



oOh!media Limited
ABN 69 602 195 380

21 March 2022

ASX Release

2021 ANNUAL REPORT

oOh!media Limited (ASX:OML) (oOh! or Company) in accordance with ASX Listing Rules attaches its 2021 Annual Report.

This announcement has been authorised for release to the ASX by the Board of Directors.

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About oOh!media

oOh!media is a leading Out of Home media company that is enhancing public spaces through the creation of engaging environments that help advertisers, landlords, leaseholders, community organisations, local councils and governments reach large and diverse public audiences.

The Company's extensive network of more than 37,000 digital and static asset locations includes roadsides, retail centres, airports, train stations, bus stops, office towers, cafes, bars and universities.

Listed on the ASX, oOh! employs around 800 people across Australia and New Zealand and had revenues of \$426 million in 2020. It also owns the Cactus printing business.

The Company invests heavily in technology and is pioneering the use of sophisticated data techniques that enable clients to maximise their media spend through unrivalled and accurate audience targeting. Find out more at oohmedia.com.au

oOh!media
Annual Report 2021



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The 5G network in many more places.



5G rolling out in selected areas.
See [telstra.com/coverage](https://www.telstra.com/coverage)



Company Overview

oOh!media is a leading Out of Home media company that is enhancing public spaces through the creation of engaging environments that help advertisers, landlords, leaseholders, community organisations, local councils and governments reach large and diverse public audiences.

The company's extensive network of more than 37,000 digital and static asset locations includes roadsides, retail centres, airports, train stations, bus stops, office towers, cafes, bars and universities.

Listed on the ASX, oOh! employs around 800 people across Australia and New Zealand, and had revenues of \$504 million in 2021.

The company invests strategically in technology, and is pioneering the use of sophisticated data techniques that enable clients to maximise their media spend through unrivalled and accurate audience targeting.

Find out more at oohmedia.com.au

Billboards



Billboards deliver impact, dominance and scale across 3,850+ classic and digital sites, with access to every state and territory. Billboards are the original Unmissable format for building brands, launching products, delivering call to action, directional messaging, path to purchase and proximity.

Fly



Fly spans 16 cities, 20 terminals, 16 Qantas Lounges and Qantas Inflight Entertainment. With a combination of digital, static, video pre-rolls, WIFI and activations, Fly engages affluent business professionals on their end-to-end journeys throughout all major Australian airports.

Street



Street Furniture provides advertising on bus shelters and roadside locations Australia-wide. With 12,700 classic poster-format sites, and over 550 digital sites, Street Furniture has the flexibility and scale to provide precision targeting to the right audience at the right location during their daily journeys.

Retail



Retail is the largest retail advertising network in Australia with multi formats in over 500+ shopping centres, reaching 12 million unique shoppers each month. Including small, medium and large shopping centre types, with 1.8 billion shopper visits each year equating to over \$79 billion in spend, Retail can reach a breadth of shoppers that no-one else can.

Venue



Venue is the original social network, with 180 national metro venues where screens are positioned behind, above or next to the bar area showcasing entertaining Bite TV content. A place where Australians gather to eat, drink and socialise, allowing brands to connect with a relaxed and receptive audience.

Rail



Rail connects with 11.5 million commuter journeys each week in 20 CBD and inner-city stations in Melbourne, across the largest digital rail offering in Australia. With full digital animation across portrait, large format and WOW walls, as well as station domination and experiential opportunities, Rail ensures brands connect with professional affluent commuters on their daily journeys.

Office



Office has over 4,900 digital advertising displays in over 670 prominent Australian office towers, which house 30,000 different organisations. Office has the opportunity to reach 3 million professionals enabling brands to target business professionals across every major Australian CBD and business hub.

Café



Café is Australia's only digital café media portfolio, connecting with over 800,000 of the metro workforce during their daily routine and 'me time'. Available in over 300 Australian city and urban cafés, brands are able to connect with café audiences through digital displays, brand experiences, branded coffee cups, mobile activations and Wi-Fi products.

Study



Study is the most powerful and simplest way to connect and engage with students across Australia at scale. With over 100 Uni and TAFE campuses, Study reaches over 1.2 million students with 220 digital screens and 100 static panels located in student hubs on campus.



Financial Summary

oOh! successfully leveraged the continuing recovery in Out of Home audiences during the year to deliver an 18% lift in revenue to \$504 million compared to the prior year.

The diversity of the Company's assets across a range of Out of Home formats ensured oOh! was able to deliver this revenue uplift despite substantial lockdowns in Q3 CY21 and early Q4 and some formats (Fly, Office, Rail) continuing to be impacted by the pandemic.

oOh! maintains significant operating leverage to grow earnings faster than revenue which resulted in a 24% increase in Underlying EBITDA (pre AASB16) despite lower rent abatements and no Government wage subsidies in CY21 compared to CY20.

GROUP FINANCIAL RESULTS – PRE-ADOPTION OF AASB16

^18%

REVENUE
\$503.7 million

^23%

GROSS PROFIT
\$222.0 million

^24%

UNDERLYING¹ EBITDA
\$77.6 million

v43%

NET DEBT
\$63.5 million

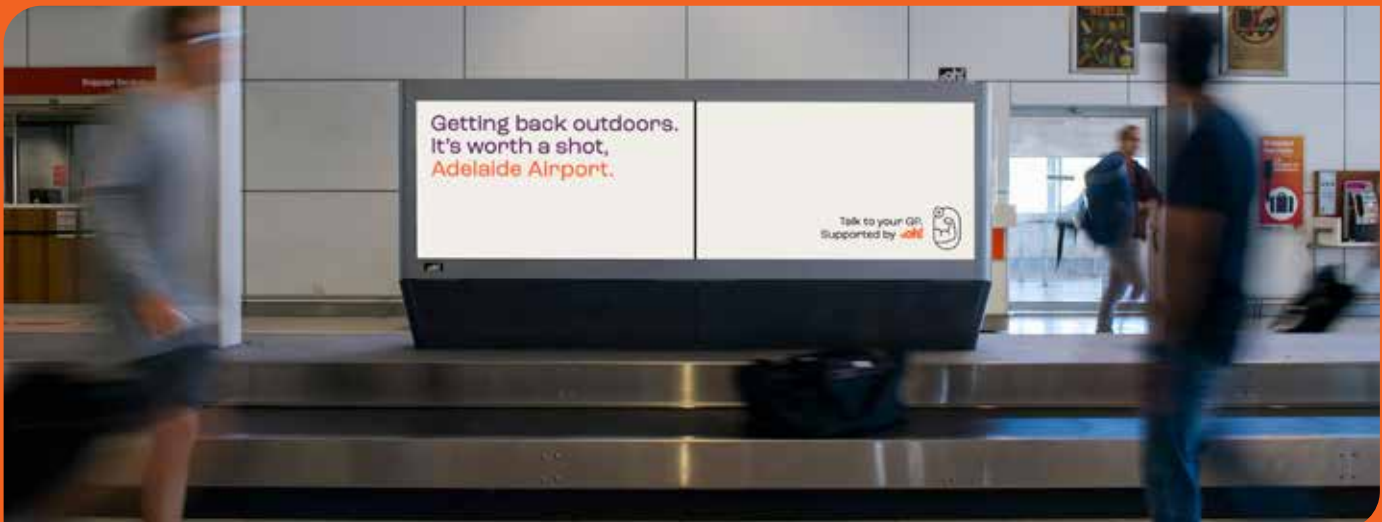
0.8 times

LEVERAGE RATIO
from 1.8 times

^103%

NPAT
\$0.8 million

¹ The Directors believe that the Underlying presentation of results is a better indicator of performance and differs from the statutory presentation. The Underlying results exclude the impact of acquisition, and integration costs, or disposal related proceeds and other items. Refer to Note 4 – Operating segments, of the consolidated financial statements for a reconciliation between statutory and underlying EBITDA.



Operational Highlights



The fundamentals for Out of Home as a growth advertising medium remain compelling. This will only be enhanced by further significant digital investment opportunities across key formats. The Company's strategy is focused on oOh! being a more digital and digitised Out Of Home business generating enhanced leverage from its portfolio of existing assets and disciplined investments in building its assets and capability to deliver further growth.

BETTER WAYS TO BUY

oOh! launched the Better Ways to Buy program during the year. This initiative includes working collaboratively with advertisers to demonstrate the unique advantages of Out of Home, including education on new usages of the medium and creative execution to deliver audiences at scale and more efficiently and effectively than previously. oOh! is implementing initiatives to simplify the planning and buying process, while also participating in the emerging programmatic digital Out of Home marketplace and further developing systems for improved yield management.

BALANCED PORTFOLIO

oOh!media continues to maintain a balanced and diverse lease maturity profile. Approximately 52% of CY21¹ revenue by concession is attached to contracts that expire beyond 2024. Approximately 14% of the revenue base is either rolling or due for renewal in 2022. Meanwhile the Company also remains focused on digital and data-led innovation in the sector with continued digitisation of assets in premium locations across its network. Digital revenue as a percentage of total revenue was 57%, in line with the 57% for the prior year.

¹ CY21 revenue adjusted for contracts no longer held as at 31 January 2022

EXPANSION OF DIGITAL SITES

oOh! added over 30 digital locations to its metropolitan and regional roadside billboard portfolio during 2021 and now has more than 200 large format digital signs across the country.

The rollout is part of a strategic investment program designed to strengthen the company's existing national leadership position while also expanding its regional digital billboard portfolio.



EXTENDED PARTNERSHIP WITH QANTAS

oOh!media extended its partnership with Qantas under a new long-term agreement that connects advertisers to premium Qantas customers across their entire travel journey. oOh! will deliver advertising, targeted flight information and customised content to Qantas passengers across key travel touchpoints including Qantas Clubs, Qantas Business Lounges, Inflight Qantas entertainment both on screens and within the Qantas app (Domestic & International), digital signage in foyers and entry points at Qantas Lounges and Clubs and non-skippable pre-rolls on inflight Qantas Wi-Fi domestic networks.

As the market leader in Out of Home across Australia and New Zealand, oOh! remains exceptionally well positioned to leverage the ongoing recovery in audience growth and advertiser sentiment to deliver improved returns to shareholders.

Tony Faure
Chair



Chair Review

OVERVIEW

During CY21 Out of Home audiences started to recover strongly across key formats following periods of significant disruption caused by the COVID-19 pandemic.

As the market leader in Out of Home across Australia/New Zealand, this audience growth led to a significant rebound in revenue. Meanwhile, we maintain strong operating leverage to grow earnings at a faster rate than revenue which enabled the company to return to profitability (on a pre AASB16 basis) for the year.

While some of our formats remain impacted by the pandemic, the diversity and scale of our network means we are able to address these short term fluctuations as we continue to implement our strategy for medium term growth.

SUMMARY OF FINANCIAL RESULTS

Total revenue for CY21 increased by 18% to \$504 million. Lockdown restrictions in NSW and Victoria impacted revenue growth in the third quarter; however, the return of audiences in the fourth quarter as lockdown restrictions were removed resulted in a strong rebound in revenue, particularly in November and December 2021.

The 18% increase in revenue translated to a pre-AASB16 gross profit of \$222 million, which was up 23% on the prior year.

An improvement in format margin mix contributed to a gross profit margin of 44.1% compared to 42.2% for the prior year.

Underlying EBITDA (pre-AASB16) increased by 24% to \$78 million, reflecting the Company's continued operating leverage to audience growth.

Net Profit After Tax (pre-AASB16) was \$0.8 million compared to a Net Loss After Tax (pre AASB16) for the prior year of \$24.3 million.



The company reported a statutory Net Loss After Tax of \$10.3 million (including the adoption of AASB16) compared to a statutory Net Loss After Tax of \$36.2 million for the prior year.

A detailed explanation of the financial results is contained within the Operating and Financial Review.

CAPITAL MANAGEMENT

oOh!'s financial position continued to strengthen during the year with the Company's gearing ratio reducing to 0.8 times at 31 December 2021 compared to 1.8 times for the prior year, with a corresponding 43% reduction in net debt to \$64 million.

This ensures oOh! is well equipped to manage through the short term uncertainty relating to COVID-19 and lockdowns whilst remaining in a strong competitive position for the medium term.

Shareholders will recall that the Board had previously suspended its dividend policy in 2020 at the start of the COVID-19 pandemic. This policy is to pay 40-60 per cent of Underlying net profit after tax (pre AASB16) before amortisation of acquired intangibles (NPATA). For CY21 Underlying NPATA (pre AASB16) was \$12.7 million compared to a loss of \$8.5 million for the prior year. Given this return to profitability and together with the Company's improved financial position, the Board resumed the dividend policy and declared a final dividend of 1 cent per share, fully franked.

The Board will continue to assess capital management options with a focus on striking an appropriate balance of maintaining the Group's strong financial position and investment in growth initiatives with returns to shareholders.

18%

increase in revenue to \$504 million

43%

reduction in net debt to \$64 million

GROWTH FOCUS ON OUT OF HOME

Notwithstanding the dis-proportionate impacts of COVID-19 over the past two years, the key fundamentals driving the longer term growth of Out of Home remain positive.

Our strategic focus remains on leveraging the unique scale and diversity of oOh!'s network to capitalise on this growth.

As part of this focus, we took the decision to divest our digital publishing business, Junkee Media, which was sold to RACAT Group in December 2021.

Junkee's editorial, sales and implementation teams will have the opportunity to further develop their business under RACAT's ownership while oOh! has retained the branded content and production arm.

BOARD CHANGES

There were some changes to the Board during the year.

Joanne Crewes and Darren Smorgon retired from the Board in May and August respectively.

Both Joanne and Darren made significant contributions to the Board and on behalf of the Company, I thank them for their commitment to the business and wish them every success for the future.

Joe Pollard joined the Board in August. Joe is an experienced executive and director with over 30 years' experience in senior leadership roles across media, marketing, technology and customer management.

The retirement of Darren and appointment of Joe to replace Joanne concludes the Board's current succession planning to ensure an appropriate mix of skills and experience in assisting the management team to drive oOh!'s growth strategy.

SUMMARY AND CONCLUSION

oOh!'s strong revenue and earnings growth in CY21, demonstrates our capacity to leverage the return of Out of Home audiences.

While some of our formats such as Fly and Office, continue to be impacted by the pandemic, we remain confident in the medium to longer term outlook for the Out of Home advertising sector.

As the market leader in Out of Home across Australia and New Zealand, oOh! remains exceptionally well positioned to leverage the ongoing recovery in audience growth and advertiser sentiment to deliver improved returns to shareholders.

I want to acknowledge and thank our people at oOh! for their focus and dedication during the year in continuing to support each other and our clients.

I also wish to thank our shareholders for your continued support of the Company.

CEO's Report

While 2021 remained a challenging year, given the continued impact of the COVID-19 pandemic, oOh! delivered a significantly improved financial result as we continued to leverage audience recovery across our key Out of Home formats.

This improved financial performance included a return to profitability (pre AASB16) and a resumption of dividend payments to shareholders.

The diversity and breadth of our assets across a range of formats ensured oOh! was able to deliver this improved performance despite some formats (Fly, Office, Rail) continuing to be impacted by the pandemic.

This market leading position across Australia and New Zealand also means we remain exceptionally well positioned to leverage the full market recovery as audiences return across all formats to generate strong medium term growth.

\$504m

Total revenue for CY21 increased by 18%

\$78m

Underlying EBITDA (pre-AASB16) increased by 24%

FINANCIAL RESULTS

Total revenue for CY21 increased by 18% to \$504.3 million. This increase reflects the continued recovery in returning to pre-COVID revenue levels with CY21 revenue approaching 78% of CY19.

