ASX Listing Rule 4.3A

APPENDIX 4E

Full year ended 31 December 2023

ARN Media Limited

A.B.N. 95 008 637 643

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Key Financial Information			2023 $'m	2022 $'m
Revenue from contract with customers	down	3%	**334.3**	344.9
Net loss attributable to members of the Company	down	94%	**(9.8)**	(176.3)

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
Interim dividend per share (paid 21 September 2023)	3.5 cents	3.5 cents

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.

Record date for determining entitlements to the final dividend	1 March 2024
Date dividend payable	22 March 2024

There is no foreign conduit income attributed to the final dividend for the year ended 31 December 2023.

The dividend re-investment plan remains suspended.

Net tangible assets per share	2023 $	2022 $
Net tangible assets per ordinary share	**(0.26)**	(0.38)

Additional Appendix 4E disclosure requirements can be found in the attached Annual Report.

This report is based on the consolidated financial statements and notes which have been audited by PricewaterhouseCoopers.

Further information regarding the Company and its business activities can be obtained by visiting the Company's website, https://investors.arn.com.au/.

Approved for release by the Board of Directors.

Annual Report
2023

All Audio

2023 demonstrates the continued strength of our core audio assets.

#1 Metro Radio Network[4]

arn **6.2m**

(4.4% YoY increase and highest annual cume average)[5]

#1 Podcast Publisher[2]

iHeart RADIO **6.8m**

(+26.8% audience growth YoY and highest annual audience average)[6]

arn is All Audio

ARN Media owns Australia's leading audio company, ARN, connecting with over 8 million people[1] 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[2] 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[3].

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

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[1] to their communities each week through unparalled live and local content. We enrich 6.8 million podcast listeners[2] 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[3] 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.

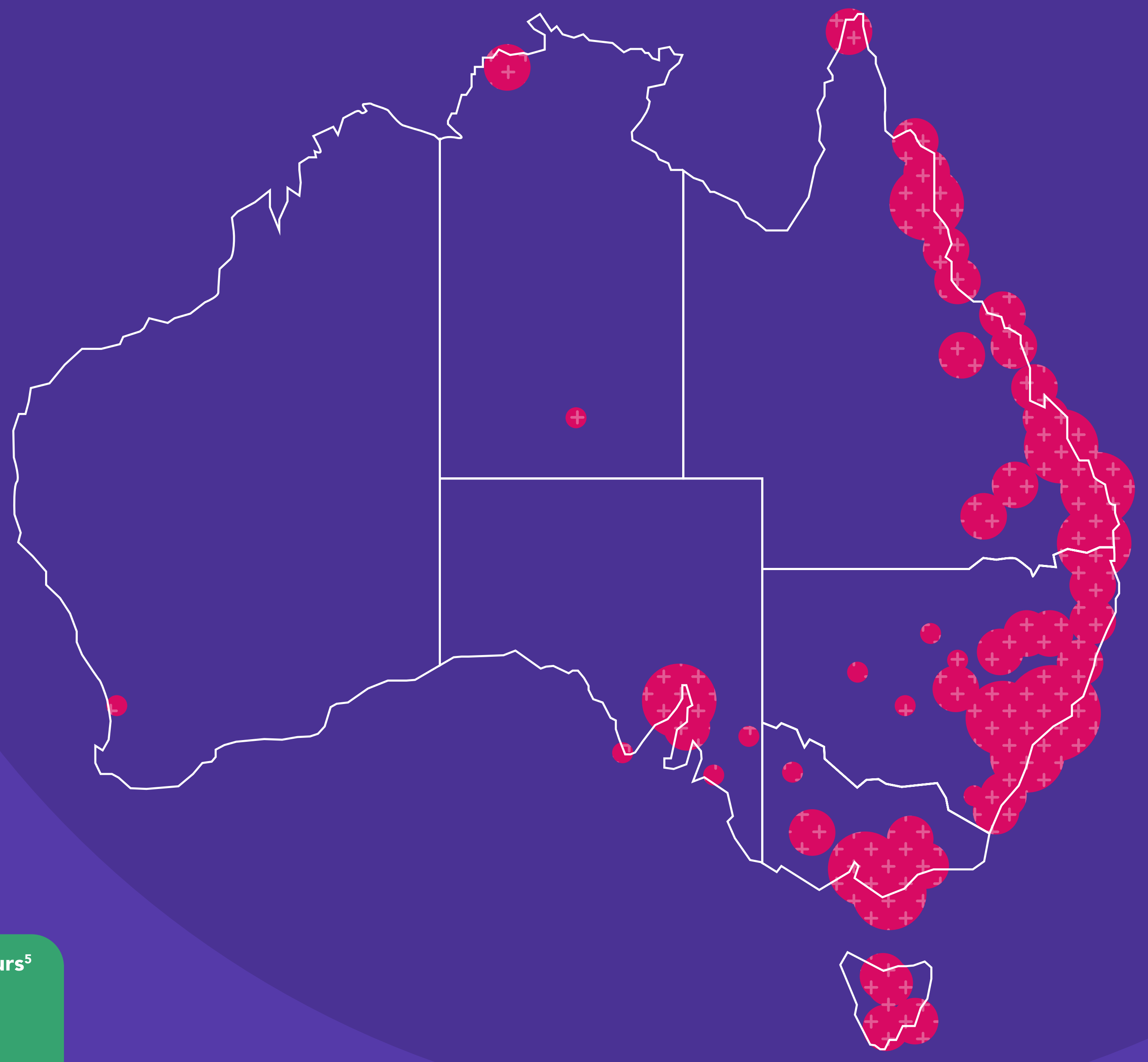
Radio audience nationally (weekly)[1]
over 8m

Digital websites reach (monthly)[4]
1.2m

Streaming listening hours[5]
115m

#1 ARN Regional Stations[6]

- 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
- River 94.9 in Ipswich
- Chilli FM in Launceston
- 7HO FM in Hobart



#1 Metro Network[7]

6.2m Best ever cume[7]

▲4.4% YoY growth in cume

#1 FM Melbourne Breakfast[9]

for GOLD 104.3's Christian O'Connell

26 of the last 29 surveys

#1 FM Sydney Breakfast[8]

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.

