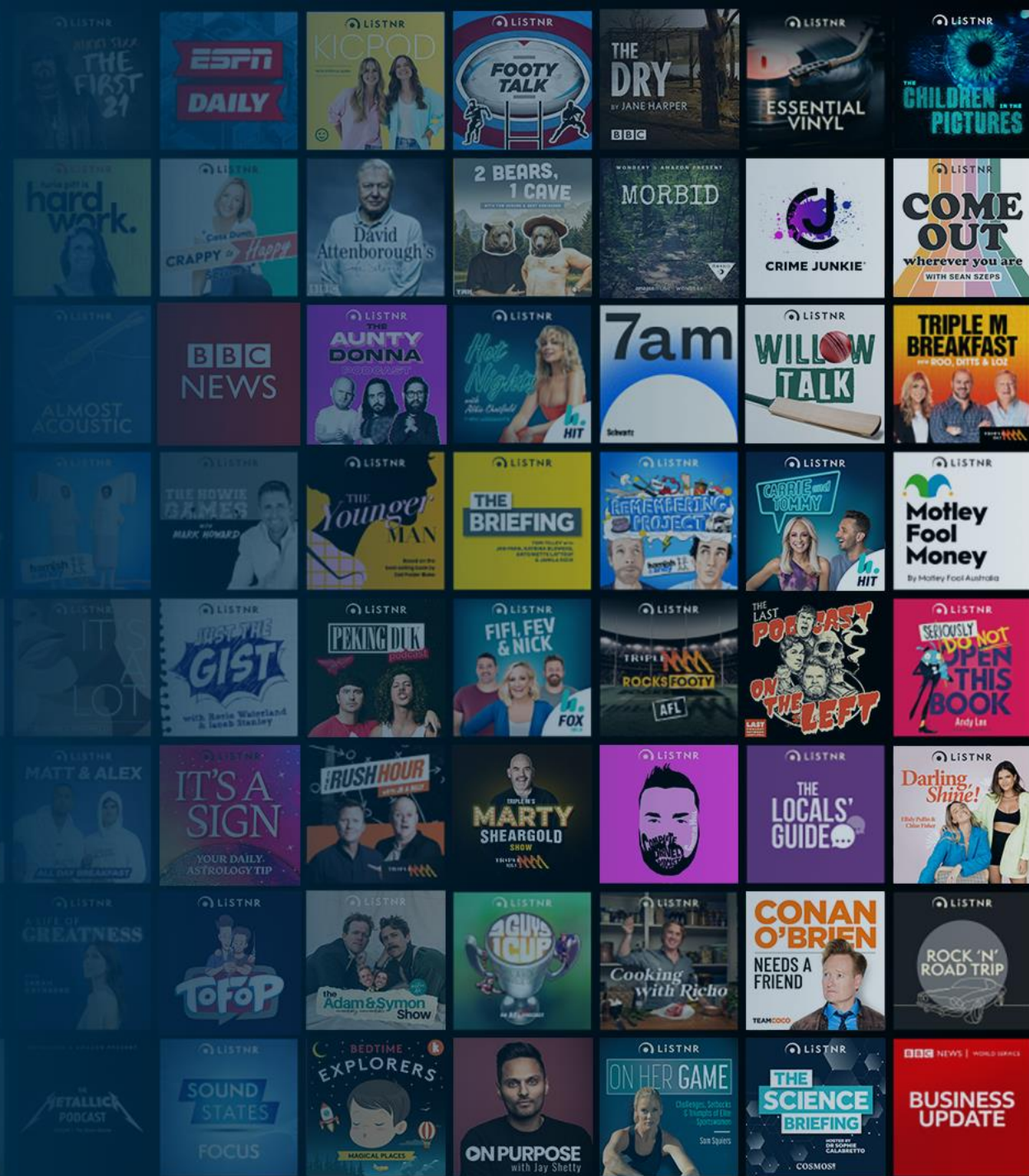


FY23 H1 INVESTOR PRESENTATION

16 FEBRUARY 2023

SCA



DISCLAIMER

Summary information

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SCA LEADING THE WAY

- SCA is the largest Live and On Demand Audio creator and broadcaster in Australia
- SCA posts highest ever audience for Metro Radio in 2022 - #1 Radio network for P25-54 demographic¹
- SCA posts Metro Radio revenue growth of 6.8% in H1 - improving our share of market
- LiSTNR reaches a new record of 1.2m signed in users, up 50%+ since July 2022
- Workforce Evolution - headcount has reduced ~12% creating a more efficient operation (FY19 VS FY23)
- Strong Balance Sheet, modest Net Debt and secure financing arrangements
- Half Year fully franked dividend increases to 4.6 cps – while current share buyback enhances returns

LARGEST LIVE AND ON DEMAND AUDIO CREATOR AND BROADCASTER IN AUSTRALIA

OUR CORE ASSETS

- 100 BROADCAST RADIO STATIONS
- 29 DEDICATED IP MUSIC STATIONS
- 600+ PREMIUM PODCASTS
- PREMIUM PARTNER AFL, NRL & CRICKET AUSTRALIA
- DEVELOPER & OPERATOR OF LiSTNR
- EXCLUSIVE PARTNER TO PROLIFIC GLOBAL & LOCAL PODCAST PUBLISHERS
- EXCLUSIVE SALES REPRESENTATION PARTNER TO MULTIPLE BROADCAST & DIGITAL ASSETS
- FULLY DIGITISED ARCHITECTURE
- HIGHLY EXPERIENCED & ENGAGED WORKFORCE





H1 FY23 RESULTS

GRANT BLACKLEY

SCA

SCA RESULTS OVERVIEW

- EBITDA of \$43.1m, 7.3% below the prior corresponding period
- H1 Radio Broadcast EBITDA of \$48.2m with Metro revenue up 6.8% versus a market up 4.6%
- SCA audience for All People up 22% in CY22 to a record high
- SCA #1 Metro Radio network in Australia for People 25-54¹ (70%+ of ad briefs target this demographic)
- SCA expands network sales representation with ACE Radio – 21 radio stations (audience 800K)
- LiSTNR revenues grow 37.5% - well above the broader digital industry growth of 11.0%
- LiSTNR secures exclusive sales rights to Stitcher, Wondery and Diamantina Media
- H1 Television revenues weighed on group revenues – back 9.5% or \$6.2m
- Group expenses managed to be 1.7% on pcp – respecting inflationary pressures across all expenses
- Key executive appointments – Tim Young (ex - Disney) and Seb Rennie (ex - Group M)

\$ millions	H1 FY23	H1 FY22 ¹	Var.
Revenue	260.1	259.8	0.1%
Expenses	(217.0)	(213.3)	1.7%
EBITDA	43.1	46.5	(7.3%)
NPAT	14.6	15.6	(6.1%)
Net Debt	102.5	67.6	51.7%
Free Cash Conversion	77.8%	52.4%	
Dividends (cps)	4.6	4.5	



GROUP RESULTS SUMMARY

- EBITDA of \$43.1m, 7.3% below the prior corresponding period
- NPAT \$14.6m, \$1.0m or 6.1% below pcg
- National radio revenues grew by \$5m or 2.7% over pcg. Metropolitan radio revenues grew 6.8% or \$3.2m over pcg
- Expenses managed to 1.7% or \$3.7m over the prior year, respecting increased wage growth, higher software costs and a general return to normal operations, partially offset by lower television affiliation fees
- Net debt of \$102.5m with a leverage ratio 1.33x EBITDA
- Final dividend declared at a fully-franked 4.6 cents per share (4.5 cps declared in same period in FY22)

¹ H1 FY22 comparative excludes government Public Interest News Gathering Grant of \$1.7m received in FY22.