Underlying EBITDA (pre-AASB16) increased by 24% to \$77.6 million, demonstrating the Company's operating leverage to audience growth to generate earnings growth at a faster rate than revenue.

oOh!'s financial position continued to strengthen during the year with the Company's gearing ratio reducing to 0.8 times at 31 December 2021 compared to 1.8 times for the prior year with a corresponding 43% reduction in net debt to \$64 million.

Net Profit After Tax (pre AASB16) was \$0.8 million compared to a Net Loss After Tax (pre AASB16) for the prior year of \$24.3 million.

Given the Company's return to profitability (pre AASB16) and improved financial position, the Board approved a resumption of dividend payments to shareholders, declaring a final dividend of 1 cent per share, fully franked.

The company reported a statutory Net Loss After Tax of \$10.3 million (including the adoption of AASB16).

Further information on the Company's financial results is contained in the Operating and Financial Review.

UPDATE ON OUR STRATEGY

During the year we conducted a strategic review of our business to consolidate our focus on key areas of growth for the Company.

Our strategy is focused on oOh! being a more digital and digitised Out Of Home business generating enhanced leverage from our portfolio of existing assets and disciplined investments in building our assets and capability to deliver further growth.

Digital Out of Home is a compelling opportunity for oOh! and we remain focused on optimising our network by building an unrivalled asset mix which improves our return on investment.



As part of this objective we continued our investments in digital inventory and maintained a disciplined approach to contract renewals. During CY21, we added over 30 digital locations to our metropolitan and regional roadside billboard portfolio which means we now have over 200 large format digital signs across Australia.

While Out of Home has historically been transacted on the basis of format and location, our strategy is evolving to increase the focus on audience selling as we believe that this is important in building share of total media revenues. We will leverage sophisticated data sets, such as our exclusive partnership with Quantum, to target and deliver specific audiences to deliver greater return on investment for advertisers. For example, research demonstrates that targeting a category buyer delivers more than twice the return on investment than targeting a demographic buyer.

In support of this strategy, we launched the Better Ways to Buy program during the year. This includes working collaboratively with advertisers to demonstrate the unique advantages of Out of Home, including education on new usages of the medium and creative execution to deliver audiences at scale and more efficiently and effectively than previously.



While some of our formats remain impacted by the pandemic, we enter 2022 in a strong competitive position with a clear and focused strategy to leverage the growth of Out of Home and our market leading asset portfolio to deliver enhanced returns to shareholders.

Cathy O'Connor
 Managing Director and CEO

In support of our Digital Out of Home strategy we have continued digital transformation of our planning and buying systems. As part of this transformation program, we are implementing initiatives to simplify the planning and buying process, while also participating in the emerging programmatic digital Out of Home marketplace and further developing systems for improved yield management.

As part of our clear strategic focus on Out of Home, we divested the digital publishing business, Junkee Media to RACAT Group in December 2021. oOh! has retained the branded content and production arm.

FUNDAMENTALS FOR OUT OF HOME REMAIN STRONG

While the COVID-19 pandemic continues to cause some disruption to people movement, the medium term fundamentals for Out of Home remain strong.

Out of Home has an unmatched ability for mass audience reach and unlike other forms of media, is not under threat from fragmentation. Out of Home will continue to benefit from longer term population growth. This will be further enhanced through the introduction of the updated MOVE (measurement of outdoor visibility and exposure) 1.5 industry standard from the first quarter of 2022.

This is an important initiative to make it easier for advertisers to plan, buy and measure Out of Home campaigns via an enhanced, more accurate and standardised approach which now encompasses digital advertising measurement, with digital representing 59% of the Out Of Home media spend in 2021 per the OMA.

This is an exciting development in the further digitisation of Out of Home to make it a more compelling medium compared to other forms of media.



oOh! has once again demonstrated the value of the diversity and scale of our portfolio to deliver a much improved financial performance in CY21.

30+

added over 30 digital locations to our metropolitan and regional roadside billboard portfolio

200+

large format digital signs across Australia

The industry is working towards MOVE 2.0 which will provide even greater detail of measurement of monthly and seasonal variations, as well as hourly movements, using a range of data sources. MOVE 2.0 is currently expected to launch in early 2024.

NEW LEADERSHIP APPOINTMENTS

We made two new appointments to our leadership team during the year.

Raechel Gavin joined oOh! as the company's new Chief People & Culture Officer, bringing extensive experience in human resources across a range of different businesses including 6 years at Quantium where she built the HR function from the ground up and previously as People & Culture Director at Ninemsn.

Mat Yelavich joined the business as our new Chief Technology & Information Officer, charged with leading our digital transformation. Mat has a strong background in technology delivery and strategic leadership in both media and other industries, including 10 years at Nine Entertainment in various positions including Group Chief Information Officer.

SUSTAINABILITY

oOh! remains committed to operating as a sustainable business.

Our immediate focus during the year remained on the health and safety of our people to ensure they remain supported during the pandemic and can continue to deliver results for our clients.

During CY21 we continued to evolve our sustainability agenda to support our purpose which is making public spaces better. This incorporates a detailed assessment and benchmarking exercise of environmental, social and governance risks across the business, including climate change risks and opportunities.

More information is included in our Sustainability Report.

SUMMARY

oOh! has once again demonstrated the value of the diversity and scale of our portfolio to deliver a much improved financial performance in CY21.

Our improved result also reflects the ongoing adaptability and flexibility of our people to continue address the challenges presented by COVID-19 to deliver outstanding results for our clients.

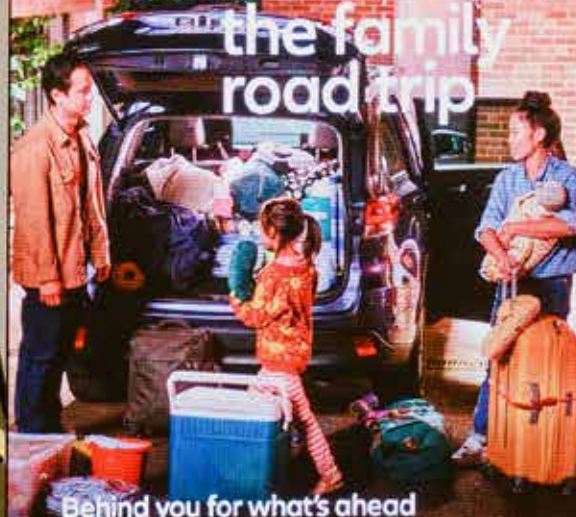
While some of our formats remain impacted by the pandemic, we enter 2022 in a strong competitive position with a clear and focused strategy to leverage the growth of Out of Home and our market leading asset portfolio to deliver enhanced returns to shareholders.

I want to acknowledge the efforts of our people right across the business for their continued contribution to our business.

I also want to thank our shareholders for your ongoing support and I look forward to sharing our continues progress.

Allianz 

You choose
to take on
the family
road trip



Behind you for what's ahead

Q Allianz Home and Car Insurance

Before making a decision about Motor or Home Insurance, please consider the PDS available at www.allianz.com.au. Allianz Australia Insurance Limited ABN 15 000 122 850.

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Operating and Financial Review

Scale and diversity of assets enable improved revenue and earnings despite continuing effects of the COVID-19 pandemic in some formats

oOh!'s improved earnings and the Company's strong financial position enables return of dividends to shareholders

Out of Home (OOH) audiences recovered strongly across most formats during the year ended 31 December 2021 ("CY21") notwithstanding the continued impact of periodic Government restrictions and lockdowns during the year.

As the market leader in Out of Home across Australia and New Zealand, oOh! successfully leveraged this audience growth resulting in a 18% increase in revenue for CY21 compared to the prior year.



The diversity of the Company's assets across a range of OOH formats ensured oOh! was able to deliver this improved performance despite substantial lockdowns in Q3 and early Q4 CY21 and some formats (Fly, Office, Rail) continuing to be impacted by the pandemic.

The Company also maintains significant operating leverage to grow earnings faster than revenue which resulted in a 24% increase in Underlying EBITDA despite lower rent abatements and no Government wage subsidies in CY21 compared to CY20.

With lower net debt reducing interest costs, the Company returned to profitability (pre AASB16) in CY21. As a result of oOh!'s strong financial position, the Company has recommenced dividends to shareholders.

oOh!'s financial position continued to strengthen during the year with the Company's gearing ratio reducing to 0.8 times at 31 December 2021 compared to 1.8 times for the prior year with a corresponding 43% reduction in net debt to \$64 million.

During CY21 oOh! successfully lifted revenue linked to the increase in Out of Home audiences in key formats, following periods of significant disruption caused by the COVID-19 pandemic.

While COVID-19 continues to cause some near-term uncertainty, the medium-term fundamentals driving Out of Home audience growth continue to be positive and oOh! has strengthened its position during the year to capitalise on this expected growth.

GROUP FINANCIAL RESULTS

BASIS OF PREPARATION

The CY21 statutory results, including the prior comparative results, are reported in accordance with the leasing standard AASB16 in the attached financial statements. As outlined previously, the Company and most market analysts believe that presenting the financial statements on a pre-AASB16 basis provides a better indicator of performance as represented by the tables below.

18%

increase in revenue for CY21 compared to the prior year

24%

increase in Underlying EBITDA (pre AASB16)

43%

reduction in net debt to \$64 million

Pre-adoption of AASB16

A\$m unless specified	CY21 Pre-AASB16	CY20 Pre-AASB16	Variance (\$)	Variance (%)
Revenue	503.7	426.5	77.2	18%
Gross Profit	222.0	180.2	41.8	23%
Gross Profit Margin (%)	44.1%	42.2%	1.8 ppts	n/a
Total operating expenditure	(144.5)	(117.7)	(26.8)	(23%)
Underlying EBITDA	77.6	62.5	15.1	24%
Underlying EBITDA Margin (%)	15.4%	14.7%	0.7 ppts	n/a
Non-Operating Items	3.7	(3.2)	7.0	215%
EBITDA	81.3	59.3	22.0	37%
Depreciation and Amortisation	(68.9)	(65.7)	(3.3)	(5%)
EBIT	12.3	(6.4)	18.7	293%
Net finance costs	(12.0)	(21.6)	9.6	45%
Profit/(Loss) Before Tax	0.4	(28.1)	28.5	101%
Income Tax Expense	0.4	3.8	(3.4)	89%
Net Profit/(Loss) After Tax	0.8	(24.3)	25.1	103%
Underlying NPATA	12.7	(8.5)	21.2	249%
EPS (cps)	0.1	(4.9)	5.0	103%

Pre-adoption of AASB16 vs statutory results (post adoption of AASB16) for CY21

A\$m unless specified	CY21 Pre-AASB16	CY21 Post-AASB16	Variance (\$)	Variance (%)
Revenue	503.7	503.7	–	–
Gross Profit	222.0	370.4	148.4	67%
Gross Profit Margin (%)	44.1%	73.5%	29.5 ppts	n/a
Total operating expenditure	(144.5)	(134.1)	10.3	(7%)
Underlying EBITDA	77.6	236.3	158.7	205%
Underlying EBITDA Margin (%)	15.4%	46.9%	31.5 ppts	n/a
Non-Operating Items	3.7	4.0	0.3	8%
EBITDA	81.3	240.3	159.0	196%
Depreciation and Amortisation	(68.9)	(209.1)	(140.1)	203%
EBIT	12.3	31.2	18.9	153%
Net finance costs	(12.0)	(46.7)	(34.7)	289%
Profit/(Loss) Before Tax	0.4	(15.5)	(15.8)	(4,403%)
Income Tax Expense	0.4	5.3	4.7	1,128%
Net Profit/(Loss) After Tax	0.8	(10.3)	(11.1)	(1,420%)
Underlying NPATA	12.7	1.6	(11.1)	(87%)
EPS (cps)	0.1	(1.7)	(1.8)	(1,420%)

REVENUE INCREASED BY 18% WITH STRONG PERFORMANCE IN KEY FORMATS, CREATING A STRONG PLATFORM FOR CY22

The continued recovery in Out of Home audiences during the year resulted in a strong increase in revenue compared to the prior year. Total revenue for CY21 increased by 18% to \$504 million. This increase reflects the continued recovery towards pre-COVID revenue levels with CY21 revenue 78% of CY19 revenue.

Revenue for the first half of CY21 increased by 23% compared to the previous corresponding half.

Lockdown restrictions in New South Wales and Victoria impacted revenue growth in the third quarter and early fourth quarter; however, the return of audiences in the fourth quarter as lockdown restrictions were removed resulted in very strong revenue growth, particularly in November and December 2021.

For example, revenue in oOh!'s Road format for November and December 2021 was at record monthly levels, with Retail revenue for December 2021 also achieving a record result. Overall December revenues were at 94% of December 2019.

Out of Home audience growth was most pronounced in the Australian Road, Retail and Street Furniture formats. Typically, these key formats account for approximately 75% of Group media revenue in a pre-COVID environment. The recovery in these formats and New Zealand compared to Fly, Locate and Other resulted in them collectively accounting for 91% of Group media revenue in CY21.

REVENUE BY FORMAT

A\$m unless specified	CY21	CY20*	Variance (\$)	Variance (%)
Street Furniture and Rail	182.1	148.1	34.0	23%
Road	158.5	118.4	40.1	34%
Retail	125.0	106.2	18.8	18%
Fly	12.2	22.8	(10.6)	(46%)
Locate	11.8	14.3	(2.5)	(17%)
Other	14.1	16.7	(2.6)	(15%)
Total	503.7	426.5	77.2	18%

* The first quarter of CY20 was only minimally impacted by Covid 19



STREET FURNITURE AND RAIL (FORMERLY COMMUTE)

Revenue in Street Furniture and Rail (formerly Commute) increased by 23% to \$182 million as audiences continued to return, notwithstanding lockdowns in New South Wales and Victoria in the third quarter and early fourth quarter.

The solid improvement in Street Furniture revenue, reflected oOh!'s strong presence across suburban networks. Revenue in Street Furniture for the month of December 2021 was nearly flat with December 2019 (pre COVID-19).

Revenue in Rail continued to be impacted by passenger declines in key stations in Sydney and Melbourne. The Company will operate only in Melbourne stations from January 2022.



ROAD

The Group's Road (billboard) division continued to be the standout performer in the portfolio continuing its strong result from the first half. Revenue increased by 34% to \$158 million.

Following a soft third quarter and early fourth quarter, which included the New South Wales and Victorian lockdowns, revenue rebounded very strongly in November and December which were both record revenue months as the Company continued to leverage the diversity and scale of its metropolitan and suburban network to deliver results for advertisers.

oOh! added over 30 digital locations to its metropolitan and regional roadside billboard portfolio during the year and now has over 200 large format digital signs across Australia.



RETAIL

Revenue in the Retail segment rebounded significantly from the prior year with an increase of 18% compared to CY20 to \$125 million. December 2021 was a record revenue month for oOh! as it successfully leveraged audience growth in this segment. Despite the increase in online shopping, retail as an industry category has performed well with nearly all the associated centres having anchor grocery tenants. With the impact of Omicron expected to recede from late Q1, audiences are expected to continue to recover from the pandemic impact.



FLY

COVID-19 related restrictions in air travel continued to impact revenue in the Fly segment beyond what was experienced in the key Street Furniture, Road and Retail formats. However the re-opening of state borders resulted in a stronger performance towards the end of the year with revenue for December 2021 approaching 40% of December 2019. Full year revenues declined by 46% to \$12 million.

