracts provide that employment may be terminated at any time without notice for serious misconduct.
Termination of employment (without cause)	Where employment is terminated by the Company, payment may be made in lieu of notice.
Redundancy	If the Company terminates the employment of an Executive KMP for reasons of redundancy, a redundancy payment would be paid depending on the length of their service. Benefits paid as defined by <i>Corporations Regulations 2001</i> Reg 2D.2.02 cannot exceed 12 months base salary (average of past three years). Payments for redundancy and accrued leave entitlements are not subject to this cap.
Non-compete/restraint	Executive KMP are subject to non-compete provisions for the term of their notice period.

## H. Non-Executive Director Arrangements

Non-executive Directors are provided with written agreements which outline the fees for their contribution as Directors. Fees reflect the demands which are made on, and the responsibilities of, the Directors. The Remuneration, Nomination and Governance Committee has the responsibility for reviewing and recommending the level of remuneration for Non-executive Directors in relation to Board and Committee duties.

Non-executive Directors are not eligible to participate in incentive programs or termination payments.

The fees for 2023 provided to Non-executive Directors inclusive of superannuation are shown below:

Role	2023	
	Chair fee <sup>1</sup>	Member fee
Board	320,828	135,920
Audit & Risk Committee	20,136	10,068
Remuneration, Nomination and Governance Committee	20,136	10,068

(1) The Board Chair does not receive Committee fees.

Other than the scheduled increase in the superannuation guarantee rate at 1 July 2024, there are no other changes to Non-executive Director remuneration planned for 2024.

# Remuneration Report

(Continued)

## Approved Fee Pool

The Non-executive Director fee pool of \$1,200,000 per annum was approved by shareholders at the 2015 Annual General Meeting. There was no change to the Non-executive Director fee pool in 2023 and none is expected for 2024.

Details of the Non-executive Directors' fees for 2023 and 2022 are set out in the table below:

	Fees \$	Superannuation \$	Total \$
<b>Non-executive Directors</b>			
<b>Hamish McLennan</b>			
<b>2023</b>	<b>294,708</b>	<b>26,120</b>	<b>320,828</b>
2022	278,857	24,430	303,287
<b>Brent Cubis (from 14 June 2023)</b>			
<b>2023</b>	<b>77,362</b>	<b>8,472</b>	<b>85,834</b>
2022	–	–	–
<b>Roger Amos (resigned 17 May 2023)</b>			
<b>2023</b>	<b>57,500</b>	<b>6,038</b>	<b>63,538</b>
2022	150,000	15,375	165,375
<b>Paul Connolly</b>			
<b>2023</b>	<b>150,000</b>	<b>16,125</b>	<b>166,125</b>
2022	150,000	15,375	165,375
<b>Belinda Rowe</b>			
<b>2023</b>	<b>140,909</b>	<b>15,148</b>	<b>156,057</b>
2022	140,909	14,098	155,007
<b>Alison Cameron (from 5 January 2022)</b>			
<b>2023</b>	<b>131,818</b>	<b>14,170</b>	<b>145,988</b>
2022	127,435	13,073	140,508
<b>Total</b>			
<b>2023</b>	<b>852,297</b>	<b>86,073</b>	<b>938,370</b>
2022	847,201	82,351	929,552

# Remuneration Report

(Continued)

## I. Share-Based Remuneration

### (i) Terms and Conditions of Share-Based Remuneration

#### 2023 TIP Awards

Executive KMP received a grant of rights under the 2023 TIP during 2023. Based on ARN Media's performance, rights have been awarded at the end of 2023 to satisfy TIP outcomes. Rights will vest at the end of the one-year service period. The table below shows the number and value of 2023 rights that were awarded and remain unvested at the end of 2023.

Executive KMP	Grant date <sup>1</sup>	Vesting Date	Number of rights granted	Number of rights awarded	Number of rights forfeited	Value per right at grant date \$	Maximum value to be recognised in future years \$
Ciaran Davis	30 January 2023	31 December 2024	672,042	159,610	512,432	1.16	92,574
Andrew Nye	30 January 2023	31 December 2024	280,986	70,247	210,739	1.16	40,743

(1) The date on which the fair value of the TIP rights was calculated, being the deemed grant date of the rights for accounting purposes.

### (ii) Reconciliation of Rights

The table below shows a reconciliation of the number of rights held by each Executive KMP from the beginning to the end of the 2023 financial year. At the Board's discretion, the participants may receive an additional allocation of fully paid ordinary shares equal to the value of dividends that were payable on the underlying shares, whilst holding unvested and/or vested rights. Where dividends have been declared, these additional fully paid ordinary shares are included in the rights table below as 'Dividend uplift', to reflect the full number of shares the participants may be entitled to at the conclusion of the vesting period.

Executive KMP	Balance at start of the year	2021 TIP Exercised/ vested <sup>1</sup>	2022 TIP Exercised/ vested <sup>2</sup>	Awarded	Dividend uplift	Balance at end of the year
<b>Ciaran Davis</b>						
Vested and exercisable	568,536	(571,661)	81,200	3,125 <sup>3</sup>	11,131	92,331
Unvested	81,200	–	(81,200)	159,610	21,878	181,488
<b>Total</b>	<b>649,736</b>	<b>(571,661)</b>	<b>–</b>	<b>162,735</b>	<b>33,009</b>	<b>273,819</b>
<b>Andrew Nye</b>						
Vested and exercisable	224,433	(225,667)	34,963	1,234 <sup>3</sup>	4,793	39,756
Unvested	34,963	–	(34,963)	70,247	9,630	79,877
<b>Total</b>	<b>259,396</b>	<b>(225,667)</b>	<b>–</b>	<b>71,481</b>	<b>14,423</b>	<b>119,633</b>
<b>Total</b>						
Vested and exercisable	792,969	(797,328)	116,163	4,359	15,924	132,087
Unvested	116,163	–	(116,163)	229,857	31,508	261,365
<b>Total</b>	<b>909,132</b>	<b>(797,328)</b>	<b>–</b>	<b>234,216</b>	<b>47,432</b>	<b>393,452</b>

(1) Held in trust until the end of the 2-year holding lock which is 31 Dec 2024 for the 2021 TIP, excluding additional rights as per note (3) below.

(2) Held in trust until the end of the 2-year holding lock which is 31 Dec 2025 for the 2022 TIP.

(3) Some of the shares purchased to satisfy the 2021 TIP obligations were purchased on market when ex-dividend. Consequently, KMP did not receive the dividend paid in March 2023 in respect of these shares. 3,125 and 1,234 additional rights were issued to Ciaran Davis and Andrew Nye respectively as compensation for missed dividend income. These rights vested immediately and are not subject to the same 2-year holding lock as the underlying rights.

# Remuneration Report

(Continued)

## J. Non-Executive Director and Executive KMP Shareholdings

The number of shares in the Company held by each Non-executive Director and Executive KMP during the year including their related parties is summarised below:

	Balance at start of the year	TIP shares released <sup>1</sup>	Other changes during the year	Balance at end of the year
<b>Non-executive Directors</b>				
Hamish McLennan	73,000	–	–	73,000
Brent Cubis <sup>2</sup>	–	–	39,034	39,034
Roger Amos <sup>3</sup>	16,250	–	–	16,250
Paul Connolly	65,935	–	–	65,935
Belinda Rowe	–	–	–	–
Alison Cameron <sup>4</sup>	35,934,891	–	–	35,934,891
<b>Executive KMP</b>				
Ciaran Davis	1,329,403	–	3,125 <sup>5</sup>	1,332,528
Andrew Nye	57,185	–	1,234 <sup>5</sup>	58,419

(1) No award was made under the 2020 TIP.

(2) Brent Cubis became a Non-executive Director on 14 June 2023. The balance at start of the year in the table above is the number of shares held as at the appointment date.

(3) Roger Amos ceased to be a Non-executive Director on 17 May 2023. The balance at the end of the year in the table above is the number of shares held at that date.

(4) Shares held by Grant Broadcasters Pty Ltd. Alison Cameron holds, directly and indirectly, less than 0.005% of the issued capital in Grant Broadcasters. Janet Cameron, Alison's mother, holds 99.9% of the issued capital in Grant Broadcasters.

(5) Some of the shares purchased to satisfy the 2021 TIP obligations were purchased on market when ex-dividend. Consequently, KMP did not receive the dividend paid in March 2023 in respect of these shares. 3,125 and 1,234 additional rights were issued to Ciaran Davis and Andrew Nye respectively as compensation for missed dividend income. These rights vested immediately and are not subject to the same 2-year holding lock as the underlying rights.

## K. Other Statutory Disclosures

### (i) Loans Given to Non-Executive Directors and Executive KMP

There are no loans from the Company to the Non-executive Directors or Executive KMP.

### (ii) Transactions with Related Parties

\$18,750 director fees were paid to Belinda Rowe by the Company for services performed on the Board of Soprano Design Pty Limited in the first quarter of 2023.

The Group paid \$921,444 property rental to entities associated with Alison Cameron on commercial arm's length terms.

### (iii) Securities Trading Policy and Guidelines

The Company's Securities Trading Policy and Guidelines is outlined in the Corporate Governance Statement, which can be found on the Company website. Under the policy, restricted persons, which include Executive KMP, are not permitted to hedge any options, rights or similar instruments prior to them becoming vested or otherwise tradable under the applicable plan.

### (iv) Voting and Comments Made at the Company's 2023 AGM

The Company received more than 82.5% of 'yes' votes on its Remuneration Report for the 2022 financial year. No major remuneration-related concerns were raised which required the Company's attention during the 2023 financial year.

### (v) External Remuneration Consultants

During 2023, ARN Media engaged SW Corporate to provide high-level benchmarking data and advice regarding KMP retention schemes.



## Auditor's Independence Declaration

As lead auditor for the audit of ARN Media Limited for the year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of ARN Media Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'EPenny', is written over a faint, light-colored signature line.

Eliza Penny  
Partner  
PricewaterhouseCoopers

Sydney  
22 February 2024

# Consolidated Financial Statements

## About the Financial Statements

The financial statements are for the consolidated entity consisting of ARN Media Limited (Company ARN) and its controlled entities (collectively the Group). The Company is a for profit company limited by ordinary shares, incorporated and domiciled in Australia. The ordinary shares are publicly traded on the Australian Securities Exchange.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 22 February 2024. The Directors have the power to amend and reissue the financial statements.

## Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards issued by the International Accounting Standards Board (IASB).

The financial report is presented in Australian dollars which is the Company's functional and presentation currency.

It has been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities measured at fair value through other comprehensive income and fair value through profit and loss.

The Company presents reclassified comparative information, where required, for consistency with the current year's presentation.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the rounding off of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

## Key Judgements and Estimates

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Management also needs to exercise judgement in applying accounting policies. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next and subsequent years can be found in the following notes:

- Note 2.1 Intangible assets; and
- Note 2.3 Leases; and

## Significant Events in the Current Reporting Period

### Key talent contracts successfully renewed

On 22 November 2023, the Group announced the extensions of contracts for two top rating Breakfast shows in Sydney and Melbourne. Sydney's #1 rated FM breakfast show hosts Kyle and Jackie O were re-signed on 10-year contracts to the end of 2034, and Melbourne's #1 rated FM breakfast show host Christian O'Connell signed a 5-year contract, until the end of 2029.

### Commence lease of premises in North Sydney

The Group commenced its lease agreement for new office premises in North Sydney. The lease for two floors of 40 Mount Street North Sydney commencing in November 2023, with a lease for part of the ground floor to commence in November 2024. Construction of the new office space is nearing completion and will be ready for occupation in the first quarter of 2024. Make good of the existing Sydney office at Macquarie Park will commence in May, prior to completion of the lease in July 2024. Provision for make good costs are adequately reflected on the balance sheet.

### Purchase of interest and Non-Binding Indicative Proposal for Southern Cross Media Limited (SCA)

The Group announced on 20 June 2023 that it had purchased a 14.8% interest in SCA for \$38.9 million (including transaction costs). Refer to notes 3.4 and 5.3 for more information. The acquisition was reviewed by the Takeover Panel. In its decision released on 17 January 2024, the Panel found that although unacceptable circumstances applied in relation to the acquisition of 6.83% of SCA shares, the Takeovers Panel also found that ARN Media was able to retain the relevant 6.83% subject to certain conditions.

On 18 October 2023 ARN and Anchorage Capital Partners Pty Limited (ACP) (together Consortium) announced their non-binding indicative proposal to acquire 100% of the fully diluted share capital of SCA through a scheme of arrangement. SCA shareholders would receive 0.753 ARN Media shares and 29.6 cents cash per SCA share if the proposal is accepted. The combined radio and television assets of ARN and SCA would separate into independent ownership by each ARN and ACP as outlined in the indicative proposal. The proposed transaction is subject to a number of conditions, including due diligence and regulatory approval, and there is no certainty that a transaction will eventuate.

### Sale of Soprano Design Pty Limited

On 31 March 2023, the Group completed the sale of its 25% interest in Soprano Design Pty Limited (Soprano) to Potentia Capital (Potentia), a leading Australian technology focused private equity firm. The Group received \$66.3 million in cash as consideration for the sale of its entire interest. Refer to note 6.1 for more information.

# Consolidated Statement of Comprehensive Income

For the year ended 31 December 2023

	Note	2023 \$'000	2022 \$'000
<b>Revenue</b>	<b>1.1</b>	<b>334,292</b>	<b>344,890</b>
Other revenue and income	1.1	43,909	9,022
<b>Total revenue and other income</b>		<b>378,201</b>	<b>353,912</b>
Expenses before impairment, finance costs, depreciation and amortisation	1.2	(278,625)	(275,914)
Impairment of intangible assets	1.3, 2.1	(103,695)	(251,798)
Finance costs	1.2	(7,525)	(5,911)
Depreciation and amortisation	1.2	(19,602)	(20,200)
Share of profits of associates and joint ventures accounted for using the equity method	5.4	5,061	9,691
<b>Loss before income tax</b>		<b>(26,185)</b>	<b>(190,220)</b>
Income tax credit	4.1	19,267	17,230
<b>Loss for the year</b>		<b>(6,918)</b>	<b>(172,990)</b>
<b>Other comprehensive loss</b>			
Items that may be reclassified to profit or loss:			
Net exchange difference on translation of foreign operations	3.7	(19)	(44)
Share of associate's other comprehensive loss	3.7	–	(163)
Disposal of share of associate's other comprehensive loss	3.7	(43)	–
Item that will not be reclassified to profit or loss:			
Changes in the fair value of equity investments recorded at fair value through other comprehensive income	3.4, 5.4	(3,530)	–
<b>Other comprehensive loss, net of tax</b>		<b>(3,592)</b>	<b>(207)</b>
<b>Total comprehensive loss</b>		<b>(10,510)</b>	<b>(173,197)</b>
<b>Profit/(Loss) for the year is attributable to:</b>			
Owners of the parent entity	1.4	(9,770)	(176,345)
Non-controlling interests		2,852	3,355
<b>Loss for the year</b>		<b>(6,918)</b>	<b>(172,990)</b>
<b>Total comprehensive income/(loss) is attributable to:</b>			
Owners of the parent entity		(13,362)	(176,552)
Non-controlling interests		2,852	3,355
<b>Total comprehensive loss</b>		<b>(10,510)</b>	<b>(173,197)</b>
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per share</b>			
<b>Basic/ diluted earnings per share</b>	<b>1.4</b>	<b>(3.2)</b>	<b>(56.9)</b>

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

# Consolidated Balance Sheet

As at 31 December 2023

	Note	2023 \$'000	2022 \$'000
<b>Current assets</b>			
Cash and cash equivalents	3.2	18,862	23,852
Receivables	3.3(B)	72,503	65,652
Current tax asset		8,007	–
Other current assets		3,029	4,068
Asset held for sale	6.1	–	23,788
<b>Total current assets</b>		<b>102,401</b>	<b>117,360</b>
<b>Non-current assets</b>			
Shares in other corporations	3.4, 5.3	36,004	677
Investments accounted for using the equity method	5.4	35,392	33,327
Property, plant and equipment	2.2	63,451	49,138
Intangible assets	2.1	332,468	437,309
Right-of-use assets	2.3	62,868	35,807
Other non-current assets		3,744	857
<b>Total non-current assets</b>		<b>533,927</b>	<b>557,115</b>
<b>Total assets</b>		<b>636,328</b>	<b>674,475</b>
<b>Current liabilities</b>			
Payables		32,466	30,912
Contract liabilities		3,279	5,435
Lease liabilities	2.3	6,551	8,823
Current tax liabilities		–	4,083
Provisions	2.4	13,130	14,527
<b>Total current liabilities</b>		<b>55,426</b>	<b>63,780</b>
<b>Non-current liabilities</b>			
Bank loans	3.1	93,582	84,394
Lease liabilities	2.3	63,054	29,555
Provisions	2.4	10,532	8,269
Deferred tax liabilities	4.1(B)	97,367	129,072
<b>Total non-current liabilities</b>		<b>264,535</b>	<b>251,290</b>
<b>Total liabilities</b>		<b>319,961</b>	<b>315,070</b>
<b>Net assets</b>		<b>316,367</b>	<b>359,405</b>
<b>Equity</b>			
Contributed equity	3.5	1,544,039	1,547,690
Reserves	3.7	(49,647)	(46,025)
Accumulated losses	3.7	(1,214,529)	(1,178,034)
<b>Total parent entity interest</b>		<b>279,863</b>	<b>323,631</b>
Non-controlling interests		36,504	35,774
<b>Total equity</b>		<b>316,367</b>	<b>359,405</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

# Consolidated Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 \$'000	2022 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		365,148	383,907
Payments to suppliers and employees (inclusive of GST)		(315,575)	(311,284)
Dividends received		781	51
Interest received		1,960	313
Interest paid		(7,143)	(5,390)
Income taxes paid		(24,524)	(25,389)
Settlement of tax in dispute		–	(22,305)
<b>Net cash inflow from operating activities</b>	<b>3.2</b>	<b>20,647</b>	<b>19,903</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	2.2	(19,871)	(7,923)
Payments for software	2.1	(973)	(345)
Proceeds from sale of property, plant and equipment		1,175	195
Proceeds from sale of investment in associate and investments (net of costs to sell)	6.1	62,877	8,806
Payments for investments in associates and financial assets	5.3	(39,857)	–
Proceeds from sale of controlled entities		–	12,045
Acquisition of controlled entities		–	(239,106)
Net loans from/(to) associate		75	(45)
Dividends received from associate	5.4	4,921	5,019
<b>Net cash inflow/(outflow) from investing activities</b>		<b>8,347</b>	<b>(221,354)</b>
<b>Cash flows from financing activities</b>			
Net proceeds from borrowings	3.1	9,000	17,000
Payments for borrowing costs		(108)	(266)
Principal elements of lease payments		(10,107)	(12,854)
Payments for treasury shares	3.7	(216)	(1,470)
Dividends paid to shareholders	3.8	(26,781)	(27,648)
Payments for share buyback	3.5	(3,651)	(2,339)
Net payments to non-controlling interests		(2,122)	(4,294)
<b>Net cash outflow from financing activities</b>		<b>(33,985)</b>	<b>(31,871)</b>
<b>Change in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of the year		23,852	257,068
Effect of exchange rate changes		1	106
<b>Cash and cash equivalents at end of the year</b>	<b>3.2</b>	<b>18,862</b>	<b>23,852</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

	Note	Contributed equity \$'000	Reserves \$'000	Accumulated losses \$'000	Total \$'000	Non- controlling interests \$'000	Total equity \$'000
<b>Balance at 1 January 2022</b>		<b>1,475,706</b>	<b>(45,078)</b>	<b>(974,183)</b>	<b>456,445</b>	<b>36,651</b>	<b>493,096</b>
Profit/(Loss) for the year		–	–	(176,345)	(176,345)	3,355	(172,990)
Other comprehensive Income		–	(207)	–	(207)	–	(207)
Share-based payments	3.7	–	(560)	–	(560)	–	(560)
Contributions to equity	3.5	74,323	–	–	74,323	–	74,323
Share buy-back	3.5	(2,339)	–	–	(2,339)	–	(2,339)
Dividends paid to shareholders	3.8	–	–	(27,648)	(27,648)	–	(27,648)
Transfers within equity	3.7	–	(142)	142	–	–	–
Treasury shares vested to employees	3.7	–	1,432	–	1,432	–	1,432
Acquisition of treasury shares	3.7	–	(1,470)	–	(1,470)	–	(1,470)
Acquisition of non-controlling interest		–	–	–	–	37	37
Transactions with non-controlling interests		–	–	–	–	(4,269)	(4,269)
<b>Balance at 31 December 2022</b>		<b>1,547,690</b>	<b>(46,025)</b>	<b>(1,178,034)</b>	<b>323,631</b>	<b>35,774</b>	<b>359,405</b>
<b>Balance at 1 January 2023</b>		<b>1,547,690</b>	<b>(46,025)</b>	<b>(1,178,034)</b>	<b>323,631</b>	<b>35,774</b>	<b>359,405</b>
Profit/(Loss) for the year		–	–	(9,770)	(9,770)	2,852	(6,918)
Other comprehensive Income		–	(3,592)	–	(3,592)	–	(3,592)
Share-based payments	3.7	–	101	–	101	–	101
Share buy-back	3.5	(3,651)	–	–	(3,651)	–	(3,651)
Dividends paid to shareholders	3.8	–	–	(26,781)	(26,781)	–	(26,781)
Transfers within equity	3.7	–	(56)	56	–	–	–
Treasury shares vested to employees	3.7	–	141	–	141	–	141
Acquisition of treasury shares	3.7	–	(216)	–	(216)	–	(216)
Transactions with non-controlling interests		–	–	–	–	(2,122)	(2,122)
<b>Balance at 31 December 2023</b>		<b>1,544,039</b>	<b>(49,647)</b>	<b>(1,214,529)</b>	<b>279,863</b>	<b>36,504</b>	<b>316,367</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# Notes to the Consolidated Financial Statements

## 1. Group Performance

### 1.1 Revenue

	Note	2023 \$'000	2022 \$'000
<b>Revenue and other income</b>			
Revenue		334,292	344,890
<b>Revenue from contracts with customers</b>		<b>334,292</b>	<b>344,890</b>
Gain on financial assets held at fair value through profit or loss		–	5,292
Gain on sale from equity accounted investments		39,132	–
Dividend income		781	51
Other		2,036	3,361
<b>Other income</b>		<b>41,949</b>	<b>8,704</b>
Interest income		1,960	318
<b>Total interest and other income</b>		<b>43,909</b>	<b>9,022</b>
<b>Total revenue and other income</b>		<b>378,201</b>	<b>353,912</b>

Revenue recognised in the year ended 31 December 2023 that was included in the contract liabilities balance as at 1 January 2023 is \$4.8 million (2022: \$4.8 million).

# Notes to the Consolidated Financial Statements

(Continued)

## 1.1 Revenue (Continued)

### ACCOUNTING POLICY

#### Revenue

The key revenue streams and policies are detailed below:

Under AASB 15 *Revenue from Contracts with Customers*, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control requires judgement. The Group recognises revenue when control of the services or goods passes to the customer. Revenue is recognised gross of rebates and agency commissions. Payment terms vary between 30 and 45 days from the invoice issue date.

#### Type of

product/service	Segment	Nature and timing of satisfaction of performance obligations
Advertising revenue (Regional, Metro, Digital and Other)	ARN & HK Outdoor Segment	Advertising revenue includes broadcast revenue, display revenue, sponsorship revenue, web advertising revenue, revenue from online radio platforms, and advertising from podcasts. <ul style="list-style-type: none"> <li>• Broadcast revenue is recognised when each advertisement is aired per the contract terms.</li> <li>• Web revenue is recognised over the time period which the advertisements are displayed.</li> <li>• Revenue from online radio platforms is recognised at a point in time when each advertisement is aired.</li> <li>• Revenue from podcast advertising is recognised when advertisements are served.</li> <li>• Revenue from sponsorships is recognised when advertisements are aired.</li> <li>• Display revenue (HK Outdoor) is recognised over the time period which the advertisements are displayed.</li> </ul>
Services revenue (Other)	HK Outdoor & Investments	Includes production and installation revenue. Production and installation revenue, where it is a distinct service, is recognised by reference to stage of completion of the service.  Also includes cleaning and maintenance revenue, which is recognised when the service occurs.