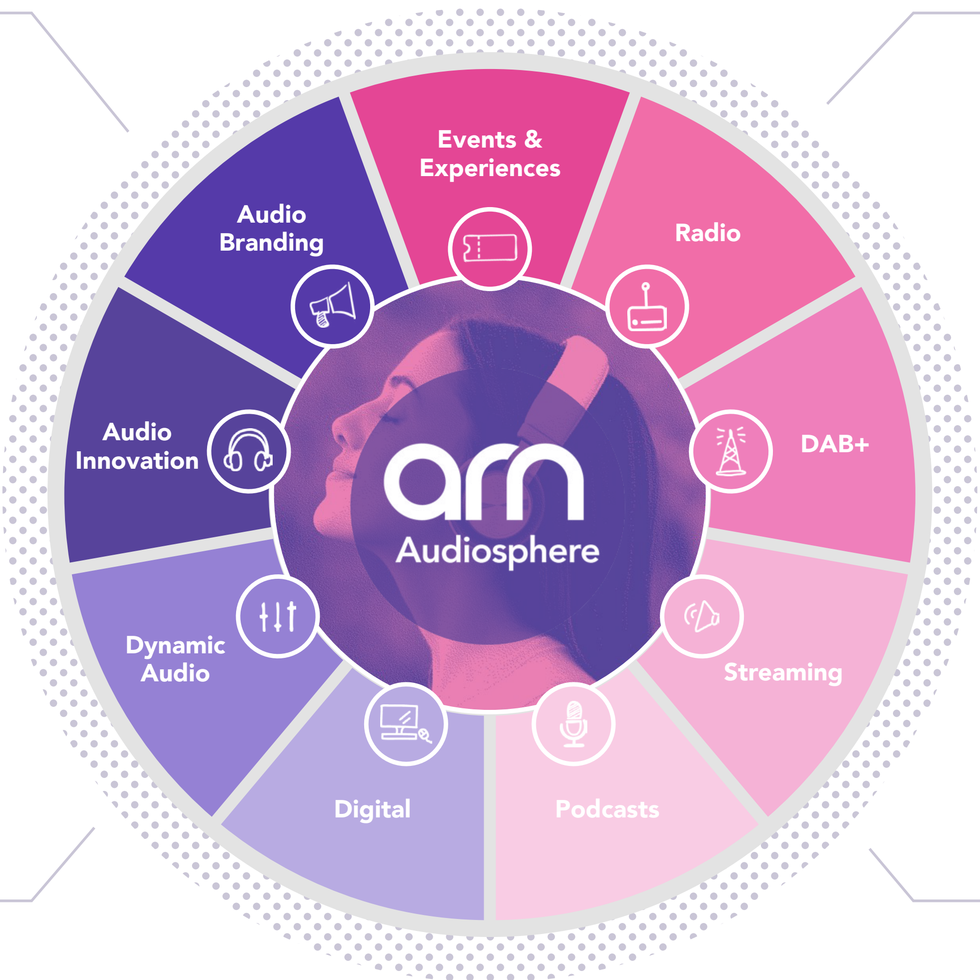
Distribution

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

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 though 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)[1]

343m	6.2m	1.9m	#1	115m
▲18.3% YoY	▲4.4% YoY		▲0.1% YoY	
Podcast downloads	Metro Network[1]	Regional Network[3]	National share ex DAB+ 17.4%[4]	**Total streaming radio listening hours**

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)[3]

2.6m

2023 ▲10%

2022 $2.4m

Total addressable audience

60%

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

$19.8m

▲36% YoY

ARN total revenue

$307.0m

▼2% YoY

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.

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 an 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[1]	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%
EBITDA[2]	**71.6**	**91.8**	**(22%)**
Depreciation	(17.5)	(17.8)	(2%)
Amortisation	(2.1)	(2.4)	(12%)
EBIT[3]	**52.0**	**71.6**	**(27%)**
Net interest expense	(6.7)	(5.6)	20%
Profit before tax	**45.2**	**66.0**	(31%)
Tax expense	(12.9)	(17.5)	(26%)
Profit after tax	**32.3**	**48.5**	**(33%)**
Less: non-controlling interests	(2.9)	(3.4)	(15%)
NPAT attributable to ARN Media shareholders	**29.5**	**45.1**	**(35%)**
Significant items net of tax[4]	(39.3)	(221.5)	(82%)
NPAT attributable to ARN Media shareholders	**(9.8)**	**(176.3)**	**(94%)**
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)[5]	0.0	5.2	

1. Totals may not add due to rounding.
2. EBITDA from continuing operations and before significant items, represents the Group's total segment result.
3. EBIT from continuing operations and before significant items.
4. Commentary on significant items is included in note 1.3 to the consolidated financial statements.
5. 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[1]	2023	2022	Change %
Operating cash flows and lease payments[2]	35.1	54.7	(36%)
Tax payments	(24.5)	(25.4)	(3%)
Tax settlement (incl interest and penalties)	0.0	(22.3)	(100%)
Cash flow from operating activities and lease payments	**10.5**	**7.0**	**50%**
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%)
Cash at end of year[3]	**18.9**	**23.9**	**(21%)**
Bank loans	(94.0)	(85.0)	11%
Net debt	**(75.1)**	**(61.1)**	**23%**

1. Totals may not add due to rounding.
2. Operating cash flows, plus principal repayments on finance leases accounted for under AASB 16 *Leases* from 1 January 2019.
3. 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[1,2,3]

- **#1** radio stations across key markets: FM Syd, FM Melb, national DAB+ station[4]
- **#1** Radio streaming app[5]
- **#1** Podcast publisher[6]
- **#1** Radio network share[7]

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)[2]

+37% audio streaming (vs 2022)[3]

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[8], 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[9].

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[10].

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[11] 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[7] reaching over 6 million people a week[1].

In a highly competitive market, ARN finished 2023 as the #1 metropolitan network for people 10+[7], with our highest ever cumulative audience[1]. Across our metropolitan network, overall listeners increased by close to 12.7% year on year[1].

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[12], 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 WSFM's Jonesy & Amanda finishing in the #1FM and #2FM spots respectively in 2023.[13]

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[14].

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)[15]

Jonesy & Amanda
#2 FM breakfast show in Sydney[13]

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[13]

1,396,000 Total Audience Reach Number (includes Hour of Power)[16] **+13%** Growth (+163,000)

Christian O'Connell
5th consecutive year of growth[10]

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%

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, Cume, p10+.

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

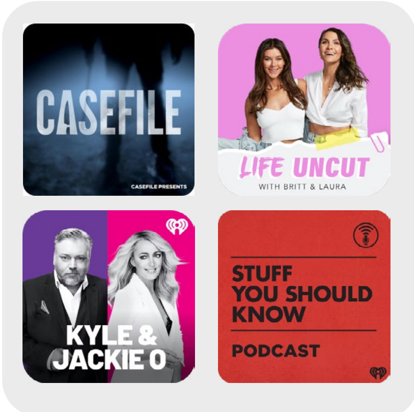
ARN digital audio

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[9].

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[1] with 74% of those listeners choosing to listen to ARN's iHeartPodcast Network[2]

ARN's iHeart finished the year as the leading podcast publisher[3] for the 44th consecutive time with on average almost 7 million combined listeners and more than 28 million monthly downloads[4]. This represents 27% year on year audience growth, outstripping the market which grew 7%[2].

We reach 74% Australian Podcast Listeners and claim more podcast hits over 1 million monthly downloads[4] than any other publisher in the lastest Ranker[5]. 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 Chattery 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)[6]. The increase in user base along with strategic content programming has also seen us grow streaming hours by 6%[7], underpinned by growth in brand metrics with awareness of platform sitting at 87%[8].

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[1] 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.

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 refurbed 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.

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.