A photograph of two men in a radio studio. The man on the left is bald with a beard, wearing a dark shirt, and is smiling broadly. The man on the right has dark hair and a beard, wearing a dark blazer over a dark shirt, and is smiling. They are both leaning forward. In the background, there are radio studio monitors. One monitor shows a timer at 0:00:00.0. Another monitor shows the logo for 'TRIPLE M 104.9'.

H1 FY23 FINANCIAL RESULTS

TIM YOUNG - CFO

SCA

\$ millions	H1 FY23	H1 FY22 ¹	Var.
Revenue	260.1	259.8	0.1%
Expenses	(217.0)	(213.3)	1.7%
EBITDA	43.1	46.5	(7.3%)
Depreciation & Amortisation	(14.4)	(15.7)	(8.2%)
EBIT	28.7	30.8	(6.8%)
Net Finance Costs	(7.8)	(8.3)	(6.1%)
PBT	20.9	22.5	(7.1%)
Tax	(6.3)	(6.9)	(15.5%)
NPAT	14.6	15.6	(6.1%)



GROUP RESULTS

- EBITDA down \$3.4m or 7.3% to \$43.1m
- NPAT \$14.6m, down \$1m or 6.1% on prior corresponding period
- Net Finance costs \$0.5m or 6.1% below prior period at \$7.8m, due to a benefit attributed to swap facilities
- Effective tax rate of 30.1%
- Depreciation & Amortisation of \$14.4m was \$1.3m or 8.2% below prior year

¹ H1 FY22 comparative excludes government Public Interest News Gathering Grant of \$1.7m received in FY22.

\$ millions	H1 FY23	H1 FY22
Net Debt Start of Period	(78.5)	(52.6)
Net Cash from Operations	30.3	28.7
Leases	(3.4)	(3.9)
Cash from Operations less Leases	26.9	24.8
Tax Payments	(10.3)	(11.9)
Capital Expenditure	(7.9)	(8.7)
Proceeds from sale of Non Core Assets	3.3	0.1
Net Interest	(4.7)	(4.8)
Cash flow pre-dividend & non recurring items	7.3	(0.6)
Investments	(0.1)	(1.2)
Dividends to security holders	(12.3)	(13.2)
Share Buy Back	(18.9)	0.0
Net Debt End of Period	(102.5)	(67.6)
EBITDA¹	43.1	46.5
Operating Cash Conversion	70.4%	61.7%
Free Cashflow (Cash from Ops. - Net Capital Exp. & Leases)	22.3	16.1
EBIT ¹	28.7	30.8
Free Cash Conversion	77.8%	52.4%

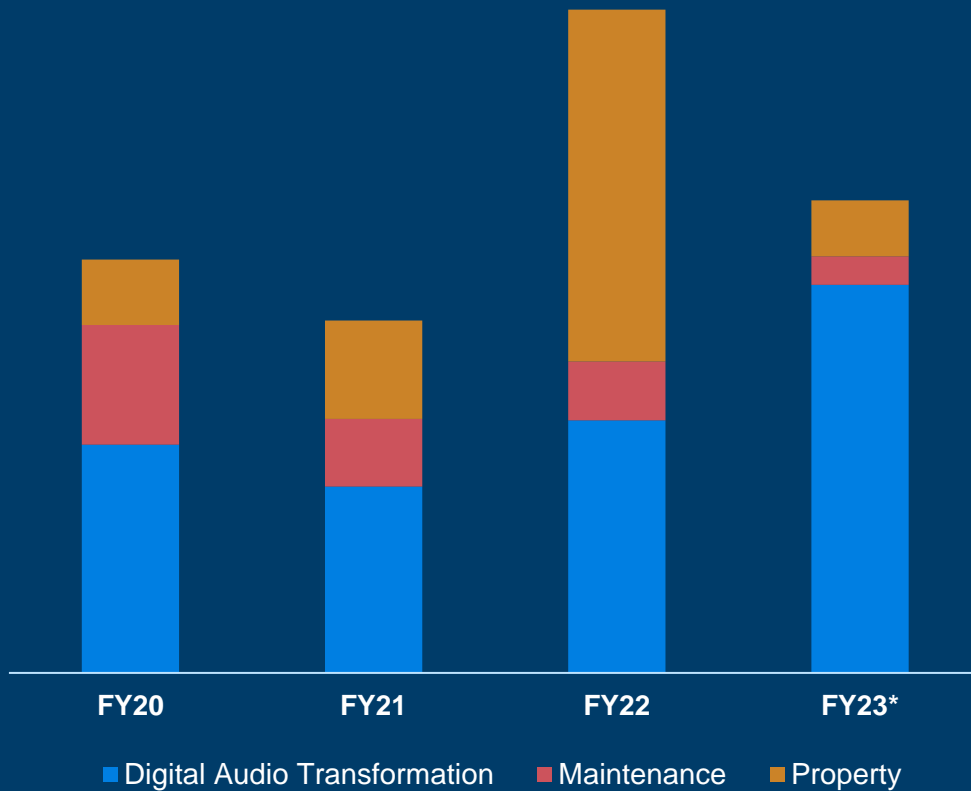


CASHFLOW & FINANCING

- Improved and consistent cashflow generation – with Free Cash Conversion of 78%
- Capex of \$7.9m in H1 was \$0.8m lower than the prior corresponding period. Over 80% of capex directly related to innovation – being new systems, products and services to drive audiences, customer acquisition and monetisation.
- Share Buyback – as of 1 January 2023 - 22m shares, or 83.3% of the maximum, have been acquired at a cost of \$24.4m (cost inclusive of shares bought in H2 FY22)
- Bank facility matures in January 2026 – providing long term tenure coupled with low margins. Significant headroom under bank leverage covenant at 1.33x
- Franking credit balance of circa \$184m

¹ H1 FY22 comparative excludes government Public Interest News Gathering Grant of \$1.7m received in FY22.