The Group acts as principal for most services rendered with the exception of some podcast and streaming contracts, which the Group performs an assessment of based on the requirements of AASB 15 *Revenue from Contracts with Customers*, including whether it has inventory and credit risk, and the extent to which the Group can determine the price. Where the Group assesses that it acts as principal in the contract it recognises revenue on a gross basis, with a corresponding expense for any fees. Alternatively, where the Group assesses that it acts as agent in the contract, it recognises revenue net of any corresponding fees.

#### Contract costs

The Group applies the practical expedient under AASB 15 *Revenue from Contracts with Customers* to expense contract acquisition costs as they are incurred, as the expected costs have an amortisation period of less than 12 months.

#### Contract assets and liabilities

Contract assets relate primarily to the Group's rights to consideration for work completed but not billed at each reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to a customer.

Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

#### Government subsidies and grants

Subsidies from relevant governments compensates the Group for employee benefits expense incurred and is recognised in profit or loss on a systematic basis in the period in which the expense is recognised.

For the year ending 31 December 2022, Hong Kong domiciled entities within the Group were eligible for the Hong Kong Government Employment Support Scheme. This has been recorded within Other Income.

# Notes to the Consolidated Financial Statements

(Continued)

## 1.2 Expenses

	Note	2023 \$'000	2022 \$'000
Employee benefits expense		175,814	166,890
Production and distribution expense		22,573	19,375
Selling and marketing expense		39,659	46,460
Rental and occupancy expense		11,047	11,886
Professional fees		8,163	5,437
Repairs and maintenance costs		6,193	4,958
Travel and entertainment costs		4,019	3,819
Acquisition costs	1.3	–	5,334
Costs associated with sale of business		–	888
Other expenses		11,157	10,867
<b>Total expenses before impairment, finance costs, depreciation and amortisation</b>		<b>278,625</b>	<b>275,914</b>
Interest – lease liabilities	2.3	2,138	1,899
Interest and finance charges		5,092	3,600
Borrowing costs amortisation		295	412
<b>Total finance costs</b>		<b>7,525</b>	<b>5,911</b>
Depreciation – right-of-use assets	2.3	11,382	11,623
Depreciation – other assets	2.2	6,112	6,178
Amortisation	2.1	2,108	2,399
<b>Total depreciation and amortisation</b>		<b>19,602</b>	<b>20,200</b>

## 1.3 Segment information

### Description of segments

The Group has identified its operating segments based on the internal reports reviewed by the Chief Operating Decision Maker (CODM) in assessing performance and determining the allocation of resources. The Group determined there were three operating segments being ARN, HK Outdoor and Investments.

Reportable segment	Principal activities
ARN	Metropolitan and Regional radio networks, on-demand radio, streaming and podcasting (Australia), including equity accounted investment in Nova Entertainment (Perth) Pty Ltd.
HK Outdoor	Billboard, transit and other outdoor advertising (Hong Kong)
Investments	Includes controlling interests in Emotive Pty Limited (creative agency) and investment in Southern Cross Austereo Media Group Limited(SCA). Prior to its sale this segment included equity accounted investment in Soprano Design Pty Limited (Soprano) a software vendor for secure messaging services. On 31 March 2023, the Group completed the sale of its 25% interest in Soprano.

The CODM assesses the performance of the operating segments based on a measure of earnings before interest, tax, depreciation and amortisation (EBITDA) from continuing operations which excludes the effects of significant items such as gains or losses on disposals of businesses and restructuring related costs.

# Notes to the Consolidated Financial Statements

(Continued)

## 1.3 Segment information (Continued)

### Results by operating segment

The segment information provided to the CODM for the year ended 31 December 2023 is as follows:

2023 \$'000	ARN	HK Outdoor	Investments	Corporate	Group elimination	Total
Revenue						
Metro	182,766	–	–	–	–	182,766
Regional	104,394	–	–	–	–	104,394
Digital	19,813	–	–	–	–	19,813
Other	–	15,784	11,589	–	(54)	27,319
<b>Revenue from contracts with customers</b>	<b>306,973</b>	<b>15,784</b>	<b>11,589</b>		<b>(54)</b>	<b>334,292</b>
Share of profits of associates	5,061	–	–	–	–	5,061
Segment result	72,229	6,601	2,531	(9,792)	–	71,569
Segment assets	559,904	13,844	44,848	17,732	–	636,328
Segment liabilities	107,277	7,917	7,115	197,652	–	319,961
<b>Reconciliation of segment result to profit before income tax</b>						
Segment result						71,569
Depreciation and amortisation <sup>A</sup>						(19,602)
Net finance costs						(5,565)
Implementation of software as a service (SaaS) products <sup>B</sup>						(2,953)
Integration costs <sup>C</sup>						(1,657)
Gain on sale of asset held for sale <sup>D</sup>						39,132
Talent sign-on fees <sup>E</sup>						(2,500)
ATO other income <sup>F</sup>						269
Regulatory fees and acquisition costs <sup>G</sup>						(1,183)
Impairment on intangible assets						(103,695)
<b>Loss before income tax</b>						<b>(26,185)</b>

Explanation of statutory adjustments

- (A) Consists of depreciation of \$17.5 million and amortisation of \$2.1 million.  
 (B) Relates to one off expenditure for new systems implemented.  
 (C) Costs relating to the integration of ARN Regional and ARN Metro.  
 (D) Gain on sale of Soprano less costs of sale. Refer to note 6.1.  
 (E) One-off sign on fees for key talent renewals.  
 (F) Finalisation of account balances post settlement with the ATO.  
 (G) Regulatory fees and SCA acquisition transaction costs associated with the proposed acquisition of SCA.

# Notes to the Consolidated Financial Statements

(Continued)

## 1.3 Segment Information (Continued)

2022 \$'000	HK				Group elimination	Total
	ARN	Outdoor	Investments	Corporate		
Revenue						
Metro	192,524	–	–	–	–	192,524
Regional	107,687	–	–	–	–	107,687
Digital	14,600	–	–	–	–	14,600
Other	–	19,487	10,997	–	(405)	30,079
<b>Revenue from contracts with customers</b>	<b style="text-align: right;">314,811</b>	<b style="text-align: right;">19,487</b>	<b style="text-align: right;">10,997</b>	–	<b style="text-align: right;">(405)</b>	<b style="text-align: right;">344,890</b>
Share of profits of associates	5,291	–	4,400	–	–	9,691
Segment result	86,549	8,750	5,949	(9,452)	–	91,796
Segment assets	609,696	19,243	33,759	11,777	–	674,475
Segment liabilities	71,961	14,253	7,648	221,208	–	315,070
<b>Reconciliation of segment result to profit before income tax</b>						
Segment result						91,796
Depreciation and amortisation <sup>A</sup>						(20,200)
Net finance costs						(5,593)
ARN Regional acquisition costs <sup>B</sup>						(5,334)
Loss on disposal of 4KQ <sup>C</sup>						(2,795)
Implementation of software as a service (SaaS) products <sup>D</sup>						(452)
Integration costs <sup>E</sup>						(3,043)
Impairment on Intangible assets						(249,891)
Gain on financial asset held at fair value through profit and loss <sup>F</sup>						5,292
<b>Loss before income tax</b>						<b style="text-align: right;">(190,220)</b>

Explanation of statutory adjustments

- (A) Consists of depreciation of \$17.8 million and amortisation of \$2.4 million  
 (B) Transaction costs associated with the acquisition of ARN Regional.  
 (C) Impairment of \$1.9 million, PP&E disposal of \$0.4 million and sale costs of \$0.5 million recognised on the sale of 4KQ.  
 (D) Relates to one off expenditure for new systems implemented.  
 (E) Costs relating to the integration of ARN Regional and ARN Metro.  
 (F) Gain recognised on fair value uplift of the Group's investment in Lux Group Limited.

### Other segment information

The Group is domiciled in Australia and operates predominantly in Australia and Hong Kong. Revenue from contracts with customers in Australia is \$318.5 million (2022: \$325.4 million) and in Asia is \$15.8 million (2022: \$19.5 million). Segment revenues are allocated based on the country in which the customer is located.

The total of non-current assets located in Australia is \$528.7 million (2022: \$548.8 million) and in Hong Kong is \$5.3 million (2022: \$8.3 million). Segment assets are allocated to countries based on where the assets are located.

# Notes to the Consolidated Financial Statements

(Continued)

## 1.3 Segment Information (Continued)

### ACCOUNTING POLICY

Segment revenues and expenses comprise amounts that are directly attributable to a segment and the relevant portion that can be allocated on a reasonable basis. Corporate overheads, including centralised finance, legal and administrative costs, are not allocated against operating segments but rather are included above as unallocated amounts.

Segment revenues and results exclude transfers between segments. Such transfers are priced on an arm's length basis and are eliminated on consolidation.

## 1.4 Earnings per share

	2023 \$'000	2022 \$'000
<b>(a) Reconciliation of earnings used in calculating earnings per share (EPS)</b>		
Loss attributable to owners of the parent entity	(9,770)	(176,345)
<b>Loss attributable to owners of the parent entity used in calculating basic/diluted EPS</b>	<b>(9,770)</b>	<b>(176,345)</b>
	Number	Number
<b>(b) Weighted average number of shares</b>		
Weighted average number of shares used as the denominator in calculating basic EPS	306,896,245	309,873,237
Adjusted for calculation of diluted EPS:		
Unvested/unexercised rights	794,166	45,499
<b>Weighted average number of shares used as the denominator in calculating diluted EPS</b>	<b>307,690,411</b>	<b>309,918,736</b>

### ACCOUNTING POLICY

#### Basic earnings per share

Basic earnings per share is determined by dividing:

- the net profit or loss attributable to owners of the Company; by
- the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

#### Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account:

- the after-tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

# Notes to the Consolidated Financial Statements

(Continued)

## 2. Operating Assets and Liabilities

### 2.1 Intangible Assets

2022 \$'000	Goodwill	Software	Customer relationships	Radio licences	Brands	Total
Cost (net of impairment)	490	4,096	12,310	402,313	25,751	444,960
Accumulated amortisation	–	(2,940)	–	(4,711)	–	(7,651)
<b>Net book amount</b>	<b>490</b>	<b>1,156</b>	<b>12,310</b>	<b>397,602</b>	<b>25,751</b>	<b>437,309</b>
Movements						
Opening net book amount	490	1,316	–	370,807	–	372,613
Additions	–	345	–	–	–	345
Acquisition of subsidiary	156,770	–	16,622	125,555	31,295	330,242
Disposals	–	–	–	(11,693)	–	(11,693)
Transfers and other adjustments	–	(1)	–	–	–	(1)
Amortisation	–	(504)	(1,662)	(233)	–	(2,399)
Impairment charge *	(156,770)	–	(2,650)	(86,834)	(5,545)	(251,798)
<b>Closing net book amount</b>	<b>490</b>	<b>1,156</b>	<b>12,310</b>	<b>397,602</b>	<b>25,751</b>	<b>437,309</b>

2023 \$'000	Goodwill	Software	Customer relationships	Radio licences	Brands	Total
Cost (net of impairment)	490	5,072	8,311	307,442	19,558	340,873
Accumulated amortisation	–	(3,462)	–	(4,943)	–	(8,405)
<b>Net book amount</b>	<b>490</b>	<b>1,610</b>	<b>8,311</b>	<b>302,499</b>	<b>19,558</b>	<b>332,468</b>
Movements						
Opening net book amount	490	1,156	12,310	397,602	25,751	437,309
Additions	–	973	–	–	–	973
Transfers and other adjustments	–	(11)	–	–	–	(11)
Amortisation	–	(508)	(1,367)	(233)	–	(2,108)
Impairment charge *	–	–	(2,632)	(94,870)	(6,193)	(103,695)
<b>Closing net book amount</b>	<b>490</b>	<b>1,610</b>	<b>8,311</b>	<b>302,499</b>	<b>19,558</b>	<b>332,468</b>

\* Impairment charge relates to \$103.7 million for the ARN CGU (2022: \$249.9 million for the ARN CGU and \$1.9 million for radio licenses recognised on the sale of 4KQ).

# Notes to the Consolidated Financial Statements

(Continued)

## 2.1 Intangible Assets (Continued)

### ACCOUNTING POLICY

Summary of goodwill and other intangible assets

Asset	Useful life	Amortisation method	Acquired or Internally generated
Goodwill	Indefinite	No amortisation	Acquired
Customer relationships	10 years	Straight-line basis	Acquired
Brand	Indefinite	No amortisation	Acquired
Software	3-5 years	Straight-line basis	Internally generated and acquired
Radio licences	Indefinite	No amortisation	Acquired
Digital radio licence	20 years	Straight-line basis	Acquired

#### Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill is not amortised but rather is subject to impairment testing as described below.

#### Brands

Brands are accounted for as identifiable assets and are brought to account at cost. The Directors have considered the geographic location, legal, technical and other commercial factors likely to impact the assets' useful lives and consider that they have indefinite lives. Accordingly, no amortisation has been provided against the carrying amount for brands.

#### Customer relationships

Customer relationships represent future income streams attributable to customer relationships. They are accounted for as identifiable assets and carried at cost less accumulated depreciation and any accumulated impairment loss. Amortisation is calculated on a straight-line basis over the useful life of the asset.

#### Software

Costs incurred in developing systems and acquiring software and licences are capitalised. Costs capitalised include materials, services, payroll and payroll related costs of employees involved in development. Amortisation is calculated on a straight-line basis over the useful life of the asset.

Where expenditure relates to Software-as-a-Service (SaaS) arrangements, an assessment is undertaken to determine whether costs can be capitalised.

#### Radio licences

Commercial radio licences are accounted for as identifiable assets and are brought to account at cost. The Directors believe the licences have indefinite lives and accordingly, no amortisation has been provided against the carrying amount. The commercial radio licences held by the Group are renewable every five years under the provisions of the *Broadcasting Services Act 1992*. The Directors understand that the revocation of a radio licence has never occurred in Australia and have no reason to believe the licences will not be renewed from time to time for the maximum period allowable under the Act and without imposition of any conditions. As a result, the radio licences have been assessed to have indefinite useful lives.

The digital radio licence is accounted for as an identifiable asset and is brought to account at cost. The licence is amortised over the term of the contract on a straight-line basis.

# Notes to the Consolidated Financial Statements

(Continued)

## 2.1 Intangible Assets (Continued)

### Year-End Impairment Review

A comprehensive impairment review was conducted at 31 December 2023. The recoverable amount of each cash generating unit (CGU) that includes goodwill or indefinite life intangible assets was reviewed. Below is the allocation of goodwill and other non-amortising intangible assets to cash generating units (CGUs) as at period-end, subsequent to the impairment test:

Name of CGU	2023		2022	
	Goodwill \$'000	Other non- amortising intangible assets \$'000	Goodwill \$'000	Other non-amortising intangible assets \$'000
ARN	–	319,161	–	420,224
Emotive	490	–	490	–
<b>Total goodwill and other non-amortising intangible assets</b>	<b>490</b>	<b>319,161</b>	<b>490</b>	<b>420,224</b>

At 31 December 2023 the Group determined there to be only one CGU and operating segment for ARN.

The Australian Radio Network (ARN) CGU incorporates metropolitan and regional radio networks, on-demand radio, streaming and podcasting in Australia which includes indefinite life intangible assets.

At 31 December 2023 an impairment of \$103.7 million was recorded in the ARN CGU and apportioned across intangible assets as follows: radio licenses were impaired by \$94.9 million, brands were impaired by \$6.2 million and customer relationships were impaired by \$2.6 million. The impairment reflects the estimated impacts of the current macro-economic environment on future advertising revenues partially offset by a reduction in the ARN CGU discount rate.

The recoverable amount of the ARN CGU was estimated based on value in use calculations, using management budgets and forecasts for a 5-year period, after adjusting for central overheads.

The key assumptions for the impairment review as at 31 December 2023, used to calculate the recoverable amount are presented overleaf.

# Notes to the Consolidated Financial Statements

(Continued)

## 2.1 Intangible Assets (Continued)

### (A) Cash flows

<b>Year 1 cash flows</b>	<b>Based on Board approved annual budget derived with reference to a range of internal and relevant external industry data and analysis.</b>
Years 2, 3, 4 and 5 cash flows	<p>Revenue forecasts are prepared based on management's current assessment for each CGU, with consideration given to internal information and relevant external industry data and analysis. In general:</p> <ul style="list-style-type: none"> <li>market growth in the ARN CGU is forecast across the cash flow period. The revenue forecast assumes the ARN CGU will gain some additional market share or reclaim lost market share through continued investment in content, marketing and operations. Revenue forecasts for radio, streaming and podcasting take into account a range of internal and relevant external industry data and analysis;</li> <li>the ARN CGU is forecast to benefit from revenue synergies over the forecast period through optimising a national network of metropolitan and regional radio stations; and</li> <li>expenses are forecast in detail based on their nature. Variable costs are forecast to move in line with revenue movements. Personnel costs are forecast to move in line with headcount and adjusted for expected inflation. Other costs are forecast based on management expectations, considering existing contractual arrangements.</li> <li>the above assumptions result in EBITDA CAGR of 5.2% for ARN CGU across the cash flow period.</li> </ul>
Terminal value cash flows	Cash flows are extrapolated at growth rates not exceeding the long-term average growth rate for the industry in which the CGU operates.

### (B) Discount rate and long-term growth rate

The discount rates (per annum) used reflect specific risks relating to the relevant segments.

Name of CGU	Dec 2023 Post-tax discount rate	Dec 2023 Pre-tax discount rate	Dec 2023 Long-term growth rate	Dec 2022 Post-tax discount rate	Dec 2022 Pre-tax discount rate	Dec 2022 Long-term growth rate
ARN	10.00%	13.6%	1.5%	10.25%	14.0%	1.5%

# Notes to the Consolidated Financial Statements

(Continued)

## 2.1 Intangible Assets (Continued)

### (C) Estimation uncertainty and key assumptions

#### KEY JUDGEMENTS AND ESTIMATES

The Group tests whether goodwill and other non-amortising intangible assets have suffered any impairment, in accordance with the accounting policy stated below. The recoverable amounts of cash generating units have been determined based on the higher of fair value less costs to sell, or value in use, calculations. These calculations require the use of assumptions. Refer below for details of these assumptions and the potential impact of changes to these assumptions.

Value in use calculations are prepared based on the Board approved annual budget and extended over the forecast period using growth rates derived with reference to a range of internal and relevant external industry data analysis, including but not limited to publicly available broker reports and media industry experts. The discount rate used is based on an internally prepared weighted average cost of capital (WACC) calculation and reflects risks associated with underlying assets. Terminal value cashflows have been extrapolated at growth rates not exceeding the long-term average growth rate for the industry in which the CGU operates.

At 31 December 2023, an impairment loss of \$103.7 million was recorded against the radio licences, customer relationships, and brands in the ARN CGU, reflecting a recoverable amount of \$332.0 million. The carrying values of the other assets in the ARN CGU were considered equal to their value in use. After the impairment loss, the estimated recoverable amount of the ARN CGU, based on a value in use calculation, equals its carrying amount. The impairment reflects the estimated impacts of the current macro-economic environment on future advertising revenues partially offset by a reduction in the ARN CGU discount rate.

Any variation in the key assumptions used to determine the value in use would result in a change in the recoverable amount of the ARN CGU. The directors and management have considered and assessed reasonably possible changes in key assumptions and the approximate impact on the recoverable amount as follows;

- 0.25% increase in the post-tax discount rate;
- 0.5% reduction in the long-term growth rate;
- impact of 10.0% EBITDA shortfall per annum on EBITDA CAGR.

	From	To	Change to carrying value
Discount rate change	10.0%	10.25%	(13,424)
Long-term growth rate change	1.5%	1.0%	(18,562)
EBITDA CAGR (EBITDA shortfall of 10% per annum)	5.2%	3.0%	(58,132)

# Notes to the Consolidated Financial Statements

(Continued)

## 2.1 Intangible Assets (Continued)

### ACCOUNTING POLICY

#### Impairment

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and whenever there is an indication that they may be impaired. Assets that are subject to amortisation are tested for impairment whenever changes in circumstances indicate that the asset's carrying amount may exceed its recoverable amount. An impairment charge is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (CGUs). Non-financial assets other than goodwill that suffer an impairment are reviewed for possible reversal of the impairment at each reporting date.

# Notes to the Consolidated Financial Statements

(Continued)

## 2.2 Property, Plant and Equipment

<b>2022</b>				
<b>\$'000</b>	<b>Freehold land</b>	<b>Buildings</b>	<b>Plant and equipment</b>	<b>Total</b>
Cost or fair value	11,464	8,422	90,329	110,215
Accumulated depreciation and impairment	–	(612)	(65,615)	(66,227)
Capital works in progress	–	–	5,150	5,150
<b>Net book amount</b>	<b>11,464</b>	<b>7,810</b>	<b>29,864</b>	<b>49,138</b>
<i>Movements</i>				
Opening net book amount	423	278	15,478	16,179
Acquisition of subsidiary	11,341	7,992	13,680	33,013
Additions	–	37	7,886	7,923
Depreciation	–	(411)	(5,767)	(6,178)
Transfers and other adjustments	–	22	(871)	(849)
Disposals	(300)	(108)	(553)	(961)
Foreign exchange differences	–	–	11	11
<b>Closing net book amount</b>	<b>11,464</b>	<b>7,810</b>	<b>29,864</b>	<b>49,138</b>
<b>2023</b>				
<b>\$'000</b>	<b>Freehold land</b>	<b>Buildings</b>	<b>Plant and equipment</b>	<b>Total</b>
Cost or fair value	11,206	8,419	66,765	86,390
Accumulated depreciation and impairment	–	(898)	(41,378)	(42,276)
Capital works in progress	–	–	19,337	19,337
<b>Net book amount</b>	<b>11,206</b>	<b>7,521</b>	<b>44,724</b>	<b>63,451</b>
<i>Movements</i>				
Opening net book amount	11,464	7,810	29,864	49,138
Additions	–	876	20,640	21,516
Depreciation	–	(347)	(5,765)	(6,112)
Transfers and other adjustments	2	(2)	152	152
Disposals	(260)	(816)	(165)	(1,241)
Foreign exchange differences	–	–	(2)	(2)
<b>Closing net book amount</b>	<b>11,206</b>	<b>7,521</b>	<b>44,724</b>	<b>63,451</b>

The Group had capital commitments of \$3.0 million as at 31 December 2023 (2022: \$nil).

# Notes to the Consolidated Financial Statements

(Continued)

## 2.2 Property, Plant and Equipment (Continued)

### ACCOUNTING POLICY

Property, Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

### Depreciation

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

- buildings: 20–50 years;
- plant and equipment: 3–30 years; and

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the income statement.

### Impairment of assets

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Assets that are subject to depreciation (amortisation) are tested for impairment whenever changes in circumstances indicate that the asset's carrying amount may exceed its recoverable amount. An impairment charge is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Assets that suffer an impairment are reviewed for possible reversal of the impairment at each reporting date.

# Notes to the Consolidated Financial Statements

(Continued)

## 2.3 Leases

As a lessee, the Group leases several assets including property, advertising spaces, motor vehicles and other equipment. The weighted average lease term is 15.2 years (2022: 9.2 years).

### (A) Amounts recognised in the balance sheet

	2023 \$'000	2022 \$'000
Property	58,544	29,318
Advertising concession agreements	3,303	5,621
Motor vehicle and other	1,021	868
<b>Total right-of-use assets</b>	<b>62,868</b>	<b>35,807</b>
Current	6,551	8,823
Non-current	63,054	29,555
<b>Total lease liabilities</b>	<b>69,605</b>	<b>38,378</b>

Additions to the right-of-use assets during the 2023 financial year were \$38.3 million (2022: \$22.7 million).

### KEY JUDGEMENTS AND ESTIMATES

Whenever changes in circumstances indicate that the right-of-use asset carrying amount may exceed its recoverable amount, the Group applies judgement when testing whether right-of-use assets have suffered any impairment. An impairment charge is recognised for the amount by which the right-of-use asset's carrying amount exceeds its recoverable amount. Right-of-use assets that suffer an impairment are reviewed for possible reversal of the impairment at each reporting date.