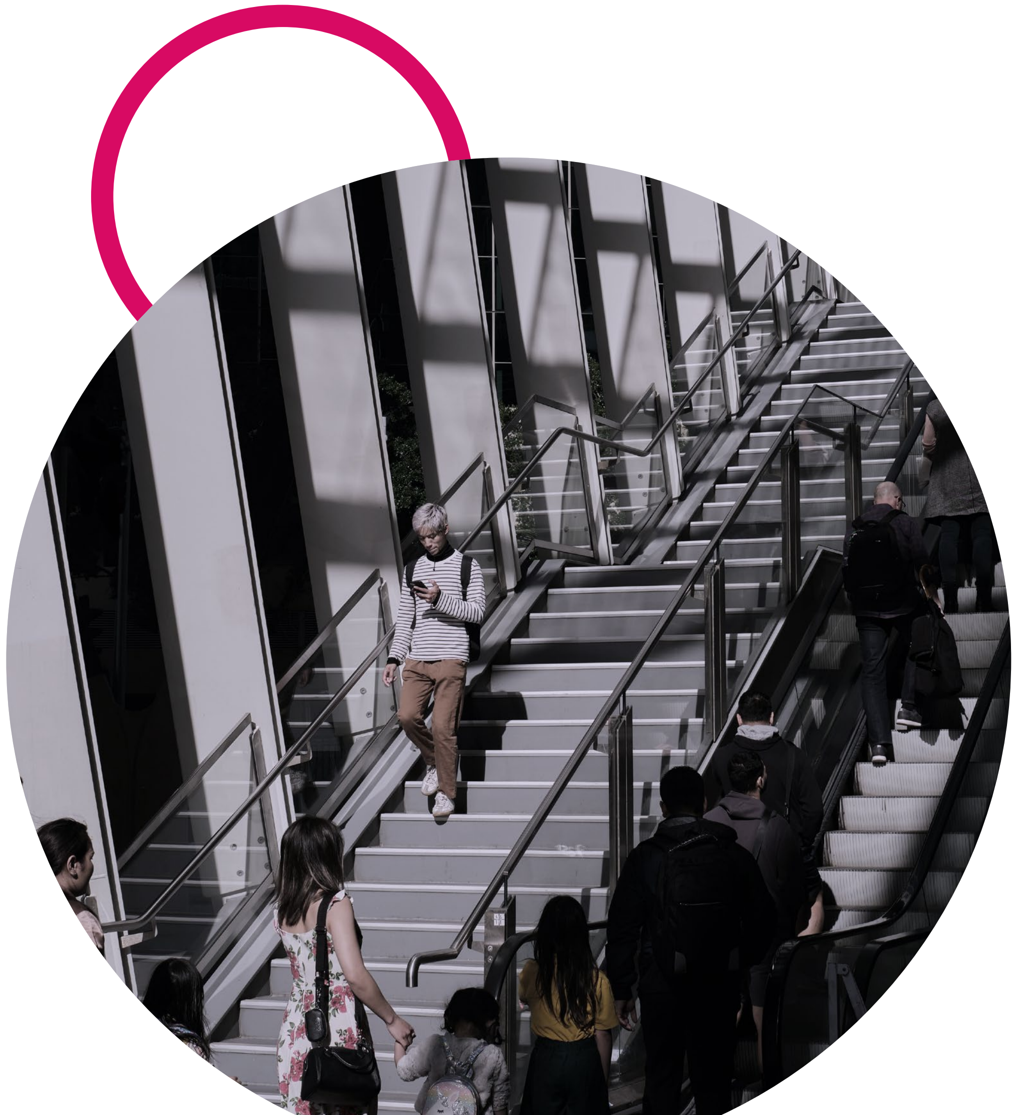
Cody was impacted by the loss of the Western Harbour Tunnel (WHT) advertising contract in August 2023, local currency revenues and earnings finished back 23% and 28% respectively.

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.



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.

The 'radio people' at ARN play a unique and critical role in connecting communities.

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.

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.

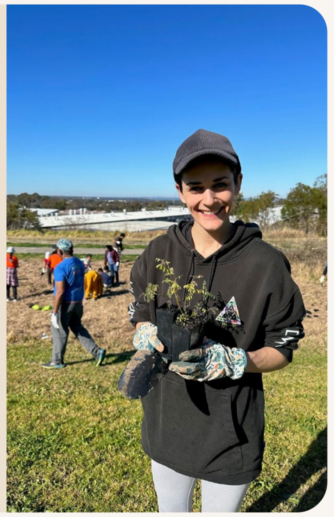
Charity and Community Leave

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 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. Readying 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.

Senior Management Team

Ciaran Davis
CEO & Managing Director
(since 24 Aug 2016)

Refer to biography above.

Andrew Nye
B Bus, CA
Chief Financial Officer
(since 14 Aug 2019)

In August 2019, Andrew Nye was appointed Chief Financial Officer of ARN, with dual responsibility for both ARN and ARN Media Limited. He joined ARN Media Limited in 2015 as General Manager of Finance and was appointed Chief Financial Officer of Adshel in 2017.

At ARN Media Limited, Andrew was the operational finance lead across a period of significant corporate activity, including the demerger of NZME, disposal of Australian Regional Media and acquisition of Adshel. While at Adshel, Andrew was a member of the executive team, responsible for the development and execution of the strategic and operational plans of the company. Andrew led the finance team through the successful sale of Adshel to oOh!media in 2018.

Andrew is a Chartered Accountant and has a broad range of experience accumulated through a combination of commercial roles and over 11 years consulting at PwC. Andrew is a Director of a number of ARN Media Limited subsidiaries and joint venture entities.

Jeremy Child
B Bus LLB MSc
Chief Legal Officer & Company Secretary
(since 14 Aug 2019)

Jeremy Child joined ARN Media Limited in 2015 initially 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 M&A and GST advice with PwC.

Jeremy is a legal practitioner holding a BBus/LLB from UTS, a MSc from the Stockholm School of Economics and is an Associate of the Governance Institute of Australia.

Directors' Report and Financial Report

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[i]	**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 ofAffairs

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	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. 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.
Loss of key on-air talent	Recruiting and retaining the best on-air talent is integral to being able to maintain and grow audience share. 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.
Changes in advertiser and/or audience preferences	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. 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.
Macroeconomic factors	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. 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.
Loss of broadcasting licence	While considered unlikely, the loss of an Australian radio broadcasting licence would have a material impact on Group revenues and earnings. The Group has long-standing controls in place to minimise the risk of legislation compliance breaches.
Disruption of technology systems, security breaches and data privacy	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. 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.

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[1]	N/A[1]	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

[1] 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
Executive KMP	
Ciaran Davis	Chief Executive Officer (CEO & Managing Director)
Andrew Nye	Chief Financial Officer (CFO)
Non-executive Directors	
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	Vesting will occur where the following Vesting Conditions are met over the two-year Performance Period:
	• Service Component (25%) for continued service to the Vesting Date; and
	• Performance Components allocated as follows:
	  ○ Successful execution of M&A plans (45%)
	  ○ Delivery of leadership succession plan (15%)
	  ○ Delivery of business simplification and cost reduction (15%)

Holding Lock	• 50% of Shares will be unrestricted on 31 December 2025; and • 50% of Shares will be restricted until 31 December 2026.
Allocation Price	The volume weighted average price (VWAP) of A1N stock over the first 30 trading days of 2024.
Participants and Quantum	• CEO & Managing Director: $960,000 • CFO: $460,000 (equivalent to ~80% of total fixed remuneration)

Treatment on cessation of employment during the Performance Period	If during the Performance Period an individual ceases employment, then:
	• For Bad Leavers, awards are forfeited.
	• Bad Leaver status may be due to termination for cause, resignation, or any other similar situation determined by the Board.
	• For Good Leavers:
	  ○ The Service Component will vest in full in the ordinary course at the end of the Performance Period;
	  ○ 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.
	• 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.
	• Vested awards still remain subject to the Holding Lock.
	• The Board has discretion to determine an alternate treatment depending on the circumstances.

Change of Control	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. 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.
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)

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.

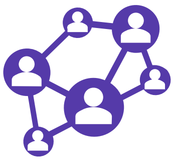
C. Remuneration Governance and Framework

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.