Key airport leases have rent abatement or rent structure mechanisms in relation to audience declines resulting in rent savings during the year. oOh!'s airport assets are weighted more towards domestic audiences which are expected to recover more quickly than international travel as COVID-19 air travel restrictions are lifted.



LOCATE

Revenue in the Locate format continued to be affected by employees working from home during lockdowns and the pandemic more broadly. Revenue was \$12 million, noting that Locate predominantly has a variable rent profile.

Other revenue represents the contribution from Junkee Media and Cactus Imaging which was \$14 million.

As part of the Company's clear strategic focus on Out Of Home, Junkee Media's digital publishing business was divested to the RACAT Group in December 2021. oOh! retained the branded content and production arm.

The divested digital publishing operations were not material to the Company.

BALANCED PORTFOLIO

oOh!media continues to maintain a balanced and diverse lease maturity profile.

Approximately 52% of CY21¹ revenues by concession is attached to contracts that expire beyond 2024. Approximately 14% of the revenue base is either rolling or due for renewal in 2022.

Meanwhile the Company also remains focused on digital and data-led innovation in the sector with continued digitisation of assets in premium locations across its network. Digital revenue as a percentage of total revenue was 57%, in line with the 57% for the prior year.

STRONG OPERATING LEVERAGE WITH EARNINGS GROWING FASTER THAN REVENUE

The 18% increase in revenue translated to a pre-AASB16 gross profit of \$222 million, which was up 23% on the prior year. This increase in gross profit reflects the significant operating leverage oOh! maintains from an improvement in revenue across its key formats.

An improvement in format margin mix contributed to a gross profit margin of 44.1% compared to 42.2% for the prior year. In particular, Road revenue increased from 28% of oOh! revenue in CY20 to 31% in CY21. Net rental abatements received in CY21 were \$37 million, 42% below the \$63 million in net rental abatements received in CY20.

In CY21 abatements were received in the Fly and Rail formats which continue to be impacted by pandemic restrictions.

Total operating expenditure was \$144 million in CY21 compared to \$118 million for the prior year.

The prior year included \$26 million of temporary savings measures, not repeated in CY21, comprising \$21 million in JobKeeper and New Zealand wage subsidies, and other operating cost short term initiatives such as mandatory annual leave usage.

\$1 million in JobKeeper payments recognised in the first quarter of CY21 were repaid in December 2021. As a result, CY21 reported earnings do not include any benefit from JobKeeper or New Zealand wage subsidies.

Operating expenditure was \$2.6 million lower in the second half due to the lower annual leave expense in H2, lower incentive costs and the removal of the duplication of office rental costs experienced in the first half, offset by the refund of Jobkeeper received in the first half.

oOh! was able to support an increase in revenue and earnings in CY21 with the same headcount as the prior year and cost efficiency will remain an ongoing focus of the business.

Underlying EBITDA pre-AASB16 increased by 24% to \$78 million, reflecting the Company's continued operating leverage to audience growth and generating earnings at a faster rate than revenue.

Non-operating items included \$1.9 million of profit on the disposal of Junkee's digital publishing business and \$1.7 million on the net proceeds received for the reclamation of some sites required for the Sydney Airport Gateway project.

Net finance costs pre AASB16 were \$12 million, reflecting lower net debt partially offset by a full year of higher interest rate costs following the renewal of the Company's debt facilities in December 2020.

A reduction in gross debt during the year reduced the amount of hedge effectiveness the company could record with its interest rate swaps. In July 2021 \$50 million of interest rate derivatives were terminated, in addition to a \$80 million hedging instrument expiring in October 2021. \$150 million of interest rate hedging instruments remain in place.

Underlying NPATA pre-AASB16 basis was \$12.7 million compared to a loss of \$8.5 million for the prior year.

Net Profit After Tax (pre-AASB16) was \$0.8 million compared to a Net Loss After Tax (pre AASB16) for the prior year of \$24.3 million.

On a statutory basis, (accounting for the adoption of AASB16), EBITDA increased by 1% to \$240 million.

The company reported a statutory Net Loss After Tax of \$10.3 million (including the adoption of AASB16) compared to a statutory Net Loss After Tax of \$36.2 million for the prior year.

¹ CY21 revenue adjusted for contracts no longer held as at 31 January 2022

DIVIDEND

The Company suspended its dividend policy in 2020. The Company's policy is to pay dividends of 40-60 per cent of Underlying net profit after tax (pre AASB16) and before amortisation of acquired intangibles (NPATA) as AASB16 does not have a cash impact and there is no cash replacement cost for the acquired intangibles. For the financial year ended 31 December 2021, Underlying NPATA pre AASB16 was \$12.7 million profit and therefore the Company resumed its dividend policy and declared a final dividend for CY21 of 1 cent per share, fully franked.

The record date for entitlement to receive the final dividend is 3 March 2022 with a scheduled payment date of 24 March 2022.

The Board will continue to assess capital management options with a focus on striking an appropriate balance of maintaining the Group's strong financial position with returns to shareholders.

In the current environment, the Board's target range for gearing (net debt/Underlying EBITDA) is up to approximately 1.0 times.

CONTINUED STRONG CASHFLOW GENERATION

A\$m unless specified	CY21	CY20	Variance (\$)	Variance (%)
EBITDA (pre-AASB 16)	81.3	59.3	22.0	37%
Net change in working capital and non-cash items	(0.3)	45.1	(45.3)	(101%)
Interest and Income Tax (included in net cash from operating activities)	(16.9)	(7.6)	(9.2)	121%
Net cash from operating activities	64.2	96.7	(32.5)	(34%)
Capital expenditure	(14.6)	(15.7)	1.1	(11%)
Other	2.2	2.5	(0.3)	(11%)
Net cash flow before financing and acquisitions	51.7	83.5	(20.6)	(38%)

Net Cash from operating activities (pre-AASB16) was \$64 million, representing 79% of EBITDA and a decrease of 34% on the prior year. The prior year period benefitted from a working capital unwind as revenue fell in CY20 from the CY19 pre COVID-19 period.

Capital expenditure of \$15 million remains focused on initiatives to expand the Company's digital network. Capex was below the guidance provided at the half year result due to some workplace restrictions associated with COVID-19 and freight disruption.

oOh! added over 30 digital locations to its metropolitan and regional roadside billboard portfolio during the year.

Investment decisions will continue to be aligned to revenue growth opportunities and concession renewals and the Company expects that total capital expenditure will return to pre-COVID-19 levels from CY22.

The accounting standard AASB16 has not had an impact on the cash flow of the business and will not have an impact in the future. However, it does change the presentation of the allocation on the cash flow statement.

FINANCIAL POSITION STRENGTHENED FURTHER

A\$m unless specified	CY21	CY20	Variance (\$)	Variance (%)
Borrowings	123.6	191.3	(67.7)	(35%)
Cash and Cash equivalents	60.0	80.0	(20.0)	(25%)
Net Debt	63.5	111.2	(47.7)	(43%)
Leverage Ratio (Net Debt/Underlying EBITDA)	0.8x	1.8x	(1.0)	(54%)

The Company's financial position continued to strengthen during the year with closing net debt at 31 December 2021 of \$64 million; a reduction of 32% from 30 June 2021.

Credit metrics continued to improve with the Company's gearing ratio (Net Debt/Underlying EBITDA) as at 31 December 2021 of 0.8 times, compared 1.8 times at 31 December 2020.

The gearing level excludes the impact of AASB16 on its right of use liabilities which are not seen as debt for the purposes of applying the banking covenants.

oOh! maintains considerable headroom within its banking facilities of \$350 million which do not mature until December 2023.

FUTURE BUSINESS PROSPECTS

The Company is well placed to leverage its scale as the anticipated audiences and structural growth return to Out Of Home, which it expects will be accelerated through the adoption of MOVE 1.5, released in January 2022. The Company expects that this will be a key driver of the structural growth and increase in share of OOH compared to other media.

oOh! will continue to invest in expanding its digital network to allow advertisers greater flexibility and ability to reach and engage with their audiences. Additionally, the renewed focus on core Out Of Home growth opportunities, coupled with a strong balance sheet, is expected to underpin sustained medium term growth for oOh!.

Board of Directors



TONY FAURE

Chair and Non-executive Director

Tony Faure was appointed to the Board of oOh!media Limited on 28 November 2014 and appointed Chair on 22 September 2017.

Tony was also a Director of the parent company of the oOh!media group (since February 2014).

Skills and experience:

Tony has deep experience in traditional and digital media and marketing, having run both small and large companies. Tony is passionate about ideas that use technology to push limits and create new experiences for consumers. Tony has held the positions of Chief Executive Officer of ninemsn and Chief Executive Officer and Founder of Home Screen Entertainment, and positions at Yahoo! including Regional Vice President, South Asia and Managing Director of Yahoo! Australia and New Zealand. Tony was also an advisor to the Board of seek.com.

Other public directorships (current and recent):

Tony is currently the Chair of ReadyTech Holdings (since 2019).



CATHERINE O'CONNOR

Chief Executive Officer and Managing Director

Catherine (Cathy) was appointed as Chief Executive Officer effective 1 January 2021 and as Managing Director effective 11 January 2021.

Skills and experience:

Before joining oOh!media Cathy spent 12 successful years at the helm of Nova Entertainment.

Cathy helped transform Nova into a multi-platform entertainment business, spending 17 years in total with the company. Prior to that she held several management roles at Austereo, after starting her career in radio advertising sales at 2SM and 2GB.

She is leading the strategic evolution of oOh!'s business model at a time of rapid change, capitalising on the Company's significant investments in data, audience insights, content and creative to target sustained growth.

Cathy is a Governor of the Cerebral Palsy Alliance Research Foundation, Chair of the Sony Foundation, and previously served on the Commercial Radio Australia Board. Her numerous career achievements include a Telstra NSW Business Women's Award for the Private Sector, a Centenary Medal for Service to Australian Society in Business Leadership, and induction into the Commercial Radio Hall of Fame.

A Graduate of the Institute of Company Directors, Cathy also holds a Bachelor of Arts in Communications from University of Technology Sydney.



DAVID WIADROWSKI

Independent Non-executive Director, Lead Independent Director and Chair of Audit, Risk & Compliance Committee

David was appointed to the Board of oOh!media Limited on 29 November 2019 and was appointed Lead Independent Director on 25 February 2020.

Skills and experience:

David is an experienced Non-executive Director currently serving on three ASX listed companies and brings strong commercial acumen and skills to the Board. David was a partner of PwC for more than 25 years, holding a number of leadership roles in Australia and overseas including five years as Chief Operating Officer of the firm's largest business consisting of 160 partners and 1,800 staff.

Throughout his career at PwC, David continually developed deep expertise in the technology, entertainment and media sectors. He was the lead audit partner for major clients including Network Ten, Seven West Media, APN News & Media and APN Outdoor.

David holds a Bachelor of Commerce from the University of New South Wales, is a Graduate of the Australian Institute of Company Directors' and is a Fellow of the Chartered Accountants of Australia and New Zealand.

David is a Board member of the Cambodian Children's Fund Australia Limited and Chair and Non-executive Director of WageSplitter Pty Limited.

Other public directorships (current and recent):

David is currently a Non-executive Director and Chair of the Audit and Risk Committee of Life360 Inc (since 2019) and Non-executive Director and Chair of the Audit Committee of carsales.com Limited (since 2019).

David was previously a Non-executive Director and Chair of the Audit and Risk Committee of Vocus Group Limited (2017 – 2021).



PHILIPPA KELLY

Independent Non-executive Director and Chair of Remuneration & Nomination Committee

Philippa was appointed to the Board of oOh!media Limited on 18 September 2019.

Skills and experience:

Philippa has a background in law and investment banking, specialising in IPOs and mergers and acquisitions. She has extensive experience across property and finance, governance and risk management.

Philippa has over 20 years' experience in senior operational and leadership roles within the property sector. She was formerly Chief Operating Officer of the Juilliard Group, one of Melbourne's largest private property owners. Previously she was Head of Institutional Funds Management of Centro Properties Group (now Vicinity Centres) and Corporate Advisor-Investment Banking at JBWere. Philippa holds a Bachelor of Laws from University of Western Australia and a Graduate Diploma of Applied Finance & Investment from Finsia. She is a fellow of the Australian Institute of Company Directors and Finsia.

Philippa is an independent Director of AustralianSuper and Chair of its Investment Committee.

Other public directorships (current and recent):

Philippa is currently Chair of Lifestyle Communities Limited (ASX, Chair since 2019 and Director since 2013).



TIMOTHY MILES

Independent Non-executive Director and Chair of Technology Committee

Tim was appointed to the Board of oOh!media Limited on 16 May 2019.

Skills and experience:

Based in Auckland, Tim has significant experience, both internationally and in New Zealand, notably in technology and digital development.

Tim has held senior leadership roles including as Chief Executive Officer of Spark Digital, Managing Director of listed agricultural services group PGG Wrightson, Chief Executive Officer of Vodafone New Zealand and Chief Executive of Vodafone UK and Group Chief Technology Officer of Vodafone plc. Tim has also held senior roles at IBM, Data General Corporation and Unisys Corp. Tim holds a Bachelor of Arts from Victoria University of Wellington.

Tim is currently the Chair of the Gut Cancer Foundation and Centurion GSM (a joint venture between Vodafone NZ and Millennium Group) and is a Non-executive Director of Nyriad Inc. (previously Nyriad New Zealand, since 2018).

Other public directorships (current and recent):

Tim is currently a Non-executive Director of Genesis (NZE, since 2016).



ANDREW STEVENS

Independent Non-executive Director

Andrew was appointed to the Board of oOh!media Limited on 25 September 2020.

Skills and experience:

Andrew was Managing Director of IBM Australia and New Zealand from 2011 to 2014, having joined IBM when the company acquired PricewaterhouseCoopers Consulting (PwC) and previously holding senior roles including Managing Partner, Growth Markets for IBM's Global Business Services where he was responsible for the performance of the operations in Asia Pacific, Latin America, Central Europe, the Middle East, and Africa.

Andrew holds a Master of Commerce and Bachelor of Commerce from the University of New South Wales and is a Fellow of the Chartered Accountants of Australia and New Zealand.

Andrew is currently the Chair of Industry Innovation and Science Australia and Chair of the Data Standards Body for the Consumer Data Right and Non-executive Director.

Other public directorships (current and recent):

Andrew is currently a Non-executive Director of Stockland Group Limited (since 2017).

Andrew was formerly a Non-executive Director of MYOB Group Limited and Thorn Group Limited (both, 2015 – 2019).



MARCO HELLMAN

Non-executive Director

Marco (Mick) was appointed to the Board of oOh!media Limited on 7 April 2020.

Skills and experience:

Mick is a Founder, Managing Partner and member of the Investment Committee of HMI Capital Management, L.P.

Prior to establishing HMI Capital Management, L.P, Mick spent most of his career at Hellman & Friedman, LLC where he was a Managing Director and a member of the Investment Committee. While at Hellman & Friedman, Mick founded the software and logistics (ports and container terminals) verticals and established the firm's Hong Kong office. He was instrumental in Hellman & Friedman's investments in Blackbaud, Inc., Hongkong International Terminals Limited and Mitchell International, Inc.

Prior to joining Hellman & Friedman in 1987, Mick worked as a Financial Analyst at Salomon Brothers Inc. in San Francisco in the Corporate Finance Department.

Mick is on the Board of a number of Not-For-Profit organisations, including San Francisco Jazz Organisation, USA Cycling Foundation and HSB LLC.

