

1H22 FINANCIAL RESULTS

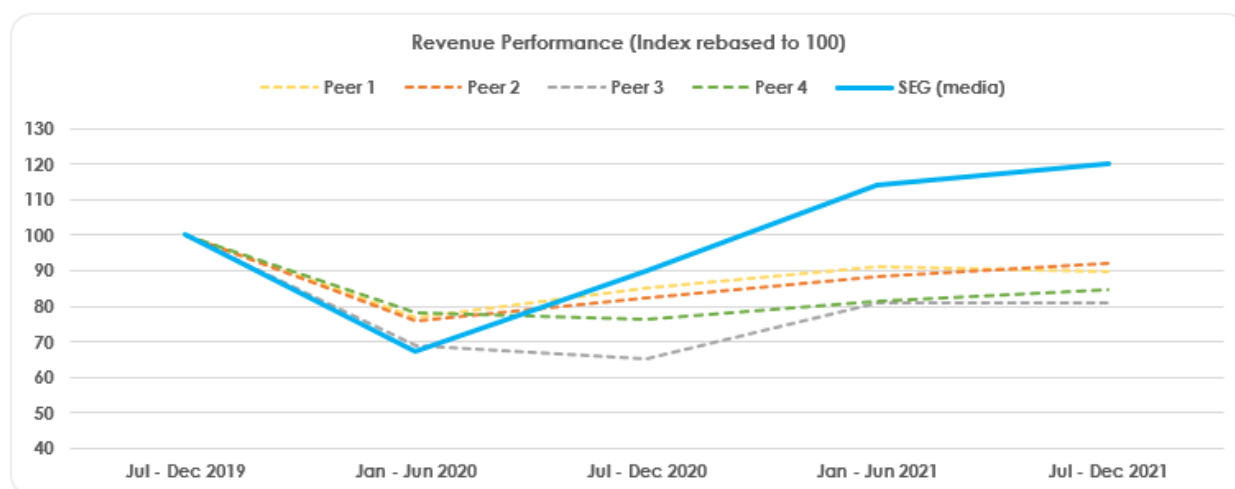
Sports Entertainment Group Limited (**SEG**) is pleased to report its financial results for the half-year ended 31 December 2021 (**1H22**).

1. 1H22 Financial Results

(\$ million)	1H22	1H21	Variance (\$)	Variance (%)
Total Revenue ¹	49.0	34.0	15.0	44.0%
Operating Expenses	41.9	27.5	14.3	52.1%
Statutory EBITDA	7.2	6.5	0.6	9.8%
+ Restructuring costs / abnormal items	0.6	-0.9	1.5	-163.5%
+ Non-cash loss on disposal of intangibles (1377AM)	0.0	0.7	-0.7	-100.0%
+ Gain on divestment of Melbourne United shareholding	-1.8	0.0	-1.8	n/a
Underlying EBITDA (adjusted for abnormal/once off items)	6.0	6.3	-0.3	-4.9%
+ Impact of AASB16	-1.7	-0.4	-1.3	281.0%
Underlying EBITDA (pre AASB16) ²	4.3	5.8	-1.6	-26.8%
+ Impact of JobKeeper funding	0.0	-3.3	3.3	-100.0%
Underlying EBITDA (pre AASB16) ² and excluding JobKeeper	4.3	2.5	1.7	69.2%

1H22 revenue of \$49.0 million was up 44%¹ on the prior corresponding period (**pcp**) reflecting a combination of the continued recovery from the impacts of COVID-19 and recent investments in organic and acquisitive growth initiatives resulting in:

- media and content in Australia up 20% on the pcp which outperformed SEG's peers and a radio advertising market that was up 13% (as illustrated below);
- complementary services revenue up 86% on the pcp reflecting the easing of restrictions and crowds attending sporting events;
- media and content in New Zealand gained strong momentum in the lead up to the launch and the initial months following before COVID lockdowns and international border restrictions were again imposed;
- timing of sports team revenues have been impacted by the COVID disruptions to seasons but are expected to be in line with expectations.