CAPITAL EXPENDITURE FY19 - FY23*



CAPEX FOCUSED ON INNOVATION

SCA continues to maintain a disciplined, innovation-focused capital expenditure program. Key investment categories include:

Digital Audio Transformation (83% of capex)

Includes LiSTNR development and implementation of digital-first core systems & PPE to further enable SCA's Digital Audio Transformation

Property (10% of capex)

Includes minor office renovations & refurbishments enabling team collaboration and client services

Maintenance (7% of capex)

Includes maintenance of existing systems

* forecast



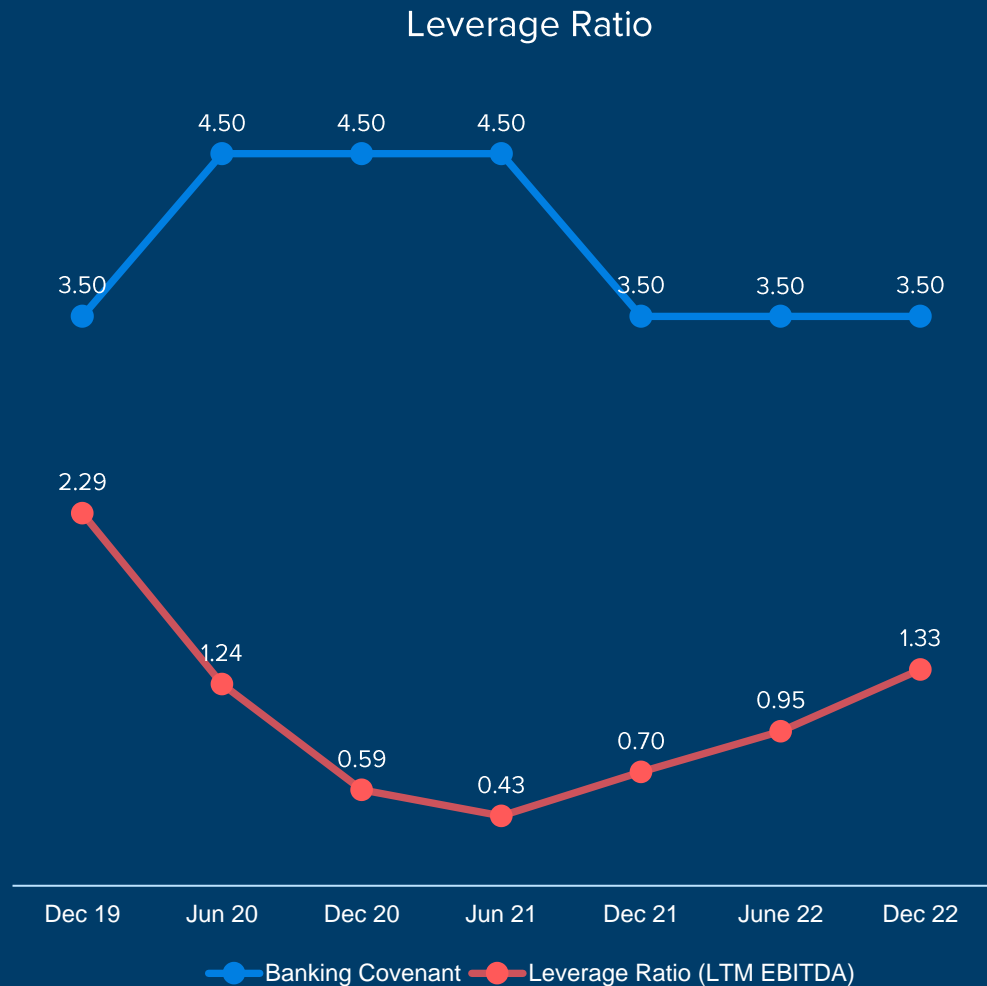
STRONG BALANCE SHEET

Secure Financing

- Significant headroom under bank leverage covenant

Capital Management initiatives

- Increased dividend yield with a 4.60cps fully franked half year dividend
- Dividend payout of 76% within policy range of 65-85% of NPAT
- Share buyback will continue until 7 April 2023. Shares bought back to date are 83.3% of maximum permitted



Leverage ratio calculated under Syndicated Facility Agreement definition

OPERATIONAL REVIEW

SCA



\$ millions	H1 FY23	H1 FY22 ¹	Var.
Audio Revenue	200.4	193.7	3.5%
Television Revenue	59.6	65.8	(9.5%)
Corporate Revenue	0.1	0.3	nm
Revenue	260.1	259.8	0.1%
Audio Expenses	(159.7)	(149.3)	7.0%
Television Expenses	(45.3)	(48.7)	(7.0%)
Corporate Expenses	(11.9)	(15.2)	(21.7%)
Expenses	(217.0)	(213.3)	1.7%
Audio EBITDA	40.6	44.3	(8.3%)
Television EBITDA	14.2	17.1	(16.8%)
Corporate EBITDA	(11.8)	(14.9)	21.2%
EBITDA	43.1	46.5	(7.3%)



OPERATIONAL REVIEW

- Audio EBITDA of \$40.6m, inclusive of on-going investment in LiSTNR
- Audio revenues of \$200.4m increased by \$6.7m or 3.5% over pcp. Metropolitan radio revenues grew 6.8% or \$3.2m. Regional revenues contracted \$2.1m or 2.5%
- Television revenues contracted \$6.2m or 9.5% partially offset by lower affiliation fees down 7.0% or \$3.4m
- LiSTNR Digital Audio revenues up by 37.5% over pcp
- Corporate expenses down \$3.3m or 21.7% due to savings in employment and insurance expenses

¹ H1 FY22 comparative excludes government Public Interest News Gathering Grant of \$1.7m received in FY22.

\$ millions	H1 FY23	H1 FY22 ¹	Var.
Revenue	260.1	259.8	0.1%
Revenue Related Expenses	(63.5)	(64.7)	(1.9%)
<i>Revenue related expenses as % of revenue</i>	24%	25%	-
Non Revenue Related Expenses	(153.5)	(148.5)	3.3%
EBITDA	43.1	46.5	(7.3%)



OPERATING COSTS

- Non-revenue related (NRR) expenses increased 3.3% primarily driven by investment in LiSTNR digital audio products and services – combined with higher inflationary pressures across all expense lines
- Revenue related expenses as a percentage of revenue – slightly lower at 24%

¹ H1 FY22 comparative excludes government Public Interest News Gathering Grant of \$1.7m received in FY22.