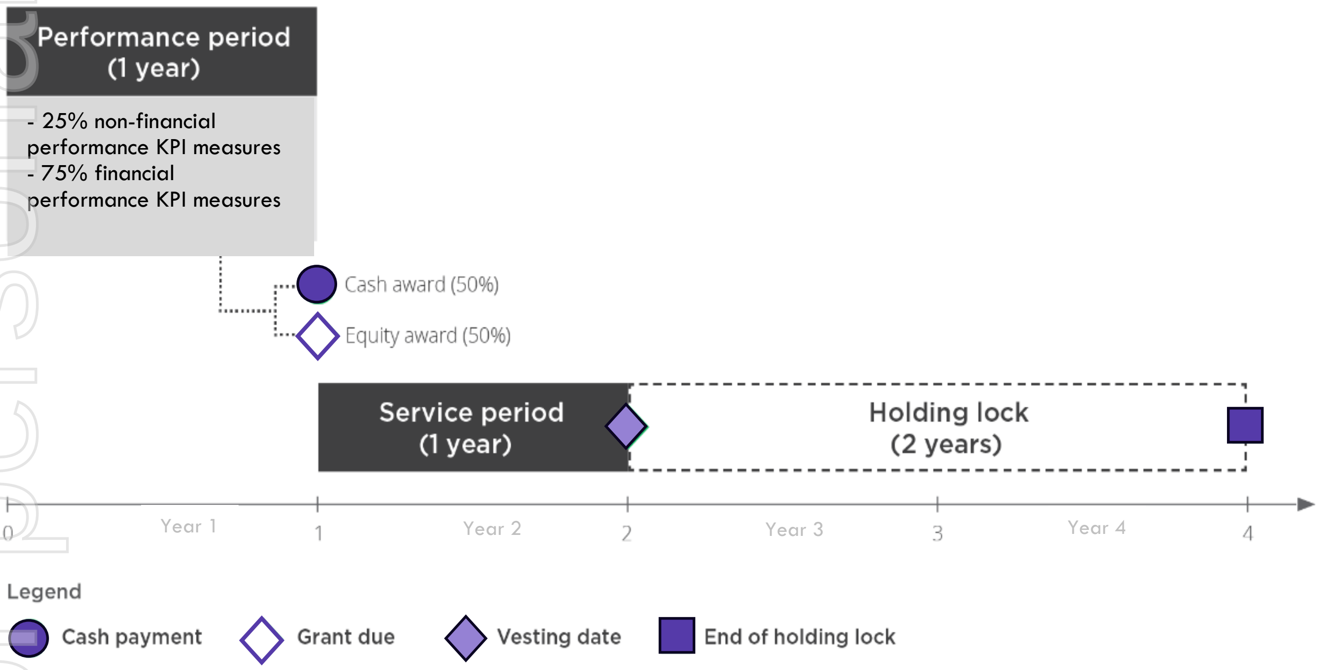
Remuneration Report

(Continued)

The Executive KMP remuneration framework is summarised below.

	Element	Delivery	Structure
Fixed	**Total Fixed Remuneration (TFR)**	**Cash and Superannuation Contributions**	– Base pay aligned to market, role scope and complexity, and skills, knowledge, and experience of the individual – Superannuation aligned to SGC
Variable *'At risk' and linked to performance*	**Total Incentive Plan (TIP)** *Financial performance of the company and individual performance over the year*	**Cash 50%** *Delivered at the end of the financial year* **Equity 50%** *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*	– KPIs set at the start of the financial year – 75% financial KPIs (weighted equally between ROIC, EBITDA, and EPS) – 25% non-financial KPIs (delivery of strategic business initiatives/priorities) – Retention element through long-term focus of KPIs, target setting process and structure of delivery of equity – The higher weighting of financial to non-financial metrics emphasises the importance the Board places on ARN Media's financial performance

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[1]	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	• Evolved strategic planning processes to align with sustainable, long-term performance • Completed the integration of the regional business, including alignment of core finance people, processes, and technology • Delivered an all-of-audience content strategy and executed a strategy for key on-air talent contract retention • Grew share of audience in metro and key competitive regional markets • Ongoing investment in digital, technology, finance, and cyber security capability, and data management
Leadership of ARN people and culture transformation	• Ongoing investment in leaders, content, news, and sales professionals through the design and delivery of capability development programmes • 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
Balance sheet, cost, and capital management	• Successful divestment of Soprano Design • Continued the centralisation of key support functions, insourcing of key processes, and investment in systems to deliver efficiencies • Secured, designed, and managed the build of a new Sydney / corporate head office that caters to the current and future needs of the business

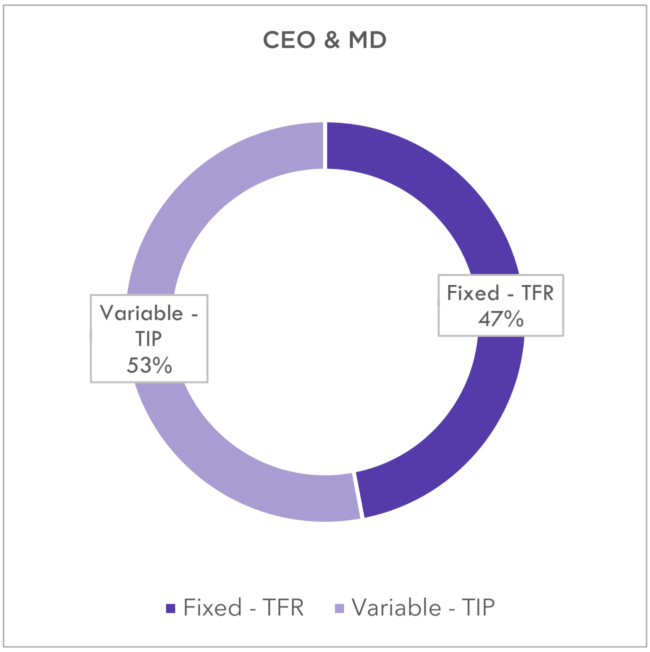
Remuneration Report

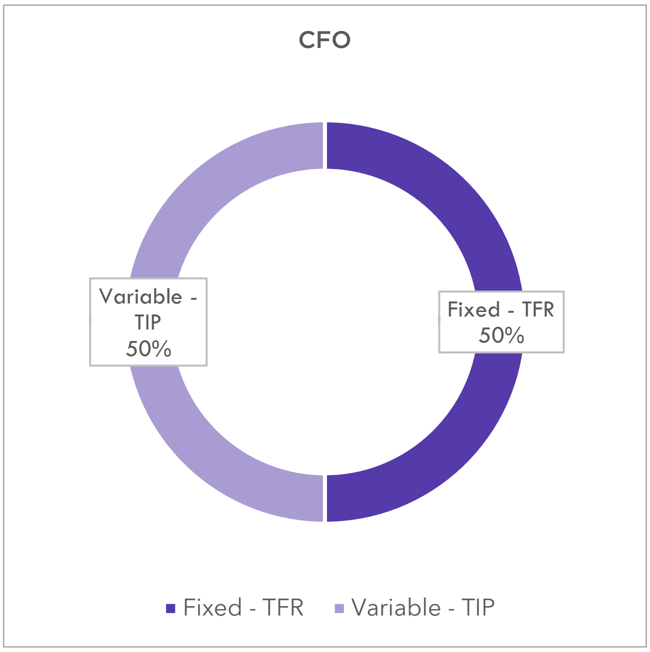
(Continued)

KMP Remuneration Mix

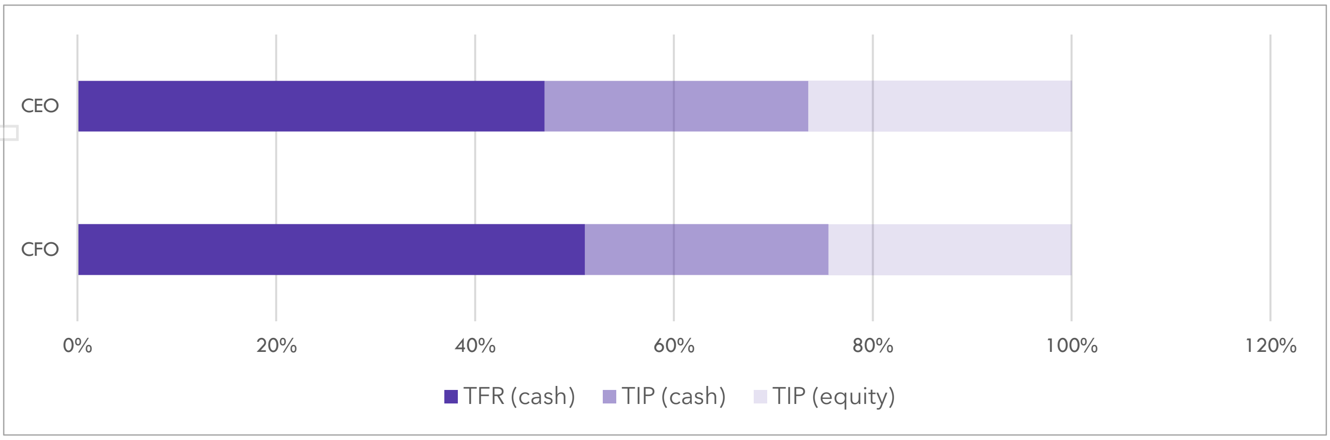
The remuneration mix between fixed and variable pay incentivises executives to focus on the Group's short and long-term performance, with a portion of remuneration at risk.