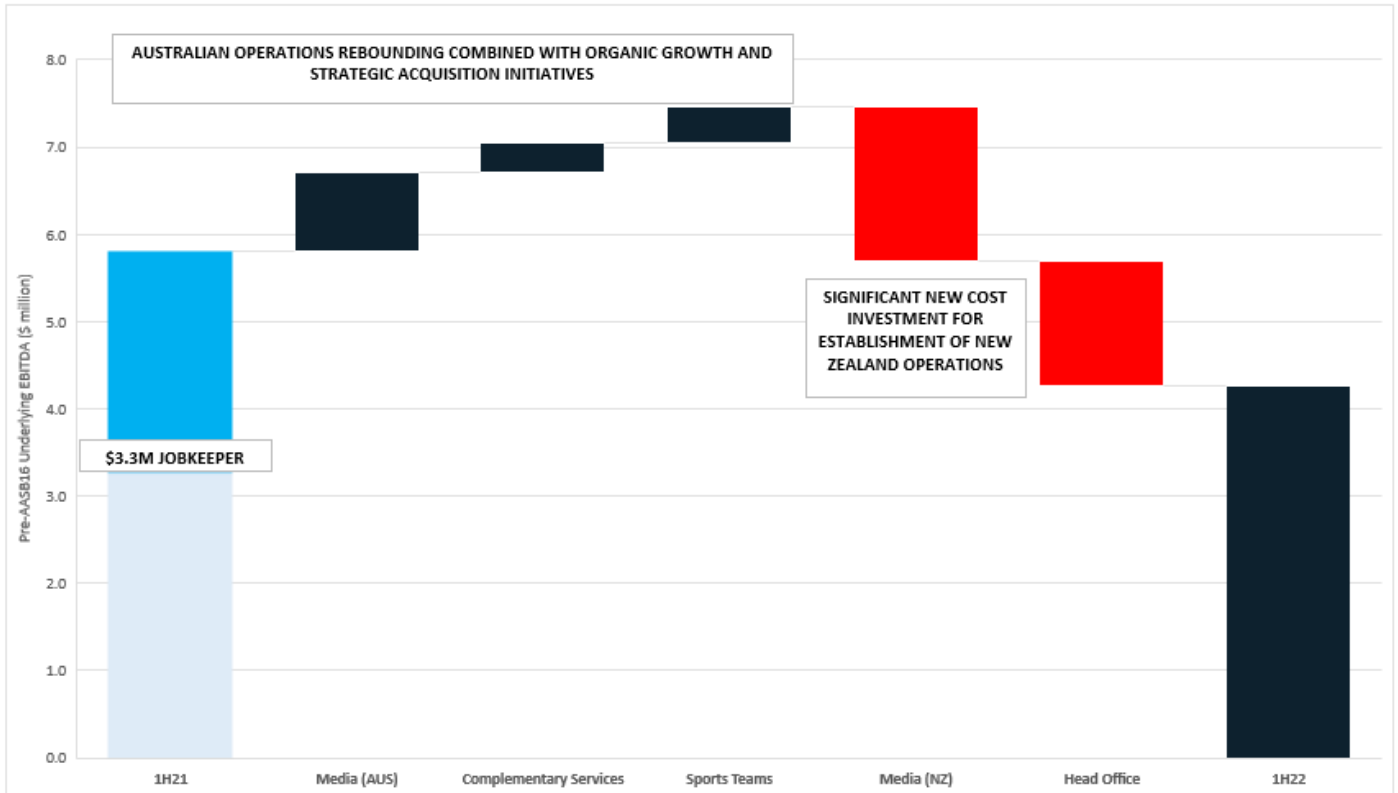


¹ Revenue from continuing operations (refer to Appendix 4D)

1H22 Underlying EBITDA² of \$4.3 million was down 27% on the pcp due mainly to:

- increase in operating costs returning to pre-pandemic levels after temporary savings in the pcp;
- positive returns from the Australian operations driven by organic growth and the expanded owned national station network;
- the prior corresponding period including \$3.3 million of the JobKeeper subsidy which enabled us to fund the retention of almost our entire workforce during the height of the pandemic;
- significant new investment (start-up costs) relating to the establishment of the New Zealand network including infrastructure, personnel, content production, broadcast rights and talent.

ATTRACTIVE RETURNS ON CAPITAL REALISED BY LEVERAGING NATIONAL SALES TEAMS, BROADCAST RIGHTS, CONTENT PORTFOLIO AND TALENT



The positive 1H22 result reflects:

- continued strong recovery in Australia aided by:
 - o completion of the AFL season including the history making Grand Final at Optus Stadium in Perth with crowds;
 - o completion of the NRL season;
 - o completion of the BBL and international cricket fixtures;
 - o continued strong performance from the expanded owned Australian national radio station and digital network (currently at 33) which are low cost and have operational synergies;
- continued strong performance of digital platforms with incredible audience numbers during the official broadcast of the 2020 Tokyo Olympics, Trade Radio and a record-breaking month of 5.4 million podcast downloads in October.

1H22 cash flow from operating activities was \$2.1 million and underlying EBITDA to ungeared pre-tax operating cash flow conversion was 95%³. Net debt as at 31 December 2021 was \$20.0 million, up from \$11.2 million at 30 June 2021 due mainly to the funding of the Perth Wildcats acquisition.

² EBITDA from continuing operations and excludes restructuring and transaction costs, in the respective period and pre impact of AASB16 Leases (refer Appendix 4D)

³ From continuing operations, excludes restructuring and transaction costs in the respective period and pre impact of AASB16 Leases

During the period, SEG:

- funded \$3.7 million of property, plant and equipment expenditure;
- funded \$1.3 million of the 1539AM Sydney, 1593AM Melbourne and 90.7FM Darwin radio licence acquisitions; and
- funded \$7.1 million for the acquisition of the Perth Wildcats;
- divested 20% of the Melbourne United shareholding for \$2.6 million.

\$4.4 million of undrawn funds remains available as at 31 December 2021.

For more details please refer to the attached Appendix 4D.

2. FY22 Guidance and Outlook

The advertising market continues to rebound, as COVID-19 vaccination rates rise and domestic and international borders start to open in Australia, though there is still some caution from advertisers as the effects on logistics and supply chains continue to be felt across the world.

Revenue opportunities are continuing to grow as the profile of the expanded owned network matures and builds audiences, as evidenced during January and February 2022 which was up 43% on the pcp. As pandemic related restrictions continue to ease and live sport is played with fans in attendance, complementary services revenues (i.e. activations and events) are expected to return which are still 65% lower than pre-pandemic levels.

Subject to no material changes in economic and COVID-19 pandemic conditions in both Australia and New Zealand, SEG remains confident of building on the 1H22 result and achieving a positive EBITDA result in FY22.

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