\$ millions	H1 FY23	H1 FY22 ¹	Var.
Revenue	188.2	183.2	2.7%
Revenue Related Expenses	(33.7)	(31.7)	6.4%
Employee Expenses	(75.1)	(70.6)	5.1%
Other NRR Expenses	(31.2)	(28.8)	8.1%
Total NRR Expenses	(106.3)	(99.5)	6.0%
Expenses	(140.0)	(131.1)	6.1%
EBITDA	48.2	52.1	(7.4%)
<i>EBITDA Margin</i>	<i>25.6%</i>	<i>28.4%</i>	

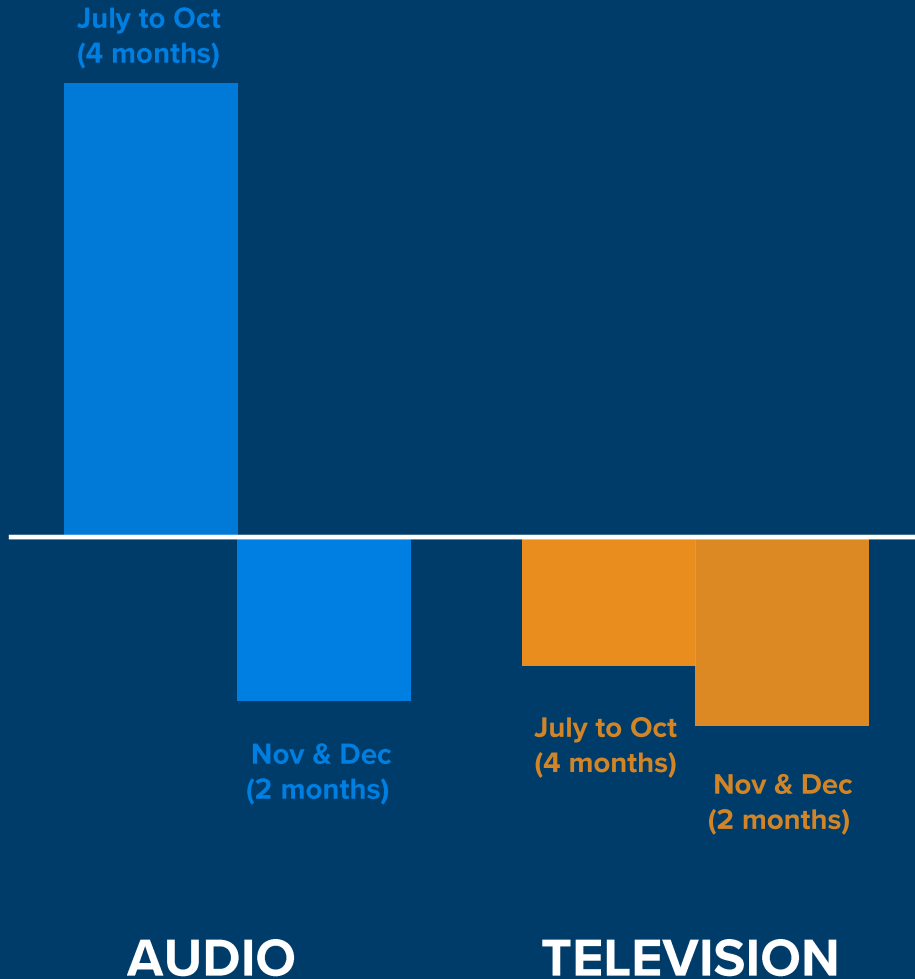


BROADCAST RADIO

- EBITDA of \$48.2m down \$3.9m or 7.4%, with underlying EBITDA margin of 25.6%
- SCA Metro Radio revenues grew 6.8% or \$3.2m, lifting SCA's share of the market (given market rise of 4.6% as per CRA)
- National broadcast radio revenue grew \$5m or 2.7% over the pcp, cycling over a strong post-lockdown recovery in November and December 2021
- Revenue Related cost growth driven by a return to normalised operations (including content, sales activations, increased promo and outside broadcast activity)
- Employee Expense increases mitigated through increased and prudent headcount management

¹ H1 FY22 comparative excludes government Public Interest News Gathering Grant of \$0.9m received in FY22.

YoY REVENUE GROWTH



TALE OF TWO PERIODS

- SCA audio revenue growth in the first 4 months was strong – up 8.7% or \$10.4m, cycling over an equally buoyant period of 8.6% or \$10.2m growth over FY21
- Conversely, SCA audio revenues contracted across the November- December period by 5.1% or \$3.8m, cycling stronger prior year of 13.7% or \$10.2m growth over FY21
- Total Audio revenue for the 6 months ending December 22, was up 3.4% or \$6.7m. By comparison, this was cycling over 10.5% or \$20.4m growth over FY21
- Television revenues weighed on the group result – with the first 4 months contracting 7% or \$3.0m while November – December were back 18.5% or \$4.3m
- Key categories weighting on market – Gov't (28.8%), Consumer Electronics (19.5%), Financial Services (37.4%), Technology (2.0%) and Banking (5.0%)

\$ millions	H1 FY23	H1 FY22 ¹	Var.
Revenue	59.6	65.8	(9.5%)
Revenue Related Expenses	(26.7)	(31.0)	(14.0%)
Employee Expenses	(9.4)	(9.0)	4.6%
Other NRR Expenses	(9.2)	(8.7)	6.1%
Total NRR Expenses	(18.6)	(17.7)	5.3%
Expenses	(45.3)	(48.7)	(7.0%)
EBITDA	14.2	17.1	(16.8%)
EBITDA Margin	23.9%	26.0%	



TELEVISION

- EBITDA Margin of 23.9%
- Underlying EBITDA reduced \$2.9m to \$14.2m as the television advertising market cycled over strong comparatives (post lockdown) resulting in a sharp contraction in market revenues in late Nov/December
- Overall expenses down \$3.4m or 7.0%.

¹ H1 FY22 comparative excludes government Public Interest News Gathering Grant of \$0.8m received in FY22.

\$ millions	H1 FY23	H1 FY22	Var.
Digital Audio Revenue	10.5	7.6	37.5%
Revenue Related Expenses	(3.0)	(1.9)	54.6%
Employee Expenses	(9.3)	(7.9)	17.4%
Other NRR Expenses	(7.5)	(8.4)	(10.6%)
Total NRR Expenses	(16.8)	(16.3)	3.0%
Expenses	(19.8)	(18.2)	8.5%
Digital Audio EBITDA	(9.3)	(10.6)	12.3%
Other Digital Revenue	1.7	2.9	(39.5%)



DIGITAL AUDIO - LiSTNR

- LiSTNR EBITDA loss narrows 12% - improving path to cashflow breakeven
- LiSTNR digital audio revenue growth of 37.5%, led by growing InStream (addressable advertising) and Podcast revenue
- LiSTNR is the #1 podcast sales house in Australia – after securing key international and local sales representations*
- Revenue related expenses increase due to new sports contra commitments. Employee expenses \$1.4m higher than pcp following investment in new digital expertise and higher wage growth
- Other NRR costs reduce by \$0.9m as we cycle over LiSTNR launch promotional investments
- Other Digital revenues decrease as the regional digital marketing agency is disbanded, increasing focus on digital audio regionally

