



29 June 2021

## GTN FY21 EARNINGS AND TRADING UPDATE

GTN Limited (**ASX: GTN**) today advises it expects <sup>1</sup> <sup>2</sup>Adjusted EBITDA for the year ended 30 June 2021 will be in the range of <sup>3</sup>\$13 million-\$14 million, compared to \$14.2 million in the previous year.

GTN expects Group revenue will be in the range of <sup>3</sup>\$142 million to \$144 million, compared to \$160.9 million for the year ending 30 June 2020. Revenue has increased significantly in 4Q FY21 compared to 4Q FY20 in all the Company's operating regions.

### Performance Update by Operating Region

Revenue from the Company's Australian operations in 2H FY21 is expected to increase approximately 23-24% when compared to 1H FY21, which will lead to a substantial increase in EBITDA compared to both 1H FY21 and 2H FY20.

The Company's Canadian operations revenue is expected to decrease slightly in 2H FY21 compared to 2H FY20 due to the continued impact of the COVID-19 pandemic as well the effect of foreign currency exchange rates. Ontario, which includes Toronto, our largest market, has been subject to various forms of lockdown for the entire 2H FY21 period. A plan and timetable to ease and lift these restrictions has recently been announced. We believe that once these restrictions are lifted Canadian revenue should increase.

The Company's Brazilian operations revenue will decrease in 2H FY21 compared to 2H FY20 due to the continued impact of the COVID-19 pandemic as well. However, when compared to the previous year periods, revenue decreased much less in 2H FY21 than 1H FY21. Brazil continues to suffer greatly from the COVID-19 virus with its death toll recently surpassing 500 thousand. We believe that COVID-19 will continue to have a negative impact on our Brazilian operations for the foreseeable future.

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<sup>1</sup> **Adjusted EBITDA** is EBITDA adjusted to include the non-cash interest income arising from the long-term prepaid Southern Cross Austereo Affiliate Contract and excludes foreign exchange gains or losses, losses on debt refinancing, gains on lease forgiveness and transaction costs.

<sup>2</sup> **EBITDA** is defined as net profit after tax (earnings) before the deduction of interest expense/income, income taxes, depreciation and amortization.

<sup>3</sup> These forecasts are subject to a number of factors including, but not limited to, ultimate foreign exchange rates for the period, final June 2021 revenue and expenses, and completion of the annual audit.

The United Kingdom market continued its solid performance with revenue increasing in both 2H FY21 and the full-year FY21 when compared to the previous year.

While it is still too early to make reasonable projections, revenue booked to date in local currencies for Q1 FY22 in all our operating regions is substantially ahead of the revenue booked at the same date last year.

The Group has been able to retain key staff members and maintain the most important affiliate relationships throughout the COVID-19 period. We believe this leaves us in a position to be able to recover quickly as market revenues improve.

### **Balance Sheet and Capital Management**

The Company continues to maintain a strong balance sheet and generate positive cash flow. The Company's expects its cash balances to be approximately \$50 million at 30 June 2021. During the second half of fiscal year 2021, the Company repaid \$10 million of principal on its bank facility which currently has an outstanding principal balance of \$50 million. The Company expects to be in compliance with all of its debt covenants for the period by a wide margin.

The Company does not foresee the need to raise additional capital going forward and has not done so since the onset of the COVID-19 pandemic.

***Absent a material deviation from the above forecast, the Company does not plan to update its guidance prior to the release of its Appendix 4E/Results for Announcement to the Market.***

For further enquiries please contact:

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### **Announcement authorised by:**

Board of Directors

**This document contains forward-looking statements, including the Company's expectations about the performance of its business. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believe", "estimate", "plan", "project", "anticipate", "expect", "intend", "likely", "may", "will", "could" or "should" or, in each case, their negative or other variations or other similar expressions, or by discussions of strategy, plans, objectives, targets, goals, future events or intentions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company and which may cause actual results to differ materially from those expressed or implied in such statements. Readers are cautioned not to place undue reliance on any forward-looking statements. Actual results or performance may vary from those expressed in, or implied by, any forward-looking statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made by any person as to the likelihood**

**of achievement or reasonableness of any forward-looking statements. The Company does not undertake to update any forward-looking statements contained in this document, to the maximum extent permitted by law.**