### (B) Amounts recognised in the consolidated statement of comprehensive income

The consolidated statement of comprehensive income shows the following amounts relating to leases:

	2023 \$'000	2022 \$'000
Property	6,925	6,106
Advertising concession agreements	4,387	5,233
Motor vehicle and other	70	284
<b>Depreciation charge of right-of-use assets</b>	<b>11,382</b>	<b>11,623</b>
Interest expense on lease liabilities	2,138	1,899
Rental and occupancy expense relating to short-term leases	1,296	1,625
Rental and occupancy expense relating to variable lease payments not included in the measurement of the lease liability	659	968

The total cash outflow for leases, inclusive of principal and interest was \$12.2 million (2022: \$14.8 million).

# Notes to the Consolidated Financial Statements

(Continued)

## 2.3 Leases (Continued)

### ACCOUNTING POLICY

The Group leases various properties, advertising spaces, motor vehicles and other equipment. Rental contracts are typically made for fixed periods of 1 to 15 years, however may be more than 20 years and include extension options.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

#### Lease liabilities

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease liability excludes non-lease components including variable lease amounts which are not linked to a rate or index. These components are expensed as incurred.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

# Notes to the Consolidated Financial Statements

(Continued)

## 2.3 Leases (Continued)

### ACCOUNTING POLICY (Continued)

#### Incremental borrowing rate

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

#### Right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

#### Extension and termination options

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

#### Rental and occupancy expense

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Rental outgoings are treated as non-lease components and are recognised as expense in profit or loss. Other property expenses which do not transfer substantially all of the asset's economic benefits to the Group are recognised on a straight-line basis as expense in profit or loss.

# Notes to the Consolidated Financial Statements

(Continued)

## 2.4 Provisions

	2023 \$'000	2022 \$'000
<b>Current</b>		
Employee benefits	10,351	11,862
Make good	1,733	2,615
Other	1,046	50
<b>Total current provisions</b>	<b>13,130</b>	<b>14,527</b>
<b>Non-current</b>		
Employee benefits	2,447	2,216
Make good	8,085	6,053
<b>Total non-current provisions</b>	<b>10,532</b>	<b>8,269</b>

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

2023	Make good \$'000	Other \$'000	Total \$'000
Carrying amount at beginning of the year	8,668	50	8,718
Additional amounts recognised	1,709	1,046	2,755
Amounts used	(121)	–	(121)
Reversal	(438)	(50)	(488)
<b>Carrying amount at end of the year</b>	<b>9,818</b>	<b>1,046</b>	<b>10,864</b>

# Notes to the Consolidated Financial Statements

(Continued)

## 2.4 Provisions (Continued)

### ACCOUNTING POLICY

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave, and long service leave, in respect of employees' services up to the reporting date expected to be settled wholly within 12 months from the reporting date are measured at the amounts expected to be paid when settled.

Liabilities for annual leave and long service leave not expected to be settled wholly within 12 months after the end of the reporting date are measured as the present value of expected future payments to be made. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds rates with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer settlement for 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

#### Make good

The Group will recognise a make good provision when they are included in lease agreements for which the Group has a legal or constructive obligation. The present value of the estimated costs of dismantling and removing the assets and restoring the site is recognised as a provision. At each reporting date, the liability is remeasured in line with changes in discount rates, estimated cash flows and the timing of those cash flows.

These costs have been capitalised to right of use assets and property, plant and equipment and are amortised over the shorter of the term of the lease and the useful life of the assets.

# Notes to the Consolidated Financial Statements

(Continued)

## 3. Capital Management

### 3.1 Bank loans

	Note	2023 \$'000	2022 \$'000
<b>Non-current bank loans</b>			
Bank loans – unsecured		94,000	85,000
<b>Total non-current bank loans (i)</b>		<b>94,000</b>	<b>85,000</b>
Deduct:			
Borrowing costs		2,414	2,470
Accumulated amortisation		(1,996)	(1,864)
<b>Net borrowing costs</b>		<b>418</b>	<b>606</b>
<b>Total non-current interest-bearing liabilities (i)</b>		<b>93,582</b>	<b>84,394</b>
Net debt <sup>(i)</sup>			
Non-current bank loans		93,582	84,394
Net borrowing costs		418	606
Cash and cash equivalents	3.2	(18,862)	(23,852)
<b>Net debt</b>		<b>75,138</b>	<b>61,148</b>

(i) As of February 2024, the majority of the Group's debt facilities do not expire until after December 2026.

The Group's debt facilities have a maximum leverage covenant of 3.25 times and a minimum interest cover covenant of 3.0 times. As at 31 December 2023 the leverage ratio was 1.26 times and the interest cover ratio was 13.87 times.

### (A) Capital Risk Management

The Group is focused on safeguarding its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, and maintains an optimal capital structure to reduce its cost of capital.

In order to maintain an optimal capital structure, the Group may:

- adjust dividends paid to shareholders;
- return capital to shareholders;
- issue new shares; or
- sell assets to reduce debt.

### (B) Standby arrangements and credit facilities

	2023 \$'000	2022 \$'000
<b>Entities in the Group have access to:</b>		
Loan facilities <sup>(i)</sup>		
Unsecured bank loan facilities	199,400	229,397
Amount of facility utilised <sup>(ii)</sup>	(99,432)	(87,853)
<b>Amount of available facility</b>	<b>99,968</b>	<b>141,544</b>
Overdraft facilities		
Unsecured bank overdraft facilities	1,500	1,550
Amount of credit utilised	–	–
<b>Amount of available credit</b>	<b>1,500</b>	<b>1,550</b>

(i) Pertaining to the revolving cash advance facility.

(ii) Relating to bank loan and guarantees drawn (refer to note 6.2).

# Notes to the Consolidated Financial Statements

(Continued)

## 3.1 Bank Loans (Continued)

### ACCOUNTING POLICY

Interest bearing liabilities are initially recognised at fair value less attributable transaction costs and subsequently measured at amortised cost. Any difference between cost and redemption value is recognised in the income statement over the period of the borrowing on an effective interest basis.

Costs incurred in connection with the arrangement of borrowings are deferred and amortised over the period of the borrowing. These are shown as an asset on the balance sheet.

## 3.2 Cash Flow Information

### Reconciliation of cash

	2023 \$'000	2022 \$'000
<b>Cash at end of the year, as shown in the statement of cash flows, comprises:</b>		
<b>Cash at bank and on hand</b>	<b>18,862</b>	<b>23,852</b>
The below reconciliation relates to both continued and discontinued operations.		
Reconciliation of loss for the year to net cash inflows from operating activities:		
Loss for the year	(6,918)	(172,990)
Depreciation and amortisation	19,602	20,200
Borrowing costs amortisation	295	412
Share of profits of associate and joint ventures	(5,061)	(9,691)
Other non-cash items	(141)	263
Impairment of intangible assets	103,695	251,798
Share-based payments expense	242	873
Gains on sale of assets held for sale and financial assets	(39,132)	(5,292)
Net gain/(loss) on sale of non-current assets	63	(29)
Fair value losses on financial assets	–	(63)
Changes in assets and liabilities net of effect of acquisitions and changes in accounting policy:		
(Increase)/decrease in receivables	(2,992)	3,644
(Increase)/decrease in prepayments	(1,845)	(1,487)
Increase/(decrease) in current tax /deferred tax liabilities	(43,791)	(50,278)
Increase/(decrease) in payables and provision for employee benefits	(3,370)	(17,457)
<b>Net cash inflows from operating activities</b>	<b>20,647</b>	<b>19,903</b>

### ACCOUNTING POLICY

For the purposes of presentation on the statement of cash flows, cash and cash equivalents include cash on hand and deposits held at call with financial institutions, net of bank overdrafts, with maturities 90 days or less.

# Notes to the Consolidated Financial Statements

(Continued)

## 3.3 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and foreign exchange risk), credit risk and liquidity risk.

The Group's overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and foreign exchange risk and ageing analysis for credit risk.

Financial risk management is carried out by the Group Treasury function under policies approved by the Board of Directors. The policies provide principles for overall risk management, as well as covering specific areas, such as interest rate risk, foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### (A) Market risk

#### (i) Cash flow and fair value interest rate risk

The Group is exposed to interest rate risk through its long-term borrowings issued at variable rates as well as through its cash and cash equivalents balance. Based on the outstanding net debt as at 31 December 2023, a change in interest rates of +/- 1% per annum with all other variables being constant would impact equity and post-tax profit by \$0.5 million lower/higher.

#### (ii) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. Individual transactions are assessed, and forward exchange contracts are used to hedge the risk where deemed appropriate.

While the Group has assets and liabilities in multiple currencies, individual entities in the Group do not have a significant foreign exchange exposure to receivables or payables in currencies that are not their functional currency.

### (B) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Group credit risk principally arises from customer receivables, cash and cash equivalents, short-term deposits with banks and financial institutions and financial guarantees (refer to note 6.2 for details).

For banks and financial institutions, creditworthiness is assessed prior to entering into arrangements and approved by the Board.

For customer receivables, the maximum exposure to credit risk at the reporting date is the higher of the carrying value and fair value of each receivable. Risk control involves the assessment of the credit quality, taking into account financial position, past experience and other factors. The utilisation of credit limits is regularly monitored.

Where appropriate, the Group undertakes all of its transactions in foreign exchange with financial institutions.

#### Impairment of financial assets – trade receivables

The Group applies the AASB 9 *Financial Instruments* simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the ECL rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

# Notes to the Consolidated Financial Statements

(Continued)

## 3.3 Financial risk management (Continued)

### (B) Credit risk (Continued)

The carrying amount of receivables as at reporting date was as follows:

	Note	2023 \$'000	2022 \$'000
Trade receivables		64,546	60,895
Loss allowance		(641)	(519)
		63,905	60,376
Other receivables		8,598	5,276
<b>Total receivables</b>		<b>72,503</b>	<b>65,652</b>

The loss allowance determined for trade receivables as at 31 December 2023 and 31 December 2022 is as follows:

	2023 \$'000	2022 \$'000
Opening loss allowance as at 1 January	519	269
Expected credit losses recognised/(reversed) in profit or loss	254	(18)
Acquisition of ARN regional	–	373
Receivables written off as uncollectible	(132)	(105)
<b>Closing loss allowance</b>	<b>641</b>	<b>519</b>

The aging of trade receivables that were not impaired at the end of the reporting date was as follows:

	2023 \$'000	2022 \$'000
Current	56,467	55,984
Past due less than 1 month	6,147	2,858
Past due 1 to 3 months	1,575	1,435
Past due 3 to 6 months	113	274
Past due over 6 months	244	344
<b>Trade receivables</b>	<b>64,546</b>	<b>60,895</b>

### ACCOUNTING POLICY

Trade receivables are generally settled within 30 to 45 days and therefore classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. Due to their short-term nature, the carrying value represents fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

# Notes to the Consolidated Financial Statements

(Continued)

## 3.3 Financial risk management (Continued)

### (C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available. Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flows. The Group has \$100.0 million in undrawn facilities at 31 December 2023, please refer to note 3.1 for more information.

The tables below analyse the Group's financial liabilities, including interest to maturity into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows.

2022	Note	Less than one year \$'000	Between one and two years \$'000	Between two and five years \$'000	Over five years \$'000
Non-derivative Financial Liabilities					
Payables		30,912	–	–	–
Bank Loans	3.1	4,059	21,324	70,532	–
Lease Liabilities	2.3	9,984	6,930	11,446	21,218
<b>Total non-derivatives</b>		<b>44,955</b>	<b>28,254</b>	<b>81,978</b>	<b>21,218</b>
Less: interest		(4,059)	(3,324)	(3,532)	–
<b>Total financial liabilities</b>		<b>40,896</b>	<b>24,930</b>	<b>78,446</b>	<b>21,218</b>

2023	Note	Less than one year \$'000	Between one and two years \$'000	Between two and five years \$'000	Over five years \$'000
Non-derivative Financial Liabilities					
Payables		32,466	–	–	–
Bank Loans	3.1	5,721	5,721	97,207	–
Lease Liabilities	2.3	10,238	7,767	16,662	74,188
<b>Total non-derivatives</b>		<b>48,425</b>	<b>13,488</b>	<b>113,869</b>	<b>74,188</b>
Less: interest		(5,721)	(5,721)	(3,208)	–
<b>Total financial liabilities</b>		<b>42,704</b>	<b>7,767</b>	<b>110,661</b>	<b>74,188</b>

### 3.4 Fair Value Measurements

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; and
- financial assets at fair value through other comprehensive income.

#### Fair value hierarchy

AASB 13 *Fair Value Measurement* 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 Financial Statements

(Continued)

## 3.4 Fair Value Measurements (Continued)

### (A) Recognised fair value measurements

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 31 December 2022 and 2023:

2022	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Recurring fair value measurements</i>					
Financial assets					
Financial assets at fair value through profit or loss					
Shares in other corporations	5.3	–	–	677	677
<b>Total financial assets</b>		<b>–</b>	<b>–</b>	<b>677</b>	<b>677</b>
<hr/>					
2023	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Recurring fair value measurements</i>					
Financial assets					
Financial assets at fair value through profit and loss					
Shares in other corporations	5.3	–	–	673	673
Financial assets at fair value through other comprehensive income					
Shares in other corporations	5.3	35,331	–	–	35,331
<b>Total financial assets</b>		<b>35,331</b>	<b>–</b>	<b>673</b>	<b>36,004</b>

During the period, the Group purchased shares in Southern Cross Media Limited (SCA) for \$38.9 million (including transaction costs). The shares are held at fair value through other comprehensive income. As SCA is listed on the Australian Stock Exchange (ASX), the fair value of the shares is determined by reference to the quoted price. The investment in SCA was revalued as at 31 December 2023, and a \$3.5 million fair value loss, was recognised in the other comprehensive income.

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 the 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 bank loans approximates the carrying amount.

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

The level 3 inputs used by the Group are derived and evaluated as follows:

The fair value of lease liabilities disclosed in note 2.3 is estimated by discounting the minimum lease payments at the Group's incremental borrowing rate. For the period ended 31 December 2023, the borrowing rates were determined to be between 2.3% and 8.0% per annum, depending on the type of lease.

There were no other material level 3 fair value movements during the year.

# Notes to the Consolidated Financial Statements

(Continued)

## 3.5 Contributed Equity

	2023	2022
	\$'000	\$'000
Issued and paid up share capital	1,544,039	1,547,690

### (A) Movements in contributed equity during the financial year

	2023	2022	2023	2022
	Number shares	Number shares	\$'000	\$'000
Balance at beginning of the year	309,080,602	275,154,900	1,547,690	1,475,706
Issue of ordinary shares <sup>(i)</sup>	7,562,190	35,934,891	–	74,323
Share buy-back <sup>(ii)</sup>	(3,592,419)	(2,009,189)	(3,651)	(2,339)
<b>Balance at end of the year</b>	<b>313,050,373</b>	<b>309,080,602</b>	<b>1,544,039</b>	<b>1,547,690</b>

(i) In 2023, shares were issued in relation to talent awards in the year.

(ii) During 2023, the Company purchased and cancelled on-market 3.6 million shares (2022: 2.0 million). The shares were acquired at an average price of \$1.02 per share (2022: \$1.16).

### (B) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, attorney or corporate representative is entitled to one vote, and upon a poll each share is entitled to one vote.

#### ACCOUNTING POLICY

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

# Notes to the Consolidated Financial Statements

(Continued)

## 3.6 Share-Based Payments

	2023 Number of rights	2022 Number of rights
As at 1 January	971,912	788,896
Awarded	7,796,752	107,086
Exercised	(860,454)	–
Other changes	47,432	75,930
<b>Balance at end of the year</b>	<b>7,955,642</b>	<b>971,912</b>

Share rights outstanding at the end of the year have the following vesting date and weighted average fair value:

Incentive plan	Vesting date	Weighted average fair value	Number of rights	
			2023	2022
2021 TIP and incentive award <sup>(1)</sup>	31-Dec-22	\$2.01	–	855,749
2022 TIP and incentive award <sup>(2)</sup>	31-Dec-23	\$1.95	132,087	116,163
2023 TIP and incentive award <sup>(3)</sup>	31-Dec-24	\$1.16	261,365	–
Talent awards <sup>(4)</sup>	31-Dec-29	\$0.81	1,239,858	–
Talent awards <sup>(4)</sup>	31-Dec-34	\$0.95	6,322,332	–
<b>Balance at end of the year</b>			<b>7,955,642</b>	<b>971,912</b>

	2023	2022
Weighted average remaining contractual life of rights outstanding at end of period	9.7 years	0.1 year

- (1) The date on which the fair value of the 2021 TIP rights were calculated, is the deemed grant date of the rights for accounting purposes. An actual grant of rights was not made to the CEO & Managing Director until after shareholder approval was received at the Annual General Meeting, and for all other Executive KMP on 16 February 2022. At the Board's discretion, the participants may receive an additional allocation of fully paid ordinary shares equal to the value of dividends that were payable on the underlying shares, whilst holding unvested and/or vested rights. An additional 66,853 rights were issued to satisfy this requirement. This is disclosed in other changes above in the prior year comparative. Some of the shares purchased to satisfy the 2021 TIP obligations were purchased on market when ex-dividend. Consequently, participants did not receive the dividend paid in March 2023 in respect of these shares. 4,705 additional rights (included in awarded) were issued to participants as compensation for missed dividend income. These rights vested immediately (included in exercised) and are not subject to the same 2-year holding lock as the underlying rights.
- (2) The date on which the fair value of the 2022 TIP rights were calculated, is the deemed grant date of the rights for accounting purposes. Some performance conditions were met on 31 December 2022 and approved on 15 February 2023. At the Board's discretion, the participants may receive additional allocation of fully paid ordinary shares equal to the value of dividends that were payable on the underlying shares, whilst holding unvested and/or vested rights. An additional 9,077 rights were issued to satisfy this requirement in 2022 and a further 15,924 in 2023. This is disclosed in other changes above in the respective years.
- (3) The date on which the fair value of the 2023 TIP rights were calculated, is the deemed grant date of the rights for accounting purposes. Some performance conditions were met on 31 December 2023 and approved on 14 February 2024. At the Board's discretion, the participants may receive additional allocation of fully paid ordinary shares equal to the value of dividends that were payable on the underlying shares, whilst holding unvested and/or vested rights. An additional 31,508 rights were issued to satisfy this requirement. This is disclosed in other changes above.
- (4) There was no expense recognised in relation to Talent awards in the year. Share based payment expense will be recognised on commencement of the renewed contracts on 1 January 2025.

Share-based payments expense related to the above tables for the year was \$242,000 (2022: \$872,000).

Further information of the rights granted to Executive KMP is contained in the Remuneration Report found on pages 46 to 61 of the Annual Report.

# Notes to the Consolidated Financial Statements

(Continued)

## ACCOUNTING POLICY

Share-based compensation benefits are provided to employees and contractors via share-based payments as part of a Total Incentive Plan (TIP), talent and other management incentive plans.

The fair value of rights granted is recognised as an employee benefits expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employee becomes unconditionally entitled to the rights.

The fair value is derived using the closing share price on the grant date.

The fair value of the rights granted is adjusted to reflect any market vesting condition but excludes the impact of non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of rights that are expected to become exercisable. At each reporting date, the Group revises its estimate of the number of rights that are expected to become exercisable.

The employee benefits expense recognised each period takes into account the most recent estimate. The impact of the revision to the original estimates, is recognised in profit or loss with a corresponding adjustment to equity.

## 3.7 Reserves and Accumulated Losses

	2023 \$'000	2022 \$'000
<b>Reserves</b>		
Foreign currency translation reserve	806	868
Share-based payments reserve	8,039	7,994
Investment revaluation reserve	(3,530)	–
Transactions with non-controlling interests reserve	(53,283)	(53,283)
Treasury shares reserve	(1,679)	(1,604)
<b>Total reserves</b>	<b>(49,647)</b>	<b>(46,025)</b>
Foreign currency translation reserve		
Balance at beginning of the year	868	1,075
Net exchange difference on translation of foreign operations	(19)	(44)
Share of associates foreign exchange reserve	–	(163)
Disposal of share of associate's other comprehensive loss	(43)	–
<b>Balance at end of the year</b>	<b>806</b>	<b>868</b>
Share-based payments reserve		
Balance at beginning of the year	7,994	8,696
Share-based payments expense	242	872
Transfer to retained earnings	(56)	(142)
Treasury shares vested to employees	(141)	(1,432)
<b>Balance at end of the year</b>	<b>8,039</b>	<b>7,994</b>
Investment revaluation reserve		
Balance at beginning of the year	–	–
Fair value adjustment on financial assets	(3,530)	–
<b>Balance at end of the year</b>	<b>(3,530)</b>	<b>–</b>
Transactions with non-controlling interests reserve		
Balance at beginning of the year	(53,283)	(53,283)
<b>Balance at end of the year</b>	<b>(53,283)</b>	<b>(53,283)</b>
Treasury shares reserve		
Balance at beginning of the year	(1,604)	(1,566)
Acquisition of treasury shares	(216)	(1,470)
Treasury shares vested to employees	141	1,432
<b>Balance at end of the year</b>	<b>(1,679)</b>	<b>(1,604)</b>

# Notes to the Consolidated Financial Statements

(Continued)

## 3.7 Reserves and Accumulated Losses (Continued)

### Nature and purpose of reserves

#### Foreign currency translation reserve

Exchange differences arising on translation of any foreign controlled entities are recognised in other comprehensive income and the foreign currency translation reserve as described in note 6.5.

#### Share-based payments reserve

The share-based payments reserve is used to recognise the fair value of performance rights issued but not yet vested as described in note 3.6.

#### Investment revaluation reserve

The investment revaluation reserve is used to recognise the fair value of shares in other entities that are measured at fair value through other comprehensive income. Refer to note 5.3 for more information.

#### Transactions with non-controlling interest reserve

The transactions with non-controlling interests reserve is used to record the differences described in note 5.2 which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

#### Treasury shares reserve

APN News & Media Employee Share Trust (Trust), a controlled entity, was established in 2017. The Trust purchased 203,645 (2022: 788,896 ) additional shares in the Company. Employees were issued with 120,660 shares during the year (2022: 850,772). The total shareholding in the Company as at 31 December 2023 was 987,836 shares at an average price of \$1.70 (2022: 904,851 shares at \$1.77). This shareholding is disclosed as treasury shares and deducted from equity.

Performance rights that relate to the 2021 and 2022 TIP have vested and converted into shares.

The treasury shares reserve is used to recognise the value of shares purchased by the Trust.

### Accumulated losses

Movement in accumulated losses are as follows:

	2023	2022
	\$'000	\$'000
Balance at beginning of the year	(1,178,034)	(974,183)
Loss attributable to owners of the parent entity	(9,770)	(176,345)
Transfer from reserves	56	142
Dividends paid to shareholders	(26,781)	(27,648)
<b>Balance at end of the year</b>	<b>(1,214,529)</b>	<b>(1,178,034)</b>

# Notes to the Consolidated Financial Statements

(Continued)

## 3.8 Dividends

	2023 \$'000	2022 \$'000
Dividend of 5.2 cents per share fully franked (Final dividend for the year ended 31 December 2021: 3.9)	16,072 <sup>(i)</sup>	12,133
Paid in cash	16,072	12,133
Interim dividend for the year ended 31 December 2023 of 3.5 cents per share fully franked (2022: 5.0)	10,709	15,515
Paid in cash	10,709	15,515
<b>Total dividends</b>	<b>26,781</b>	<b>27,648</b>
Franking credit balance available as at 31 December (at 30% corporate tax rate)	101,986	87,690
Dividends not recognised at year end		
Subsequent to year end, the Directors have declared a fully franked dividend of 3.6 cents per share. The aggregate amount of the dividend expected to be paid on 22 March 2024 but not recognised as a liability at year end is:	11,270	16,072 <sup>(i)</sup>

(i) Paid from parent entity profits since 1 January 2023.