Other public directorships (current and recent):

Mick was formerly a Director of LPL Financial Holdings Inc. (NASDAQ, 2016 – 2018).



JOANNE POLLARD

Independent Non-executive Director

Joanne (Joe) was appointed to the Board of oOh!media Limited on 24 August 2021.

Skills and experience:

Joe was Group Executive of Media and Marketing at Telstra and Chief Executive of Ninemsn and Publicis Mojo. During her 30-year executive career she has also held various leadership roles in sales, marketing, media and digital technology at Mindshare in Australia, Hong Kong and London, Nine Entertainment and Nike Inc in the USA and Japan.

Joe has been a consultant to a diverse range of companies including: Optus, Minderoo Foundation, Tattarang, Business Council of Australia and the Australian Trade and Investment Commission. She is also a member of Chief Executive Women and a member of the Australian Institute of Company Directors.

Joe is a Non-executive Director of Greencross Limited and RACAT Group and is a member of the Audit and Risk committee at Greencross Ltd.

Other public directorships (current and recent):

Joe is currently a Non-executive Director and a member of the Audit and Risk committee of Endeavour Group (since 2021). Joe is currently a Non-executive Director at Washington H Soul Pattinson (since Feb 2022)



JOANNE CREWES

Independent Non-executive Director (Retired 13 May 2021)

Joanne was a Director of oOh!media Limited from 22 September 2017. Joanne retired as a Director of the Company, effective 13 May 2021.

Skills and experience:

Joanne is the former President of Procter & Gamble's Global Prestige business unit, having held various senior leadership roles globally with Procter & Gamble over her 27-year career with the company. Joanne brings deep experience and insights across consumer value propositions, data-driven insights, brand positioning and client-side marketing perspectives.

Joanne is a mentor and coach to various senior executives and C-suite leaders.

Joanne holds a Bachelor of Business from University of Technology Sydney and is a graduate of the Australian Institute of Company Directors.

Joanne was formerly an Industry Advisory Board member of University of Technology Sydney.

Other public directorships (current and recent):

Joanne was formerly a Non-executive Director of the Dulux Group Limited (2018 – 2019).



DARREN SMORGON

***Independent Non-executive Director
(Retired 24 August 2021)***

Darren was initially appointed to the Board of oOh!media Limited on 7 October 2014 and stepped down, effective 7 April 2020 and took the position of Board Observer until he was reappointed at the 2020 Annual General Meeting on 4 June 2020. Darren retired as a Director of the Company, effective 24 August 2021.

Skills and experience:

Darren is the Managing Director of Sandbar Investments, a private investment company. Darren was previously a Director of CHAMP Private Equity where he spent 16 years. While at CHAMP he oversaw the oOh!media privatisation and relisting on the ASX. Darren holds a Bachelor of Economics (with Merit) and Master of Commerce (with Merit) from the University of New South Wales, and a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia.

Other public directorships (current and recent):

Darren is currently a Director of Swift Media Limited (since 2019) and its Non-executive Chair since 2019.

MARIA POLCZYNSKI

Company Secretary

Maria is General Counsel and has over 30 years' legal and leadership experience including as the senior legal officer of Bendigo and Adelaide Bank and partner of Sydney-based law firm, Henry Davis York (now part of Norton Rose Fulbright). Maria holds a Bachelor of Jurisprudence/Bachelor of Laws from the University of New South Wales and a Master of Laws from University of Technology Sydney.

Directors' Report

INTRODUCTION

The Directors of oOh!media Limited (oOh!media or the Company) present their report of oOh!media Limited and its controlled entities for the year ended 31 December 2021.

The Directors and Company Secretary who held office at any time during or since the end of the financial year ended 31 December 2021, together with their qualifications, experience and further details, are set out on the previous pages, which form part of this report.

The Directors' Report has been prepared in accordance with the requirements of the Corporations Act 2001 (Cth). The information below forms part of this Directors' Report.

CORPORATE STRUCTURE

oOh!media Limited is a public company limited by shares that is incorporated and domiciled in Australia and listed on the Australian Securities Exchange.

PRINCIPAL ACTIVITIES

oOh!media is a leading Out of Home media company, offering advertisers the ability to create deep engagement between people and brands across one of the largest and most diverse Out of Home location-based portfolios in Australia and New Zealand. oOh!media's portfolio includes:

- large format digital and classic roadside screens;
- large and small format digital and classic signs located in retail precincts such as shopping centres;
- large and small format digital and classic signs in airport terminals and lounges;
- digital and classic street furniture signs;
- digital and classic format advertising in public transport corridors including rail; and
- digital and classic signs in high dwell time environments such as cafés, pubs, universities and office buildings.

oOh!media also provides advertising creative and digital printing services.

OPERATING & FINANCIAL REVIEW

The consolidated profit/(loss) attributable to the owners of the parent entity for the financial year ended 31 December 2021 was \$(10,288,000) (2020: \$(36,183,000)).

A review of operations and results of the Group for the year ended 31 December 2021 is set out in the Operating and Financial Review, which forms part of this Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

COVID-19 has continued to significantly impact the Out of Home market and therefore the Company's revenue and profitability in 2021 and 2020. The financial and other impacts are outlined in the Operating and Financial Review. The Company has responded to these challenges with cost saving initiatives and significantly reduced net debt over CY21 and CY20.

The Company also suspended its dividend policy in 2020. The Company's policy is to pay dividends of 40-60 per cent of Underlying net profit after tax (pre AASB16) and before amortisation of acquired intangibles (NPATA) as AASB16 does not have a cash impact and there is no cash replacement cost for the acquired intangibles. For the financial year ended 31 December 2021, Underlying NPATA pre AASB16 was \$12,689,000 profit and therefore the Company resumed its dividend policy and declared a final dividend for CY21, payable on 24 March 2022, refer to Note 34 to the financial statements.

The Company's prior requirement for its banking syndicate to approve dividend payments (agreed in 2020) has expired.

LIKELY DEVELOPMENTS & EXPECTED RESULTS

The Group's prospects and strategic direction are discussed in various sections of this Report. Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this Report because disclosure of the information would be likely to result in prejudice to the Group.

RISK MANAGEMENT GOVERNANCE

The Company pro-actively manages risks such as strategic risk, operational risk, governance and compliance risk and financial risk. The Board has mechanisms in place to ensure management's objectives and activities are consistent with risk management direction by the Board including governance structures requiring Board approval of:

- the Group's strategic plan and operational objectives;
- the Group's policies regarding governance, conduct and other risks;
- the Group's annual financial forecasts and operating budgets;
- all contracts and agreements which exceed the level of delegation to management in the Delegated Authority Policy approved by the Board; and
- all project developments which exceed the level of delegation to management in the Delegated Authority Policy approved by the Board.

COVID-19

The COVID-19 pandemic realised the following specific risks for the Company in CY20 and CY21 in addition to the risks in the table below. It is expected the impact will continue into CY22, though to a lesser degree:

- **financial risks:** lockdown measures enacted by Australian and New Zealand government authorities in late March 2020 significantly reduced audiences for the Company's assets and therefore advertiser revenues. In response:

- the Company took measures to strengthen the Company's balance sheet through an equity raise in March 2020 and operating free cashflow applied to reduce debt, secured temporary covenant changes in the Company's debt facility through to the second half of 2021 and in December 2020, with the support of the Company's existing banking syndicate, extended debt financing arrangements until September 2023; and
- the Company enacted a range of operating and capital expenditure reduction measures and negotiated fixed rent relief due to the pandemic from several commercial partners. The significant fixed rent obligations for advertising assets used for air and rail travel audiences continue to receive rent relief until such time as audiences and Out of Home industry revenues for those categories recover to pre pandemic levels. Fixed rent reliefs in CY21 substantially related to assets used for air and rail travel audiences. Audience levels for road (billboard and street furniture) and retail audiences recovered when lockdown conditions ended.

The measures enacted by the Company effectively mitigated the financial risk to the Company of the severe and immediate reduction in revenue during widespread government lockdown measures during CY20 and CY21, assisted during CY20 by receipt of JobKeeper and New Zealand wage subsidies. Net debt at the end of CY21 was \$63.5 million versus \$354.5 million at the end of CY19, pre pandemic.

- **business continuity risks:** lockdown measures resulted in the successful enactment of business continuity procedures for the Company from March 2020, with most employees working from home for extended periods in 2020 and 2021. This risk was mitigated by investment in and resourcing of risk management activities including cyber security, WHSE, governance and regulatory and in the Company's people and culture strategies. Business continuity during lockdown was also facilitated by achieving essential worker designation for field staff maintaining public infrastructure.
- **supply chain risks:** increased border controls and worker shortages due to COVID-19, disrupted supply chains, in particular international supply chains. The Company has maintained regular contact with essential suppliers, placed orders early in 2021 in anticipation of longer delivery times, sourced stock from a variety of suppliers to increase resilience and as needed re-allocated existing stock. In respect of key deliveries, the Company in some cases sourced component parts and materials to support oOh!media's supply chain manufacturers.

LONG-TERM RISKS AS THEY OPERATE IN CY21

In addition to the COVID-19 specific risks above, the Company considers the following as being the most relevant risks to the business achieving its strategic, operational and financial targets:

Business Element	Description of risk and the Company's mitigation
External economic conditions	The Company operates in Australia and New Zealand. Several advertiser customers are global organisations whose media expenditure decisions can be affected by economic conditions in other jurisdictions. A general disruption to or downturn in macroeconomic factors such as consumer confidence, or the media industry specifically, may reduce revenues. This may have a significant impact on operating profit as a large proportion of the Company's costs have a fixed component. The Company positions its operations to balance the opportunity of delivering outcomes for investors from stronger economic conditions as well as mitigating the impact of economic downturns given the cyclical nature of the media market. The Company maintains a portfolio of assets which is diversified across several Out of Home segments and across central business district, transport, metropolitan (including suburban) and regional areas in Australia and New Zealand. A significant proportion of arrangements with commercial partners include rent that varies with revenue in a period. The Company maintains debt financing facilities with liquidity headroom above expected operational needs.
Meeting the evolving needs of advertisers	Growth in outdoor advertising will be dependent on oOh!media's continued ability to adapt to changes in the media landscape, including meeting evolving customer advertising requirements and competitive and legislative changes. The Board oversees key changes in the media landscape and the appropriateness of management's response to such changes. oOh!media has developed a diversified portfolio to mitigate this risk, with diversity and scale across a number of different environments that deliver return on investment for advertisers. oOh!media has also invested in audience data, scalable systems and operating models to manage this risk into the future.

Business Element	Description of risk and the Company's mitigation
<p>Business partners</p>	<p>oOh!media is dependent on concession contracts with commercial partners to maintain and manage its lease and licence portfolio, media agencies to represent this portfolio to their advertiser clients, and customers who desire the portfolio to advertise their goods and services. Many concession contracts require oOh!media to participate in competitive processes ahead of or at each renewal. Loss of relationships with media agencies, a change in the size or structure of the media agency market, or loss of relationships with key customers could impact the Group's future operating and business performance. oOh!media has developed a diversified portfolio of relationships with numerous individual commercial partners and with different contract maturity dates to mitigate the impact of losing individual concession contracts, and has invested in data and insights to give agencies and customers more focus and reach for their desired audience using oOh!media's unique portfolio.</p>
<p>Business Continuity</p>	<p>oOh!media's ability to continue normal business operations may be adversely affected by a range of external and internal risks, including but not limited to: inability of employees to access key technology operating systems, access by employees to maintain, post and clean physical advertising assets across Australia and New Zealand and severe widespread reductions in audiences for oOh!media's advertising assets across Australia and New Zealand resulting in a significant short term loss of revenue, as occurred in CY20 and CY21 due to COVID-19 pandemic government restrictions on public movement. oOh!media has deployed resources and strategies to mitigate specific risks. Work, health, safety and environmental (WHSE), IT and Cyber Security, Regulatory and Governance, all of which could give rise to a Business Continuity risk – refer to specific risk sections in this report. The Audit, Risk & Compliance Committee of the Board annually reviews oOh!media's Business Continuity, Disaster Recovery and Crisis management plans. The Company's advertising assets are diversified across numerous environments (road, airports, street furniture, shopping centres, rail), geographically diverse locations across Australia and New Zealand and the majority of oOh!media's revenues are from national advertisers who use multiple audience environments. As a result, oOh!media has limited business continuity concentration risk for localised advertising assets. Business continuity risk could arise as a result of widespread sustained impact to assets and audiences. The Company maintains debt financing facilities with liquidity headroom above expected operational needs, operates with rent structures which include a significant element of rent which varies with revenue and in certain key commercial arrangements fixed rent relief in the event of a pandemic.</p>
<p>Acquisitions & integration</p>	<p>Acquisitions may not deliver projected benefits or value, and integrations may not be successful, resulting in interruptions to the achievement of business strategy. oOh!media has deep experience managing business integrations and where appropriate, appoints full time project managers to assist with the management and delivery of integration programs. oOh!media regularly reports against the performance of the integration and the new business to the Board.</p>
Regulatory & Governance	Description of risk and the Company's mitigation
<p>Regulatory</p>	<p>The Group operates in an industry which is subject to specific regulatory risk, planning development regulations for deployment of the Group's assets and regulatory changes with respect to advertising content on the Group's assets. oOh!media engages proactively with regulatory and industry bodies regarding development of regulation and in ensuring compliance by the Group's activities.</p>
<p>Governance</p>	<p>The Group recognises stakeholder expectations regarding governance for an enterprise of its scale and operating as a publicly listed entity. A significant failure to meet expected standards of governance would impact the reputation and business outcomes for the Group. oOh!media engages professional in-house and where required, external, governance experts across its corporate, finance, legal and operations functions to provide advice and support, and to manage and review governance processes and systems.</p>

IT & Cybersecurity	Description of risk and the Company's mitigation
IT security & resilience	<p>Failure to appropriately address security risks around external threats to the digital network, IT systems and data (including personal information) could result in system suspension, loss of control or failure, the potential loss of intellectual property or a personal information data breach. oOh!media has developed a Cyber Security Strategy and processes. Activities in relation to managing Cyber Security risk are overseen by a Cyber Security Steering Committee comprising of executives leading the operational functions in addition to the IT executive leadership. Cyber risk management activities are reported regularly to the Board and its Committees.</p>
People & Capability	Description of risk and the Company's mitigation
WHSE	<p>Work, health, safety and environmental (WHSE) risks could occur causing physical injury or death to employees or others, damage to property or the environment, damage to reputation and involve regulatory breach. oOh!media has a dedicated Wellbeing, Safety and Environment function, complemented by a management system that is rigorously enforced. This team conducts quality assurance on providers to ensure compliance with policies, induction, licensing requirements, insurance and WHS policies. oOh!media has a Group-wide induction and new site training program for workplace, health and emergency measures and conducts third party independent audits of its work, health & safety and environmental systems to identify any areas for continuous improvement. Strategy and processes, policies and activities in relation to managing WHSE are overseen by a WHSE Steering Committee comprising of executives leading operational functions across the Group. WHSE risk management activities and all incidents are reported to and considered regularly by the Board.</p>
Culture, employee retention & succession	<p>The Company has a vibrant and entrepreneurial culture which embraces colleagues as individuals as well as contributors. This culture has enabled the Company to grow to be the largest Out of Home operator in Australia and New Zealand and was the foundation of the Company's successful response to the risks which eventuated with the COVID-19 pandemic. Business structure and staff capability may not continue to evolve to meet the growing changes and complexity in the products, market, agencies and emerging digital environment. This failure may negatively impact the innovative and entrepreneurial culture of the Company and the ongoing relevance and performance of oOh!media within the market. As the business evolves, structure, culture and capability is carefully assessed to ensure the best of the culture and capability is continually enhanced, whilst adapting to new favourable opportunities. oOh!media has Group-wide onboarding and subsequent training programs, an informal mentoring program, and recognition programs beyond remuneration. The Remuneration & Nomination Committee of the Board works closely with the CEO and Chief People & Culture Officer on the design and implementation of the Company's culture programs, reviewing results and the Company's response to regular culture surveys.</p> <p>Employee retention and succession planning enables the Group's delivery of its strategy and competitive success. Significant loss of employees over a short period could impact the Company's ability to operate effectively or achieve its revenue targets. oOh!media undertakes short-term and long-term succession and organisational planning for key roles. Retention and succession activities and outcomes are regularly reviewed by the Board.</p>

MATTERS SUBSEQUENT TO REPORTING DATE

Except as disclosed in Note 34 to the financial statements, no other matter or circumstance at the date of this Report has arisen since 31 December 2021 that has significantly affected or may affect:

- the operations of the Group in future financial years;
- the results of those operations in future financial years; or
- the Group's state of affairs in future financial years.