*Triton Podcast Ranker Report 2022

CORE INFLUENCES

SCA



WORKFORCE EVOLUTION

HEADCOUNT REDUCTION OF **12%**
CONTENT OUTPUT UP **66%**



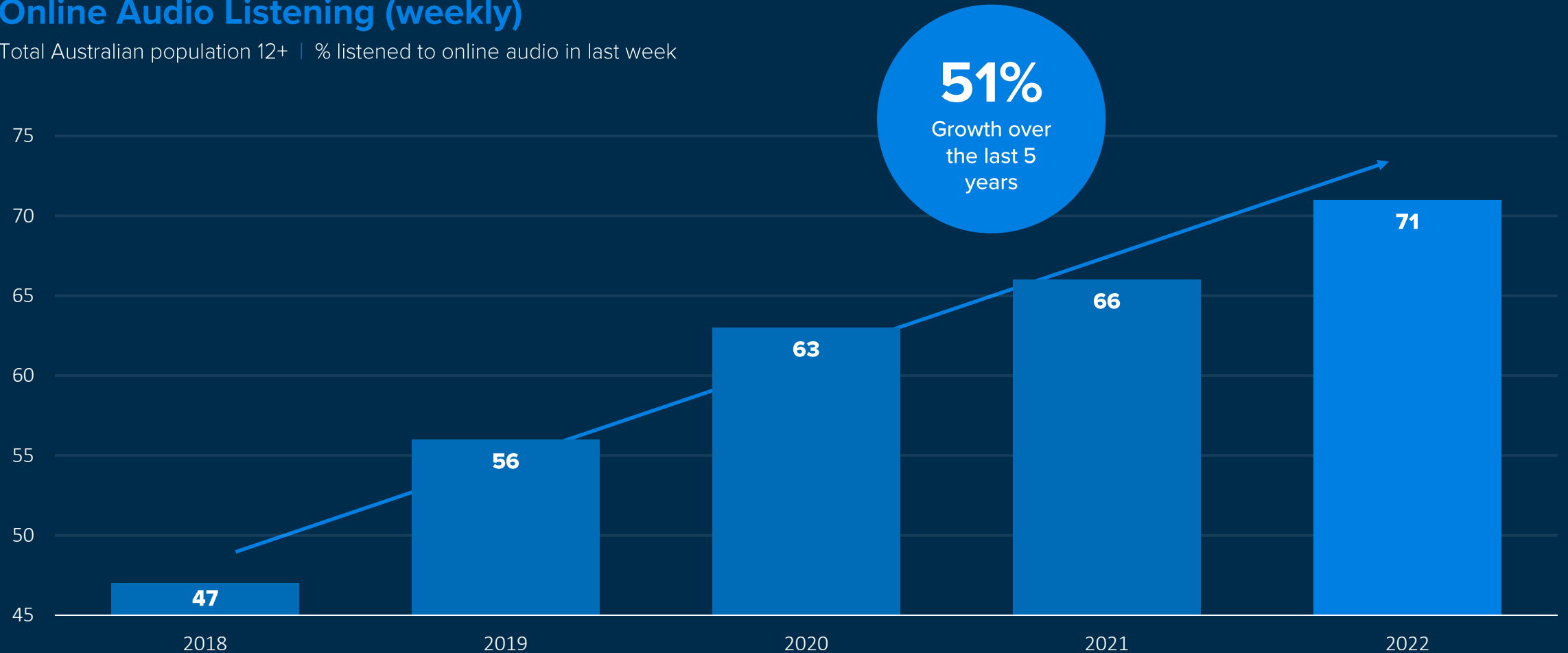
- SCA has systematically reviewed all workforce structures and processes over last few years
- The result has been a **reduction in permanent headcount of circa 12% comparing FY19 to FY23**
- While also deploying a **Digital First strategy** inclusive of the design, launch and scaling of LiSTNR
- **At the same time, SCA has increased content output by 66%** - now producing an average of circa 1 million hours of content per year
- **The composition of our workforce has also evolved** – with more than 200 of SCA’s workforce now highly skilled digital specialists, including data scientists, UX/UI designers, digital developers, commercial digital specialists, podcast creators, and sound designers
- **All broadcast teams have been trained and upskilled** – resulting in a multi-skilled workforce. This has enabled us to utilise our existing workforce to create more compelling content, that is consumed across multiple platforms and monetised more actively

ONLINE LISTENING GROWING



Online Audio Listening (weekly)

Total Australian population 12+ | % listened to online audio in last week

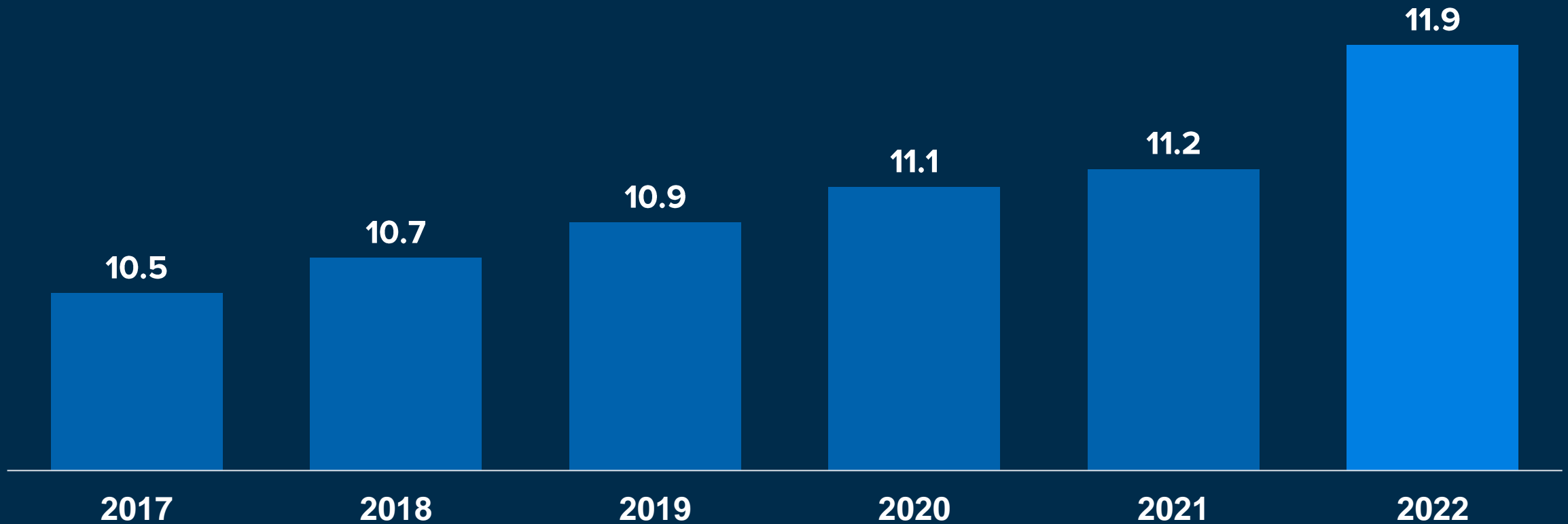


Online Audio = listening to AM/FM/DAB+ radio stations online and/or listening to audio content available only on the internet including podcasts and streaming services.