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[1]	**$71.6m**	$91.8m	$59.8m	$49.3m	$75.6m
Net profit after tax (NPAT)[1]	**$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.

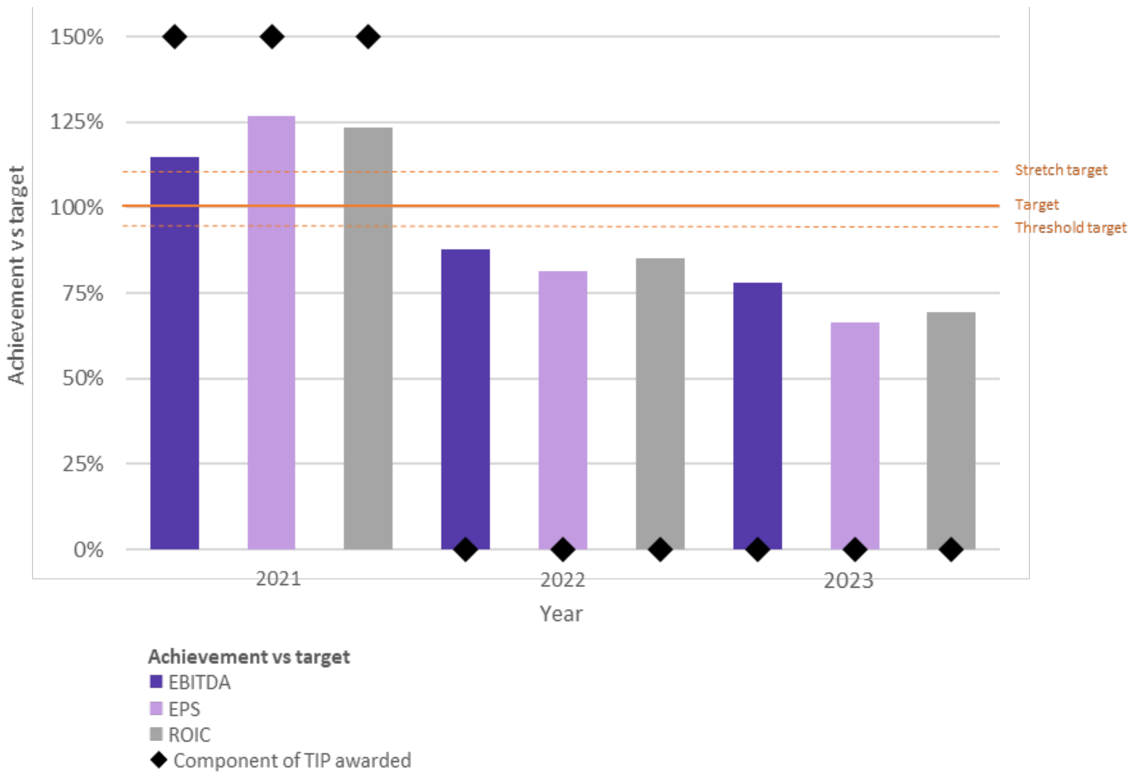
Performance for the 2023 financial year is outlined in the table below:

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)[1] $	Total TIP awarded $	% of target achieved	% of maximum achieved	% of maximum forfeited
Executive KMP						
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.

	Short-term benefits			Post-employment benefits	Other long-term benefits		Total	Performance-related proportion
Executive KMP	Cash salary and fees[1] $	Non-monetary benefits[2] $	Cash incentives[3] $	Super-annuation[4] $	Long service leave[5] $	Fair value equity awards[6] $	$	%
Ciaran Davis								
2023	**1,123,300**	**49,705**	**164,398**	**25,895**	**21,274**	**165,558**	**1,550,130**	**21.3%**
2022	1,099,208	37,440	155,250	24,430	60,444	586,851	1,963,623	37.8%
Andrew Nye								
2023	**559,916**	**1,098**	**72,354**	**25,895**	**6,811**	**72,168**	**738,242**	**19.6%**
2022	566,278	938	66,844	24,430	3,869	234,276	896,635	33.6%
Total								
2023	**1,683,216**	**50,803**	**236,752**	**51,790**	**28,085**	**237,726**	**2,288,372**	**20.7%**
2022	1,665,486	38,378	222,094	48,860	64,313	821,127	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[1] $	TIP $	Vested TIP[2] $	Total $
Ciaran Davis				
2023	**1,197,802**	**164,398**	**92,331**	**1,454,531**
2022	1,159,867	155,250	551,480	1,866,597
Andrew Nye				
2023	**585,810**	**72,354**	**39,756**	**697,920**
2022	590,708	66,844	217,700	875,252
Total				
2023	**1,783,612**	**236,752**	**132,087**	**2,152,451**
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 *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.

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:

	2023 $	
Role	**Chair fee[1]**	**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 $
Non-executive Directors			
Hamish McLennan			
2023	**294,708**	**26,120**	**320,828**
2022	278,857	24,430	303,287
Brent Cubis (from 14 June 2023)			
2023	**77,362**	**8,472**	**85,834**
2022	–	–	–
Roger Amos (resigned 17 May 2023)			
2023	**57,500**	**6,038**	**63,538**
2022	150,000	15,375	165,375
Paul Connolly			
2023	**150,000**	**16,125**	**166,125**
2022	150,000	15,375	165,375
Belinda Rowe			
2023	**140,909**	**15,148**	**156,057**
2022	140,909	14,098	155,007
Alison Cameron (from 5 January 2022)			
2023	**131,818**	**14,170**	**145,988**
2022	127,435	13,073	140,508
Total			
2023	**852,297**	**86,073**	**938,370**
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[1]	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[1]	2022 TIP Exercised/ vested[2]	Awarded	Dividend uplift	Balance at end of the year
Ciaran Davis						
Vested and exercisable	568,536	(571,661)	81,200	3,125[3]	11,131	92,331
Unvested	81,200	–	(81,200)	159,610	21,878	181,488
Total	**649,736**	**(571,661)**	**–**	**162,735**	**33,009**	**273,819**
Andrew Nye						
Vested and exercisable	224,433	(225,667)	34,963	1,234[3]	4,793	39,756
Unvested	34,963	–	(34,963)	70,247	9,630	79,877
Total	**259,396**	**(225,667)**	**–**	**71,481**	**14,423**	**119,633**
Total						
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
Total	**909,132**	**(797,328)**	**–**	**234,216**	**47,432**	**393,452**

(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[1]	Other changes during the year	Balance at end of the year
Non-executive Directors				
Hamish McLennan	73,000	–	–	73,000
Brent Cubis[2]	–	–	39,034	39,034
Roger Amos[3]	16,250	–	–	16,250
Paul Connolly	65,935	–	–	65,935
Belinda Rowe	–	–	–	–
Alison Cameron[4]	35,934,891	–	–	35,934,891
Executive KMP				
Ciaran Davis	1,329,403	–	3,125[5]	1,332,528
Andrew Nye	57,185	–	1,234[5]	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.