ENVIRONMENTAL REGULATION

The operations of the consolidated entity are not subject to any particular or significant environmental regulation under the law of the Commonwealth of Australia or any of its states or territories, or New Zealand. The Group has not incurred any significant environmental liabilities.

For further information see the Sustainability Report.

PROCEEDINGS ON BEHALF OF THE COMPANY

No proceedings have been brought on behalf of the Group, nor have any applications been made in respect of the Group under section 237 of the Corporations Act 2001 (Cth).

ROUNDING OF AMOUNTS

ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 (Instrument) issued by the Australian Securities and Investments Commission (ASIC), relating to the "rounding off" of amounts in the Directors' Report applies to the Company.

Amounts in the Directors' Report have been rounded off in accordance with the Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar, unless otherwise stated.

DIRECTORS' MEETINGS

The record below shows the number of directors' meetings held during the year, the number of meetings the directors were eligible to attend and the number of meetings attended.

Director	Board Meetings		Audit, Risk & Compliance		Remuneration & Nomination Committee		Technology Committee	
	H	A	H	A	H	A	H	A
Total meetings	13		4		4		2	
Tony Faure	13	13						
Joanne Crewes ^a	5	5			1	1	1	1
Mick Hellman	13	13			4	4		
Philippa Kelly	13	13			4	4	2	2
Timothy Miles	13	13	4	4			2	2
Cathy O'Connor	13	13						
Joe Pollard ^a	5	5			2	2		
Darren Smorgon ^a	8	8			2	2		
Andrew Stevens	13	12	4	4			2	2
David Wiadrowski	13	12	4	4				

H – number of meetings held during the period the Director was a member of the Board/Committee.

A – number of meetings attended by the Director during the period the Director was a member of the Board/Committee.

a. Not a Board member for all of CY21. For times of Board appointment, see Board of Directors on page 20

In addition, Board sub-committees were convened from time to time during the period to support the Board in execution of its responsibilities.

BOARD SKILLS, EXPERIENCE & DIVERSITY

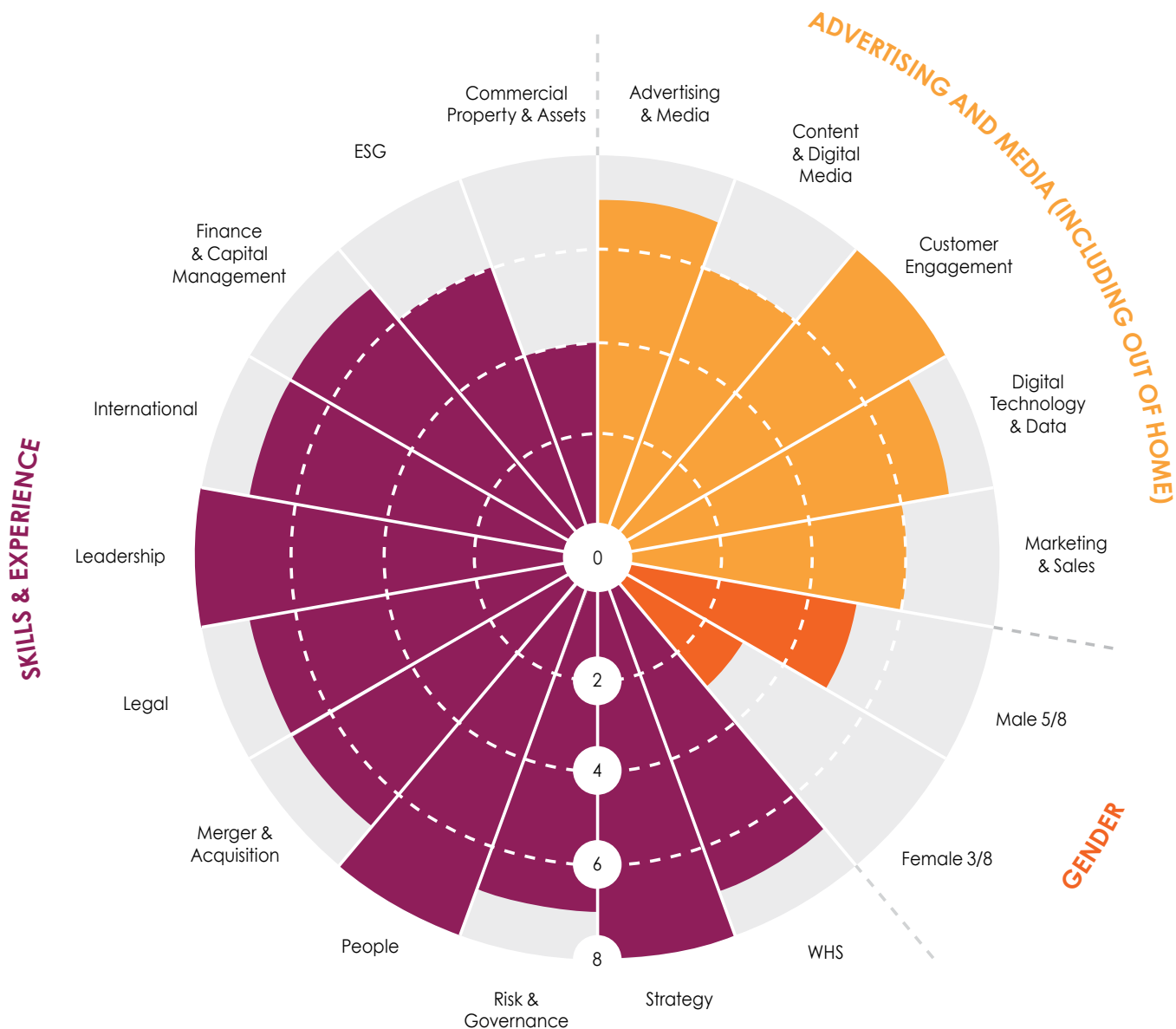
The Board, together with the Remuneration & Nomination Committee, reviews the skills, experience and diversity represented by Directors on the Board and determines whether the composition and mix of these factors remain appropriate for the Company's strategy, subject to limits imposed by the Constitution and the terms served by existing Non-executive Directors.

The results of the 2021 self-assessment of the Directors' skills and experience are shown on the matrix below. The results represent those Directors who confirmed their expertise or direct experience in the relevant area.

Two new Directors commenced since the beginning of 2021, following the commencement of two new Directors in 2020. The Board has an average tenure of 2 and a half years¹, representing a good balance of deep corporate knowledge and new perspectives.

We are confident the current Board composition provides a strong combination of skills, experience and diversity to allow oOh!media to execute its long-term strategy to drive sustainable growth and maximise shareholder value.

¹ This reflects Non-executive Director tenure only.



Commercial Property & Assets

Experience in commercial property, leasing and asset/inventory management in large scale construction or deployments.

ESG

Experience overseeing and assessing environmental, social and sustainability processes and risks. Experience monitoring management of supply chain issues, including internal and external processes and modern slavery risks.

Finance & Capital

Experience in financial accounting and reporting and debt and equity capital management, including investor relations. Experience in capital allocation across business operations.

International

Exposure to and experience in managing operations outside ANZ and/or significant cross-border transactions with multinational teams.

Leadership

Successful leadership (as CEO or senior executive) of a large organisation.

Legal

Experience understanding and applying legal principles in commercial contexts, including managing regulatory, contractual and other legal exposures.

Merger & Acquisitions

Experience in undertaking and leading corporate mergers or acquisitions.

People

Experience overseeing and assessing company culture, senior management, remuneration processes and strategic people management.

Risk & Governance

Experience in risk management and strategy, including risk culture and appetite and systematic risk identification, assessment, controls and monitoring. Experience in governance structures with high standards of corporate governance and understanding of ASX listing rules.

Strategy

Experience in developing, implementing and delivering strategic business objectives.

WHS

Experience overseeing work, health & safety processes, including sustainability of those processes.

Advertising & Media

Experience in the advertising and media industry (including in out of home), including emerging forms of media.

Content & Digital Media

Experience managing content and digital media creation, sourcing and distribution.

Customer Engagement

Experience in developing data-led, customer centric value propositions which drive deep engagement between consumer and brand.

Digital Technology & Data

Experience in technology strategies, information and data security and innovation.

Marketing & Sales

Experience in developing and implementing customer focussed sales and marketing strategies across traditional and digital businesses.

Notes: The matrix above shows the Board skills composition at the date of this Report.

CORPORATE GOVERNANCE

oOh!media's Corporate Governance Statement is available on oOh!media's website under <https://investors.oohmedia.com.au/investor-centre/?page=governance>.

SHARES ISSUED & EXERCISE OF RIGHTS

ORDINARY SHARES OF OOH!MEDIA LIMITED

At 31 December 2021, there were 5,977,854 performance rights on issue (2020: 5,308,284). In 2021, none of the performance rights under the Long-Term Incentive Plan vested, therefore no shares were issued. The total number of fully paid shares on issue at 31 December 2021 is 598,645,873 (2020: 591,788,280).

DIRECTORS' INTERESTS IN SHARES, RIGHTS AND OPTIONS OF THE COMPANY

The relevant interests of each Director in the equity of the Company and related bodies corporate as at the date of this Directors' Report are disclosed in the Remuneration Report.

SHAREHOLDER RETURNS

	2021	2020	2019	2018 ^b	2017
Underlying NPATA pre AASB16	12,689	(8,509) ^a	52,352	51,056	43,403
Profit attributable to the owners of the Company (\$'000)	(10,288)	(36,183) ^a	13,668 ^b	29,124	33,206
Basic earnings per share (cents)	(1.7)	(7.1) ^a	5 ^c	14 ^d	19
Dividends – interim paid and final declared (\$'000)	5,986	Nil	26,566	26,094	24,704
Dividends per share – interim paid and final declared (cents)	1.0	Nil	11.0	11.0	15.0
Share price – closing at balance date (\$)	1.69	1.66	3.64	3.42	4.50

- As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer to Note 2 of the FY21 Financial Statements.
- As a result of the IFRS Interpretation Committee (IC) agenda decision, the Group has changed its accounting policy, retrospectively adjusting the deferred tax accounting for Brands. Refer to Note 10 of the 2020 Financial Statements.
- CY19 basic earnings per share have been adjusted to reflect the Group's capital raising during 2020. Refer to Note 29 of the 2020 Financial Statements.
- CY18 basic earnings per share have been adjusted to reflect the effect of the purchase price allocation accounting for Adshel which was completed in 2019.

Shareholder returns per share reflect the issuance of:

- 71,709,994 additional fully paid ordinary shares issued in July 2018 to assist in financing the acquisition of the share capital of Adshel on 28 September 2018.
- 315,101,745 additional fully paid ordinary shares issued in April 2020 as part of the equity raising announced on 26 March 2020.
- 6,857,593 additional fully paid ordinary shares in March 2021 to fulfil obligations under the Company's employee incentive plans, upon 2020 short term incentives being issued as equity rather than cash.

Net profit amounts have been calculated in accordance with the Australian Accounting Standards. Dividends for CY21 were fully franked.

DIVIDENDS

The following fully franked dividends have been paid to date:

Dividends paid during 2021	Amount per share (cents)	Total paid (\$)
No dividends were paid in 2021	Nil	Nil

Dividends paid during 2020	Amount per share (cents)	Total paid (\$)
Final 2019 dividend (paid 3 April 2020)	7.5	18,178,958

In response to the COVID-19 impact the Board suspended its Dividend Policy in March 2020 and therefore did not pay an interim dividend in CY20 or any dividend in CY21.

The Company's policy is to pay dividends of 40-60 per cent of Underlying net profit after tax (pre AASB16) and before amortisation of acquired intangibles (NPATA) as AASB16 does not have a cash impact and there is no cash replacement cost for the acquired intangibles. Having suspended the dividend policy in 2020, the Board has determined it is appropriate to reintroduce the policy. The Board declared a fully franked final dividend of 1 cent per ordinary share in respect of the year ended 31 December 2021². This dividend is payable on 24 March 2022. The financial effect of this dividend has not been brought to account in the consolidated Financial Statements for the year ended 31 December 2021 and will be recognised in subsequent financial reports. The financial effect of this dividend is outlined in Note 34 of the financial statements.

The final 2019 dividend was subject to the oOh! Dividend Reinvestment Plan and was fully underwritten. The financial effect of this dividend is outlined in Note 22 of the 2020 financial statements.

INDEMNIFICATION & INSURANCE OF DIRECTORS AND OFFICERS

The Company, to the extent permitted by law, indemnifies each Director, alternate Director and Executive Officer of the Company on a full indemnity basis against all losses, liabilities, costs, charges and expenses incurred by that person as an Officer of the Company or one of its related bodies corporate.

The Company, to the extent permitted by law, may purchase and maintain insurance, or pay, or agree to pay, a premium for insurance for each Director, alternate Director and Executive Officer of the Company against any liability incurred by that person as an Officer of the Company or its related bodies corporate, including a liability for negligence or for reasonable costs and expenses incurred in defending or responding to proceedings, whether civil or criminal and whatever their outcome.

The Company may enter into contracts with a Director or former Director agreeing to provide continuing access to board papers, books, records and documents of the Company that relate to the period during which the Director or former Director was a Director. The Company may arrange that its related bodies corporate provide similar access to board papers, books, records or documents.

INSURANCE PREMIUMS

The Company has paid insurance premiums in respect of Directors' and Officers' Liability insurance for the year ended 31 December 2021 and since the end of that year. Such insurance contracts insure against certain liability (subject to specific exclusions) of persons who are or have been Directors, alternate Directors or Executive Officers of the Company or in that capacity to the extent allowed by the Corporations Act 2001 (Cth). The terms of the policies prohibit disclosure of the liability and premium paid.

² The 2020 Annual Report identified that the amended terms of the bank finance facility agreed in March 2020 required that any dividend proposed by the Board is subject to consent of the bank syndicate. That provision has now expired and the Board no longer needs the consent of the Company's lenders to declare or pay any dividend.

NON-AUDIT SERVICES

During the year, KPMG, the Company's auditor, performed certain other services in addition to its statutory duties.