RECORD **METRO COMMERCIAL RADIO** AUDIENCES



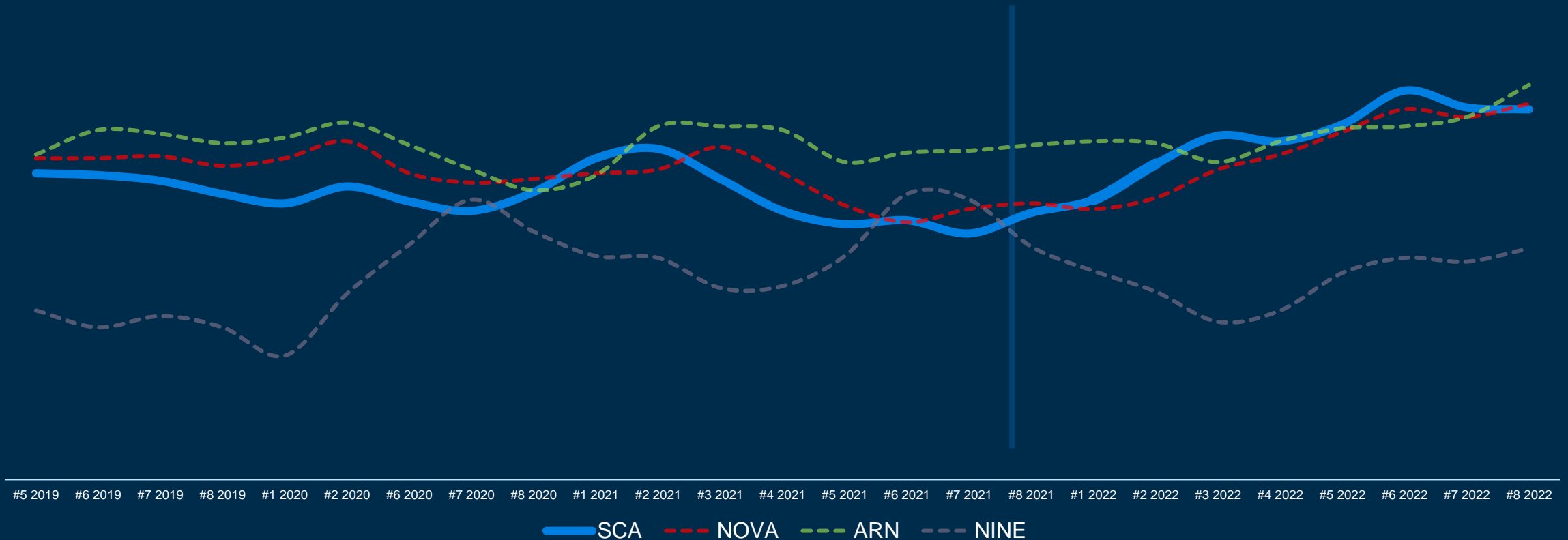
Metro commercial radio's audience has grown by more than 1.4 million listeners or 13.3% in the last 6 years



FOCUSED ON GROWING **TIME SPENT LISTENING**



SCA GREW METRO AUDIENCE FASTER THAN OUR PEERS **UP 22.7% OVER LAST 8 SURVEYS¹**

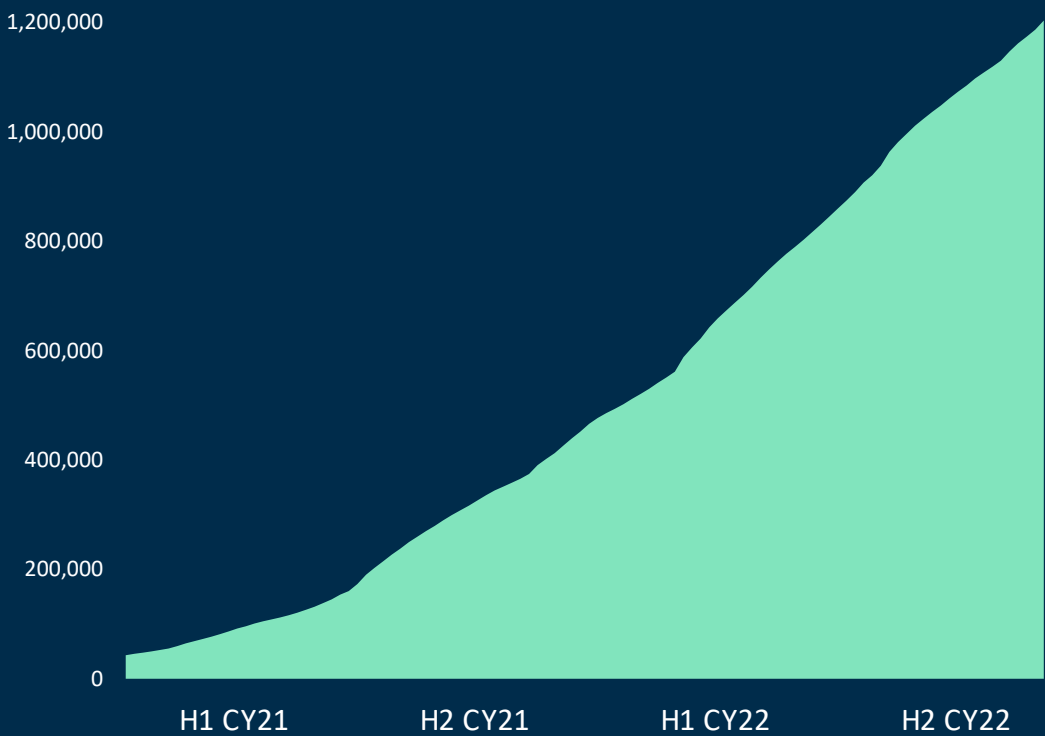


¹ GFK – 5 cap cities, Cume audience All People 10+ (incl DAB), Survey 8, 2021 v Survey 8, 2022. GFK – 5 Cap Cities, share of audience People 10+ (incl DAB).
Commercial Radio & Audio