# Notes to the Consolidated Financial Statements

(Continued)

## 4. Taxation

### 4.1 Income Tax and Deferred Tax

#### (A) Income tax

	2023	2022
	\$'000	\$'000
Current tax expense	12,119	11,967
Deferred tax benefit	(32,387)	(27,211)
Adjustment for current tax of prior periods	1,001	(1,986)
<b>Income tax benefit</b>	<b>(19,267)</b>	<b>(17,230)</b>
Income tax expense differs from the prima facie tax as follows:		
Loss before income tax benefit	(26,185)	(190,220)
Prima facie income tax at 30%	(7,855)	(57,066)
Difference in international tax treatments and rates	78	(103)
Non-deductible acquisition costs	–	84
Non-deductible impairment charge	–	47,031
Capital losses utilised against the gain on disposal of investment in Soprano and Luxury Escapes	(11,740)	(2,641)
Unrecognised tax losses/(tax losses realised)	96	(126)
Share of profits of associates	(1,518)	(2,907)
Adjustment for current tax of prior periods	1,001	(1,986)
Capital losses utilised against the sale of 4KQ	–	(569)
Other	671	1,053
<b>Income tax benefit</b>	<b>(19,267)</b>	<b>(17,230)</b>

# Notes to the Consolidated Financial Statements

(Continued)

## 4.1 Income Tax and Deferred Tax (Continued)

### (A) Income Tax (Continued)

#### Capital Losses - Australia

ARN is carrying forward \$182 million in capital losses. These are subject to the usual loss carry forward rules regarding change of ownership and same business test.

Assuming various rules are met, these capital losses should be available to shelter future capital gains. No deferred tax asset is recorded for these capital losses as they may only be utilised in the event of capital gains and it is not currently probable there will be capital gains against which the losses will be utilised.

#### ACCOUNTING POLICY

AASB Interpretation 23 *Uncertainty over Income Tax Treatments* explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method best predicts the resolution of the uncertainty; and
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

While there are no new disclosure requirements, the Group used the guidance of this Interpretation to provide information about judgements and estimates made in relation to its existing tax in dispute matters.

# Notes to the Consolidated Financial Statements

(Continued)

## 4.1 Income Tax and Deferred Tax (Continued)

### (B) Deferred tax assets and liabilities

	Balance 1 Jan 22 \$'000	Recognised in profit or loss \$'000	Acquisitio n of ARN Regional \$'000	Recognised in equity \$'000	Other move- ments \$'000	Offset \$'000	Balance 31 Dec 22 \$'000
<b>2022</b>							
Employee benefits	2,161	59	1,916	–	–	–	4,136
Doubtful debts	79	(36)	112	–	–	–	155
Accruals/restructuring	2,296	137	2,191	–	72	–	4,696
Capital losses	–	–	–	–	3,210	(3,210)	–
Intangible assets	(110,234)	29,007	(52,042)	–	2,939	569	(129,761)
Depreciation	1,421	(26)	(1,908)	–	(316)	–	(829)
Right-of-use assets	(4,603)	156	(4,081)	–	–	–	(8,528)
Lease liabilities	6,297	(426)	3,338	–	–	–	9,209
Investments accounted for using the equity method	(7,796)	(274)	–	–	–	–	(8,070)
Shares in other corporations	(1,052)	(1,586)	–	–	(3)	2,641	–
Other	181	200	(149)	(275)	(37)	–	(80)
	(111,250)	27,211	(50,623)	(275)	5,865	–	(129,072)

	Balance 1 Jan 23 \$'000	Recognised in profit or loss \$'000	Recognised in equity \$'000	Other movements \$'000	Balance 31 Dec 23 \$'000
<b>2023</b>					
Employee benefits	4,136	(395)	–	–	3,741
Doubtful debts	155	33	–	–	188
Accruals/restructuring	4,696	742	–	(197)	5,241
Intangible assets	(129,761)	31,519	–	–	(98,242)
Depreciation	(829)	998	–	(434)	(265)
Right-of-use assets	(8,528)	(10,273)	–	–	(18,801)
Lease liabilities	9,209	10,331	–	–	19,540
Investments accounted for using the equity method	(8,070)	(5)	–	–	(8,075)
Other	(80)	(563)	4	(55)	(694)
	(129,072)	32,387	4	(686)	(97,367)

The Group has not recognised deferred tax assets of \$5.7 million (2022: \$5.8 million) in respect of HK Outdoor tax losses carried forward.

# Notes to the Consolidated Financial Statements

(Continued)

## 4.1 Income Tax and Deferred Tax (Continued)

### (B) Deferred tax assets and liabilities (Continued)

#### ACCOUNTING POLICY

The income tax expense for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements and also adjusted for unused tax losses utilised in the year.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those enacted tax rates applicable to each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Temporary differences in relation to indefinite life intangible assets are determined with reference to their respective capital gains tax bases in respect of assets for which capital gains tax will apply.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised in other comprehensive income are also recognised in other comprehensive income.

The Company and its wholly-owned Australian controlled entities are part of a tax-consolidated group under Australian taxation law. ARN Media Limited is the head entity in the tax-consolidated group. The wholly owned Australian subsidiaries acquired as part of the acquisition of ARN Regional entered the tax consolidated group in 2022, of which the ARN is the head entity, in accordance with Australian taxation law. Entities within the tax-consolidated group have entered into a tax funding arrangement and a tax sharing agreement with the head entity. Under the terms of the tax funding arrangement, ARN Media Limited and each of the other entities in the tax-consolidated group have agreed to pay (or receive) a tax equivalent payment to (or from) the head entity, based on the current tax liability or current tax asset of the entity. Each entity in the tax-consolidated group measures its current and deferred taxes as if it continued to be a separate taxable entity in its own right.

Judgement is required in relation to the recognition of carried forward tax losses as deferred tax assets. The Group assesses whether there will be sufficient future taxable profits to utilise the losses based on a range of factors, including forecast earnings and whether the unused tax losses resulted from identified causes which are unlikely to recur.

# Notes to the Consolidated Financial Statements

(Continued)

## 5. Group Structure

### 5.1 Controlled Entities

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities in accordance with the accounting policy described in note 6.5.

Name of entity	Country of incorporation/establishment	Equity holding	
		2023 %	2022 %
5AD Broadcasting Company Pty Ltd <sup>1</sup>	Australia	100	100
Ambersky Pty. Limited <sup>1,2,4</sup>	Australia	100	100
AMI Radio Pty Limited <sup>1,2,4</sup>	Australia	100	100
APN News & Media Employee Share Trust	Australia	100	100
ARN Adelaide Pty Ltd <sup>1</sup>	Australia	100	100
ARN Brisbane Pty Ltd <sup>1,2</sup>	Australia	100	100
ARN Broadcasting Pty Ltd <sup>1</sup>	Australia	100	100
ARN Communications Pty Ltd <sup>1,2</sup>	Australia	100	100
ARN Limited Partnership	Australia	100	100
ARN New Zealand Pty. Limited <sup>1,2</sup>	Australia	100	100
ARN Overseas Pty. Limited <sup>1,2</sup>	Australia	100	100
ARN Perth Pty Limited <sup>1</sup>	Australia	100	100
ARN Regional Pty Ltd <sup>1,2,4</sup>	Australia	100	100
ARN South Australia Pty Limited <sup>1</sup>	Australia	100	100
Australian Radio Network Pty Limited <sup>1,2</sup>	Australia	100	100
Bass Radio Pty Limited <sup>1,2,4</sup>	Australia	100	100
Biffin Pty. Limited <sup>1,2</sup>	Australia	100	100
Black Mountain Broadcasters Pty. Limited	Australia	50	50
Blue Mountains Broadcasters Pty Limited <sup>1</sup>	Australia	100	100
Bluwyn Pty Ltd	Australia	50	50
Brisbane FM Radio Pty Ltd	Australia	50	50
Bundaberg Broadcasters Pty. Ltd <sup>1,4</sup>	Australia	100	100
Bundaberg Narrowcasters Pty. Ltd. <sup>1,2,4</sup>	Australia	100	100
Burnie Broadcasting Service Proprietary Limited <sup>1,2,4</sup>	Australia	100	100
Buspak Advertising (Hong Kong) Limited	Hong Kong	100	100
Cairns Broadcasters Pty Ltd <sup>1,2,4</sup>	Australia	100	100
AmplifyCBR Pty Ltd <sup>3</sup>	Australia	50	50
Capital City Broadcasters Pty. Limited <sup>1</sup>	Australia	100	100
Catalogue Central Pty Limited <sup>1</sup>	Australia	100	100
Cody Outdoor International (HK) Limited	Hong Kong	100	100
Commercial Broadcasters Proprietary Limited <sup>1,2,4</sup>	Australia	100	100
Commonwealth Broadcasting Corporation Pty Ltd <sup>1,2</sup>	Australia	100	100
Conversant Media Pty Ltd <sup>1</sup>	Australia	100	100
Covette Investments Pty Limited <sup>1,2</sup>	Australia	100	100
Digi-Lution Pty Ltd <sup>1,2,4</sup>	Australia	100	100
Digital Radio Broadcasting Darwin Pty Ltd <sup>1,2,4</sup>	Australia	100	100
Double T Radio Pty Ltd <sup>1</sup>	Australia	100	100

# Notes to the Consolidated Financial Statements

(Continued)

Name of entity	Country of incorporation/ establishment	Equity holding	
		2023 %	2022 %
East Coast Radio Pty. Limited <sup>1, 2, 4</sup>	Australia	100	100
Emotive Pty Limited	Australia	51	51
Evitome Pty Limited <sup>1</sup>	Australia	100	100
Eyre Peninsula Broadcasters Pty Ltd <sup>1, 4</sup>	Australia	100	100
Gergdaam Capital Pty Limited <sup>1, 2</sup>	Australia	100	100
Gulgong Pty. Limited <sup>1, 2</sup>	Australia	100	100
Haswell Pty. Limited <sup>1, 2</sup>	Australia	100	100
Hot 91 Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
Hot Tomato Australia Pty Limited <sup>1, 4</sup>	Australia	100	100
Hot Tomato Narrowcasting Pty Limited <sup>1, 2, 4</sup>	Australia	100	100
HT&E Broadcasting (Regionals) Pty. <sup>1, 2</sup>	Australia	100	100
HT&E Digital Pty Ltd <sup>1</sup>	Australia	100	100
ARN Media Finance Pty Ltd <sup>1, 2</sup>	Australia	100	100
ARN Media International Pty Ltd <sup>1, 2</sup>	Australia	100	100
HT&E Online (Australia) Pty Ltd <sup>1</sup>	Australia	100	100
ARN Media Operations Ltd <sup>1, 2</sup>	Australia	100	100
Level 3 Investments Pty Limited <sup>1</sup>	Australia	100	100
Mackay Broadcasters Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
Melbourne F.M. Facilities Pty. Limited	Australia	50	50
North East Tasmanian Radio Broadcasters Proprietary Limited <sup>1, 2, 4</sup>	Australia	100	100
Northern Tasmania Broadcasters Proprietary Limited <sup>1, 2, 4</sup>	Australia	100	100
Northern Territory Broadcasters Pty Ltd <sup>1, 4</sup>	Australia	100	100
Queensland Regional Broadcasters Pty Ltd <sup>1, 4</sup>	Australia	100	100
Radio 96FM Perth Pty Limited <sup>1</sup>	Australia	100	100
Radio Ballarat Pty. Ltd. <sup>1, 2, 4</sup>	Australia	100	100
Radio Barrier Reef Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
Radio Cairns Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
Radio Central Victoria Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
Radio Gladstone Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
Radio Hunter Valley Pty. Limited <sup>1, 2, 4</sup>	Australia	100	100
Radio Mackay Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
Radio Murray Bridge Pty Limited <sup>1, 2, 4</sup>	Australia	100	100
Radio Rockhampton Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
Radio Townsville Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
Radio West Coast Pty Ltd <sup>1, 4</sup>	Australia	100	100
Riverland Broadcasters Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
South Coast & Tablelands Broadcasting Pty Ltd <sup>1, 4</sup>	Australia	100	100
Southern State Broadcasters Pty. Limited <sup>1</sup>	Australia	100	100
Speedlink Services Pty Ltd <sup>1</sup>	Australia	100	100
Spencer Gulf Broadcasters Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
Star Broadcasting Network Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100

# Notes to the Consolidated Financial Statements

(Continued)

Name of entity	Country of incorporation/ establishment	Equity holding	
		2023 %	2022 %
Sydney FM Facilities Pty Ltd	Australia	50	50
Tasmanian Broadcasters Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
The Hot Tomato Broadcasting Company Pty Limited <sup>1, 2, 4</sup>	Australia	100	100
The Internet Amusements Group Pty Limited <sup>1</sup>	Australia	100	100
The Level 3 Partnership	Australia	100	100
The Radio Sales Network Pty Ltd <sup>1, 2, 4</sup>	Australia	100	100
The Roar Sports Media Pty Ltd <sup>1</sup>	Australia	100	100
Tibbar Broadcasting Pty Limited <sup>1</sup>	Australia	100	100
Wesgo <sup>1, 2</sup>	Australia	100	100
Wilson & Horton Australia Pty Ltd <sup>1</sup>	Australia	100	100
Wilson & Horton Finance Pty Ltd <sup>1, 2</sup>	Australia	100	100
Wollongong Broadcasters Pty. Limited <sup>1, 2, 4</sup>	Australia	100	100

- (1) These companies are parties to a deed of cross guarantee dated 28 April 2017 under which each company guarantees the debts of the others (Deed of Cross Guarantee). These companies represent a Closed Group for the purposes of ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 and there are no other members of the Extended Closed Group.
- (2) These wholly-owned entities have been relieved from the requirement to prepare a financial report and Directors' report under ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.
- (3) This company is proportionately consolidated and its principal activities are commercial radio. Refer to note 5.4.
- (4) These companies acquired in 2023 entered the Assumption Deed which provides for the joining of each company to the Deed of Cross Guarantee dated 28 April 2017.

# Notes to the Consolidated Financial Statements

(Continued)

## 5.2 Interests in Other Entities

### (A) Material subsidiaries with non-controlling interests

Set out below are the Group's principal subsidiaries with material non-controlling interests. Unless otherwise stated, the subsidiaries as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group, and the proportion of ownership interests held is equal to the voting rights held by the Group.

Name of entity	Place of business and country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		2023	2022	2023	2022	
Brisbane FM Radio Pty Ltd	Australia	50%	50%	50%	50%	Commercial radio

### (B) Non-controlling interests

Financial information for each subsidiary that has non-controlling interests that are material to the Group are summarised in the table below. The amounts disclosed for each subsidiary are before inter-company eliminations.

	Brisbane FM Radio Pty Ltd	
	2023 \$'000	2022 \$'000
<b>Summarised balance sheet</b>		
Current assets	8,154	10,841
Current liabilities	725	773
Current net assets	7,429	10,068
Non-current assets	67,456	67,363
Non-current liabilities	46	44
Non-current net assets	67,410	67,319
Net assets	74,839	77,387
Accumulated non-controlling interests	37,419	38,694
<b>Summarised statement of comprehensive income</b>		
Revenue	21,213	22,366
Profit for the period	4,791	5,845
Other comprehensive income	–	–
Total comprehensive income	4,791	5,845
Total comprehensive income allocated to non-controlling interests	2,396	2,923
Dividends paid to non-controlling interests	3,670	2,790
<b>Summarised statement of cash flows</b>		
Net inflows from operating activities	5,663	6,619
Net inflows/(outflows) from investing activities	(97)	–
Net outflows from financing activities	(5,812)	(6,861)
Net decrease in cash and cash equivalents	(246)	(241)

# Notes to the Consolidated Financial Statements

(Continued)

## 5.2 Interests in Other Entities (Continued)

### (B) Non-controlling interests (Continued)

#### ACCOUNTING POLICY

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, balance sheet and statement of changes in equity respectively.

The effects of all transactions with non-controlling interests are recorded in equity if there is no change in control. Where there is a loss of control, any remaining interest in the entity is remeasured to fair value and a gain or loss is recognised in the income statement. Any losses are allocated to the non-controlling interests in subsidiaries even if the accumulated losses should exceed the non-controlling interests in the individual subsidiary's equity.

## 5.3 Shares in Other Corporations

	Note	2023 \$'000	2022 \$'000
Shares in other corporations	3.4	36,004	677

The Group purchased a 14.8% share in Southern Cross Media Group Limited (SCA) and designated the investment as fair value through other comprehensive income and not classified as held for sale. The investment in SCA was revalued as at 31 December 2023, with the resulting \$3.5 million fair value loss recognised in other comprehensive income. Refer to note 3.4 for more information on determining the fair value.

#### ACCOUNTING POLICY

##### Classification and initial measurement of financial assets

Financial assets are initially measured at fair value, plus transaction costs. This excludes those financial assets classified as at fair value through profit or loss which are initially measured at fair value. Subsequent measurement of financial assets is at fair value or amortised cost where certain criteria are met.

##### Financial assets at amortised cost and impairment

The Group's loans and receivables (refer to note 3.3(B)) meet the requirements for measurement at amortised cost based on the purpose for which the assets and liabilities are held and the contractual terms.

Details about the group's impairment policies and the calculation of the loss allowance are provided in note 3.3(B).

##### Financial assets at fair value

The Group's investments in equity instruments are measured at fair value, determined in the manner described in note 3.4. At initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to recognise gains and losses on equity instruments not held for trading, in other comprehensive income. Otherwise, all gains and losses are recognised in profit or loss.

# Notes to the Consolidated Financial Statements

(Continued)

## 5.4 Investments Accounted for Using the Equity Method

### Interests in associates

	2023	2022
Note	\$'000	\$'000
Shares in associates	35,392	33,327
Total investments accounted for using the equity method	35,392	33,327
Share of profits of associates	5,061	9,691

Set out below are the associate and joint ventures of the Group as at 31 December 2023. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business/ country of incorporation	Ownership interest		Nature of relationship	Measurement method	Consolidated carrying values	
		2023	2022			2023	2022
						\$'000	\$'000
3 Keys Records Pty Ltd	Australia	35%	0%	Associate <sup>1</sup>	Equity method	1,698	
Soprano Design Pty Limited	Australia	0%	25%	Associate <sup>2</sup>	Equity method	–	–
Nova Entertainment (Perth) Pty Ltd	Australia	50%	50%	Associate <sup>3</sup>	Equity method	33,694	33,327

(1) The Group acquired a 35% stake in 3 Keys Records Pty Ltd in 2023.

(2) On 31 March 2023, the Group completed the sale of its 25% interest in Soprano Design Pty Limited (Soprano) to Potentia Capital (Potentia).

(3) On 1 March 2020, Nova Entertainment (Perth) Pty Ltd, an FM radio station in Perth, became an associate of the Group. The Group's interest in the entity was previously classified as an equity investment within Shares in Other Corporations

Below is a reconciliation of investments accounted for using the equity method:

	2023	2022
Note	\$'000	\$'000
Carrying amount at the beginning of the financial year	33,327	52,561
Acquisition	2,000	–
Share of profit	5,061	9,691
Share of reserves	–	(163)
Dividend received	(4,921)	(5,019)
Reclassification of associate to asset held for sale	6.1	–
Other	(75)	45
<b>Total investments accounted for using the equity method</b>	<b>35,392</b>	<b>33,327</b>

# Notes to the Consolidated Financial Statements

(Continued)

## 5.4 Investments Accounted for Using the Equity Method (Continued)

### (C) Estimation uncertainty and key assumptions (Continued)

#### ACCOUNTING POLICY

##### Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income of the associate, is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends received from associates are recognised in the consolidated financial statements as a reduction in the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

##### Joint arrangements

Under AASB 11 *Joint Arrangements*, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

##### (i) Joint operations

The Group recognises its direct right to, and its share of, jointly held assets, liabilities, revenues and expenses of joint operations.

##### (ii) Joint ventures

The interest in a joint venture is accounted for using the equity method after initially being recognised at cost. Under the equity method, the Group's share of the profits or losses of the joint venture is recognised in the income statement, and the share of post-acquisition other comprehensive income is recognised in other comprehensive income.

When the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

# Notes to the Consolidated Financial Statements

(Continued)

## 5.5 Parent Entity Financial Information

### (A) Summary of financial information for the parent entity

The individual financial statements for the parent entity show the following aggregate amounts:

	2023 \$'000	2022 \$'000
<b>Balance sheet</b>		
Current assets	8,368	384
Total assets	675,975	649,203
Current liabilities	142	4,130
Total liabilities	385,031	522,376
<b>Total equity</b>	<b>290,944</b>	<b>126,827</b>
Contributed equity	1,544,039	1,547,690
Reserves		
Share-based payments reserve	8,039	7,994
Retained earnings		
Closing profit reserve	168,459	736
Closing loss reserve	(1,429,593)	(1,429,593)
<b>Total equity</b>	<b>290,944</b>	<b>126,827</b>
Profit/(Loss) for the year	194,509	(130,912)
Total comprehensive profit/(loss)	194,509	(130,912)

### (B) Guarantees entered into by the parent entity

Refer to note 6.2 for details.

### (C) Contingent liabilities and contractual commitments of the parent entity

The parent entity did not have any contingent liabilities as at 31 December 2023 (2022 \$nil) and did not have any contractual commitments as at 31 December 2023 (2022: \$nil).

#### ACCOUNTING POLICY

The financial information for the parent entity, ARN Media Limited, has been prepared on the same basis as the consolidated financial statements, except for:

#### Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment losses in the financial statements of the parent entity.

Dividends received from subsidiaries are recognised in the parent entity's income statement when its right to receive the dividend is established.

# Notes to the Consolidated Financial Statements

(Continued)

## 5.6 Deed of Cross Guarantee

Companies in the Closed Group are party to a deed of cross guarantee dated 28 April 2017 under which each guarantees the debts of the others. These companies represent a Closed Group for the purposes of ASIC Corporations (Wholly-owned Companies) Instrument 2016/785. The companies party to Deed of Cross Guarantee are detailed at note 5.1.

Set out below is the consolidated income statement and summary of movements in consolidated retained earnings for the year ended 31 December 2023 for the Closed Group:

	2023 \$'000	2022 \$'000
Revenue	278,129	284,730
Other revenue and income	157,058	14,023
Expenses from operations before impairment, finance costs, depreciation and amortisation	(244,560)	(236,447)
Impairment of Group company investments	(119,992)	(1,919)
Impairment of intangibles	(103,695)	(251,798)
Finance costs	(109,758)	(4,918)
Depreciation and amortisation	(13,137)	(12,820)
Share of profits of associate and joint ventures	5,061	9,691
<b>Loss before income tax</b>	<b>(150,894)</b>	<b>(199,458)</b>
Income tax benefit	21,876	19,776
<b>Loss attributable to owners of the parent entity</b>	<b>(129,018)</b>	<b>(179,682)</b>
<b>Accumulated losses</b>		
Balance at beginning of the year	(1,296,139)	(1,088,951)
Loss attributable to owners of the parent entity	(129,018)	(179,682)
Dividends paid to shareholders	(26,781)	(27,648)
Transfers between reserves	56	142
<b>Balance at end of the year</b>	<b>(1,451,882)</b>	<b>(1,296,139)</b>

# Notes to the Consolidated Financial Statements

(Continued)

## 5.6 Deed of Cross Guarantee (Continued)

Set out below is the consolidated balance sheet as at 31 December 2023 for the Closed Group:

	2023 \$'000	2022 \$'000
<b>Current assets</b>		
Cash and cash equivalents	11,704	16,941
Receivables	67,788	172,585
Tax assets	8,004	–
Other current assets	2,251	3,337
Asset held for sale	–	23,788
<b>Total current assets</b>	<b>89,747</b>	<b>216,651</b>
<b>Non-current assets</b>		
Other financial assets	71,980	157,889
Investments accounted for using the equity method	35,392	57,115
Property, plant and equipment	61,202	46,649
Right-of-use assets	56,151	25,952
Intangible assets	255,659	360,747
Other non-current assets	3,093	209
<b>Total non-current assets</b>	<b>483,477</b>	<b>648,561</b>
<b>Total assets</b>	<b>573,224</b>	<b>865,212</b>
<b>Current liabilities</b>		
Payables	26,889	165,615
Contract liabilities	1,732	909
Lease liabilities	3,407	4,487
Current tax liabilities	–	4,125
Provisions	12,395	13,730
<b>Total current liabilities</b>	<b>44,423</b>	<b>188,866</b>
<b>Non-current liabilities</b>		
Bank Loans	93,582	84,394
Lease liabilities	59,330	23,660
Provisions	10,061	7,829
Deferred tax liabilities	97,602	129,238
<b>Total non-current liabilities</b>	<b>260,575</b>	<b>245,121</b>
<b>Total liabilities</b>	<b>304,998</b>	<b>433,987</b>
<b>Net assets</b>	<b>268,226</b>	<b>431,225</b>
<b>Equity</b>		
Contributed equity	1,544,039	1,547,690
Reserves	176,069	179,674
Accumulated losses	(1,451,882)	(1,296,139)
Total parent entity interest	268,226	431,225
<b>Total equity</b>	<b>268,226</b>	<b>431,225</b>

# Notes to the Consolidated Financial Statements

(Continued)

## 6. Other

### 6.1 Disposals

#### Soprano Sale

On 31 March 2023, the Group completed the sale of its 25% interest in Soprano Design Pty Limited (Soprano) to Potentia Capital (Potentia), a leading Australian technology focused private equity firm. The Group received \$66.3 million in cash as consideration for the sale of its entire interest.