The Board has considered the non-audit services provided during the year by the auditor, and, in accordance with the advice received from the Audit, Risk & Compliance Committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirement of the Corporations Act 2001 (Cth) for the following reasons:

- all non-audit services are subject to corporate governance procedures adopted by the Group and have been reviewed by those charged with the governance of the Group throughout the year to ensure they do not impact the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) as they did not involve the auditor reviewing or auditing its own work, acting in a management or decision-making capacity for the Group, acting as an advocate to the Group or jointly sharing the risks and rewards.

Details of the audit and non-audit service fees paid or payable to the Company's auditor during the year are disclosed in Note 31 of the financial statements:

Audit and assurance services	2021 \$	2020 \$
<i>KPMG Australia</i>		
Audit and review of Financial Statements	601,002	732,888
Other assurance services	171,991	243,782
Total audit and assurance services	772,993	976,670

Other services	2021 \$	2020 \$
<i>KPMG Australia</i>		
Taxation compliance and advisory services	213,407	189,761
Total other services	213,407	189,761
Total auditor's remuneration	986,400	1,166,431

OTHER INFORMATION

The following information, contained in this Annual Report, forms part of this Directors' Report:

- Operating and Financial Review
- Board of Directors
- Audited Remuneration Report
- Lead Auditor's Independence Declaration

This Report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001 (Cth).

Signed on behalf of the Directors.



Tony Faure
Chair

21 February 2022, Sydney



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of oOh!media Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of oOh!media Limited for the financial year ended 31 December 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Trent Duvall

Partner

Sydney

21 February 2022

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Remuneration Report

INTRODUCTION

Dear shareholders,

On behalf of the Board, I am pleased to present the 2021 Remuneration Report.

The focus of oOh!media's team during 2021 was to remain flexible and adapt to the ongoing disruption experienced by the Out of Home industry.

Although the economy is adjusting to it, COVID-19 continued to impact audiences and revenues in specific formats. oOh!media's resilience is based on our diverse asset base which enables the Group to continue to mitigate the worst impacts of successive waves of the pandemic and stay strategically positioned for recovery.

There were changes within oOh!media leadership during 2021. Cathy O'Connor commenced as CEO and Managing Director in January and Joe Pollard as Director in August. Joanne Crewes and Darren Smorgon retired in May and August respectively. We thank them both for their longstanding service to oOh!media as Board members and to Darren for his time as Chair of the RNC.

The Board undertook a broad-based external review of the Group's approach to remuneration and link to future performance at the end of the year. This review took into account current market insights and trends for the recruitment and retention of talent, ensuring incentives are designed to keep a motivated team and aligned to the Group's growth strategy.

An external benchmarking exercise was also undertaken in respect of Non-executive Director fees, with the result that these fees will remain unchanged for 2022.

2021 INCENTIVES

For CY20, in recognition of the impact of COVID-19 on the business and employees and the uncertainties introduced by the macro economic environment, the Board reviewed and adjusted incentives to balance appropriate incentivisation and retention of employees with meeting shareholder expectations for disciplined financial management. As reported in the CY20 Remuneration Report, the LTI measures of success introduced in 2020 have been retained for CY21 while COVID-19 continues to make economic outcomes uncertain. Details for CY21 LTI can be found on page 46 of this Report.

The company performance measures introduced in CY20 for the STI Plan were also retained in CY21, however the weightings were adjusted, and baselines and strategic goals reset as outlined below:

- 45% maintaining or growing Out of Home market share¹ from the end of CY20;
- 45% change in CY21 EBITDA² from CY19 being no more than 45% of the corresponding change in revenue (Relative Revenue Drop Through); and
- 10% achieving strategic priorities set to support the businesses technology targets.

The Board determined that the two financial measures introduced in 2020 continued to be appropriate for ongoing market conditions in which audiences and revenues were adversely affected by COVID-19.

Detail of the 2021 STI Company and Individual measures and outcomes can be found on page 46 of this Report.

oOh!media qualified for and received JobKeeper and NZ wage support in CY21³. However, all JobKeeper and NZ wage support received in respect of CY21 was repaid on 21 December 2021 and was therefore not included in the assessment of performance measures for any incentives.

2019 AND 2020 LTI INCENTIVES

While the impact of COVID-19 was less significant than in CY20, it continued to impact oOh!media's financial performance in CY21. Consequently, the 2019 LTI did not vest in February 2022.

It is not yet known whether the minimum hurdles will be met for LTI issued in 2020. Accordingly, the business continues to accrue for all active LTI's.

As the newly appointed Chair of RNC, I want to also take the opportunity to thank the entire oOh!media team for their continuing commitment and support throughout another challenging year.



Philippa Kelly

Chair, Remuneration & Nomination Committee

¹ Market share is measured separately for Australia and New Zealand for the STI scheme in each market.

² Underlying EBITDA pre AASB16 referred to in Note 4 of the Financial Statements.

³ See Note 6 to the Company's financial statements for treatment of JobKeeper in CY21.

The information in this Report has been audited as required by section 308(3C) of the Corporations Act 2001 (Cth).

LIST OF KMP

The key management personnel (KMP) for CY21 are the nine Non-executive Directors and two Executives who have specific responsibility for planning, directing and controlling the material activities of oOh!media, one of whom is the Managing Director. There is also an Executive Leadership Team that supports the KMP.

Non-executive Directors	
Tony Faure ^(a)	Chair and Non-executive Director
Joanne Crewes ^(b)	Independent Non-executive Director
Marco (Mick) Hellman ^(c)	Non-executive Director
Philippa Kelly	Independent Non-executive Director
Timothy Miles	Independent Non-executive Director
Joanne (Joe) Pollard ^(d)	Independent Non-executive Director
Darren Smorgon ^(e)	Independent Non-executive Director
Andrew Stevens	Independent Non-executive Director
David Wiadrowski	Independent Non-executive Director and Lead Independent Director
Executives	
Catherine (Cathy) O'Connor	Chief Executive Officer and Managing Director (CEO)
Sheila Lines	Chief Financial Officer (CFO)

- a. Tony Faure was a consultant to Junkee Media following its acquisition by oOh!media in July 2016 until 1 December 2020. As a consequence, the Board determined Tony Faure was not considered to be an independent Director of oOh!media during the consultancy and for 3 years from the end of the consultancy.
- b. Joanne Crewes retired effective 13 May 2021.
- c. Mick Hellman is the Founder and Managing Partner of investment management company, HMI Capital Management, L.P., which is the investment adviser of each of HMI Capital Partners, L.P. and MERCKX Capital Partners, L.P, which collectively hold the largest shareholding in oOh!media. As a consequence, the Board determined that Mick was not considered to be an independent Director of oOh!media.
- d. Joe Pollard was appointed effective 24 August 2021.
- e. Darren Smorgon retired effective 24 August 2021.

REPORTING PRINCIPLES

The Remuneration Report refers to a range of non-IFRS (International Financial Reporting Standards) financial information including Underlying EBITDA pre AASB16.⁴ oOh!media believes this non-IFRS financial information provides useful insight to users of this Report in measuring the financial performance and condition of oOh!media.

The Remuneration Report has been prepared on a basis consistent with the Financial Statements and accordingly includes total remuneration details for the year ended 31 December 2021. oOh!media's remuneration framework is structured to ensure it is market competitive and supports and motivates the Executive and the broader team to work toward both short and long-term strategic objectives that align to sustainable value creation for shareholders.

⁴ Underlying EBITDA pre AASB16 referred to in Note 4 of the Financial Statements.




REMUNERATION PHILOSOPHY

This Remuneration Report explains the Board's approach to executive remuneration, and to performance and remuneration outcomes for oOh!media and its KMP.

REMUNERATION PRINCIPLES AND STRATEGY

The success of oOh!media is based on its people and culture. oOh!media's remuneration framework focuses on a competitive fixed annual remuneration (FAR) combined with short-term incentives (STI) and long-term incentives (LTI).

Other than a limited number of bonuses relating to retention, incentives are "at-risk" and reward achievement of oOh!media's annual financial outcomes and strategic goals, including long-term growth in shareholder value.

ATTRACT AND RETAIN	REWARD ACHIEVEMENT OF GOALS	LONG-TERM ALIGNMENT TO SHAREHOLDERS
 <p>FAR</p>	 <p>STI</p>	 <p>LTI</p>
Cash		Equity
<ul style="list-style-type: none"> Benchmarked in December 2021 against comparable independent remuneration data and advice Set competitively to relevant industry peer group 	<ul style="list-style-type: none"> Based on two components: <ul style="list-style-type: none"> Company performance, comprised of: <ul style="list-style-type: none"> Market share Relative Revenue Drop Through to Underlying EBITDA pre AASB16 Strategic priorities Individual performance Set yearly, linked to individual and group performance against organisation strategy, and subject to over-riding Board discretions, including to issue as equity 	<ul style="list-style-type: none"> Based on: <ul style="list-style-type: none"> Free Cash Flow per share Return on Capital Relative Total Shareholder Return Three-year performance period Board retains right to alter target or clawback as necessary
Market competitive fixed annual remuneration	Set challenging short- and long-term incentives linked to the creation of sustainable shareholder returns	

oOh!media's remuneration principles are to guide practices that are:

- market competitive;
- performance related;
- fair; and
- relatively easily understood – subject to 2020 introducing complexities inherent in balancing fairness to employees and shareholders in the unpredictable COVID-impacted market, which continued into 2021.

Fixed remuneration is periodically benchmarked and discretionary remuneration is linked to achievement of business objectives through interlinked goals.

The Board reviews all remuneration principles, practices, strategies and approaches, at least annually, to ensure they support the long-term business strategy and are appropriate for a listed company of oOh!media's size.

COMPONENTS OF REMUNERATION AND THEIR RATIONALE INCLUDING LINKS TO PERFORMANCE AND SHAREHOLDER WEALTH

Component	Performance conditions	Link to strategy and performance
<p>Fixed Annual Remuneration (FAR)</p> <p>Salary and other benefits including superannuation.</p>	No conditions	To attract and retain talented people and in compliance with legal obligations to pay employees minimum salaries and superannuation.
<p>Short Term Incentive (STI)</p> <p>Most employees are eligible to participate in the STI program. Participants must be employed by 1 October in the year to be eligible that year.⁵</p>	<p>STI for each member of staff is based on proportions of organisational and individual performance, weighted to organisational performance with seniority. Executive KMP have a weighting of 70% organisational and 30% individual performance.</p> <p>Individual performance measures are set with line management and subject to overriding discretions and consistency calibrations. In CY21 a threshold qualification for individual performance for senior staff was taking annual leave equal to the full amount of such leave that accrued during CY21.</p> <p>Organisational performance is assessed against three measures</p> <p>a. 45% maintaining Out of Home market share</p> <p>Share of the total Australian Out of Home market to be measured principally using the Outdoor Media Association⁶ CY21 data but excluding the transport category (principally airports and rail passengers), as oOh!media has a greater exposure than competitors to these formats which have been most impacted by COVID-19.</p> <p>The base is no change in market share from the end of CY20 for Australia and New Zealand and a +/-1% margin of error will be applied in CY21.</p> <p>b. 45% Relative Revenue Drop Through</p> <p>Change in CY21 Underlying EBITDA (pre-AASB16) from pre-COVID CY19, being no more than 45% of the corresponding change in revenue.</p> <p>c. 10% achievement of strategic priorities</p> <p>The strategic priority measure for CY21 was a technology target to ensure the migration onto the Company's new trading platform (of all Aust & NZ):</p> <ul style="list-style-type: none"> • Retail trading by October 2021; and • Road and Retail trading inventory management by December 2021. 	<p>As noted in the CY20 report, historically full year Underlying EBITDA pre-AASB16 was chosen as the company performance measure for STI's, but this was then changed, due to COVID-19 impacts placing Underlying EBITDA beyond staff control and as such unhelpful as an incentive measure.</p> <p>Of the COVID-19 period measures, the market share measure rewards maintaining or exceeding CY20 market share as the Company addresses the ongoing impact of COVID-19 on the business.</p> <p>The Relative Revenue Drop Through measure rewards delivering appropriate returns to investors, on a reduced and still unpredictable revenue base against CY19.</p> <p>The strategic priorities measure rewards effective rollout of the Company's technology agenda objectives in support of its overall corporate trading strategy.</p> <p>The measures for Out of Home market share and Relative Revenue Drop Through, include the opportunity for a greater than 100% STI allocation for overachievement or a reduced allocation for a shortfall in achievement but still above minimum thresholds.</p> <p>Subject to overriding Board discretion, no allocation applies for underachievement below the stated minimum thresholds or in respect of the strategic priorities measure.</p> <p>For further detail see page 46.</p>

⁵ This is subject to Board discretion in exceptional circumstances.

⁶ For New Zealand the figures are provided by the Out of Home Media Association Aotearoa (OOHMAA).

Component	Performance conditions	Link to strategy and performance
<p>Long-Term Incentive (LTI)</p> <p>An allocation of performance rights granted by invitation, to a defined set of senior leaders as approved by the Board and aligned to long-term shareholder value creation.</p>	<p>There are three LTI performance hurdles, each measured over a 3-year performance period and each representing 1/3 of the target award.</p> <p>The first is based on Free Cash Flow per share (FCF), being calculated as:</p> <p>(operating cash flow less capital expenditure and finance lease liabilities paid in CY23)/number of issued shares.</p> <p>The second hurdle is based on a Return on Invested Capital (ROIC): CY23 Underlying EBITDA pre-AASB16 less fixed costs/invested capital.⁷</p> <p>The third hurdle is based on Relative Total Shareholder Return⁸ (TSR) assessed against the ASX200 index (excluding Financials, Industrials and Materials).</p> <p>For specific targets see page 46.</p>	<p>Aligns the interests of Executive KMP and other key employees with shareholders by focusing on long-term growth. The purpose of oOh!media's LTI Plan is to provide incentive to attract, retain and motivate eligible employees whose present and potential contributions are important to the success of oOh!media by offering them a chance to participate in the future performance of the Company. All selected measures are objective and transparent:</p> <ul style="list-style-type: none"> • FCF⁹ aligns incentives with shareholder interests by measuring and rewarding oOh!media's ability to generate cash flow on a per share basis. • The ROIC hurdle rewards employees for generating shareholder returns relative to the deployment of the Company's capital. • Relative TSR measures performance against peers and reflects investor returns generated by the Company compared to a broad index of other investment opportunities for shareholders. <p>The Board retains the right to alter targets during the performance period to account for significant acquisitions, divestments or other items, or to clawback or adjust any or all allocated LTI in relevant circumstances.</p> <p>The number of rights that vest is a percentage of those targeted, based on the outcome of the three hurdles over the performance period of CY21 to CY23.</p> <p>For further detail see page 46.</p>

7 Average of the opening and closing balances of invested capital for CY23. Fixed costs are fixed rent obligations previously realised in cost of goods sold pre AASB16 resulting in an EBITDA result pre AASB16. Invested capital is total equity plus net debt.

8 Relative TSR is calculated as aggregate dividends paid during the 3-year performance period plus the share price movement from the beginning to end of the performance period.

9 FCF was introduced in CY20 as more appropriate post-AASB16 than the previous EPS measure, which would require adjustment for non-cash accounting impacts of AASB16 as leases within the Company's extensive lease inventory are initiated or approach maturity, or are modified or terminated within the original lease term.