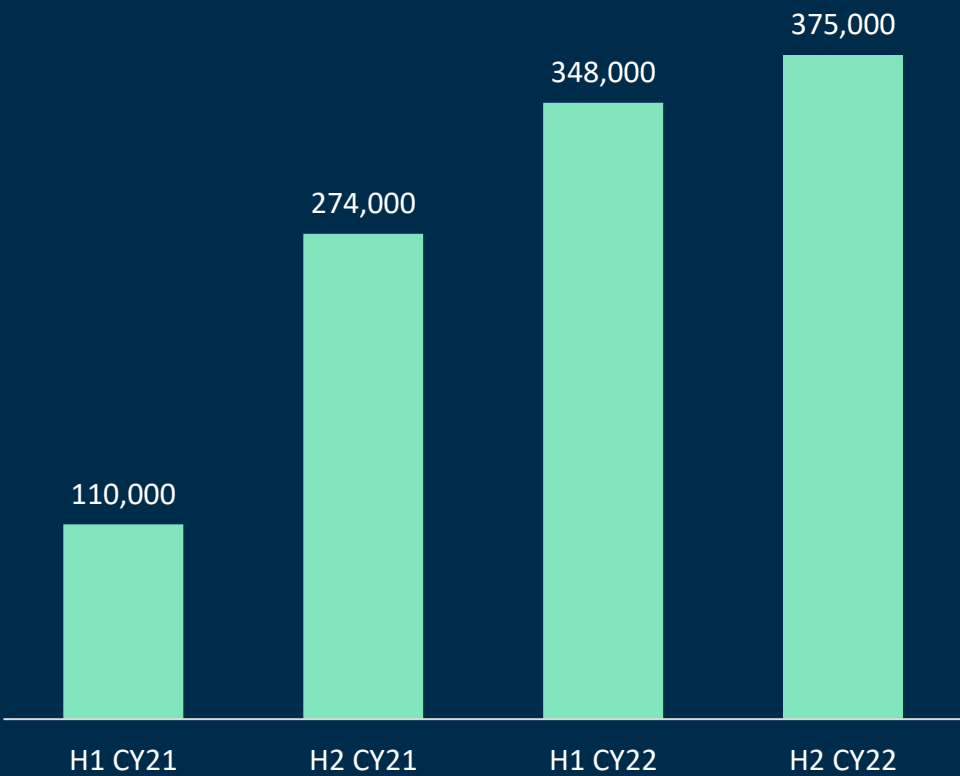
LiSTNR SIGNED IN USERS **HITS RECORD 1.2M**



LiSTNR CUMULATIVE SIGN-UPS
1,200,000+



INCREMENTAL LiSTNR SIGN-UPS
BY HY SINCE LAUNCH

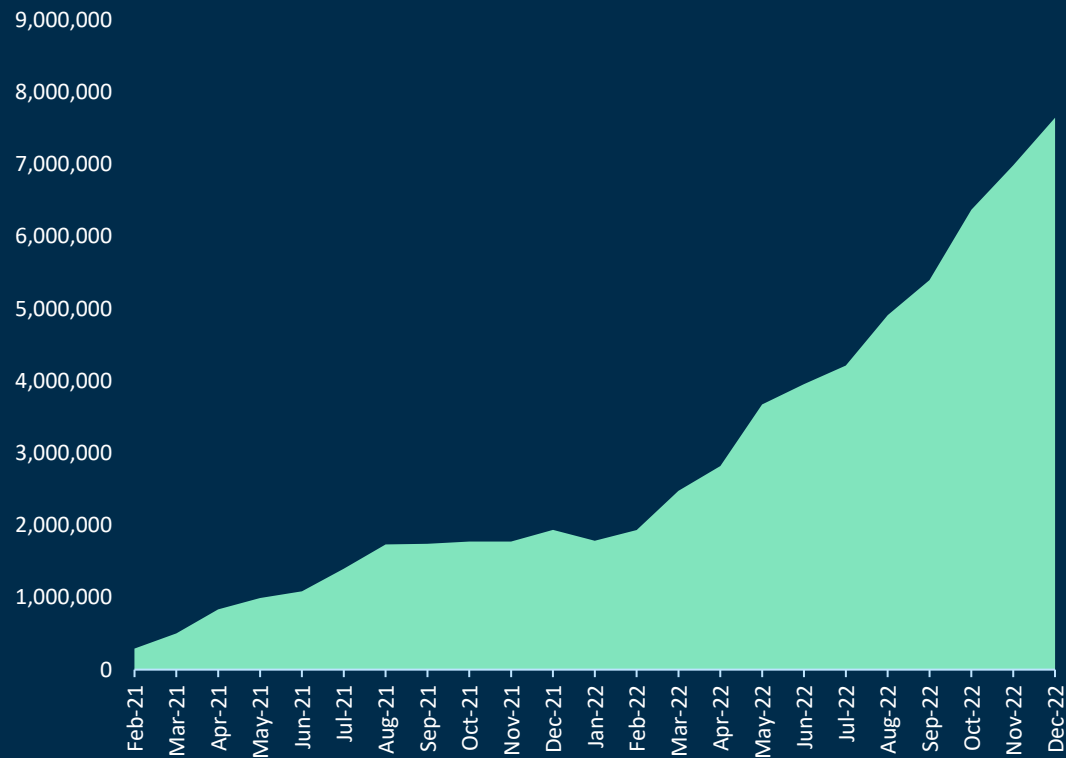


Source : SCA Internal data

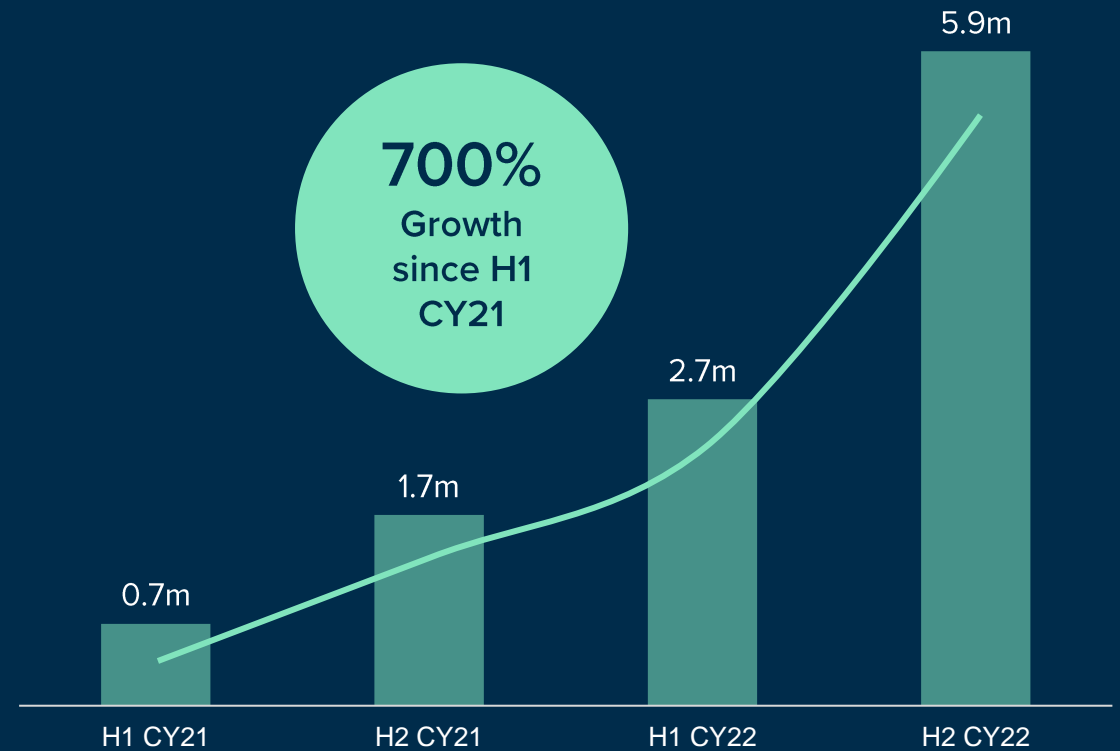
LISTNR STREAM STARTS ACCELERATE & ON PLATFORM CONSUMPTION **RISES 700%**



STREAM STARTS BY MTH (APP + WEB PLAYER)