At 31 December 2022 the Group had determined that its interest in Soprano should be held as an asset held for sale at its carrying value of \$23.8 million. The gain on sale recognised, net of costs to sell was \$39.1 million.

#### ACCOUNTING POLICY

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets classified as held for sale are presented separately from other assets in the balance sheet.

### 6.2 Contingent Liabilities

The parent entity and all wholly-owned controlled entities have provided guarantees in respect of banking facilities. As at 31 December 2023, the facilities had been drawn to the extent of \$99.4 million (2022: \$87.9 million), of which \$5.4 million (2022: \$2.9 million) of the balance pertains to bank guarantees.

The Group did not have any other contingent liabilities and unrecognised capital contractual commitments as at 31 December 2023 (2022: \$nil).

#### Claims

Claims for damages are made against the Group from time to time in the ordinary course of business. The Directors are not aware of any claim that is expected to result in material costs or damages.

#### Commitments

The Group has committed to leasing part of the ground floor liability premises in North Sydney starting in November 2024 and continuing for 9 years. This has not been measured in the Group's lease liabilities.

# Notes to the Consolidated Financial Statements

(Continued)

## 6.3 Remuneration of Auditors

During the year, the following fees were paid or payable for services provided by the auditor of the Group, its related practices, non-related audit firms and other professional advisory and consulting firms:

	2023 \$	2022 <sup>(i)</sup> \$
Remuneration for audit or review of the financial reports		
PricewaterhouseCoopers – Australian firm	1,247,000	1,727,120
PricewaterhouseCoopers – overseas firm	92,931	84,798
Remuneration for other assurance services		
PricewaterhouseCoopers – Australian firm	91,800	90,780
PricewaterhouseCoopers – overseas firm	14,608	16,187
<b>Total audit and other assurance services</b>	<b>1,446,339</b>	<b>1,918,885</b>
Remuneration for other services		
PricewaterhouseCoopers – Australian firm		
Tax services		
Consulting and advice	89,250	440,269
Compliance	126,276	168,780
PricewaterhouseCoopers – overseas firm		
Tax services		
Compliance	24,121	23,387
<b>Total non-audit services</b>	<b>239,647</b>	<b>632,436</b>

<sup>(i)</sup>The prior year comparative has been amended to reflect actual amounts paid

# Notes to the Consolidated Financial Statements

(Continued)

## 6.4 Related Parties

### (A) Key management personnel compensation

	2023	2022 <sup>(i)</sup>
	\$	\$
Short-term employee benefits	2,823,068	2,773,160
Post-employment benefits	137,861	131,211
Other long-term benefits	28,085	64,314
Share-based payments	237,726	821,127
<b>Total</b>	<b>3,226,740</b>	<b>3,789,812</b>

(i) Comparative has been updated to reflect the change in annual leave accrual, refer to the Remuneration Report disclosures for more detail.

Detailed remuneration disclosures are provided in the Remuneration Report.

### (B) Transactions with other related parties

The aggregate amounts recognised in respect to the following types of transactions and each class of related party involved were as follows:

Type of transaction	Class of other related party	2023	2022
		\$	\$
Director fee with associate	Key management personnel <sup>(i)</sup>	18,750	74,577
Property rental	Key management personnel <sup>(ii)</sup>	921,444	782,289

(i) Directors fee received by Belinda Rowe for services performed in relation to Soprano Design Pty Limited. For the year ending 31 December 2023 the Group paid \$18,750 (2022: \$36,906), whilst Soprano Design Pty Limited made no direct payments (2022: \$37,671).

(ii) The Group paid property rental to entities associated with Alison Cameron on commercial arm's length terms.

### (C) Payables with other related parties

There were \$nil payable to related parties as at 31 December 2023 (2022: \$nil).

### (D) Loans to related parties

There were \$11.1 million in loans owing to related parties as at 31 December 2023 (2022: \$11.0 million). This relates to Nova Entertainment (Perth) Pty Ltd.

### (E) Commitments with other related parties

There were \$nil commitments to related parties as at 31 December 2023 (2022: \$nil).

# Notes to the Consolidated Financial Statements

(Continued)

## 6.5 Other Material Accounting Policies

### Principles of consolidation – subsidiaries

The consolidated financial statements incorporate the assets and liabilities of ARN Media Limited and its subsidiaries. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-entity transactions, balances and unrealised gains on transactions between Group entities are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, balance sheet and statement of changes in equity respectively.

### Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars, which is ARN Media Limited's functional and presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

#### (iii) Group entities

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet;
- income and expenses are translated at average exchange rates for the year; and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or a partial disposal occurs, a proportionate share of such exchange differences is recognised in the income statement as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

### Trade payables

Trade payables, including accruals not yet billed, are recognised when the Group becomes obliged to make future payments as a result of a purchase of assets or services. Trade payables are carried at amortised cost which is the fair value of the consideration to be paid in the future for goods and services received. Trade payables are unsecured and are generally settled within 30 to 45 days.

### Dividends

A payable is raised for the amount of any dividend declared, determined or publicly recommended by the Directors before or at the end of the financial year but not distributed at balance date.

# Notes to the Consolidated Financial Statements

(Continued)

## 6.5 Other Material Accounting Policies (Continued)

### Short-term incentive plans

A liability for short-term incentives is recognised in provisions when there is an expectation of settlement and at least one of the following conditions is met:

- there are contracted terms in the relevant plan for determining the amount of the benefit;
- the amounts to be paid are determined before the time of completion of the financial report; or
- past practice gives clear evidence of the amount of the obligation.

Liabilities for short-term incentives are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

### New and amended standards adopted by the group

The Group adopted certain accounting standards, amendments, and interpretations, which did not result in changes in accounting policies, amounts recognised or disclosures in the financial statements for the year ending 31 December 2023.

### Standards and interpretations issued but not yet effective.

There are no standards and interpretations that are not yet effective and that are expected to have a material impact on the Group in the current or future reporting period and on foreseeable future transactions.

## 6.6 Subsequent Events

Subsequent to the end of the financial year, the Directors have declared the payment of a fully franked dividend of 3.6 cents per ordinary share. This dividend is payable on 22 March 2024.

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial year that has significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

## Directors' Declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 63 to 116 are in accordance with the Corporations Act 2001, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in note 5.1 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 5.6.

Page 63 of the Annual Report confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors, after receiving the declarations required to be made by the Chief Executive and Chief Financial Officer in accordance with section 295A of the Corporations Act 2001.



**Hamish McLennan**  
Chairman

Sydney  
22 February 2024



## Independent auditor's report

To the members of ARN Media Limited

Report on the audit of the financial report

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### Our opinion

In our opinion:

The accompanying financial report of ARN Media Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the year then ended
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### What we have audited

The Group financial report comprises:

- the consolidated balance sheet as at 31 December 2023
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the directors' declaration.

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### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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## Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

### Audit Scope

- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- The Group audit was aligned with the structure of the Group.
- The nature, timing and extent of audit work required on each component of the Group was determined by the component's risk characteristics and financial significance to the Group and consideration as to whether sufficient evidence had been obtained for our opinion on the financial report as a whole. The audit work involved:
  - an audit of the Australian Radio Network financial information
  - specific risk-focused audit procedures over Cody Outdoor International (HK) Limited financial information and Nova Perth Pty Ltd financial information
  - specific risk focused analytical procedures at the Group level.
  - further audit procedures at a Group level, including over the consolidation of the Group's reporting units and the preparation of the financial report.

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## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment of intangible assets</b> (Refer to Note 2.1)</p> <p>The Group continues to hold significant indefinite lived intangible assets in the Australia Radio Network (ARN) cash generating unit (CGU) totalling \$319.2 million.</p> <p>As required by Australian Accounting Standards, at 31 December 2023 the Group performed an impairment assessment over the indefinite lived intangible asset balances by calculating the recoverable amount for the ARN CGU, using a discounted cash flow model (the model) prepared on a value-in-use basis. As a result the Group recognised an impairment charge of \$103.7 million to intangible assets.</p> <p>The carrying value of indefinite lived intangible assets relating to the ARN CGU and related impairment charge was determined to be a key audit matter due to:</p> <ul style="list-style-type: none"> <li>the magnitude of the indefinite lived intangible asset balance and the impairment charge recorded during the year</li> <li>the degree of judgement required by the Group in estimating the key assumptions in the valuation models, including forecast performance, growth rates and discount rates.</li> </ul>	<p>We performed the following procedures, amongst others:</p> <ul style="list-style-type: none"> <li>assessed whether the division of the Group's assets into cash generating units (CGUs), which are the smallest identifiable groups of assets that can generate largely independent cash inflows, was consistent with our knowledge of the Group's operations and internal Group reporting</li> <li>considered the market capitalisation of the Group in comparison to the carrying value of its net assets and adjusted equity value with the assistance of our valuation experts</li> <li>considered whether the model used to estimate the recoverable amount of the assets was consistent with the requirements of Australian Accounting Standards</li> <li>tested the mathematical accuracy of the model's calculations</li> <li>assessed the appropriateness of the key assumptions within the model compared to observable market information where available, historical results, industry forecasts, and considered management's ability to carry out courses of action</li> <li>compared the forecast cash flows used in the model to the Board of directors' approved budget</li> <li>evaluated the Group's historical ability to forecast future cash flows by comparing budgets with reported actual results</li> <li>assessed if the discount rate assumption was appropriate by comparing it to market data, comparable companies and industry research, with the assistance of our valuation experts</li> <li>assessed the sensitivity of changes in key assumptions incorporated in the model</li> <li>evaluated the reasonableness of the disclosures made in note 2.1, including those regarding the key assumptions and sensitivities to changes in such assumptions, in light of the requirements of Australian Accounting Standards.</li> </ul>

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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### Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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### Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf). This description forms part of our auditor's report.



Report on the remuneration report

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### Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 31 December 2023.

In our opinion, the remuneration report of ARN Media Limited for the year ended 31 December 2023 complies with section 300A of the *Corporations Act 2001*.

---

### Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

*EPenny*

Eliza Penny  
Partner

Sydney  
22 February 2024

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# Shareholder Information

## 1. Shares

### (A) Substantial shareholders

The following information is extracted from substantial shareholder notices received by the Company as at 25 January 2024:

Name	Number of shares
Seven West Media (Sydney)	45,517,739
News (Sydney)	40,803,132
Allan Gray Investment Mgt (Sydney)	38,114,063
Grant Broadcasters (Sydney)	35,934,891
Barrenjoey Capital Partners (Sydney)	18,657,959
Spheria Asset Mgt (Sydney)	17,841,954
Samuel Terry Asset Mgt (Sydney)	16,261,358

### (B) Top 20 holders of fully paid ordinary shares

The following information is extracted from the share register as at 19 February 2024:

Name	Number of shares	% of total shares
CITICORP NOMINEES PTY LIMITED	47,886,787	15.30
SEVEN WEST MEDIA INVESTMENTS PTY LTD	45,517,739	14.54
NEWS PTY LIMITED	40,803,132	13.03
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	38,467,166	12.29
GRANT BROADCASTERS PTY LTD	35,934,891	11.48
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	26,325,587	8.41
BILGOLA NOMINEES PTY LIMITED	15,274,409	4.88
NATIONAL NOMINEES LIMITED	9,233,065	2.95
FIRST SAMUEL LTD ACN 086243567	3,737,856	1.19
BILGOLA NOMINEES PTY LIMITED	3,451,641	1.10
BNP PARIBAS NOMS PTY LTD	3,193,823	1.02
HENDERSON MEDIA PTY LTD	3,161,166	1.01
QUASAR MEDIA SERVICES PTY LTD	3,161,166	1.01
CITICORP NOMINEES PTY LIMITED	2,731,446	0.87
PACIFIC CUSTODIANS PTY LIMITED HT1 Plans ctrl <sup>1</sup>	2,054,199	0.66
BNP PARIBAS NOMINEES PTY LTD	1,651,356	0.53
BNPP NOMS PTY LTD HUB24 CUSTODIAL SERV LTD	1,615,709	0.52
DRAGON SMOKE PTY LTD	1,239,858	0.40
PACIFIC CUSTODIANS PTY LIMITED APN EMP SHARE TRUST	987,836	0.32
BISHOP FAMILY COMPANY PTY LTD	950,000	0.30
<b>Total</b>	<b>287,378,832</b>	<b>91.8</b>

<sup>1</sup> Pacific Custodians Pty Limited is the registered legal holder for shares held in trust belonging to Employees as part of the treasury incentive plan. As noted in the Directors' interests, Ciaran Davis holds 1,332,528, of which 1,260,655 is held in Pacific Custodians Pty Limited HT1 Plans ctrl a/c.

# Shareholder Information

(Continued)

## (C) Analysis of individual ordinary shareholdings as at 19 February 2024:

Holding	Number of shareholders	% of total shareholders	Number of shares	% of total shares
1 to 1,000	3,739	69.30	927,562	0.30
1,001 to 5,000	945	17.52	2,238,058	0.71
5,001 to 10,000	281	5.21	2,124,775	0.68
10,001 to 100,000	371	6.88	10,899,311	3.48
100,001 and over	59	1.09	296,860,667	94.83
<b>Total</b>	<b>5,395</b>	<b>100.00</b>	<b>313,050,373</b>	<b>100.00</b>

There were 3,152 holders of less than a marketable parcel.

## (D) Voting rights of shareholders

The voting rights are governed by rule 16 of the Constitution. In summary, shareholders are entitled to vote in person or by proxy, attorney or corporate representative at any meeting of shareholders of the Company on:

- a show of hands – one vote per shareholder; and
- a poll – one vote per share.

## 2. Unquoted Securities

There were 987,836 performance rights on issue at 31 December 2023 (2022: 904,851)

## 3. Directors' Interests

The relevant interest of each Director in the securities of the parent entity as at 19 February 2024 was:

Director	Number of shares	Number of options
H McLennan	73,000	–
B Cubis	39,034	–
P Connolly	65,935	–
C Davis <sup>(i)</sup>	1,332,528	–
B Rowe	–	–
A Cameron <sup>(ii)</sup>	35,934,891	–

(i) Pacific Custodians Pty Limited is the registered legal holder for shares held in trust belonging to Employees as part of the treasury incentive plan. As noted in the Directors' interests, Ciaran Davis holds 1,332,528, of which 1,260,655 is held in Pacific Custodians Pty Limited HT1 Plans ctrl a/c.

(ii) 35,934,891 Ordinary Shares held by Grant Broadcasters Pty Ltd. Alison Cameron holds, directly and indirectly, less than 0.005% of the issued capital in Grant Broadcasters. Janet Cameron, Alison's mother, holds 99.9% of the issued capital in Grant Broadcasters.

# Shareholder Information

(Continued)

## 4. Other Information

### Stock exchange listing

ARN Media shares are listed on the ASX (code A1N).

### Enquiries

Shareholders or investors with any enquiries concerning their shareholding, shareholder details, dividend information, or administrative matters, should direct their enquiries to the Share Registry. Contact details for the Share Registry appear on the Corporate Directory page in this Annual Report 2023.

### Dividend payments

Dividends to shareholders may be paid direct to any bank, building society or credit union account in Australia. Shareholders who wish to receive dividends by electronic transfer should advise the Share Registry.

### Tax file number (TFN)

The Company is obliged to deduct tax from unfranked or partially franked dividend payments to shareholders resident in Australia who have not supplied their TFN to the Share Registry. To avoid this deduction, you should advise the Share Registry of your TFN.

### Register your email address

Shareholders are encouraged to register their email address to receive dividend advices, notification of availability of annual reports, notices of meeting, access to online voting and other shareholder communications. To register, shareholders should go to [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au), log in to their shareholding through the Investor Centre and select the "All communication by email" option.

Other services available to shareholders at this website include: viewing details of their shareholdings, updating address details, updating bank details and obtaining a variety of registry forms.

### Consolidation of holdings

Shareholders who have multiple issuer-sponsored holdings and wish to consolidate their separate shareholdings into one account should advise the Share Registry in writing.

### Change of name or address

Shareholders who are issuer sponsored should notify the Share Registry in writing of any change in either their name or registered address. If a change of name has occurred, it will be necessary to supply a certified copy of the relevant deed poll or marriage certificate. Shareholders sponsored by a broker (CHESS) should advise their broker of the amended details.

### Dividend Reinvestment Plan (DRP)

The Directors determined to suspend the DRP effective from 15 February 2018.

Shareholders may elect to participate in any future DRP for all or part of their shareholding. Shareholders wishing to participate in any future DRP should contact the Share Registry. Terms and conditions of the DRP, the DRP Guide and forms to apply for, vary or cancel participation in the DRP are also available on the Company's website, <https://investors.arn.com.au/dividend-reinvestment-plan>

### Investor information

The Annual Report is the most comprehensive publication with information for investors. Copies of the 2023 Annual Report may be obtained by contacting the Share Registry or on the Company's website, <https://investors.arn.com.au/>. Other financial and relevant information, including press releases on financial results and Chairman's addresses, are available from the corporate office in Sydney, or at the Company's website, <https://investors.arn.com.au/>.

# Corporate Directory

## ARN Media Limited

ABN 95 008 637 643

### Directors

Hamish McLennan (Chairman)  
Ciaran Davis (CEO & Managing Director)  
Alison Cameron  
Paul Connolly  
Brent Cubis  
Belinda Rowe

### Company secretary

Jeremy Child

### Registered office

3 Byfield St, Macquarie Park  
Sydney NSW 2113

Telephone: +61 2 8899 9900

### Share registry

Link Market Services Limited  
Level 12, 680 George Street  
SYDNEY NSW 2000

Locked Bag A14  
SYDNEY SOUTH NSW 1235

Telephone: +61 1300 553 550

Fax: +61 2 9287 0303

Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)

Website: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

### Auditors

PricewaterhouseCoopers  
One International Towers Sydney  
Watermans Quay  
BARANGAROO NSW 2000

### Principal bankers

Commonwealth Bank of Australia  
HSBC  
National Australia Bank  
Westpac Banking Corporation

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## Annual General Meeting

Notice is given that the Annual General Meeting (AGM) of ARN Media Limited will be held on Tuesday 14 May 2024 commencing at 9:00am.

Prior to the AGM, the Company will publish a virtual meeting guide on the ASX and the Company's website at <https://investors.arn.com.au/> outlining how Shareholders will be able to participate in the AGM.

# RADIO 360: SYDNEY - TOTAL RADIO - SURVEY 1 2026

## SHARE %

By Demographic, Mon-Sun 5.30am-12midnight

Station	People 10+			People 10-17			People 18-24			People 25-39			People 40-54			People 55-64			People 65+		
	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-
SEN 1170am	1.2	1.3	-0.1	2.7	1.7	1.0	0.5	3.6	-3.1	0.3	0.4	-0.1	1.3	1.3	0.0	0.7	1.5	-0.8	1.6	1.1	0.5
2GB	12.2	11.2	1.0	4.5	2.8	1.7	3.6	3.0	0.6	4.2	2.5	1.7	5.5	4.9	0.6	18.7	14.7	4.0	25.8	25.2	0.6
2UE 954	2.7	4.1	-1.4	0.7	1.0	-0.3	1.1	0.8	0.3	0.8	1.4	-0.6	0.9	0.5	0.4	2.6	2.0	0.6	6.8	11.6	-4.8
SKY Sports Radio	1.4	1.7	-0.3	0.6	0.6	0.0	1.0	1.5	-0.5	0.5	0.7	-0.2	0.9	1.5	-0.6	3.5	2.4	1.1	1.9	2.7	-0.8
104.1 2DAY FM	4.4	3.7	0.7	6.2	5.0	1.2	9.8	6.2	3.6	5.7	5.7	0.0	4.4	2.9	1.5	4.4	5.2	-0.8	0.8	0.8	0.0
KIIS1065	9.0	9.5	-0.5	18.3	14.1	4.2	14.0	19.1	-5.1	13.0	15.3	-2.3	10.9	11.1	-0.2	6.1	6.3	-0.2	1.4	1.8	-0.4
104.9 TRIPLE M	5.1	4.5	0.6	7.0	7.5	-0.5	6.8	4.8	2.0	5.7	5.0	0.7	6.2	6.8	-0.6	7.4	6.5	0.9	1.1	0.4	0.7
NOVA96.9	7.7	7.8	-0.1	12.6	15.6	-3.0	16.3	14.7	1.6	13.9	13.5	0.4	7.2	9.1	-1.9	4.1	3.2	0.9	0.7	0.8	-0.1
smoothfm 95.3	13.5	13.0	0.5	11.9	15.3	-3.4	13.9	10.3	3.6	11.5	12.4	-0.9	14.3	16.0	-1.7	16.0	12.3	3.7	13.3	11.8	1.5
GOLD101.7	7.5	9.1	-1.6	2.9	3.0	-0.1	5.1	5.5	-0.4	3.9	6.4	-2.5	11.1	11.0	0.1	10.7	16.5	-5.8	7.6	8.8	-1.2
ABC SYD	5.1	5.5	-0.4	1.2	2.6	-1.4	1.4	2.0	-0.6	1.9	1.2	0.7	1.8	3.2	-1.4	5.5	6.7	-1.2	12.7	11.7	1.0
2RN	1.2	1.1	0.1	0.4	*	*	0.3	0.3	0.0	1.3	0.2	1.1	0.4	0.5	-0.1	0.1	1.0	-0.9	3.0	2.6	0.4
ABC NEWSRADIO	2.0	1.8	0.2	1.7	0.8	0.9	1.6	2.2	-0.6	1.4	1.5	-0.1	2.5	2.2	0.3	1.5	1.8	-0.3	2.6	1.9	0.7
2JJJ	4.0	2.4	1.6	7.5	3.3	4.2	2.7	3.1	-0.4	9.5	5.1	4.4	4.3	2.7	1.6	1.1	0.8	0.3	0.3	0.7	-0.4
ABC CLASSIC	3.5	3.3	0.2	1.0	1.9	-0.9	0.8	0.9	-0.1	3.2	3.5	-0.3	1.3	1.3	0.0	2.7	2.7	0.0	8.0	5.9	2.1