EPenny

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
Revenue	**1.1**	**334,292**	**344,890**
Other revenue and income	1.1	43,909	9,022
Total revenue and other income		**378,201**	**353,912**
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
Loss before income tax		**(26,185)**	**(190,220)**
Income tax credit	4.1	19,267	17,230
Loss for the year		**(6,918)**	**(172,990)**
Other comprehensive loss			
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)	–
Other comprehensive loss, net of tax		**(3,592)**	**(207)**
Total comprehensive loss		**(10,510)**	**(173,197)**
Profit/(Loss) for the year is attributable to:			
Owners of the parent entity	1.4	(9,770)	(176,345)
Non-controlling interests		2,852	3,355
Loss for the year		**(6,918)**	**(172,990)**
Total comprehensive income/(loss) is attributable to:			
Owners of the parent entity		(13,362)	(176,552)
Non-controlling interests		2,852	3,355
Total comprehensive loss		**(10,510)**	**(173,197)**
		Cents	Cents
Earnings per share			
Basic/ diluted earnings per share	**1.4**	**(3.2)**	**(56.9)**

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
Current assets			
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
Total current assets		**102,401**	**117,360**
Non-current assets			
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
Total non-current assets		**533,927**	**557,115**
Total assets		**636,328**	**674,475**
Current liabilities			
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
Total current liabilities		**55,426**	**63,780**
Non-current liabilities			
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
Total non-current liabilities		**264,535**	**251,290**
Total liabilities		**319,961**	**315,070**
Net assets		**316,367**	**359,405**
Equity			
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)
Total parent entity interest		**279,863**	**323,631**
Non-controlling interests		36,504	35,774
Total equity		**316,367**	**359,405**

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
Cash flows from operating activities			
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)
Net cash inflow from operating activities	**3.2**	**20,647**	**19,903**
Cash flows from investing activities			
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
Net cash inflow/(outflow) from investing activities		**8,347**	**(221,354)**
Cash flows from financing activities			
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)
Net cash outflow from financing activities		**(33,985)**	**(31,871)**
Change in cash and cash equivalents		**(4,991)**	**(233,322)**
Cash and cash equivalents at beginning of the year		23,852	257,068
Effect of exchange rate changes		1	106
Cash and cash equivalents at end of the year	**3.2**	**18,862**	**23,852**

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
Balance at 1 January 2022		**1,475,706**	**(45,078)**	**(974,183)**	**456,445**	**36,651**	**493,096**
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)
Balance at 31 December 2022		**1,547,690**	**(46,025)**	**(1,178,034)**	**323,631**	**35,774**	**359,405**
Balance at 1 January 2023		**1,547,690**	**(46,025)**	**(1,178,034)**	**323,631**	**35,774**	**359,405**
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)
Balance at 31 December 2023		**1,544,039**	**(49,647)**	**(1,214,529)**	**279,863**	**36,504**	**316,367**

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
Revenue and other income			
Revenue		334,292	344,890
Revenue from contracts with customers		**334,292**	**344,890**
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
Other income		**41,949**	**8,704**
Interest income		1,960	318
Total interest and other income		**43,909**	**9,022**
Total revenue and other income		**378,201**	**353,912**

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. • Broadcast revenue is recognised when each advertisement is aired per the contract terms. • Web revenue is recognised over the time period which the advertisements are displayed. • Revenue from online radio platforms is recognised at a point in time when each advertisement is aired. • Revenue from podcast advertising is recognised when advertisements are served. • Revenue from sponsorships is recognised when advertisements are aired. • Display revenue (HK Outdoor) is recognised over the time period which the advertisements are displayed.
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 its 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
Total expenses before impairment, finance costs, depreciation and amortisation		**278,625**	**275,914**
Interest – lease liabilities	2.3	2,138	1,899
Interest and finance charges		5,092	3,600
Borrowing costs amortisation		295	412
Total finance costs		**7,525**	**5,911**
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
Total depreciation and amortisation		**19,602**	**20,200**

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
Revenue from contracts with customers	**306,973**	**15,784**	**11,589**		**(54)**	**334,292**
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
Reconciliation of segment result to profit before income tax						
Segment result						71,569
Depreciation and amortisation [A]						(19,602)
Net finance costs						(5,565)
Implementation of software as a service (SaaS) products [B]						(2,953)
Integration costs [C]						(1,657)
Gain on sale of asset held for sale [D]						39,132
Talent sign-on fees [E]						(2,500)
ATO other income [F]						269
Regulatory fees and acquisition costs [G]						(1,183)
Impairment on intangible assets						(103,695)
Loss before income tax						**(26,185)**

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	ARN	HK Outdoor	Investments	Corporate	Group elimination	Total
Revenue						
Metro	192,524	–	–	–	–	192,524
Regional	107,687	–	–	–	–	107,687
Digital	14,600	–	–	–	–	14,600
Other	–	19,487	10,997	–	(405)	30,079
Revenue from contracts with customers	**314,811**	**19,487**	**10,997**	**–**	**(405)**	**344,890**
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
Reconciliation of segment result to profit before income tax						
Segment result						91,796
Depreciation and amortisation [A]						(20,200)
Net finance costs						(5,593)
ARN Regional acquisition costs [B]						(5,334)
Loss on disposal of 4KQ [C]						(2,795)
Implementation of software as a service (SaaS) products [D]						(452)
Integration costs [E]						(3,043)
Impairment on Intangible assets						(249,891)
Gain on financial asset held at fair value through profit and loss [F]						5,292
Loss before income tax						**(190,220)**

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
(a) Reconciliation of earnings used in calculating earnings per share (EPS)		
Loss attributable to owners of the parent entity	(9,770)	(176,345)
Loss attributable to owners of the parent entity used in calculating basic/diluted EPS	**(9,770)**	**(176,345)**

	Number	Number
(b) Weighted average number of shares		
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
Weighted average number of shares used as the denominator in calculating diluted EPS	**307,690,411**	**309,918,736**

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)
Net book amount	**490**	**1,156**	**12,310**	**397,602**	**25,751**	**437,309**
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)
Closing net book amount	**490**	**1,156**	**12,310**	**397,602**	**25,751**	**437,309**

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)
Net book amount	**490**	**1,610**	**8,311**	**302,499**	**19,558**	**332,468**
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)
Closing net book amount	**490**	**1,610**	**8,311**	**302,499**	**19,558**	**332,468**

* 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 Goodwill $'000	2023 Other non-amortising intangible assets $'000	2022 Goodwill $'000	2022 Other non-amortising intangible assets $'000
ARN	–	319,161	–	420,224
Emotive	490	–	490	–
Total goodwill and other non-amortising intangible assets	**490**	**319,161**	**490**	**420,224**

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

Year 1 cash flows	**Based on Board approved annual budget derived with reference to a range of internal and relevant external industry data and analysis.**
Years 2, 3, 4 and 5 cash flows	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: • 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; • 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 • 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. • the above assumptions result in EBITDA CAGR of 5.2% for ARN CGU across the cash flow period.
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

2022 $'000	Freehold land	Buildings	Plant and equipment	Total
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
Net book amount	**11,464**	**7,810**	**29,864**	**49,138**
Movements				
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
Closing net book amount	**11,464**	**7,810**	**29,864**	**49,138**

2023 $'000	Freehold land	Buildings	Plant and equipment	Total
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
Net book amount	**11,206**	**7,521**	**44,724**	**63,451**
Movements				
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)
Closing net book amount	**11,206**	**7,521**	**44,724**	**63,451**

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
Total right-of-use assets	**62,868**	**35,807**
Current	6,551	8,823
Non-current	63,054	29,555
Total lease liabilities	**69,605**	**38,378**

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
Depreciation charge of right-of-use assets	**11,382**	**11,623**
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
Current		
Employee benefits	10,351	11,862
Make good	1,733	2,615
Other	1,046	50
Total current provisions	**13,130**	**14,527**
Non-current		
Employee benefits	2,447	2,216
Make good	8,085	6,053
Total non-current provisions	**10,532**	**8,269**

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)
Carrying amount at end of the year	**9,818**	**1,046**	**10,864**