AVERAGE MONTHLY STREAMS ON LISTNR



Source: Firebase Analytics, stream start event counts. Feb 2021 – December 2022. Podcast plays = player_stream_start. Radio plays = Radio_player_stream_starts & live_show_player_stream_starts. Only counts streams from logged in users of the web player

SECURED IMPACTFUL PARTNERSHIPS

The **Stitcher** and **Wondery** partnerships have increased depth of content and doubled engaged audiences in an effective and efficient manner;

- **Wondery** offers 49 premium titles across key LiSTNR core verticals – Factual & Drama and Entertainment & Culture
- **Stitcher** offers podcast diversity and scale of audience reach with 319 titles across Factual & Drama, Entertainment & Culture and Sport
- Partnerships not only broaden the podcast catalogue but are instrumental in generating cost effective sign ups, increased time spent on platform and stronger advertiser engagement

LiSTNR podcast network audience grew 200% from 3.28M in July '22 to 6.6M in September '22 (as both Stitcher and Wondery onboarded)



WONDERY



A man and a woman are smiling in a studio. The man is standing behind the woman, who is seated. In the background, there is a neon sign that says "CARRIE and TOMMY" and a computer monitor with the text "ALSO ON".

VALUE DRIVERS & TRADING OUTLOOK

SCA

IMPROVING **VALUE**

- **LiSTNR** - we have developed & operate a world class Audio ecosystem – scaling at pace
- **Digitised Workplace** – constantly reviewing and transforming every function within our operations - with the aim of driving more value for audiences and advertisers
- **LiSTNR unlocks a “known audience”** – which is far more valued than an unknown audience with our advertising and agency partners
- **LiSTNR creates and has secured a portfolio of quality, diverse and engaging content** - evidenced by Stitcher, Wonderly, BBC, Schwartz Media, Diamantina Media, AFL, NRL, Cricket Australia and LiSTNR Originals
- **SCA secured ACE Radio** sales representation – improved depth, scale and incremental earnings
- **SCA reviewing DAB structure** – breaking out brands to generate incremental revenue
- **Executive appointments – Tim Young CFO (ex - Disney) and Seb Rennie Exec Head – LiSTNR Commercial (ex - Group M)** are both exceptional executives with strong track records. Along with our existing Executive suite they will be acutely focused on driving shareholder value and maximising returns



TRADING UPDATE



REVENUE

- Q3 Broadcast radio forecast to be flat to low single digit growth
- January Metro revenue was up 3.4%, Regional Local up 7.0% while Regional National back 14.8%.
- February Metro revenue forecast to be up 2%, Regional Local up 10% and Regional National back 8%
- TV market tracking 10% - 12% below last year for Q3

COST GUIDANCE

- Non-Revenue Related Cost growth for FY23 re-forecast to be 0-2% over pcp (down from prior guidance of 2-4%)
- Total financing costs ~\$17m for FY23, with capital expenditure expected to reduce \$10m to ~\$20m for FY23
- Share buyback to recommence post results

OUTLOOK FOR LiSTNR

- LiSTNR – targeting 2.0m signed-in users by July 24
- Digital Audio revenues will be up more than 65% over pcp for January & February (respecting improving stream starts and new content partnerships)
- EBITDA loss to narrow in FY23 with revenues rising well ahead of expenses - cashflow breakeven forecast in FY25

Q&A

SCA



SCA

APPENDIX:

\$ millions	H1 FY23	H1 FY22	Var.
Reported EBITDA	43.1	48.2	(10.6%)
PING ¹ Grant	0.0	(1.7)	
Underlying EBITDA	43.1	46.5	(7.3%)
<i>Margin</i>	<i>16.6%</i>	<i>17.9%</i>	
Depreciation & Amortisation	(14.4)	(15.7)	(8.2%)
Underlying EBIT	28.7	30.8	(6.8%)
Interest	(7.8)	(8.3)	(6.1%)
Underlying PBT	20.9	22.5	(7.0%)
Tax	(6.3)	(7.4)	(15.5%)
Underlying Tax	(6.3)	(6.9)	(9.2%)
Underlying NPAT	14.6	15.6	(6.1%)



GROUP REPORTED RESULTS RECONCILIATION

- The cost offset and tax impact of the Public Interest News Gathering (PING) Grant received from the government in FY22 has been excluded from the prior corresponding period throughout this presentation
- The amount of the grant received in FY22 was \$1.7m, with a tax impact of \$0.5m
- The PING Grant is included in SCA's statutory results as an offset to employee expenses

¹ Public Interest News Gathering

APPENDIX: DAB AUDIENCES GROW **SCA DOMINATES**

SCA DAB AUDIENCE 1.4M LISTENERS – UP 55% ON PRIOR YEAR

Top 20 Stations	Network	Share%
Coles Radio	NOVA Ent	11.2
MMM Classic Rock	SCA Network	8.0
RnB Fridays	SCA Network	7.7
SmoothFM DAB+	NOVA Ent	7.5
TikTok	ARN Network	6.2
90's	ARN Network	6.0
Smooth Relax	NOVA Ent	6.0
Easy 80's	SCA Network	5.7
OLDSKOOL 90'S	SCA Network	5.5
80's	ARN Network	4.8
MMM 90's	SCA Network	4.7
Buddha Hits	SCA Network	4.4
MMM Country	SCA Network	3.9
MMM 80's	SCA Network	3.4
CADA DAAB+	ARN Network	3.3
Blender Beats	SCA Network	3.2
MMM Hard n Heavy	SCA Network	2.6
SoundCloud	SCA Network	2.6
Chemist Warehouse	ARN Network	2.2
Smooth Vintage	NOVA Ent	1.7

Top 20 Stations	Network	Cume
90's	ARN Network	321
Coles Radio	NOVA Ent	274
TikTok	ARN Network	262
RnB Fridays	SCA Network	251
OLDSKOOL 90'S	SCA Network	219
MMM Classic Rock	SCA Network	204
Smooth Relax	NOVA Ent	203
Easy 80's	SCA Network	201
80's	ARN Network	177
MMM 90's	SCA Network	170
CADA DAAB+	ARN Network	143
MMM 80's	SCA Network	134
SmoothFM DAB+	NOVA Ent	123
Buddha Hits	SCA Network	114
MMM Country	SCA Network	108
SoundCloud	SCA Network	105
Chemist Warehouse	ARN Network	79
Blender Beats	SCA Network	77
MMM Hard n Heavy	SCA Network	75
Smooth Vintage	NOVA Ent	62



Left Source: GfK Metro Surveys #1-#8 2022, P10+, Share to Selected (Comm DAB+ Brands Only), Mon-Sun ROS

Right Source: GfK Metro Surveys #1-#8 2022, P10+, Cume Reach (000's), Mon-Sun ROS