REMUNERATION LINKED TO FINANCIAL PERFORMANCE INDICATORS AND SHAREHOLDER WEALTH

Information on the Company's performance is shown below:

	2021	2020	2019	2018	2017
Underlying EBITDA pre-AASB 16 (\$'000)	77,552	62,499 ^a	138,987	112,525	90,070
Profit/(loss) attributable to the owners of the Company (\$'000)	(10,288)	(36,183) ^a	13,668 ^b	29,124	33,206
Basic earnings/(loss) per share (cents)	(1.7)	(7.1) ^a	5 ^c	14 ^d	19
Dividends – interim paid and final declared (\$'000)	5,986	nil	26,566	26,094	24,704
Dividends per share – interim paid and final declared (cents)	1.0	nil	11.0	11.0	15.0
Share price – closing at balance date (\$)	1.69	1.66	3.64	3.42	4.50
Change in share price over the year (\$)	0.03	(1.98)	0.22	(1.08)	(0.07)

a. As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer Note 2 of the FY21 Financial Statements.

b. As a result of the IFRS Interpretation Committee (IC) agenda decision, the Group has changed its accounting policy, retrospectively adjusting the deferred tax accounting for Brands. Refer to Note 10 of the Financial Statements attached to the 2020 Annual Report.

c. CY19 basic earnings per share have been adjusted to reflect the Group's capital raising during 2020.

d. CY18 basic earnings per share have been adjusted to reflect the effect of the purchase price allocation accounting for Adshel which was completed in 2019.

EXECUTIVE KMP REMUNERATION

Executive KMP	FAR for 2021
Cathy O'Connor	\$1,330,527
Sheila Lines	\$525,624

2021 STI OUTCOMES

The 2021 STI company performance outcomes (worth 70% of the total STI outcome for Executive KMP) are based on performance against three performance measures (detailed on page 46):

1. 45% maintaining market share;
2. 45% Relative Revenue Drop Through; and
3. 10% achievement of strategic priorities.

The business did not meet the first of these measures, but met the second and substantially met the third, as detailed below:

1. CY21 OOH market share dropped by more than the 1% margin for error. Accordingly, as there is no payment unless full achievement, there is no allocation in respect of this measure;
2. Relative Revenue Drop Through was 42.1% which translates to 115% achievement of the overall STI Company outcome; and
3. The strategic priorities measure includes two components (as outlined on page 37); one was met in full and the other was met by year end CY21. While the threshold for this performance measure had been set at full achievement, the Board exercised its discretion to award an outcome of 75%, taking into account both full completion of one component and completion of the other component within the performance period, and the team behaviours and accountability necessary to deliver the desired outcome having been met.

Taken together, achievement against the corporate measures resulted in 59.3% of the potential full corporate allocation for CY21 being awarded.

For details on the 2021 STI individual performance outcomes (worth the remaining 30% of the total STI outcome for Executive KMP), see the table on page 40.

Target STI for 2021

The table below outlines the Target STI for the Executive KMP for CY21.

Executive KMP	Min STI	Target STI opportunity ^a	Target as a % of FAR	Max STI opportunity ^b	Max target as a % of FAR
Cathy O'Connor	\$0	\$400,000	30.06%	\$600,000	45.09%
Sheila Lines	\$0	\$208,590	39.68%	\$312,885	59.33%

a. Target STI represents the amount payable at 100 per cent achievement of STI measures outlined on page 46.

b. Maximum STI is available on OOH market share increasing 3.5 ppts; CY21 Relative Revenue Drop Through (relative to CY19) being 35% or less; full achievement of strategic priorities; and 150% on achievement of individual performance measure, for detail see page 46.

Final 2021 STI payments

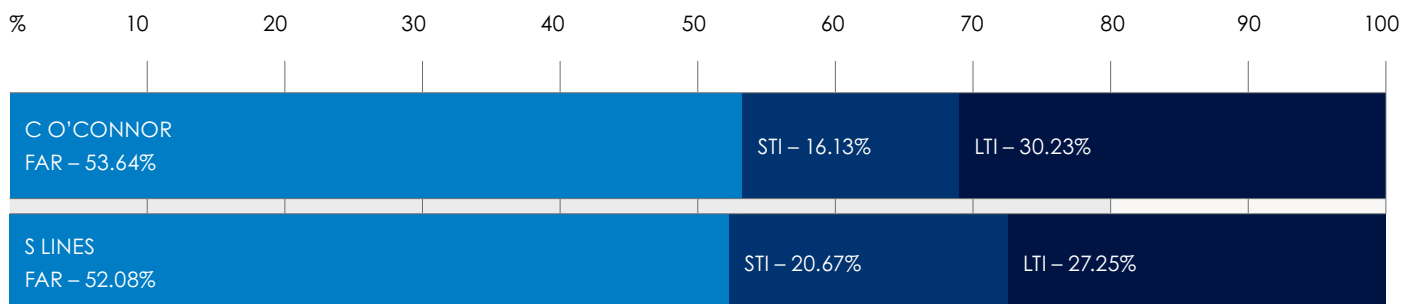
The table below outlines the STI payments to the Executive KMP for the calendar year ended 31 December 2021^a, based on the Annual Bonus Plan and including the STI allocation as a percentage of the FAR:

Executive KMP	Target opportunity as a % of FAR	Actual allocation as a % of FAR	Amount paid (inclusive of superannuation) (\$)
Cathy O'Connor	30.06%	21.5%	\$285,900
Sheila Lines	39.68%	28%	\$149,090

a. Payable in Q1 2022.

COMPONENTS OF REMUNERATION

The following table shows the target remuneration mix as a percentage of total remuneration for Executive KMP in CY21. The STI amount reflects the Target STI opportunity and the LTI amount is based on the total face value of the number of performance rights granted in December 2021 for C O'Connor and S Lines related to the 2021 LTI program.



CEO STI Performance Scorecard

The \$ Total STI allocation is 47.65% of the \$600,000 Maximum STI Opportunity.

Goal ^a	Company/ Individual weighting	Internal Company measures weighting	% STI allocation	% Total STI allocation	\$ Total STI allocation
Company performance measures	70%				
• Maintaining market share ^a		45%	0%	0%	0
• Relative Revenue Drop Through ^{a+b}		45%	115%	36.2%	144,900
• Strategic priorities ^a		10%	75%	5.3%	21,000
Individual performance measures					
Preconditioned on taking annual leave equal to the full amount that accrued during CY21:					
• develop and communicate Board endorsed strategic vision and plan for 2022-2025					
• set organisation structure to deliver strategic plan	30%	n/a	100%	30%	120,000
• success re oOh!'s ongoing engagement with investment markets ^c					
• cohesive executive leadership team					
• positive impact ^d on OOH sector through OMA participation					

CFO STI Performance Scorecard

The \$ Total STI allocation is 47.65% of the \$312,885 Maximum STI Opportunity.

Goal ^a	Company/ Individual weighting	Internal Company measures weighting	% STI allocation	% Total STI allocation	\$ Total STI allocation
Company performance measures	70%				
• Maintaining market share ^a		45%	0%	0%	0
• Relative Revenue Drop Through ^{a+b}		45%	115%	36.2%	75,562
• Strategic priorities ^a		10%	75%	5.3%	10,951
Individual performance measures^e					
Preconditioned on taking annual leave equal to the full amount that accrued during CY21:					
• \$3M savings in network rent ^f					
• \$3.5M other structural savings in opex ^f	30%	n/a	100%	30%	62,577
• \$5M savings in capex ^g					
• deliver reporting system to measure progress of structural savings in opex					
• increased communications to staff of strategic vision and operating plan					

a. For detail of these measures see the STI performance conditions in the table on page 46.

b. The 'Relative Revenue Drop Through' is calculated as being the change in Underlying EBITDA pre-AASB 16 of \$(61.4)m divided by the change in underlying revenue (excluding other income) of \$(145.9)m between CY19 and CY21. This resulted in a revenue drop through of 42%.

c. Success as determined by the Board regarding oOhl's ongoing engagement with investment markets (including performance at annual and half-yearly results announcements and roadshows) having regard to feedback from buy-side investors and sell-side analysts.

d. Positive progress, as determined by the Board toward OMA goals, having regard to 2021 circumstances of OOH industry.

e. The three individual financial measures represent the required CY21 progress against three-year targets.

f. Board to be satisfied that underlying structural savings (excluding agency costs) have been implemented, meeting these standards.

g. Savings in capex as measured against consensus expectations for CY21 immediately following release of CY20 results.

EXECUTIVE OFFICERS LTI

The rights over ordinary shares granted in the period were:

Executive KMP and Officers	Plan	Number of rights granted during 2021	Vesting condition ^a	Grant date	Face value at grant date	Fair value at grant date	Vesting date
Cathy O'Connor	LTI Plan	426,499	FCF ROIC TSR	May 2021	\$750,000	\$571,295	February 2024
Sheila Lines	LTI Plan	156,383	FCF ROIC TSR	May 2021	\$275,000	\$209,475	February 2024
Maria Polczynski ^(b)	LTI Plan	56,866	FCF ROIC TSR	May 2021	\$100,000	\$76,172	February 2024

a. For detail on vesting conditions see page 48.

b. Maria Polczynski is the Company Secretary.

Remuneration Report continued

The table below sets out the details of each tranche of rights issued or approved to be issued to Executive KMP and Officers over the last three years, together with their respective vesting dates.

MAR 2019	FEB 2020	MAR 2020	FEB 2021	MAR 2021	FEB 2022	MAR 2022	FEB 2023	MAR 2023	FEB 2024	
S LINES – 70,745 Mar 2019 – Feb 2022		M POLCZYNSKI – 30,870 Mar 2019 – Feb 2022								
		S LINES – 245,404 Dec 2020 – Feb 2023			M POLCZYNSKI – 107,085 Dec 2020 – Feb 2023					
				C O'CONNOR – 426,499 May 2021 – Feb 2024		S LINES – 156,383 May 2021 – Feb 2024		M POLCZYNSKI – 56,866 May 2021 – Feb 2024		

The 2019 grants did not vest and the Board did not exercise its discretion to alter the performance targets, as it believed that this outcome aligned with shareholder interests.

NON-EXECUTIVE DIRECTOR REMUNERATION

OVERVIEW & ARRANGEMENTS

The Board aims to set Non-executive Directors' remuneration at a level that attracts and retains high calibre and talented Non-executive Directors.

The level of Non-executive Director fees was most recently increased in 2019, however establishment of the Technology Committee and an increase in the Board size in 2020 led to an increase in the Directors' fee pool, approved at the 2020 AGM.

The total amount provided to all Non-executive Directors for their services as Directors, as fixed by oOh!media, must not exceed \$1,400,000 in aggregate in any financial year.

Non-executive Director fees

From 1 January 2021, the Directors' annual fee structure is as below:

	Chair fee ^a	Member fee ^a
Board	\$245,000 ^b	\$135,000
Audit, Risk & Compliance Committee	\$25,000	\$12,500
Remuneration & Nomination Committee	\$20,000	\$10,000
Technology Committee	\$20,000	\$10,000
Per diem fee ^c		\$1,750

a. Inclusive of superannuation.

b. The Chair of the Board receives no extra member fees in addition to Board Chair fee.

c. To recognise excessive additional responsibility or time commitments, where relevant. Application of per diem is subject to oOh! Board Chair and RNC Chair approval. No per diem payments were made in CY21.

Statutory Remuneration Disclosure Table – KMP

The following statutory remuneration disclosure table for KMP has been prepared in accordance with accounting standards and the Corporations Act 2001 (Cth) requirements.

The amounts shown relating to share-based remuneration are equal to the accounting expense recognised in oOh!media's Financial Statements in respect of the LTI rights grant. These amounts do not reflect the actual realisable value received in CY21 year or in future years.

Name		Share based										
		Short term			Share based				Post-Employment	Other		Performance related % ^(e)
		Salary ^{(a)(b)}	STI Cash Bonus	Non-monetary	Unrestricted Shares ^(c)	STI Restricted shares ^(c)	LTI ^(d)	Super	Termination Benefit	Total		
Joanne Crewes	2021	52,240	–	–	–	–	–	4,963	–	57,203	–	
	2020	134,477	–	–	–	–	–	13,177	–	147,654	–	
Tony Faure	2021	223,323	–	–	–	–	–	21,773	–	245,096	–	
	2020	212,739	–	–	–	–	–	20,970	–	233,709	–	
Mick Hellman	2021	145,002	–	–	–	–	–	–	–	145,002	–	
	2020	108,750	–	–	–	–	–	–	–	108,750	–	
Philippa Kelly	2021	147,762	–	–	–	–	–	14,412	–	162,174	–	
	2020	130,023	–	–	–	–	–	11,232	–	141,255	–	
Sheila Lines	2021	503,226	149,090	–	–	–	185,438	22,398	–	860,152	39%	
	2020	449,481	–	–	135,359	116,806	81,301	44,587	–	827,534	40%	
Timothy Miles	2021	167,503	–	–	–	–	–	–	–	167,503	–	
	2020	154,261	–	–	–	–	–	–	–	154,261	–	
Cathy O'Connor	2021	1,259,482^a	285,900	–	–	–	190,432	36,784	–	1,772,598	27%	
	2020	–	–	–	–	–	–	–	–	–	–	
Joe Pollard	2021	46,982	–	–	–	–	–	4,698	–	51,680	–	
	2020	–	–	–	–	–	–	–	–	–	–	
Darren Smorgon	2021	90,100	–	–	–	–	–	9,512	–	108,611	–	
	2020	134,537	–	–	–	–	–	11,841	–	146,378	–	
Andrew Stevens	2021	148,283	–	–	–	–	–	9,219	–	157,502	–	
	2020	32,691	–	–	–	–	–	3,106	–	35,797	–	
David Wiadrowski ^(f)	2021	155,153	–	–	–	–	–	4,848	–	160,001	–	
	2020	140,071	–	–	–	–	–	13,307	–	153,378	–	

- a. Executive KMP participated in the Company's request to employees to reduce FAR to 4 days per week for 3 months during 2020 as part of the Company's response to the COVID-19 pandemic, reducing accounting expense and statutory disclosed FAR in the period.
- b. During CY21, 1 Director was overpaid by a total of \$93, which was settled with the individual directors in February 2021.
- c. 2020 STI was awarded as equity. The amounts disclosed are determined from the amount awarded to KMP with respect to the 2020 STI by first translating amounts awarded into a number of shares by dividing them by the VWAP of the Company's shares from 1 January to 30 June 2020. For accounting expense, and therefore statutory remuneration disclosure for KMP, this number of shares is disclosed at the value of the market price of the Company's shares at 25 September 2020. The actual STI amounts received by participants (i.e. the realisable value of the shares awarded) depends on the share price at the time the shares are received and in the case of the restricted shares, become unrestricted.
- d. Fair value of performance rights related to the LTI grants scheduled to vest in 2022, 2023 and 2024 respectively. The fair value of non-market hurdles has been assessed and adjusted for probability in accordance with accounting standards.
- e. Performance-related percentage is calculated by adding cash and share-based remuneration amounts (all of which have performance hurdles that determine payment) and dividing by total remuneration.
- f. David Wiadrowski was appointed Lead Independent Director on 25 February 2020. There is no additional remuneration for this role.
- g. Cathy O'Connor had 11 days unpaid leave in January 2021. Her annualised salary is stated on page 39.

Remuneration Report continued

KMP Shareholdings

The following table sets out the movement during the reporting period in the number of ordinary shares in oOh!media held directly, indirectly or beneficially, by KMP, including their related parties. These changes are correct as at the date of this Report. The Board has a minimum shareholding policy for the Non-executive Directors requiring them to acquire on market shares totalling a minimum total acquisition cost of one times the base fee that is paid to Non-executive Directors ("Minimum Shareholding") within three years following the earlier of the date of their appointment or the adoption of the policy (February 2019).