By Session, P10+

Station	Mon-Fri			Breakfast			Morning			Afternoon			Drive			Evening			Weekend		
	Mon-Fri 5:30am-12mn			Mon-Fri 5:30am-9:00am			Mon-Fri 9:00am-12:00md			Mon-Fri 12:00md-4:00pm			Mon-Fri 4:00pm-7:00pm			Mon-Fri 7:00pm-12:00mn			Sat-Sun 5:30am-12mn		
	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-
SEN 1170am	1.3	1.5	-0.2	0.9	1.1	-0.2	1.3	1.8	-0.5	1.8	1.8	0.0	1.5	1.9	-0.4	0.8	0.4	0.4	0.8	0.7	0.1
2GB	12.7	11.4	1.3	16.6	14.9	1.7	14.1	13.0	1.1	9.1	8.4	0.7	6.4	5.8	0.6	15.5	13.6	1.9	10.9	10.6	0.3
2UE 954	2.5	3.8	-1.3	1.5	3.0	-1.5	2.4	3.9	-1.5	4.0	4.5	-0.5	2.1	3.8	-1.7	1.9	4.7	-2.8	3.3	4.8	-1.5
SKY Sports Radio	1.2	1.5	-0.3	2.0	2.9	-0.9	0.7	0.6	0.1	0.9	0.9	0.0	1.1	1.1	0.0	1.2	1.7	-0.5	2.1	2.5	-0.4
104.1 2DAY FM	4.5	3.6	0.9	3.6	2.9	0.7	4.2	3.5	0.7	4.3	4.2	0.1	6.1	4.4	1.7	6.3	3.1	3.2	4.0	4.0	0.0
KIIS1065	9.6	10.2	-0.6	12.7	12.7	0.0	9.2	10.1	-0.9	7.3	8.8	-1.5	8.7	9.4	-0.7	7.9	6.6	1.3	7.3	7.5	-0.2
104.9 TRIPLE M	5.3	4.7	0.6	5.0	4.0	1.0	4.8	3.8	1.0	5.4	5.7	-0.3	6.1	5.5	0.6	5.7	4.6	1.1	4.6	4.2	0.4
NOVA96.9	7.7	8.0	-0.3	8.4	7.9	0.5	6.6	7.4	-0.8	7.0	8.1	-1.1	10.2	10.5	-0.3	5.9	5.4	0.5	7.6	7.2	0.4
smoothfm 95.3	12.9	12.6	0.3	10.1	10.1	0.0	16.2	15.0	1.2	14.7	13.3	1.4	11.7	12.7	-1.0	10.3	12.7	-2.4	15.3	14.3	1.0
GOLD101.7	7.7	9.6	-1.9	6.1	9.7	-3.6	7.5	10.5	-3.0	10.1	10.7	-0.6	8.4	8.4	0.0	5.3	5.9	-0.6	6.8	7.5	-0.7
ABC SYD	5.4	5.7	-0.3	7.1	7.7	-0.6	5.5	5.2	0.3	4.0	4.4	-0.4	3.9	4.8	-0.9	5.4	5.8	-0.4	4.4	5.0	-0.6
2RN	1.2	1.0	0.2	1.5	1.5	0.0	1.0	0.4	0.6	0.9	0.4	0.5	1.4	1.6	-0.2	1.5	1.7	-0.2	1.1	1.2	-0.1
ABC NEWSRADIO	1.9	1.8	0.1	3.4	2.8	0.6	1.0	0.7	0.3	1.1	1.1	0.0	1.5	1.2	0.3	2.1	4.5	-2.4	2.3	1.8	0.5
2JJJ	3.5	2.4	1.1	3.4	2.6	0.8	2.5	2.4	0.1	3.6	2.4	1.2	4.6	2.6	2.0	4.2	1.9	2.3	5.5	2.3	3.2
ABC CLASSIC	3.4	3.0	0.4	2.0	2.3	-0.3	3.5	3.1	0.4	4.2	3.3	0.9	4.4	3.1	1.3	4.1	4.7	-0.6	3.9	4.1	-0.2

# RADIO 360: SYDNEY - TOTAL RADIO - SURVEY 1 2026 CUMULATIVE AUDIENCE (000's)

By Demographic, Mon-Sun 5.30am-12midnight

Station	People 10+			People 10-17			People 18-24			People 25-39			People 40-54			People 55-64			People 65+		
	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-
SEN 1170am	106	114	-8	16	15	1	11	15	-4	31	24	7	11	15	-4	14	17	-3	23	28	-5
2GB	664	638	26	38	49	-11	68	54	14	95	83	12	109	108	1	102	101	1	252	243	9
2UE 954	269	331	-62	29	29	0	22	28	-6	28	64	-36	41	39	2	27	33	-6	121	139	-18
SKY Sports Radio	180	188	-8	22	23	-1	18	17	1	54	59	-5	33	34	-1	23	19	4	29	38	-9
104.1 2DAY FM	742	688	54	116	106	10	102	94	8	254	244	10	173	127	46	63	62	1	34	55	-21
KIIS1065	1,110	1,138	-28	203	172	31	144	164	-20	362	429	-67	268	225	43	84	85	-1	49	65	-16
104.9 TRIPLE M	729	658	71	117	96	21	90	63	27	245	198	47	157	177	-20	77	89	-12	44	35	9
NOVA96.9	1,283	1,142	141	203	204	-1	202	179	23	530	459	71	246	215	31	64	52	12	38	33	5
smoothfm 95.3	1,392	1,363	29	153	180	-27	150	110	40	349	361	-12	319	322	-3	187	156	31	235	234	1
GOLD101.7	783	801	-18	59	52	7	71	63	8	137	149	-12	207	208	-1	151	158	-7	159	170	-11
ABC SYD	502	482	20	19	24	-5	21	30	-9	90	71	19	91	79	12	66	101	-35	215	178	37
2RN	150	155	-5	11	3	8	2	12	-10	38	28	10	25	34	-9	7	20	-13	67	59	8
ABC NEWSRADIO	358	310	48	35	24	11	32	29	3	88	91	-3	90	52	38	39	38	1	74	77	-3
2JJJ	556	493	63	84	59	25	47	56	-9	280	228	52	103	106	-3	28	24	4	13	20	-7
ABC CLASSIC	286	273	13	32	24	8	17	19	-2	60	59	1	52	44	8	39	33	6	87	94	-7
<b>Total</b>	<b>4,676</b>	<b>4,585</b>	<b>91</b>	<b>520</b>	<b>504</b>	<b>16</b>	<b>447</b>	<b>454</b>	<b>-7</b>	<b>1,270</b>	<b>1,240</b>	<b>30</b>	<b>1,065</b>	<b>1,032</b>	<b>33</b>	<b>585</b>	<b>569</b>	<b>16</b>	<b>788</b>	<b>785</b>	<b>3</b>

By Session, P10+ [Potential: 5003]

Station	Mon-Fri			Breakfast			Morning			Afternoon			Drive			Evening			Weekend		
	Mon-Fri 5:30am-12mn			Mon-Fri 5:30am-9:00am			Mon-Fri 9:00am-12:00md			Mon-Fri 12:00md-4:00pm			Mon-Fri 4:00pm-7:00pm			Mon-Fri 7:00pm-12:00mn			Sat-Sun 5:30am-12mn		
	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-
SEN 1170am	92	98	-6	50	45	5	40	42	-2	33	40	-7	28	32	-4	10	14	-4	45	45	0
2GB	595	581	14	460	453	7	381	293	88	255	233	22	209	188	21	156	133	23	431	379	52
2UE 954	204	283	-79	79	119	-40	102	130	-28	119	163	-44	62	107	-45	31	55	-24	158	183	-25
SKY Sports Radio	135	156	-21	75	83	-8	38	56	-18	41	64	-23	26	32	-6	25	27	-2	94	108	-14
104.1 2DAY FM	647	586	61	301	287	14	264	202	62	285	235	50	268	257	11	146	107	39	349	355	-6
KIIS1065	1,011	1,055	-44	636	696	-60	464	444	20	421	411	10	403	429	-26	192	171	21	565	560	5
104.9 TRIPLE M	657	570	87	356	294	62	252	199	53	280	283	-3	278	232	46	131	92	39	327	351	-24
NOVA96.9	1,111	1,026	85	650	637	13	417	401	16	466	431	35	423	438	-15	176	176	0	727	637	90
smoothfm 95.3	1,182	1,206	-24	663	648	15	580	598	-18	562	572	-10	482	485	-3	242	277	-35	931	816	115
GOLD101.7	706	724	-18	371	445	-74	345	384	-39	395	409	-14	304	334	-30	147	151	-4	433	468	-35
ABC SYD	442	414	28	311	296	15	233	222	11	193	186	7	153	188	-35	70	88	-18	282	296	-14
2RN	127	129	-2	77	68	9	68	37	31	58	52	6	58	43	15	31	22	9	85	75	10
ABC NEWSRADIO	296	280	16	204	203	1	91	71	20	75	70	5	71	60	11	59	46	13	203	139	64
2JJJ	461	425	36	271	215	56	174	153	21	198	190	8	200	167	33	96	65	31	328	222	106
ABC CLASSIC	253	237	16	124	124	0	120	125	-5	117	119	-2	119	98	21	65	78	-13	168	173	-5
<b>Total</b>	<b>4,498</b>	<b>4,427</b>	<b>71</b>	<b>3,532</b>	<b>3,587</b>	<b>-55</b>	<b>2,988</b>	<b>2,788</b>	<b>200</b>	<b>2,898</b>	<b>2,835</b>	<b>63</b>	<b>2,698</b>	<b>2,721</b>	<b>-23</b>	<b>1,493</b>	<b>1,482</b>	<b>11</b>	<b>3,879</b>	<b>3,709</b>	<b>170</b>

# RADIO 360: SYDNEY - TOTAL RADIO - SURVEY 1 2026 AVERAGE AUDIENCE (000's)

By Demographic, Mon-Sun 5.30am-12midnight (Ave Qtr Hr Audience)

Station	People 10+			People 10-17			People 18-24			People 25-39			People 40-54			People 55-64			People 65+		
	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-
SEN 1170am	5	6	-1	1	1	0	*	1	*	*	*	*	1	1	0	1	1	0	2	1	1
2GB	57	53	4	2	1	1	1	1	0	4	2	2	6	4	2	13	11	2	31	33	-2
2UE 954	12	19	-7	*	*	*	*	*	*	1	1	0	1	*	*	2	1	1	8	15	-7
SKY Sports Radio	7	8	-1	*	*	*	*	1	*	*	1	*	1	1	0	2	2	0	2	4	-2
104.1 2DAY FM	20	17	3	3	2	1	4	2	2	5	5	0	4	3	1	3	4	-1	1	1	0
KIIS1065	42	45	-3	7	6	1	6	7	-1	12	14	-2	11	10	1	4	5	-1	2	2	0
104.9 TRIPLE M	24	21	3	3	3	0	3	2	1	5	5	0	6	6	0	5	5	0	1	1	0
NOVA96.9	36	37	-1	5	7	-2	6	6	0	13	13	0	7	8	-1	3	2	1	1	1	0
smoothfm 95.3	63	62	1	5	7	-2	5	4	1	11	12	-1	14	15	-1	11	9	2	16	16	0
GOLD101.7	35	43	-8	1	1	0	2	2	0	4	6	-2	11	10	1	8	12	-4	9	12	-3
ABC SYD	24	26	-2	*	1	*	1	1	0	2	1	1	2	3	-1	4	5	-1	15	15	0
2RN	6	5	1	*	*	*	*	*	*	1	*	*	*	*	*	*	1	*	4	3	1
ABC NEWSRADIO	9	8	1	1	*	*	1	1	0	1	1	0	2	2	0	1	1	0	3	3	0
2JJJ	18	11	7	3	1	2	1	1	0	9	5	4	4	2	2	1	1	0	*	1	*
ABC CLASSIC	16	16	0	*	1	*	*	*	*	3	3	0	1	1	0	2	2	0	10	8	2
<b>Total</b>	<b>465</b>	<b>474</b>	<b>-9</b>	<b>40</b>	<b>44</b>	<b>-4</b>	<b>40</b>	<b>39</b>	<b>1</b>	<b>93</b>	<b>94</b>	<b>-1</b>	<b>101</b>	<b>92</b>	<b>9</b>	<b>71</b>	<b>74</b>	<b>-3</b>	<b>120</b>	<b>131</b>	<b>-11</b>

By Session, P10+ [Potential: 5003]

Station	Mon-Fri Mon-Fri 5:30am-12mn			Breakfast Mon-Fri 5:30am-9:00am			Morning Mon-Fri 9:00am-12:00md			Afternoon Mon-Fri 12:00md-4:00pm			Drive Mon-Fri 4:00pm-7:00pm			Evening Mon-Fri 7:00pm-12:00mn			Weekend Sat-Sun 5:30am-12mn		
	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-
SEN 1170am	6	7	-1	7	8	-1	10	13	-3	10	10	0	6	9	-3	1	1	0	3	3	0
2GB	62	58	4	129	118	11	104	93	11	51	49	2	27	26	1	22	20	2	44	42	2
2UE 954	12	19	-7	11	23	-12	18	28	-10	22	26	-4	9	17	-8	3	7	-4	13	19	-6
SKY Sports Radio	6	8	-2	15	23	-8	5	5	0	5	5	0	5	5	0	2	2	0	8	10	-2
104.1 2DAY FM	22	18	4	28	23	5	31	25	6	24	24	0	25	20	5	9	5	4	16	16	0
KIIS1065	47	51	-4	98	100	-2	68	73	-5	41	51	-10	36	42	-6	11	10	1	29	30	-1
104.9 TRIPLE M	26	23	3	39	31	8	35	28	7	30	33	-3	26	25	1	8	7	1	18	17	1
NOVA96.9	38	40	-2	65	62	3	49	53	-4	39	47	-8	42	47	-5	8	8	0	30	29	1
smoothfm 95.3	64	64	0	78	80	-2	119	108	11	82	77	5	49	57	-8	14	18	-4	61	57	4
GOLD101.7	38	49	-11	47	76	-29	55	75	-20	56	62	-6	35	38	-3	7	9	-2	27	30	-3
ABC SYD	26	29	-3	55	61	-6	40	37	3	22	25	-3	16	21	-5	7	8	-1	18	20	-2
2RN	6	5	1	12	12	0	8	3	5	5	3	2	6	7	-1	2	2	0	4	5	-1
ABC NEWSRADIO	9	9	0	26	22	4	7	5	2	6	6	0	6	5	1	3	7	-4	9	7	2
2JJJ	17	12	5	26	20	6	19	17	2	20	14	6	19	12	7	6	3	3	22	9	13
ABC CLASSIC	17	15	2	16	18	-2	26	22	4	23	19	4	18	14	4	6	7	-1	16	16	0
<b>Total</b>	<b>491</b>	<b>504</b>	<b>-13</b>	<b>773</b>	<b>788</b>	<b>-15</b>	<b>735</b>	<b>718</b>	<b>17</b>	<b>557</b>	<b>584</b>	<b>-27</b>	<b>417</b>	<b>449</b>	<b>-32</b>	<b>139</b>	<b>146</b>	<b>-7</b>	<b>401</b>	<b>398</b>	<b>3</b>

# RADIO 360: SYDNEY - TOTAL RADIO - SURVEY 1 2026 DAB+ STATIONS ONLY - CUMULATIVE AUDIENCE (000'S)

Cumulative Audience (000's) by Demographic, Mon-Sun 5.30am-12midnight

Station	People 10+			People 10-17			People 18-24			People 25-39			People 40-54			People 55-64			People 65+		
	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-
BLENDER BEATS	39	26	13	16	1	15	8	7	1	5	5	0	5	10	-5	5	4	1	*	*	*
CADA	158	151	7	25	17	8	19	20	-1	70	82	-12	38	23	15	4	10	-6	2	*	*
Chemist Warehouse Remix	21	37	-16	1	8	-7	11	2	9	4	19	-15	6	8	-2	*	*	*	*	*	*
Coles Radio	119	116	3	25	13	12	6	14	-8	31	43	-12	32	20	12	13	17	-4	11	9	2
DANCE HITS	118	117	1	25	29	-4	21	14	7	33	41	-8	33	29	4	6	4	2	*	*	*
GOLD 80s	72	84	-12	13	2	11	12	8	4	21	28	-7	12	27	-15	11	6	5	2	13	-11
HEART	71	n.a.	*	15	n.a.	*	6	n.a.	*	29	n.a.	*	7	n.a.	*	12	n.a.	*	4	n.a.	*
HEART HITS	43	n.a.	*	11	n.a.	*	6	n.a.	*	25	n.a.	*	1	n.a.	*	*	n.a.	*	*	n.a.	*
iHeartCountry	75	36	39	18	5	13	12	2	10	40	17	23	3	4	-1	1	3	-2	*	4	*
KIIS 90s	123	113	10	17	23	-6	14	17	-3	48	46	2	30	19	11	5	5	0	9	3	6
KIIS Australia	119	135	-16	25	29	-4	21	35	-14	41	48	-7	23	16	7	4	5	-1	4	2	2
MMM 2000s	26	47	-21	5	14	-9	*	7	*	15	16	-1	6	9	-3	*	2	*	*	*	*
MMM 80s	63	50	13	*	7	*	7	4	3	34	19	15	13	10	3	6	9	-3	4	*	*
MMM 90s	75	93	-18	4	11	-7	7	15	-8	39	36	3	15	25	-10	3	5	-2	7	1	6
MMM CLASSIC ROCK	56	52	4	*	10	*	11	7	4	20	16	4	19	8	11	7	5	2	*	7	*
MMM COUNTRY	29	31	-2	1	8	-7	2	4	-2	9	6	3	12	12	0	4	2	2	*	*	*
Nova Nation	85	60	25	14	14	0	8	5	3	38	29	9	10	1	9	7	7	0	7	3	4
OLDSKOOL 80s HITS	68	35	33	17	1	16	3	2	1	16	8	8	22	17	5	9	4	5	2	2	0
OLDSKOOL 90s HITS	61	51	10	18	5	13	3	3	0	6	14	-8	32	23	9	2	3	-1	*	3	*
Priceline Radio	7	*	*	3	*	*	3	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Radio Maria	11	7	4	1	3	-2	*	2	*	5	2	3	*	*	*	*	*	*	4	*	*
Radio Maria Ital	2	8	-6	*	1	*	*	*	*	2	4	-2	*	*	*	*	3	*	*	*	*
RnB FRIDAYS RADIO	84	57	27	18	8	10	2	10	-8	18	21	-3	41	18	23	5	*	*	*	*	*
Sky News Radio	46	39	7	9	7	2	3	*	*	25	13	12	*	17	*	*	*	*	9	2	7
smooth relax	99	118	-19	16	27	-11	8	19	-11	11	9	2	22	14	8	17	17	0	24	31	-7
smooth Vintage	33	21	12	*	1	*	2	3	-1	7	2	5	8	9	-1	2	3	-1	14	3	11
TikTok Trending	104	95	9	32	23	9	18	23	-5	46	37	9	9	13	-4	*	*	*	*	*	*
triple j Unearthed	51	52	-1	12	10	2	4	9	-5	24	14	10	9	11	-2	1	7	-6	1	1	0
ABC Country	52	36	16	7	*	*	5	*	*	21	15	6	2	3	-1	13	11	2	4	8	-4
ABC Jazz	112	83	29	10	9	1	9	9	0	42	25	17	8	9	-1	17	14	3	25	16	9
ABC KIDS LISTEN	62	49	13	26	20	6	3	*	*	15	15	0	11	11	0	2	3	-1	5	*	*
ABC Sport	72	94	-22	4	11	-7	2	2	0	39	43	-4	14	12	2	3	7	-4	11	19	-8
Double J	71	64	7	11	9	2	*	4	*	27	17	10	24	28	-4	7	*	*	3	6	-3
Total Digital/Internet Only	1,299	1,227	72	197	173	24	143	153	-10	420	416	4	300	256	44	133	116	17	106	113	-7

Please note: HEART and HEART HITS included from January 18.

**RADIO 360: SYDNEY - TOTAL RADIO - SURVEY 1 2026  
DAB+ STATIONS ONLY - CUMULATIVE AUDIENCE (000'S)**

By Session, P10+ [Potential: 5003]

Station	Mon-Fri Mon-Fri 5:30am-12mn			Breakfast Mon-Fri 5:30am-9:00am			Morning Mon-Fri 9:00am-12:00md			Afternoon Mon-Fri 12:00md-4:00pm			Drive Mon-Fri 4:00pm-7:00pm			Evening Mon-Fri 7:00pm-12:00mn			Weekend Sat-Sun 5:30am-12mn		
	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-	This	Last	+/-
BLENDER BEATS	35	23	12	20	13	7	22	12	10	23	15	8	14	11	3	4	2	2	19	14	5
CADA	144	132	12	68	61	7	48	59	-11	48	74	-26	56	49	7	19	29	-10	73	83	-10
Chemist Warehouse Remix	14	32	-18	6	11	-5	5	13	-8	5	7	-2	4	6	-2	*	8	*	12	7	5
Coles Radio	97	78	19	24	18	6	40	29	11	41	41	0	28	23	5	23	18	5	53	56	-3
DANCE HITS	99	104	-5	40	42	-2	41	39	2	28	41	-13	45	33	12	24	19	5	61	49	12
GOLD 80s	62	66	-4	29	33	-4	15	21	-6	26	36	-10	15	28	-13	11	21	-10	19	49	-30
HEART	67	n.a.	*	27	n.a.	*	22	n.a.	*	22	n.a.	*	25	n.a.	*	21	n.a.	*	41	n.a.	*
HEART HITS	35	n.a.	*	11	n.a.	*	6	n.a.	*	12	n.a.	*	15	n.a.	*	6	n.a.	*	12	n.a.	*
iHeartCountry	60	33	27	23	13	10	12	7	5	22	19	3	7	20	-13	13	7	6	41	15	26
KIIS 90s	108	100	8	43	30	13	39	38	1	58	33	25	23	30	-7	9	15	-6	39	26	13
KIIS Australia	101	117	-16	41	71	-30	37	32	5	42	39	3	36	28	8	17	11	6	61	56	5
MMM 2000s	22	37	-15	12	11	1	9	13	-4	5	5	0	2	15	-13	*	7	*	7	23	-16
MMM 80s	62	38	24	18	13	5	31	17	14	38	17	21	27	17	10	13	6	7	18	17	1
MMM 90s	67	77	-10	24	27	-3	18	23	-5	35	40	-5	30	23	7	16	18	-2	27	48	-21
MMM CLASSIC ROCK	50	48	2	19	10	9	16	17	-1	24	18	6	18	19	-1	11	11	0	23	21	2
MMM COUNTRY	28	19	9	13	5	8	12	10	2	14	13	1	14	13	1	2	5	-3	15	20	-5
Nova Nation	77	51	26	21	20	1	15	22	-7	53	30	23	30	13	17	10	4	6	21	29	-8
OLDSKOOL 80s HITS	56	28	28	25	4	21	20	11	9	29	14	15	14	9	5	7	5	2	27	11	16
OLDSKOOL 90s HITS	47	41	6	26	16	10	24	19	5	26	25	1	14	13	1	7	5	2	30	16	14
Priceline Radio	3	*	*	*	*	*	*	*	*	2	*	*	1	*	*	*	*	*	6	*	*
Radio Maria	9	5	4	2	2	0	2	*	*	2	4	-2	7	*	*	*	1	*	9	2	7
Radio Maria Ital	*	5	*	*	1	*	*	*	*	*	5	*	*	*	*	*	*	*	2	4	-2
RnB FRIDAYS RADIO	71	53	18	36	27	9	18	14	4	44	37	7	30	28	2	9	10	-1	43	26	17
Sky News Radio	37	32	5	21	24	-3	6	4	2	14	11	3	8	8	0	3	4	-1	25	19	6
smooth relax	84	108	-24	20	42	-22	30	35	-5	32	52	-20	20	42	-22	16	26	-10	43	50	-7
smooth Vintage	28	19	9	8	1	7	5	3	2	9	11	-2	13	5	8	6	4	2	12	5	7
TikTok Trending	95	81	14	35	40	-5	28	22	6	35	26	9	32	32	0	30	12	18	43	49	-6
triple j Unearthed	41	40	1	25	11	14	18	10	8	10	5	5	13	9	4	7	14	-7	19	22	-3
ABC Country	48	31	17	19	14	5	27	8	19	15	11	4	16	14	2	13	2	11	29	24	5
ABC Jazz	95	68	27	21	19	2	25	33	-8	30	28	2	33	29	4	30	17	13	40	47	-7
ABC KIDS LISTEN	59	45	14	22	20	2	27	7	20	18	15	3	20	9	11	9	13	-4	18	18	0
ABC Sport	53	72	-19	17	6	11	26	14	12	18	38	-20	12	23	-11	18	21	-3	43	55	-12
Double J	68	57	11	30	13	17	26	18	8	30	24	6	26	28	-2	20	15	5	30	34	-4
<b>Total Digital/Internet Only</b>	<b>1,176</b>	<b>1,075</b>	<b>101</b>	<b>595</b>	<b>516</b>	<b>79</b>	<b>575</b>	<b>481</b>	<b>94</b>	<b>607</b>	<b>578</b>	<b>29</b>	<b>559</b>	<b>507</b>	<b>52</b>	<b>324</b>	<b>314</b>	<b>10</b>	<b>807</b>	<b>765</b>	<b>42</b>

Please note: HEART and HEART HITS included from January 18.