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
Non-current bank loans			
Bank loans – unsecured		94,000	85,000
Total non-current bank loans (i)		**94,000**	**85,000**
Deduct:			
Borrowing costs		2,414	2,470
Accumulated amortisation		(1,996)	(1,864)
Net borrowing costs		**418**	**606**
Total non-current interest-bearing liabilities (i)		**93,582**	**84,394**
Net debt (i)			
Non-current bank loans		93,582	84,394
Net borrowing costs		418	606
Cash and cash equivalents	3.2	(18,862)	(23,852)
Net debt		**75,138**	**61,148**

(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

Entities in the Group have access to:	2023 $'000	2022 $'000
Loan facilities (i)		
Unsecured bank loan facilities	199,400	229,397
Amount of facility utilised (ii)	(99,432)	(87,853)
Amount of available facility	**99,968**	**141,544**
Overdraft facilities		
Unsecured bank overdraft facilities	1,500	1,550
Amount of credit utilised	–	–
Amount of available credit	**1,500**	**1,550**

(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
Cash at end of the year, as shown in the statement of cash flows, comprises:		
Cash at bank and on hand	**18,862**	**23,852**
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)
Net cash inflows from operating activities	**20,647**	**19,903**

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
Total receivables		**72,503**	**65,652**

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)
Closing loss allowance	**641**	**519**

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
Trade receivables	**64,546**	**60,895**

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
Total non-derivatives		**44,955**	**28,254**	**81,978**	**21,218**
Less: interest		(4,059)	(3,324)	(3,532)	–
Total financial liabilities		**40,896**	**24,930**	**78,446**	**21,218**

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
Total non-derivatives		**48,425**	**13,488**	**113,869**	**74,188**
Less: interest		(5,721)	(5,721)	(3,208)	–
Total financial liabilities		**42,704**	**7,767**	**110,661**	**74,188**

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
Recurring fair value measurements					
Financial assets					
Financial assets at fair value through profit or loss					
Shares in other corporations	5.3	–	–	677	677
Total financial assets		**–**	**–**	**677**	**677**

2023	Note	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Recurring fair value measurements					
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
Total financial assets		**35,331**	**–**	**673**	**36,004**

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 $'000	2022 $'000
Issued and paid up share capital	1,544,039	1,547,690

(A) Movements in contributed equity during the financial year

	2023 Number shares	2022 Number shares	2023 $'000	2022 $'000
Balance at beginning of the year	309,080,602	275,154,900	1,547,690	1,475,706
Issue of ordinary shares(i)	7,562,190	35,934,891	–	74,323
Share buy-back (ii)	(3,592,419)	(2,009,189)	(3,651)	(2,339)
Balance at end of the year	**313,050,373**	**309,080,602**	**1,544,039**	**1,547,690**

(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
Balance at end of the year	**7,955,642**	**971,912**

Share rights outstanding at the end of the year have the following vesting date and weighted average fair value:

		Weighted average fair	Number of rights	
Incentive plan	Vesting date	value	2023	2022
2021 TIP and incentive award (1)	31-Dec-22	$2.01	–	855,749
2022 TIP and incentive award (2)	31-Dec-23	$1.95	132,087	116,163
2023 TIP and incentive award (3)	31-Dec-24	$1.16	261,365	–
Talent awards (4)	31-Dec-29	$0.81	1,239,858	–
Talent awards (4)	31-Dec-34	$0.95	6,322,332	–
Balance at end of the year			**7,955,642**	**971,912**

	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
Reserves		
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)
Total reserves	**(49,647)**	**(46,025)**
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)	–
Balance at end of the year	**806**	**868**
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)
Balance at end of the year	**8,039**	**7,994**
Investment revaluation reserve		
Balance at beginning of the year	–	–
Fair value adjustment on financial assets	(3,530)	–
Balance at end of the year	**(3,530)**	**–**
Transactions with non-controlling interests reserve		
Balance at beginning of the year	(53,283)	(53,283)
Balance at end of the year	**(53,283)**	**(53,283)**
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
Balance at end of the year	**(1,679)**	**(1,604)**

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 $'000	2022 $'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)
Balance at end of the year	**(1,214,529)**	**(1,178,034)**

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(i)	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
Total dividends	26,781	27,648
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(i)

(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 $'000	2022 $'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)
Income tax benefit	**(19,267)**	**(17,230)**
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
Income tax benefit	**(19,267)**	**(17,230)**

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

2022	Balance 1 Jan 22 $'000	Recog-nised in profit or loss $'000	Acquisition of ARN Regional $'000	Recog-nised in equity $'000	Other move-ments $'000	Offset $'000	Balance 31 Dec 22 $'000
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)

2023	Balance 1 Jan 23 $'000	Recognised in profit or loss $'000	Recognised in equity $'000	Other movements $'000	Balance 31 Dec 23 $'000
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 %	Equity holding 2022 %
5AD Broadcasting Company Pty Ltd [1]	Australia	**100**	100
Ambersky Pty. Limited [1, 2, 4]	Australia	**100**	100
AMI Radio Pty Limited [1, 2, 4]	Australia	**100**	100
APN News & Media Employee Share Trust	Australia	**100**	100
ARN Adelaide Pty Ltd [1]	Australia	**100**	100
ARN Brisbane Pty Ltd [1, 2]	Australia	**100**	100
ARN Broadcasting Pty Ltd [1]	Australia	**100**	100
ARN Communications Pty Ltd [1, 2]	Australia	**100**	100
ARN Limited Partnership	Australia	**100**	100
ARN New Zealand Pty. Limited [1, 2]	Australia	**100**	100
ARN Overseas Pty. Limited [1,2]	Australia	**100**	100
ARN Perth Pty Limited [1]	Australia	**100**	100
ARN Regional Pty Ltd [1, 2, 4]	Australia	**100**	100
ARN South Australia Pty Limited [1]	Australia	**100**	100
Australian Radio Network Pty Limited [1,2]	Australia	**100**	100
Bass Radio Pty Limited [1, 2, 4]	Australia	**100**	100
Biffin Pty. Limited [1, 2]	Australia	**100**	100
Black Mountain Broadcasters Pty. Limited	Australia	**50**	50
Blue Mountains Broadcasters Pty Limited [1]	Australia	**100**	100
Bluwin Pty Ltd	Australia	**50**	50
Brisbane FM Radio Pty Ltd	Australia	**50**	50
Bundaberg Broadcasters Pty. Ltd [1, 4]	Australia	**100**	100
Bundaberg Narrowcasters Pty. Ltd. [1, 2, 4]	Australia	**100**	100
Burnie Broadcasting Service Proprietary Limited [1, 2, 4]	Australia	**100**	100
Buspak Advertising (Hong Kong) Limited	Hong Kong	**100**	100
Cairns Broadcasters Pty Ltd [1, 2, 4]	Australia	**100**	100
AmplifyCBR Pty Ltd[3]	Australia	**50**	50
Capital City Broadcasters Pty. Limited [1]	Australia	**100**	100
Catalogue Central Pty Limited [1]	Australia	**100**	100
Cody Outdoor International (HK) Limited	Hong Kong	**100**	100
Commercial Broadcasters Proprietary Limited [1, 2, 4]	Australia	**100**	100
Commonwealth Broadcasting Corporation Pty Ltd [1, 2]	Australia	**100**	100
Conversant Media Pty Ltd [1]	Australia	**100**	100
Covette Investments Pty Limited [1, 2]	Australia	**100**	100
Digi-Lution Pty Ltd [1, 2, 4]	Australia	**100**	100
Digital Radio Broadcasting Darwin Pty Ltd [1, 2, 4]	Australia	**100**	100
Double T Radio Pty Ltd [1]	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 [1, 2, 4]	Australia	**100**	100
Emotive Pty Limited	Australia	**51**	51
Evitome Pty Limited [1]	Australia	**100**	100
Eyre Peninsula Broadcasters Pty Ltd [1, 4]	Australia	**100**	100
Gergdaam Capital Pty Limited [1, 2]	Australia	**100**	100
Gulgong Pty. Limited [1, 2]	Australia	**100**	100
Haswell Pty. Limited [1, 2]	Australia	**100**	100
Hot 91 Pty Ltd [1, 2, 4]	Australia	**100**	100
Hot Tomato Australia Pty Limited [1, 4]	Australia	**100**	100
Hot Tomato Narrowcasting Pty Limited [1, 2, 4]	Australia	**100**	100
HT&E Broadcasting (Regionals) Pty. [1, 2]	Australia	**100**	100
HT&E Digital Pty Ltd [1]	Australia	**100**	100
ARN Media Finance Pty Ltd [1, 2]	Australia	**100**	100
ARN Media International Pty Ltd [1, 2]	Australia	**100**	100
HT&E Online (Australia) Pty Ltd [1]	Australia	**100**	100
ARN Media Operations Ltd [1, 2]	Australia	**100**	100
Level 3 Investments Pty Limited [1]	Australia	**100**	100
Mackay Broadcasters Pty Ltd [1, 2, 4]	Australia	**100**	100
Melbourne F.M. Facilities Pty. Limited	Australia	**50**	50
North East Tasmanian Radio Broadcasters Proprietary Limited [1, 2, 4]	Australia	**100**	100
Northern Tasmania Broadcasters Proprietary Limited [1, 2, 4]	Australia	**100**	100
Northern Territory Broadcasters Pty Ltd [1, 4]	Australia	**100**	100
Queensland Regional Broadcasters Pty Ltd [1, 4]	Australia	**100**	100
Radio 96FM Perth Pty Limited [1]	Australia	**100**	100
Radio Ballarat Pty. Ltd. [1, 2, 4]	Australia	**100**	100
Radio Barrier Reef Pty Ltd [1, 2, 4]	Australia	**100**	100
Radio Cairns Pty Ltd [1, 2, 4]	Australia	**100**	100
Radio Central Victoria Pty Ltd [1, 2, 4]	Australia	**100**	100
Radio Gladstone Pty Ltd [1, 2, 4]	Australia	**100**	100
Radio Hunter Valley Pty. Limited [1, 2, 4]	Australia	**100**	100
Radio Mackay Pty Ltd [1, 2, 4]	Australia	**100**	100
Radio Murray Bridge Pty Limited [1, 2, 4]	Australia	**100**	100
Radio Rockhampton Pty Ltd [1, 2, 4]	Australia	**100**	100
Radio Townsville Pty Ltd [1, 2, 4]	Australia	**100**	100
Radio West Coast Pty Ltd [1, 4]	Australia	**100**	100
Riverland Broadcasters Pty Ltd [1, 2, 4]	Australia	**100**	100
South Coast & Tablelands Broadcasting Pty Ltd [1, 4]	Australia	**100**	100
Southern State Broadcasters Pty. Limited [1]	Australia	**100**	100
Speedlink Services Pty Ltd [1]	Australia	**100**	100
Spencer Gulf Broadcasters Pty Ltd [1, 2, 4]	Australia	**100**	100
Star Broadcasting Network Pty Ltd [1, 2, 4]	Australia	**100**	100