# RADIO 360: SYDNEY - BY RADIO TYPE - SURVEY 1 2026 SHARE %

By Demographic, Mon-Sun 5.30am-12midnight

Station	People 10+			People 10-17			People 18-24			People 25-39			People 40-54			People 55-64			People 65+		
	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming
SEN 1170am	1.2	1.3	1.0	2.7	2.5	5.8	0.5	0.6	0.2	0.3	0.4	0.3	1.3	1.6	*	0.7	0.9	0.2	1.6	1.8	1.5
2GB	12.2	12.5	21.6	4.5	4.1	9.2	3.6	3.4	9.4	4.2	4.1	7.0	5.5	5.0	17.2	18.7	18.0	41.9	25.8	28.5	31.1
2UE 954	2.7	3.0	2.4	0.7	0.7	1.0	1.1	1.2	1.0	0.8	0.8	1.5	0.9	0.9	1.1	2.6	3.4	0.7	6.8	7.5	8.0
SKY Sports Radio	1.4	n.a.	n.a.	0.6	n.a.	n.a.	1.0	n.a.	n.a.	0.5	n.a.	n.a.	0.9	n.a.	n.a.	3.5	n.a.	n.a.	1.9	n.a.	n.a.
104.1 2DAY FM	4.4	5.2	1.1	6.2	7.4	1.0	9.8	11.6	1.6	5.7	6.4	2.3	4.4	5.3	0.4	4.4	5.8	1.2	0.8	1.0	*
KIIS1065	9.0	10.1	7.9	18.3	20.2	13.8	14.0	15.7	12.1	13.0	14.3	8.1	10.9	12.3	8.9	6.1	6.7	8.9	1.4	1.6	0.3
104.9 TRIPLE M	5.1	5.9	2.8	7.0	8.0	2.9	6.8	7.7	4.9	5.7	6.2	3.7	6.2	7.1	3.7	7.4	9.7	2.1	1.1	1.2	1.0
NOVA96.9	7.7	8.9	3.5	12.6	14.3	6.7	16.3	19.0	6.3	13.9	15.5	6.8	7.2	8.5	2.8	4.1	5.4	1.2	0.7	0.8	0.3
smoothfm 95.3	13.5	15.3	10.2	11.9	13.0	9.9	13.9	15.1	16.7	11.5	12.4	9.1	14.3	16.4	9.3	16.0	19.3	13.7	13.3	15.5	6.4
GOLD101.7	7.5	8.6	4.8	2.9	3.1	2.7	5.1	5.8	3.4	3.9	4.4	1.0	11.1	12.6	8.8	10.7	13.2	7.7	7.6	8.8	3.2
ABC SYD	5.1	5.2	9.3	1.2	0.5	6.3	1.4	1.6	0.4	1.9	1.1	10.5	1.8	1.8	3.8	5.5	5.8	9.5	12.7	13.8	19.2
2RN	1.2	1.2	2.6	0.4	0.2	1.6	0.3	0.3	*	1.3	1.3	2.3	0.4	0.4	1.0	0.1	0.1	0.3	3.0	2.9	9.0
ABC NEWSRADIO	2.0	2.1	3.1	1.7	1.8	2.1	1.6	1.7	2.1	1.4	1.2	3.7	2.5	2.4	5.6	1.5	1.6	2.2	2.6	3.0	1.9
2JJJ	4.0	4.1	6.6	7.5	7.6	10.7	2.7	2.7	5.5	9.5	9.6	13.8	4.3	4.4	7.7	1.1	1.0	2.2	0.3	0.3	0.4
ABC CLASSIC	3.5	3.8	4.5	1.0	1.1	1.4	0.8	0.4	6.1	3.2	3.2	5.1	1.3	1.2	3.3	2.7	2.9	4.0	8.0	9.0	6.8
Commercial DAB+ Stns	9.6	10.3	12.2	13.4	13.4	19.3	11.5	11.5	24.6	14.9	15.2	18.7	16.0	17.9	14.6	3.8	4.6	3.6	1.7	1.7	3.6
ABC DAB+ Stns	2.6	2.5	6.2	2.4	2.1	5.6	1.8	1.7	5.7	3.9	3.9	6.2	2.7	2.1	11.7	1.3	1.7	0.7	2.6	2.5	7.3
Total DAB+ Stns	13.5	12.8	18.5	16.3	15.5	24.9	13.4	13.2	30.3	19.1	19.1	24.9	21.7	20.0	26.2	8.2	6.3	4.3	4.5	4.3	10.9

By Session, P10+

Station	Mon-Fri			Breakfast			Morning			Afternoon			Drive			Evening			Weekend		
	Mon-Fri 5:30am-12mn			Mon-Fri 5:30am-9:00am			Mon-Fri 9:00am-12:00md			Mon-Fri 12:00md-4:00pm			Mon-Fri 4:00pm-7:00pm			Mon-Fri 7:00pm-12:00mn			Sat-Sun 5:30am-12mn		
Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	
SEN 1170am	1.3	1.4	1.2	0.9	1.0	0.9	1.3	1.5	0.9	1.8	2.0	1.9	1.5	1.7	1.0	0.8	0.8	0.7	0.8	0.9	0.7
2GB	12.7	12.8	23.4	16.6	17.0	30.4	14.1	14.6	22.1	9.1	8.7	19.8	6.4	6.4	14.0	15.5	15.0	29.6	10.9	11.6	16.1
2UE 954	2.5	2.7	2.3	1.5	1.6	2.0	2.4	2.7	2.3	4.0	4.5	3.1	2.1	2.3	2.6	1.9	2.3	0.9	3.3	3.7	2.4
SKY Sports Radio	1.2	n.a.	n.a.	2.0	n.a.	n.a.	0.7	n.a.	n.a.	0.9	n.a.	n.a.	1.1	n.a.	n.a.	1.2	n.a.	n.a.	2.1	n.a.	n.a.
104.1 2DAY FM	4.5	5.3	0.9	3.6	4.3	0.7	4.2	5.0	1.1	4.3	5.1	1.0	6.1	7.4	0.5	6.3	7.5	1.5	4.0	4.7	1.4
KIIS1065	9.6	10.6	9.4	12.7	13.8	14.2	9.2	10.1	9.1	7.3	8.0	7.8	8.7	9.9	6.3	7.9	8.9	5.3	7.3	8.6	3.2
104.9 TRIPLE M	5.3	6.1	2.9	5.0	5.8	2.3	4.8	5.5	3.1	5.4	6.1	3.4	6.1	7.1	3.1	5.7	6.6	2.9	4.6	5.4	2.5
NOVA96.9	7.7	8.9	3.9	8.4	9.8	3.0	6.6	7.5	4.3	7.0	8.0	4.5	10.2	11.9	4.7	5.9	6.9	2.0	7.6	9.1	2.5
smoothfm 95.3	12.9	14.6	9.9	10.1	11.6	5.5	16.2	18.3	11.4	14.7	16.4	12.4	11.7	13.2	11.0	10.3	11.3	10.0	15.3	17.6	11.2
GOLD101.7	7.7	8.7	5.1	6.1	7.0	3.2	7.5	8.4	5.5	10.1	11.6	6.1	8.4	9.5	7.0	5.3	6.0	4.0	6.8	8.0	4.1
ABC SYD	5.4	5.4	10.0	7.1	7.4	11.8	5.5	5.4	11.2	4.0	3.8	8.5	3.9	3.9	8.9	5.4	5.6	7.3	4.4	4.6	7.3
2RN	1.2	1.2	2.8	1.5	1.3	5.4	1.0	1.0	2.4	0.9	1.0	1.7	1.4	1.5	2.3	1.5	1.7	0.5	1.1	1.1	2.1
ABC NEWSRADIO	1.9	2.0	3.1	3.4	3.6	5.3	1.0	0.9	2.2	1.1	1.2	1.9	1.5	1.5	3.2	2.1	2.3	2.3	2.3	2.4	3.3
2JJJ	3.5	3.6	5.0	3.4	3.7	3.3	2.5	2.4	5.6	3.6	3.7	5.9	4.6	4.8	7.9	4.2	4.8	2.4	5.5	5.5	11.3
ABC CLASSIC	3.4	3.7	4.0	2.0	2.1	3.3	3.5	3.8	4.2	4.2	4.6	4.2	4.4	4.8	5.2	4.1	4.6	3.4	3.9	4.2	5.7
Commercial DAB+ Stns	9.7	10.6	10.9	7.5	8.3	7.2	9.5	10.5	8.7	11.8	13.0	11.7	10.5	11.1	14.1	11.3	11.0	20.4	9.3	9.5	16.5
ABC DAB+ Stns	2.4	2.4	5.1	1.5	1.7	1.5	2.5	2.3	5.9	2.4	2.2	6.0	3.1	2.9	8.1	4.6	4.7	6.8	3.2	2.9	9.6
Total DAB+ Stns	13.5	12.9	16.0	9.8	10.0	8.7	13.7	12.9	14.6	16.2	15.2	17.7	14.5	14.0	22.2	17.0	15.8	27.2	13.5	12.4	26.1

Interpreting RADIO 360: For People 10+, Mon-Sun 5:30am-12mn, SEN 1170am has a 1.2% share of all listening, 1.3% share of AM/FM/DAB+ listening and 1% share of Streaming listening.

Please note AM/FM/DAB+ and Streaming Share% results exclude in its calculation Other AM, Other FM, Other Digital & stations appearing as n.a. Total Radio Share% is calculated including these station groups.

Note: n.a. indicates instances where the station streaming log data is not provided to GfK for inclusion for this survey.

# RADIO 360: SYDNEY - BY RADIO TYPE - SURVEY 1 2026 CUMULATIVE AUDIENCE (000's)

By Demographic, Mon-Sun 5.30am-12midnight

Station	People 10+			People 10-17			People 18-24			People 25-39			People 40-54			People 55-64			People 65+		
	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming
SEN 1170am	106	101	17	16	16	6	11	11	3	31	28	3	11	11	*	14	11	3	23	23	3
2GB	664	639	164	38	36	5	68	62	22	95	89	20	109	105	28	102	98	39	252	249	49
2UE 954	269	243	72	29	21	10	22	18	4	28	21	13	41	37	14	27	27	5	121	118	26
SKY Sports Radio	180	n.a.	n.a.	22	n.a.	n.a.	18	n.a.	n.a.	54	n.a.	n.a.	33	n.a.	n.a.	23	n.a.	n.a.	29	n.a.	n.a.
104.1 2DAY FM	742	718	81	116	110	9	102	95	19	254	249	29	173	169	13	63	61	10	34	34	*
KIIS1065	1,110	1,051	233	203	186	56	144	139	28	362	341	71	268	260	46	84	78	30	49	46	3
104.9 TRIPLE M	729	691	131	117	108	22	90	84	21	245	238	42	157	144	29	77	74	15	44	44	2
NOVA96.9	1,283	1,224	218	203	199	46	202	190	33	530	500	90	246	236	35	64	64	9	38	36	4
smoothfm 95.3	1,392	1,306	298	153	132	43	150	139	48	349	326	69	319	303	59	187	176	49	235	230	30
GOLD101.7	783	746	129	59	56	12	71	64	14	137	137	11	207	198	53	151	139	28	159	152	11
ABC SYD	502	468	127	19	14	9	21	19	2	90	75	35	91	84	18	66	64	17	215	211	46
2RN	150	127	48	11	7	6	2	2	*	38	29	16	25	21	7	7	7	2	67	62	17
ABC NEWSRADIO	358	316	74	35	30	9	32	27	7	88	79	21	90	81	18	39	32	8	74	67	11
2JJJ	556	486	177	84	63	43	47	40	14	280	254	70	103	93	40	28	23	7	13	13	3
ABC CLASSIC	286	260	77	32	28	10	17	11	13	60	57	19	52	43	12	39	39	5	87	82	17
Commercial DAB+ Stns	1,058	993	338	172	165	73	129	124	43	351	322	121	247	236	64	92	87	25	67	59	12
ABC DAB+ Stns	348	309	132	55	49	21	23	17	12	131	122	47	55	45	29	39	38	9	44	39	15
Total DAB+ Stns	1,299	1,178	426	197	180	81	143	133	53	420	387	144	300	268	91	133	118	30	106	92	27
<b>Total</b>	<b>4,676</b>	<b>4,398</b>	<b>1,363</b>	<b>520</b>	<b>491</b>	<b>194</b>	<b>447</b>	<b>426</b>	<b>149</b>	<b>1,270</b>	<b>1,193</b>	<b>403</b>	<b>1,065</b>	<b>1,001</b>	<b>292</b>	<b>585</b>	<b>548</b>	<b>173</b>	<b>788</b>	<b>739</b>	<b>153</b>

By Session, P10+

Station	Mon-Fri			Breakfast			Morning			Afternoon			Drive			Evening			Weekend		
	Mon-Fri 5:30am-12mn			Mon-Fri 5:30am-9:00am			Mon-Fri 9:00am-12:00md			Mon-Fri 12:00md-4:00pm			Mon-Fri 4:00pm-7:00pm			Mon-Fri 7:00pm-12:00mn			Sat-Sun 5:30am-12mn		
	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming	Total Radio	AM/FM/DAB+	Streaming
SEN 1170am	92	87	15	50	49	3	40	37	5	33	30	10	28	27	5	10	7	3	45	45	3
2GB	595	556	154	460	415	87	381	351	61	255	239	61	209	170	59	156	113	45	431	399	93
2UE 954	204	185	58	79	77	12	102	93	22	119	101	30	62	61	11	31	29	4	158	144	31
SKY Sports Radio	135	n.a.	n.a.	75	n.a.	n.a.	38	n.a.	n.a.	41	n.a.	n.a.	26	n.a.	n.a.	25	n.a.	n.a.	94	n.a.	n.a.
104.1 2DAY FM	647	627	68	301	288	15	264	255	19	285	276	22	268	263	7	146	138	8	349	335	29
KIIS1065	1,011	937	214	636	579	95	464	420	87	421	384	63	403	373	41	192	165	32	565	540	61
104.9 TRIPLE M	657	621	113	356	327	43	252	235	33	280	257	40	278	249	33	131	119	12	327	304	46
NOVA96.9	1,111	1,039	186	650	612	49	417	378	59	466	425	66	423	402	33	176	162	14	727	702	62
smoothfm 95.3	1,182	1,101	240	663	612	76	580	504	108	562	513	96	482	452	56	242	202	43	931	868	143
GOLD101.7	706	670	111	371	349	41	345	320	48	395	364	58	304	287	25	147	133	16	433	413	45
ABC SYD	442	407	105	311	282	42	233	211	37	193	169	40	153	135	32	70	64	10	282	252	58
2RN	127	102	44	77	53	26	68	56	20	58	47	13	58	49	12	31	29	1	85	74	20
ABC NEWSRADIO	296	261	64	204	177	32	91	78	17	75	68	15	71	61	12	59	44	14	203	171	41
2JJJ	461	398	133	271	249	32	174	139	42	198	157	56	200	159	49	96	82	14	328	275	92
ABC CLASSIC	253	223	68	124	102	31	120	105	25	117	100	27	119	110	17	65	47	18	168	141	43
Commercial DAB+ Stns	946	876	290	477	442	81	426	396	87	486	441	108	435	393	81	245	192	76	635	576	162
ABC DAB+ Stns	310	268	112	124	112	17	145	112	51	119	102	35	112	88	43	87	65	30	171	138	67
Total DAB+ Stns	1,176	1,046	369	595	532	98	575	490	129	607	520	140	559	470	122	324	245	100	807	693	226
<b>Total</b>	<b>4,498</b>	<b>4,171</b>	<b>1,246</b>	<b>3,532</b>	<b>3,142</b>	<b>569</b>	<b>2,988</b>	<b>2,599</b>	<b>595</b>	<b>2,898</b>	<b>2,544</b>	<b>577</b>	<b>2,698</b>	<b>2,322</b>	<b>438</b>	<b>1,493</b>	<b>1,200</b>	<b>296</b>	<b>3,879</b>	<b>3,458</b>	<b>784</b>

Interpreting RADIO 360: For People 10+, Mon-Sun 5:30am-12mn, SEN 1170am has 106,000 total listeners, 101,000 AM/FM/DAB+ listeners and 17,000 Streaming listeners. Please note that there can be overlap between radio types.

Note: n.a. indicates instances where the station streaming log data is not provided to GfK for inclusion for this survey.

## Danya Balakrishnan

---

**From:** Kevin Lynch  
**Sent:** Friday, 20 March 2026 6:01 PM  
**To:** Jessup, Nerida; Gonski, Michael  
**Cc:** Joseph El Hagg; Danya Balakrishnan  
**Subject:** RE: Quasar Media Services Pty Ltd and Kyle Sandilands - Commonwealth Broadcasting Corporation Pty Ltd and Australian Radio Network Pty Ltd [HSF-AUS01.FID7054382]  
**Attachments:** 2026.03.20 JWS Ltr to HSKF.pdf; 2026.03.20 Originating app.pdf; 2026.03.20 Concise Statement.pdf

Dear Nerida

Please see attached our letter of today's date.

Regards

### Kevin Lynch

Partner | Johnson Winter Slattery

**D** +61 2 8274 9585  
**M** +61 412 468 174  
**E** [kevin.lynch@jws.com.au](mailto:kevin.lynch@jws.com.au)

[Website](#) | [LinkedIn](#)

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**From:** Jessup, Nerida <[nerida.jessup@hsfkramer.com](mailto:nerida.jessup@hsfkramer.com)>  
**Sent:** Friday, 20 March 2026 5:18 PM  
**To:** Kevin Lynch <[kevin.lynch@jws.com.au](mailto:kevin.lynch@jws.com.au)>; Gonski, Michael <[michael.gonski@hsfkramer.com](mailto:michael.gonski@hsfkramer.com)>  
**Cc:** Joseph El Hagg <[Joseph.ElHagg@jws.com.au](mailto:Joseph.ElHagg@jws.com.au)>; Danya Balakrishnan <[Danya.Balakrishnan@jws.com.au](mailto:Danya.Balakrishnan@jws.com.au)>  
**Subject:** RE: Quasar Media Services Pty Ltd and Kyle Sandilands - Commonwealth Broadcasting Corporation Pty Ltd and Australian Radio Network Pty Ltd [HSF-AUS01.FID7054382]

Dear Kevin

We confirm that we have instructions to accept service.

Kind regards

Nerida

#### Nerida Jessup

Partner  
Herbert Smith Freehills Kramer

T +61 2 9322 4732 M +61 447 975 133  
[www.hsfkramer.com](http://www.hsfkramer.com)

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---

**From:** Kevin Lynch <[kevin.lynch@jws.com.au](mailto:kevin.lynch@jws.com.au)>  
**Sent:** Friday, 20 March 2026 4:55 PM  
**To:** Jessup, Nerida <[nerida.jessup@hsf.com](mailto:nerida.jessup@hsf.com)>; Gonski, Michael <[michael.gonski@hsf.com](mailto:michael.gonski@hsf.com)>  
**Cc:** Joseph El Hagg <[Joseph.ElHagg@jws.com.au](mailto:Joseph.ElHagg@jws.com.au)>; Danya Balakrishnan <[Danya.Balakrishnan@jws.com.au](mailto:Danya.Balakrishnan@jws.com.au)>  
**Subject:** Quasar Media Services Pty Ltd and Kyle Sandilands - Commonwealth Broadcasting Corporation Pty Ltd and Australian Radio Network Pty Ltd

Dear Colleagues

We note that you have not indicated in any open correspondence that HSFK has instructions to accept service.

For completeness, could you provide that confirmation by return.

Regards

## Kevin Lynch

Partner | Johnson Winter Slattery

**D** +61 2 8274 9585  
**M** +61 412 468 174  
**E** [kevin.lynch@jws.com.au](mailto:kevin.lynch@jws.com.au)

[Website](#) | [LinkedIn](#)

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# JOHNSON | WINTER | SLATTERY

**Partner:** Kevin Lynch +61 2 8274 9585  
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**Our Ref:** D8949  
**Doc ID:** 501831678.3

20 March 2026

Michael Gonski and Nerida Jessup  
Partner  
Herbert Smith Freehills Kramer  
Level 34, 161 Castlereagh Street  
Sydney NSW 2000

**BY EMAIL:** [michael.gonski@hsfkramer.com](mailto:michael.gonski@hsfkramer.com)  
[nerida.jessup@hsfkramer.com](mailto:nerida.jessup@hsfkramer.com)

Dear Colleagues

**Kyle Sandilands and Ors v Commonwealth Broadcasting Corporation Pty Ltd Anor  
Federal Court of Australia proceedings**

Please find enclosed, by way of service, the following which were filed in the Federal Court today:

- 1 Originating Application; and
- 2 Concise Statement.

We will provide sealed copies in due course.

Yours faithfully,



Johnson Winter Slattery

Quay Quarter Tower (QQT)  
Level 14, 50 Bridge Street  
SYDNEY NSW 2000  
T +61 2 8274 9555 | F +61 2 8274 9500  
[www.jws.com.au](http://www.jws.com.au)

Liability limited by a scheme approved under Professional Standards Legislation

## Originating application

No. \_\_\_\_\_ of 2026

Federal Court of Australia  
District Registry: New South Wales  
Division: General

**Kyle Dalton Sandilands** and others named in the Schedule

Applicants

**Commonwealth Broadcasting Corporation Pty Ltd** (ACN 000 019 796) and another named in the Schedule

Respondents

To the Respondents

The Applicants applies for the relief set out in this application.

The Court will hear this application, or make orders for the conduct of the proceeding, at the time and place stated below. If you or your lawyer do not attend, then the Court may make orders in your absence.

You must file a notice of address for service (Form 10) in the Registry before attending Court or taking any other steps in the proceeding.

**Time and date for hearing:**

**Place:**

The Court ordered that the time for serving this application be abridged to:

Date:

\_\_\_\_\_  
Signed by an officer acting with the authority  
of the District Registrar

\_\_\_\_\_  
Filed on behalf of (name & role of party) Quasar Media Services Pty Ltd (ACN 672 323 830) as trustee for Quasar Media Services Trust (ABN 27 725 129 318), First Applicant and Kyle Dalton Sandilands, Second Applicant and Quasar Intellectual Property Pty Ltd (ACN 672 558 502), Third Applicant  
Prepared by (name of person/lawyer) Kevin Lynch  
Law firm (if applicable) Johnson Winter Slattery  
Tel +61 2 8274 9555 Fax +61 2 8274 9500  
Email [kevin.lynch@jws.com.au](mailto:kevin.lynch@jws.com.au) and [joseph.elhagg@jws.com.au](mailto:joseph.elhagg@jws.com.au)  
**Address for service** Level 14, 50 Bridge Street, Sydney NSW 2000  
(include state and postcode)

### **Details of claim**

On the grounds stated in the concise statement, the Applicants claim:

1. A declaration pursuant to s 21 of the *Federal Court of Australia Act 1976* (Cth) and all other enabling powers that the notice issued by the First Respondent to the Applicants on 18 March 2026 purporting to terminate the **Broadcast Services Agreement** dated 21 November 2023 between the Applicants and First Respondent (**Purported Notice of Termination**) was invalid and of no effect.
2. Order that the BSA and the Trade Mark Sub-Licence Agreement between the Third Applicant and the First Respondent (**TM Agreement**) be specifically performed.
3. Order pursuant to s 237(1) of schedule 2 of the *Competition and Consumer Act 2010* (Cth) in its application as a law of the Commonwealth (**ACL**) that the Purported Notice of Termination is void and of no effect.
4. Judgments in debt against the First Respondent as follows:
  - a. a judgment in debt in favour of the First Applicant in an amount equal to the amount owed by the First Defendant to the First Applicant under the BSA as at the date of judgment;
  - b. a judgment in debt in favour of the Third Applicant in an amount equal to the amount owed by the First Defendant to the Third Applicant under the TM Agreement as at the date of judgment.
5. Damages, including pursuant to s 236(1) or 237 of the ACL, for economic and non-economic loss.
6. Costs.