Notes to the Consolidated Financial Statements

(Continued)

Name of entity	Country of incorporation/ establishment	Equity holding 2023 %	Equity holding 2022 %
Sydney FM Facilities Pty Ltd	Australia	**50**	50
Tasmanian Broadcasters Pty Ltd [1, 2, 4]	Australia	**100**	100
The Hot Tomato Broadcasting Company Pty Limited [1, 2, 4]	Australia	**100**	100
The Internet Amusements Group Pty Limited [1]	Australia	**100**	100
The Level 3 Partnership	Australia	**100**	100
The Radio Sales Network Pty Ltd [1, 2, 4]	Australia	**100**	100
The Roar Sports Media Pty Ltd [1]	Australia	**100**	100
Tibbar Broadcasting Pty Limited [1]	Australia	**100**	100
Wesgo [1, 2]	Australia	**100**	100
Wilson & Horton Australia Pty Ltd [1]	Australia	**100**	100
Wilson & Horton Finance Pty Ltd [1,2]	Australia	**100**	100
Wollongong Broadcasters Pty. Limited [1, 2, 4]	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 2023	Ownership interest held by the Group 2022	Ownership interest held by non-controlling interests 2023	Ownership interest held by non-controlling interests 2022	Principal activities
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	Brisbane FM Radio Pty Ltd 2022 $'000
Summarised balance sheet		
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
Summarised statement of comprehensive income		
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
Summarised statement of cash flows		
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

	Note	2023 $'000	2022 $'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 2023	Ownership interest 2022	Nature of relationship	Measurement method	Consolidated carrying values 2023 $'000	Consolidated carrying values 2022 $'000
3 Keys Records Pty Ltd	Australia	35%	0%	Associate[1]	Equity method	1,698	
Soprano Design Pty Limited	Australia	0%	25%	Associate[2]	Equity method	–	–
Nova Entertainment (Perth) Pty Ltd	Australia	50%	50%	Associate[3]	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:

	Note	2023 $'000	2022 $'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	–	(23,788)
Other		(75)	45
Total investments accounted for using the equity method		**35,392**	**33,327**

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
Balance sheet		
Current assets	8,368	384
Total assets	675,975	649,203
Current liabilities	142	4,130
Total liabilities	385,031	522,376
Total equity	**290,944**	**126,827**
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)
Total equity	**290,944**	**126,827**
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
Loss before income tax	**(150,894)**	**(199,458)**
Income tax benefit	21,876	19,776
Loss attributable to owners of the parent entity	**(129,018)**	**(179,682)**
Accumulated losses		
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
Balance at end of the year	**(1,451,882)**	**(1,296,139)**

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
Current assets		
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
Total current assets	89,747	216,651
Non-current assets		
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
Total non-current assets	483,477	648,561
Total assets	**573,224**	**865,212**
Current liabilities		
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
Total current liabilities	44,423	188,866
Non-current liabilities		
Bank Loans	93,582	84,394
Lease liabilities	59,330	23,660
Provisions	10,061	7,829
Deferred tax liabilities	97,602	129,238
Total non-current liabilities	260,575	245,121
Total liabilities	**304,998**	**433,987**
Net assets	**268,226**	**431,225**
Equity		
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
Total equity	**268,226**	**431,225**

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[i] $
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
Total audit and other assurance services	**1,446,339**	**1,918,885**
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
Total non-audit services	**239,647**	**632,436**

[i] 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[(i)] $
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
Total	**3,226,740**	**3,789,812**

(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 (i)	18,750	74,577
Property rental	Key management personnel (ii)	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

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.

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.

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999

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.

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*
Impairment of intangible assets *(Refer to Note 2.1)* The Group continues to hold significant indefinite lived intangible assets in the Australia Radio Network (ARN) cash generating unit (CGU) totalling $319.2 million. 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. 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: • the magnitude of the indefinite lived intangible asset balance and the impairment charge recorded during the year • 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.	We performed the following procedures, amongst others: • 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 • 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 • considered whether the model used to estimate the recoverable amount of the assets was consistent with the requirements of Australian Accounting Standards • tested the mathematical accuracy of the model's calculations • 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 • compared the forecast cash flows used in the model to the Board of directors' approved budget • evaluated the Group's historical ability to forecast future cash flows by comparing budgets with reported actual results • 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 • assessed the sensitivity of changes in key assumptions incorporated in the model • 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.

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.

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.

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. This description forms part of our auditor's report.

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999

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Report on the remuneration report

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

Eliza Penny
Partner

Sydney
22 February 2024

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999

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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[1]	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
Total	**287,378,832**	**91.8**

1 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
Total	**5,395**	**100.00**	**313,050,373**	**100.00**

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 (i)	1,332,528	–
B Rowe	–	–
A Cameron (ii)	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, 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
Website: 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

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.