### **Claim for interlocutory relief**

The Applicants also claim interlocutory relief.

1. An order that these proceedings be expedited.

### **Applicants' address**

The Applicant's address for service is:

Place: Johnson Winter Slattery, Level 14, 50 Bridge Street, Sydney NSW 2000

Email: kevin.lynch@jws.com.au

The Applicant's address is: 2 McManus Street, McMahan's Point NSW 2060

**Service on the Respondent**

It is intended to serve this application on all Respondents.

Date: 20 March 2026

A handwritten signature in blue ink, appearing to read 'K. Lynch', written over a horizontal dotted line.

Signed by Kevin Lynch  
Solicitor for the Applicants

**Schedule**

No. of 2026

Federal Court of Australia  
District Registry: New South Wales  
Division: General

**Applicants**

Second Applicant: Quasar Media Services Pty Ltd (ACN 672 323 830) <ATF>  
Quasar Media Services Trust  
Third Applicant: Quasar Intellectual Property Pty Ltd

**Respondents**

Second Respondent: Australian Radio Network Pty Ltd (ACN 065 986 987)

Date: 20 March 2026

## Concise Statement

No.            of 2026

Federal Court of Australia  
District Registry: New South Wales  
Division: General

**KYLE DALTON SANDILANDS** and others listed in the Schedule

Applicants

**COMMONWEALTH BROADCASTING CORPORATION PTY LTD (ACN 000 019 796)** and  
another listed in the Schedule

Respondents

### Overview

1. On 18 March 2026 at about 12:03am, the First Respondent (**CBC**) purported to terminate the "**Broadcast Services Agreement**" between it and the Second Applicant (**Quasar**).
2. The First Applicant (**Mr Sandilands**), the Third Applicant (**Quasar IP**) and the Second Respondent (**ARN**) have rights and liabilities connected with the BSA by reason of, respectively, an "**Inducement Agreement**", a "**Trade Mark Sub-Licence Agreement**" and a "**Deed of Guarantee and Indemnity**".
3. The Applicants contend that the purported termination was invalid and of no effect.
4. The purported termination was premised on Mr Sandilands having committed an act of "**serious misconduct**" causing serious and imminent injury to the CBC's business that he was given a reasonable opportunity to remedy. Yet no "**serious misconduct**" within the meaning of the BSA was committed. Further and in any event, Mr Sandilands was denied a reasonable opportunity to remedy the "**serious and imminent injury**" that Mr Sandilands was alleged to have caused (the alleged refusal of his former co-presenter, Jacqueline Henderson, to "**ever present with [Mr Sandilands] again**") because CBC terminated the contract under which Ms Henderson would otherwise have been entitled and obliged to present with Mr Sandilands again (**Ms Henderson's BSA**).

---

Filed on behalf of (name & role of party)	Kyle Dalton Sandilands, First Applicant, Quasar Media Services Pty Ltd (ACN 672 323 830) as trustee for Quasar Media Services Trust (ABN 27 725 129 318), Second Applicant and Quasar Intellectual Property Pty Ltd, Third Applicant		
Prepared by (name of person/lawyer)	Kevin Lynch		
Law firm (if applicable)	Johnson Winter Slattery		
Tel	+61 2 8274 9555	Fax	+61 2 8274 9500
Email	<a href="mailto:kevin.lynch@jws.com.au">kevin.lynch@jws.com.au</a> and <a href="mailto:joseph.elhagg@jws.com.au">joseph.elhagg@jws.com.au</a>		
Address for service (include state and postcode)	Level 14, 50 Bridge Street, Sydney NSW 2000		

---

5. Further or alternative, the Court should declare that the purported termination was invalid because it was purportedly done as part of a course of conduct that was, in all the circumstances, unconscionable within the meaning of s 21(1) of the Australian Consumer Law (in its application as a law of the Commonwealth).
6. Specifically, it was unconscionable in the relevant sense for CBC to, on the one hand, purport to require Quasar and Mr Sandilands to remedy the alleged refusal of Ms Henderson to “*ever present with [Mr Sandilands] again*” but, on the other, make such a remedy impossible or difficult by terminating Ms Henderson’s BSA.

### **The BSA and the TM Agreement**

7. Pursuant to cl 2(a) of the BSA, Quasar was “*engaged*” to provide certain “*Program Services*” including the broadcast expertise of Mr Sandilands in connection with the “*The Kyle and Jackie O Show*” (a breakfast radio program for the radio station known as KIIS FM).
8. That engagement was for a Term of ten calendar years from and including 2025 to and including 2034 (unless varied or the BSA is terminated or otherwise ceases): see BSA cl 5.1 and the definitions of “*Term*”, “*Commencement Date*” and “*Expiry Date*” in cl 1.1.
9. Under the BSA, CBC is required to pay Quasar (amongst other things) a “*Fee*” of \$7.4M per annum (cl 12.1 and Sch 3), a “*CADA Consultancy Fee*” of \$200,000 per annum (cl 12.5 and item 18 of Sch 1), a “*Flight Allowance*” of \$120,000 per annum (item 12 of Sch 1) and “*Contra Airtime*” valued at \$500,000 per annum (item 12 of Sch 1).
10. Under the TM Agreement, CBC is required to pay Quasar IP sub-licence fees totalling \$2,000,000 per annum.
11. If the Term continues to the end of 2034, a total of more than \$85M will be required to be paid to Quasar or Quasar IP under the BSA or TM Agreement.

### **Significant terms of the BSA**

12. Pursuant to cl 6(d) to the BSA, CBC “*acknowledge[d] the tone, style, voice and robust character with which [Mr Sandilands] has performed radio presenter services during his career*” and expressed a “*desire*” that Mr Sandilands would present in a “*robust character*”.
13. By cl 6(b) of the BSA, CBC agreed to provide a “*censor*” at all times to “*monitor all recordings of [Mr Sandilands] made in the course of the Program Services*”, to “*operate a 30-second delay for each broadcast*” and to “*Dump*” (that is, not broadcast) certain material including material that did not comply with the BSA.
14. By cl 5.5 of the BSA, CBC agreed that – despite anything to the contrary in the BSA and subject to a presently irrelevant condition – Quasar and Mr Sandilands would not be in breach of the BSA, nor shall CBC have any rights against Quasar or Mr Sandilands under

the BSA, arising out of any material prepared or presented by Mr Sandilands under the BSA unless four conditions were satisfied:

- (a) the material was actually publicly exploited under the BSA;
  - (b) Mr Sandilands had actual knowledge that the material would, or was likely to, breach a term of the BSA or give rise to a Claim;
  - (c) the aspect of the material that would, but for cl 5.5, breach the BSA or give rise to a Claim could not have been known by the Censor or the legal clearance personnel of the BSA privy to the material prior to its exploitation;
  - (d) the material was not material of the type referred to in clauses 17.1(j) or 17.1(k).
15. Clause 17.1(a)(ii) of the BSA empowered CBC to terminate the BSA immediately by notice in writing if Mr Sandilands “*commits an act of serious misconduct which affects or compromises the Program Services*” “*by causing serious and imminent injury to CBC’s business, having been given a reasonable opportunity by notice in writing referring specifically to [cl 17.1(a)] (not exceeding 14 days) to remedy same (where it is capable of being remedied)*”.
16. Clause 17(b) of the BSA empowers CBC to terminate the BSA if Quasar, including through actions of Mr Sandilands, commits a “*serious and persistent breach or non-observance of any of the terms of the [BSA], having been given written notice of the relevant breach and a reasonable opportunity (no exceeding 14 days) to remedy same (where it is capable of being remedied)*”.
17. Clause 17(m) provides that, notwithstanding anything else in the BSA, it will not be a breach of the BSA nor will CBC have a right to terminate the BSA under cl 17 where the provisions of clause 5.5 operate to relieve Quasar and/or Mr Sandilands of responsibility for material which may otherwise have given rise to a right to terminate.
18. Clause 2A(c) requires CBC to use its best endeavours to ensure Ms Henderson performs her services at all relevant times and cooperates with Quasar and Mr Sandilands to enable Quasar to perform the Program Services under the Agreement.

### **The Impugned Material and its context**

19. The “*Kyle and Jackie O Show*” was a long-running breakfast radio program. It was high-energy and controversial involving the broadcast of (amongst other things) material that was irreverent and deliberately provocative, including using crude humour, ribald commentary and sexual innuendo. On occasions, the Show was confrontational. Banter and tension between Mr Sandilands and Ms Henderson was a central dynamic to the Show. Mr Sandilands generally performed the role of the dominant and abrasive

personality who was deliberately outrageous and often offensive, whilst Ms Henderson played a moderating role as a warmer and more emotionally attuned character.

20. On 20 February 2026, during a live broadcast of the Program, Mr Sandilands made on-air comments to Ms Henderson about her focus and phone use during the Show (**Impugned Material**). The exchange was congruent with the style, tone and nature of the Show and the robust character that CBC "*desired*". The Censor appointed by CBC monitored the Show in real time and elected not to Dump any of the content before it was publicly exploited. Both the KIIS Radio Group Content Director and the Chief Content Officer were monitoring the Show in real time and took no action.
21. Following 20 February 2026, Ms Henderson took leave and Mr Sandilands presented the Show alone.
22. On 24 February 2026, CBC's Chief Content Officer and Chief People Officer directed Mr Sandilands not to contact Ms Henderson.

### **The Purported Notification of Breach and Direction to Remedy**

23. On 3 March 2026, CBC issued a document styled as "*Notification of Breach and Direction to Remedy*" (**Purported Notice**) to Quasar. The Purported Notice referred to the Impugned Material, asserted that Sandilands had "*commit[ed] an act of serious misconduct which affects or compromises the Program Services ... by causing serious and imminent injury to CBC's business*" and identified the asserted "*serious and imminent injury*" as "*Ms Henderson's refusal to ever present with [Mr Sandilands] again*". The Purported Notice purported to give notice in writing for the purposes of cl 17.1(a)(ii) of the BSA to remedy the Impugned Material within 14 days.
24. The Purported Notice also asserted that the Impugned Material constituted Quasar committing "*a serious or persistent breach or non-observance of*" the clauses 5.2, 5.3(a), 5.3(h) and 5.3(l), and purported to give notice in writing for the purposes of cl 17.1(b) of the BSA to remedy the same within 14 days.
25. On the same day that the Purported Notice was issued, CBC terminated Ms Henderson's contract, suspended Mr Sandilands and released an announcement to the **Australian Stock Exchange** referring to the issue of the Purported Notice. The Purported Notice directed the Applicants not to comment publicly, to keep matters confidential and to not contact anyone from CBC or ARN without prior written consent.
26. On 3 March 2026, ARN made an announcement to the ASX that it had issued Mr Sandilands the Notice.

## The Purported Termination was invalid

27. At about 12:03am on 18 March 2026 (14 days and about 3 minutes after the Purported Notice was issued), CBC purported to terminate the “*Broadcast Services Agreement*” between it and Quasar.
28. That purported termination was invalid because the preconditions for enlivening the power to terminate in cl 17.1(a)(ii) or 17.1(b) of the BSA were not relevantly been satisfied.
29. As for cl 17.1(a)(ii):
  - (a) Mr Sandilands has not committed “*serious misconduct*” within the meaning of cl 17.1(a) of the BSA. Presentation of the Impugned Material did not constitute “*serious misconduct*” within the meaning of that sub-clause.
  - (b) The presentation of the Impugned Material did not cause “*serious and imminent injury*” to CBC’s business. Any injury arising from “*Ms Henderson’s refusal to ever present with [Mr Sandilands] again*” was caused by CBC’s decision to terminate Ms Henderson’s BSA and not by any conduct of Mr Sandilands.
  - (c) Mr Sandilands was not given a “*reasonable opportunity*” to remedy the alleged serious and imminent injury to CBC’s business (“*Ms Henderson’s refusal to ever present with [Mr Sandilands] again*”). Any opportunity that Mr Sandilands might otherwise have had to remedy that supposed injury was defeated by CBC’s decision to terminate Ms Henderson’s BSA.
30. As for cl 17.1(b):
  - (a) On no available view could the presentation of the Impugned Material (which occurred on a single occasion on a single day) constitute a “*persistent*” breach or non-observance of any of the terms of the BSA.
  - (b) The presentation of Impugned Material did not constitute a breach (let alone a serious breach) of any of the contractual provisions referred to in the Purported Notice:
    - (i) as to clause 5.2, that clause requires Quasar to ensure that Mr Sandilands complies with the specific obligations of the “*Role*” detailed in Item 7 of Schedule 1. The obligations identified in that item are of a general nature (such as working with Ms Henderson and the production team towards achieving the objective of providing an entertaining and enlivening Program) which were not on any available view breached by the presentation of the Impugned Material;
    - (ii) as to cl 5.3(a), that clause required Quasar to provide the Program Services “*diligently and faithfully*” and to the best of its knowledge and expertise. On no available view did the presentation of the Impugned Material breach that clause;

- (iii) as to cl 5.3(h), that clause requires Quasar to ensure it utilises the necessary skills, qualifications, expertise and experience to perform the Program Services. Again, on no available view did the presentation of the Impugned Material breach that obligation.
  - (iv) as to cl 5.3(l), that clause requires Quasar to use its “best endeavours” to achieve the Objectives (essentially, to provide an entertaining and enlivening Program). Again, there is no basis for any suggestion that Quasar breached that obligation.
- (c) Mr Sandilands was not given a “*reasonable opportunity*” to remedy the alleged breach or non-observance. Any opportunity that Mr Sandilands might otherwise have had to do so was defeated by CBC’s decision to terminate Ms Henderson’s BSA.
31. In any event, pursuant to cll 5.5 and 17.1(m) of the BSA, Quasar and Mr Sandilands are taken not to have been in breach of the BSA and CBC does not have any rights against Quasar (including any right to terminate) in relation to the Impugned Material because all of the conditions in cl 5.5 have not been satisfied.
32. Specifically:
- (a) Mr Sandilands did not have actual knowledge that the Impugned Material would, or was likely to, breach a term of the BSA or give rise to a Claim; and
  - (b) the Impugned Material is not material that could not have been known by the Censor or the legal clearance personnel of CBC privy to the Impugned Material prior to its exploitation.
33. In the premises, the Purported Termination was invalid and of no effect. The Court should make a declaration accordingly, order that the BSA and the TM Agreement be specifically performed and give Quasar and Quasar IP judgment in debt in relation to those payments required to be made under the BSA or the TM Agreement and not paid as at the date of judgment.

**CBC have engaged in unconscionable conduct in contravention of s 21 of the ACL in connection with the purported termination**

34. Further and in any event, the purported termination was done as part of a course of conduct that was, in all the circumstances, unconscionable within the meaning of s 21(1) of the Australian Consumer Law (in its application as a law of the Commonwealth) (**ACL**).
35. Specifically, it was unconscionable in the relevant sense for CBC to, on the one hand, purport to require Quasar and Mr Sandilands to remedy the alleged refusal of Ms Henderson to “*ever present with [Mr Sandilands] again*” but, on the other, make such a remedy impossible or difficult by terminating Ms Henderson’s BSA.

36. In the premises, the Court should declare pursuant to s 237 of the ACL that the purported termination is invalid whether or not it makes a declaration to like effect on the basis summarised 28 to 33 above. Further or in the alternative, it should award damages or compensation to the Applicants pursuant to s 236 or 237 of the ACL for economic and non-economic loss.

This concise statement was prepared by Scott Robertson SC and Philip Boncardo of counsel.

### Certificate of lawyer

I, Kevin Lynch, certify to the Court that, in relation to the statement of claim filed on behalf of the Applicants, the factual and legal material available to me at present provides a proper basis for each allegation in the pleading.

Date: 20 March 2026



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Signed by Kevin Lynch

Lawyer for the Applicants

## Schedule

No. of 2026

Federal Court of Australia  
District Registry: New South Wales  
Division: General

### Applicants

Second Applicant: Quasar Media Services Pty Ltd (ACN 672 323 830) <ATF>  
Quasar Media Services Trust  
Third Applicant: Quasar Intellectual Property Pty Ltd

### Respondents

Second Respondent: Australian Radio Network Pty Ltd (ACN 065 986 987)

Date: 20 March 2026

## Danya Balakrishnan

---

**From:** Kevin Lynch  
**Sent:** Friday, 20 March 2026 7:58 PM  
**To:** Jessup, Nerida; Gonski, Michael  
**Cc:** Joseph El Hagg; Danya Balakrishnan  
**Subject:** Quasar Media Services Pty Ltd and Kyle Sandilands - Commonwealth Broadcasting Corporation Pty Ltd and Australian Radio Network Pty Ltd  
**Attachments:** Ltr to M Gonski and N Jessup(501864508.1).pdf

Dear Nerida

Please see attached our letter of today's date.

Regards

### Kevin Lynch

Partner | Johnson Winter Slattery

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**E** [kevin.lynch@jws.com.au](mailto:kevin.lynch@jws.com.au)

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**Our Ref:** D8949  
**Doc ID:** 501864508

20 March 2026

Michael Gonski and Nerida Jessup  
Partner  
Herbert Smith Freehills Kramer  
Level 34, 161 Castlereagh Street  
Sydney NSW 2000

**BY EMAIL:** [michael.gonski@hsfkramer.com](mailto:michael.gonski@hsfkramer.com)  
[nerida.jessup@hsfkramer.com](mailto:nerida.jessup@hsfkramer.com)

Dear Colleagues

## **Kyle Sandilands and Ors v Commonwealth Broadcasting Corporation Pty Ltd Anor Federal Court of Australia proceedings**

Your clients have been served with the following documents under separate cover, as filed in the Federal Court of Australia today.

- (a) Originating Application dated 20 March 2026; and
- (b) Concise Statement dated 20 March 2026,

(together, the **Originating Process**).

As you will observe from the Originating Process, the Applicants seek, among other relief, declarations that the purported termination of the Broadcast Services Agreement dated 21 November 2023 (**BSA**) by your client, Commonwealth Broadcasting Corporation Pty Ltd (CBC), on 18 March 2026 was invalid and of no effect, together with orders for specific performance of the BSA and the Trade Mark Sub-Licence Agreement.

### **Application for expedition**

The Originating Application includes an application for an order that these proceedings be expedited and listed for hearing at the earliest convenient date.

The Applicants intend to file an affidavit in support of expedition.

### **Why expedition is in the interests of justice and both parties**

Mr Sandilands has been off air since his suspension on 3 March 2026 and that every day of continued absence compounds the harm to his audience, his livelihood and his commercial identity. The Agreement contemplates a further nine years of broadcasting. The subject matter of the dispute — Mr Sandilands' platform, his program and the audience connection it sustains — is being progressively diminished with each passing day. That harm is not adequately compensable in damages.

Quay Quarter Tower (QQT)  
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SYDNEY NSW 2000  
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[www.jws.com.au](http://www.jws.com.au)

Liability limited by a scheme approved under Professional Standards Legislation

Expedition is, we respectfully suggest, equally in your clients' interests. An early determination of the proceeding will provide certainty to your clients in relation to the lawfulness (or otherwise) of the purported termination.

In our view, the issues in the case are narrow in ambit and largely legal.

On our best estimate, the case should be able to be heard within the confines of 2 days.

**Response Requested**

We ask that you confirm your clients' position on the application for expedition and proposed timetable and the application for expedition by 2:00pm on Monday, 23 March 2026.

Yours faithfully,



Johnson Winter Slattery

## Danya Balakrishnan

---

**From:** Jessup, Nerida <nerida.jessup@hsfkramer.com>  
**Sent:** Monday, 23 March 2026 10:14 AM  
**To:** Kevin Lynch  
**Cc:** Joseph El Hagg; Danya Balakrishnan; Jessup, Nerida; Gonski, Michael  
**Subject:** RE: Quasar Media Services Pty Ltd and Kyle Sandilands - Commonwealth Broadcasting Corporation Pty Ltd and Australian Radio Network Pty Ltd  
**Attachments:** HSF Kramer Letter to JWS - 23.03.26.pdf

Dear Colleagues

Please find **attached** correspondence of today's date issued to your clients.

Yours sincerely

**Nerida Jessup**  
Partner  
Herbert Smith Freehills Kramer

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[www.hsfkramer.com](http://www.hsfkramer.com)

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**From:** Kevin Lynch <kevin.lynch@jws.com.au>  
**Sent:** Friday, 20 March 2026 7:58 PM  
**To:** Jessup, Nerida <Nerida.Jessup@hsf.com>; Gonski, Michael <Michael.Gonski@hsf.com>  
**Cc:** Joseph El Hagg <Joseph.ElHagg@jws.com.au>; Danya Balakrishnan <Danya.Balakrishnan@jws.com.au>  
**Subject:** Quasar Media Services Pty Ltd and Kyle Sandilands - Commonwealth Broadcasting Corporation Pty Ltd and Australian Radio Network Pty Ltd

Dear Nerida

Please see attached our letter of today's date.

Regards

**Kevin Lynch**  
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Further information is available on our website [www.HSFkramer.com](http://www.HSFkramer.com), including our [privacy policy](#) which describes how we handle personal information.



Kevin Lynch  
Partner  
Johnson Winter Slattery  
Level 14, 50 Bridge Street  
Sydney NSW 2000  
kevin.lynch@jws.com.au

23 March 2026  
Matter 82811772  
By Email

Dear Colleagues

**Kyle Sandilands and Ors v Commonwealth Broadcasting Corporation Pty Ltd Anor Federal Court of Australia proceedings**

We refer to:

- your email of 6.01pm on Friday, 20 March 2026, serving unsealed copies of an Originating Application and a Concise Statement; and
- your email of 7.58pm on Friday, 20 March 2026, requesting that our clients confirm their position on your clients' application for expedition, and proposed timetable for that application, by 2pm the next business day.

We confirm we have instructions to accept service of those documents on behalf of the respondents to the Proceedings.

Our clients are considering your clients' foreshadowed application for expedition. They will not be in a position to confirm their position on that by 2pm today.

Amongst other things, they are considering what if any cross-claim would be appropriate, the nature of our clients' defence, and the evidence that our clients would wish to serve.

Our clients agree that the Proceedings should be determined as quickly as the dictates of justice allow.

At this point it seems unlikely to us that the Proceedings could be resolved in two days. We do not agree that the "*issues in the case are narrow in ambit and largely legal*".

For one thing, whether conduct is serious misconduct is a fact-rich question. For another, the exercise of contractual construction requires consideration of the surrounding circumstances and the commercial purpose or objects to be secured by the contract.

Those matters aside, your clients seek specific performance, and claim unconscionable conduct. Both of these are fact-intensive matters. Analysis of them is not confined to the interpretation or effect of the BSA. For example, and without intending to be exhaustive, specific performance is discretionary, and the matters that will need to be considered include the nature of the relationship between the parties (including, broadly, whether the relationship between them is consistent with the continued provision of the services contracted for) and the problems that may arise if specific performance is ordered, including the need for Court supervision. These are all matters that will require evidence, including evidence of things that have occurred in the past over and above what occurred on 20 February 2026.

We note that you have foreshadowed filing an affidavit in support of your clients' application for expedition. That will be necessary irrespective of our clients' position on expedition. Your clients' application for expedition is based wholly on Mr Sandilands' desire to be on the air (because expedition will make no material difference to your clients' claims for money). In order for the Court to be satisfied that this desire takes

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precedence over the access to justice of the rest of the public, evidence will be necessary.

Accordingly, in order to assist our clients in considering their position on your clients' application for expedition, we suggest that your clients:

- file and serve a copy of their foreshadowed affidavit; and
- provide us with a proposed timetable for your clients' application for expedition.

It may also be appropriate that the Court order that pleadings be filed. That is a matter that our clients are also considering and we will revert to you about that in due course.

In addition, our clients are considering whether your clients should provide security for our clients' costs of the Proceedings. To that end, could you please provide copies of the most recent annual accounts of the second and third applicants.

Please feel free to contact the writer if you would prefer to discuss these matters.

Yours sincerely

**Michael Gonski**  
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