Name of Director	Held at 1 Jan 2021	Granted as remuneration	Vesting of rights	Net change other	Held at 31 Dec 2021	Met minimum shareholding requirement ^a	Required to meet minimum shareholding (year)
Joanne Crewes ^(b)	71,474	–	–	–	–	–	–
Tony Faure	306,643	–	–	Nil	306,643	Yes	Feb 2022
Mick Hellman ^(c)	112,951,250	–	–	(49,100,000)	63,851,250	Yes	April 2023
Philippa Kelly	70,000	–	–	40,000	110,000	No	Sept 2022
Sheila Lines	8,570	241,004	–	137,938	111,636	n/a	n/a
Timothy Miles	212,000	–	–	Nil	212,000	Yes	May 2022
Cathy O'Connor	Nil	–	–	Nil	Nil	n/a	n/a
Joe Pollard ^(d)	–	–	–	33,783	33,783	No	Aug 2024
Darren Smorgon ^(e)	173,746	–	–	–	–	–	–
Andrew Stevens	100,000	–	–	Nil	100,000	No	Sept 2023
David Wladowski	100,000	–	–	Nil	100,000	No	Nov 2022

a. Based on cumulative acquisition cost of Minimum Shareholding shares acquired.

b. Joanne Crewes retired as a Non-executive Director of the Company on 13 May 2021.

c. The Directors' Minimum Shareholding Policy recognises the relationship between Mick Hellman and HMI as a related party relationship for the purposes of the Policy. Mick is the Founder and Managing Partner of investment management firm, HMI Capital Management, L.P., which is the investment adviser of each of HMI Capital Partners, L.P. and MERCKX Capital Partners, L.P, who collectively hold the largest shareholding in oOh!media. As a result of this relationship Mick Hellman already satisfied the Board policy to acquire the minimum shareholding upon his appointment to the Board.

d. Joe Pollard was appointed to the Board after 1 January 2021, on 24 August 2021.

e. Darren Smorgon retired as a Non-executive Director of the Company on 24 August 2021.

Executive KMP and Officers: Movement in rights over ordinary shares

The following table sets out the movement during the reporting period in the number of rights over ordinary shares in oOh!media held directly, indirectly or beneficially, by KMP or officers in oOh!media, including their related parties.

Executive KMP and Officers	Number held at 1 Jan 2021	Vesting conditions of those held at 1 Jan 2021	Number granted as remuneration during 2021	Vesting conditions of those granted during 2021	Number and value – vested and exercised	Number lapsed during 2021	Held at 31 Dec 2021 and not vested
Cathy O'Connor	Nil	–	426,499	FCF ROIC TSR	–	–	426,499
Sheila Lines	115,918	CAGR/EPS TSR	156,383	FCF ROIC TSR	–	45,173	475,532
	245,404	FCF ROIC TSR					

Executive KMP and Officers	Number held at 1 Jan 2021	Vesting conditions of those held at 1 Jan 2021	Number granted as remuneration during 2021	Vesting conditions of those granted during 2021	Number and value – vested and exercised	Number lapsed during 2021	Held at 31 Dec 2021 and not vested
Maria Polczynski	30,870	CAGR/EPS TSR	56,866	FCF ROIC TSR	–	–	196,821
	107,085	FCF ROIC TSR					

FURTHER INFORMATION

Service agreements

oOh!media has entered into service agreements with each Executive. The Group retains the right to terminate a contract immediately by making payment equal to the agreed number of months' fixed annual remuneration in lieu of notice, including superannuation plus any statutory entitlements of accrued annual and long service leave.

The service contracts outline the components of compensation but do not prescribe how compensation levels are modified year-to-year. The Remuneration & Nomination Committee (RNC) reviews compensation each year to take into account any changes in scope or nature of role or agreed objectives to determine and recommend any changes in line with the remuneration strategy and principles.

The key conditions of the service agreements of the Executive KMP are set out in the following table.

Name	Notice of termination				Termination payments under the contract
	Agreement commenced	Agreement expires	By Company	By Employee	
Cathy O'Connor	1 Jan 2021	No expiry	12 months	12 months	12 Months' FAR
Sheila Lines	1 Mar 2018	No expiry	6 months	6 months	6 Months' FAR

Non-executive Directors' terms of appointment have no fixed end date, no fixed notice of termination period, nor any agreed termination payments.

All Non-executive Directors may not hold office without re-election beyond the third Annual General Meeting following appointment or the meeting at which they were last elected.

Use of advisers

Since 2016, oOh!media has engaged Aon Hewitt to provide benchmarking data on an ongoing basis. oOh!media subscribes to Aon Hewitt's Media and General Industry Salary and Corporate IT Surveys, as well as participating in its Policy and Practice reviews. This allows oOh!media to access insight, expertise and benchmarking data as they relate to both individual positions and overall remuneration within oOh!media.

In December 2021, oOh!media engaged PwC to provide benchmarking data, specifically the roles of Executives reporting to the CEO, Executive KMP and Non-executive Director remuneration, based on position descriptions provided by the Company and by reference to listed company peers of similar revenue and market capitalisation to the Company, as well as industry peers. PwC also considered oOh!media's remuneration framework generally and provided advice on market trends. The outcomes of the review will be considered in 2022.

The RNC has rights of access to management and to external auditors/resources without management present, and rights to seek explanations and additional information from management, advisers and auditors.

The RNC may seek the advice of the Company's auditor, solicitor or other independent advisers (including external consultants and specialists) as to any matter pertaining to the powers or duties of the RNC or the responsibilities of the committee, as the RNC may require.

REMUNERATION GOVERNANCE

REMUNERATION & NOMINATION COMMITTEE AND BOARD OVERSIGHT

A Remuneration & Nomination Committee operates under a charter and set of responsibilities approved by the Board. The charter can be found on the Company's Governance page in the Investors section of the oOh!media website – www.oohmedia.com.au/investors/governance and further detail on the RNC's responsibilities can be found in the Company's most recent Corporate Governance Statement.

The RNC has been delegated responsibility to review and make recommendations to the Board, with the Board maintaining overall responsibility as outlined below.

The Board maintains overall responsibility for oversight of the Company's remuneration policy and the principles and processes which give effect to that policy. The Board approves, having regard to the recommendations of the RNC, the:

- Size, composition and criteria for membership of the Board, including review of Board succession plans, performance evaluation and the succession of the Chair, CEO and CFO, as well as Executive performance assessment processes and results;
- Company's remuneration, recruitment, retention and termination policies and procedures for senior management;
- Company's incentive strategy, performance targets and bonus payments, including major changes and developments to the Company's equity incentive plans; and
- Effectiveness of the Board Diversity & Inclusion Policy.

Detailed information on STI and LTI granted in CY2021

	Short-term incentive	Long-term incentive
Description	Annual bonus paid in cash (with Board discretion to issue as equity) based on achievement of both individual and Company performance measures.	Award of performance rights with a three-year performance period based on performance against 3 LTI measures.
Conditions/ Measures¹⁰	<p>There are two components with separate conditions/ measures.</p> <p>1. Individual performance is based on achievement against individual goals set with manager and manager evaluation of performance. For KMP this comprises 30% of the whole STI.</p> <p>2. Company performance is based on achievement against three measures. For KMP this comprises 70% of the whole STI. Of this percentage, the three measures and their internal percentage weighting are:</p> <p>a. 45%: Maintain or grow CY20 OOH market share: CY21 OOH market share to be maintained or grown, subject to +1% margin of error in Australia and New Zealand.¹¹</p> <p>b. 45%: Relative Revenue Drop Through: Change in Underlying EBITDA pre-AASB16 from CY19 to be no more than 45% of the change in revenue from CY19.</p> <p>c. 10%: Achieve strategic priorities: Ensure the migration into Online Trading Platform (of all Aust & NZ):</p> <ul style="list-style-type: none"> • Retail trading by October 2021; and • Road & Retail trading inventory management by December 2021. 	<p>3 measures, each of equal weighting:</p> <ul style="list-style-type: none"> • FCF per share of 12.7 cents • ROIC of 15.3% • Relative TSR – top quartile of comparator group.
Performance period	Calendar year 2021.	Three calendar years i.e. 1 January 2021 to 31 December 2023.

¹⁰ See also 'Amount that can be earned' for thresholds, stretch targets and rates applying to under/over achievement.

¹¹ Excluding the transport category (principally airports and rail passengers), as oOh!media has a greater exposure than competitors to these formats which have been most impacted by COVID-19.

Short-term incentive	Long-term incentive																										
<p>Amount that can be earned</p> <p>Each individual's 2021 STI outcome is capped at 150% of the target bonus specified in the individual's employment contract. In addition, the Company performance measures are subject to the following thresholds and caps:</p> <p>1. OOH Market share measure</p> <p>100% of the target is achieved when oOh! maintains by the end of CY21 its OOH market share at the end of CY20, +/- 1% margin of error for Australia and New Zealand.</p> <p>There is an uncapped 30% multiplier for each 1% of OOH market share gained above the margin of error.</p> <p>2. Revenue drop through measure:</p> <p>100% of the target is achieved when the change in CY21 Underlying EBITDA pre-AASB16 from CY19 Underlying EBITDA pre-AASB16 is no more than 45% of the corresponding CY21 change in revenue from CY19 revenue.</p> <p>A straight line 5% increase in STI allocation applies for every 1% below a relative 45% change in Underlying EBITDA pre-AASB16, capped at 150% of STI target. A corresponding reduction applies until relative change exceeds 55%, when no STI allocation will be made.</p> <table border="1" data-bbox="316 1178 916 1509"> <thead> <tr> <th>Relative change %</th> <th>STI allocation % target</th> </tr> </thead> <tbody> <tr> <td>>55%</td> <td>Nil.</td> </tr> <tr> <td>55%</td> <td>50%</td> </tr> <tr> <td>50%</td> <td>75%</td> </tr> <tr> <td>45%</td> <td>100%</td> </tr> <tr> <td>40%</td> <td>125%</td> </tr> <tr> <td>35% or less</td> <td>150%</td> </tr> </tbody> </table> <p>3. Strategic Priorities measure</p> <p>Ensure the migration into Online Trading Platform (of all Aust & NZ):</p> <ul style="list-style-type: none"> • Retail trading by October 2021; and • Road and Retail trading inventory management by December 2021 <p>This measure is allocated 100% on achievement or at nil, with no scaling, subject to Board discretion to award for partial achievement.</p>	Relative change %	STI allocation % target	>55%	Nil.	55%	50%	50%	75%	45%	100%	40%	125%	35% or less	150%	<p>The number of performance rights granted was a fixed dollar amount as determined by reference to the face value of the shares on the date of grant.</p> <p>The number of performance rights granted to each Executive was the LTI value attributable to the individual at 1 January 2021 divided by the 20-trading day VWAP price to 31 December 2020 (\$1.7585). Rights were granted for nil consideration.</p> <p>The number of performance rights granted to each of the KMP was:</p> <table border="1" data-bbox="948 831 1501 1003"> <thead> <tr> <th>KMP</th> <th>No.</th> <th>Face Value</th> <th>Date of grant</th> </tr> </thead> <tbody> <tr> <td>Cathy O'Connor</td> <td>426,499</td> <td>\$750,000</td> <td>May 2021</td> </tr> <tr> <td>Sheila Lines</td> <td>156,383</td> <td>\$275,000</td> <td>May 2021</td> </tr> </tbody> </table>	KMP	No.	Face Value	Date of grant	Cathy O'Connor	426,499	\$750,000	May 2021	Sheila Lines	156,383	\$275,000	May 2021
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Sheila Lines	156,383	\$275,000	May 2021																								

Short-term incentive		Long-term incentive																												
Vesting	n/a	<p>For the 2021 LTI, granted in CY21, the performance rights will vest, or not, following the publication of the 31 December 2023 audited Financial Statements to the Australian Securities Exchange.</p> <p>The percentage of performance rights that vest, if any, will be determined at the end of the performance period by reference to the following vesting schedule. One-third of the rights vest upon achieving 100% of each of the FCF hurdle, the ROIC hurdle and the Relative TSR hurdle. Scaling of rights to vest addresses both some underperformance and, for FCF and ROIC, also for overperformance, subject to maximum vesting at 150%.</p> <p>The threshold and stretch targets for FCF, ROIC and Relative TSR over the performance period are determined by the Board and specified to the participant at the time of grant of the performance rights. Following testing, any rights that do not vest, lapse.</p> <table border="1"> <thead> <tr> <th>Company's Free Cash Flow per share (cents/per share) in CY23¹²</th> <th>% of rights that vest</th> </tr> </thead> <tbody> <tr> <td><3.9</td> <td>Nil</td> </tr> <tr> <td>3.9</td> <td>50% of target LTI</td> </tr> <tr> <td>4 – 12.6</td> <td>Straight line pro rata vesting between 50% and 100%</td> </tr> <tr> <td>12.7</td> <td>100% of target LTI</td> </tr> <tr> <td>12.8 – 27.8</td> <td>Straight line pro rata vesting between 100% and 150%</td> </tr> <tr> <td>27.9</td> <td>Max 150% of target LTI</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Company's Return on Invested Capital¹³</th> <th>% of rights that vest</th> </tr> </thead> <tbody> <tr> <td><11.8%</td> <td>Nil</td> </tr> <tr> <td>11.8%</td> <td>50% of target LTI</td> </tr> <tr> <td>11.9 % – 15.2%</td> <td>Straight line pro rata vesting between 50% and 100%</td> </tr> <tr> <td>15.3%</td> <td>100% of target LTI</td> </tr> <tr> <td>15.4% – 17.2%</td> <td>Straight line pro rata vesting between 100% and 150%</td> </tr> <tr> <td>17.3%</td> <td>Max 150% of target LTI</td> </tr> </tbody> </table>	Company's Free Cash Flow per share (cents/per share) in CY23 ¹²	% of rights that vest	<3.9	Nil	3.9	50% of target LTI	4 – 12.6	Straight line pro rata vesting between 50% and 100%	12.7	100% of target LTI	12.8 – 27.8	Straight line pro rata vesting between 100% and 150%	27.9	Max 150% of target LTI	Company's Return on Invested Capital ¹³	% of rights that vest	<11.8%	Nil	11.8%	50% of target LTI	11.9 % – 15.2%	Straight line pro rata vesting between 50% and 100%	15.3%	100% of target LTI	15.4% – 17.2%	Straight line pro rata vesting between 100% and 150%	17.3%	Max 150% of target LTI
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12 The 100% target represents the consensus spread of sell side analyst forecasts.

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Invested Capital is the average of the opening and closing balances of invested capital for CY22.

Short-term incentive		Long-term incentive		
Vesting (continued)			Company's Relative TSR¹⁴	% of rights that vest
			Less than 50% Relative TSR	Nil
			50% Relative TSR (threshold performance target)	50%
			Between 50% and 75% Relative TSR	Straight line pro rata vesting between 50% and 100%
			At or above 75% Relative TSR	100%
Restrictions	Participants must be employed and not under notice of resignation or termination at the completion of the performance period (calendar year) to be eligible for an STI award. The Board retains discretion to settle partial or complete payment in the case of good leavers.	Shares allocated on the vesting of rights after the three-year performance period are not subject to any additional trading restrictions. If an Executive ceases employment with oOh!media before the end of the performance period, their entitlement to rights (if any) will depend on the circumstances of cessation. All rights will lapse in the event of termination for cause. A full or pro rata number of rights may be approved by the Board if an Executive ceases employment by reason of redundancy, ill health, death, or other circumstances approved by the Board including resignation with good leaver status.		
Clawback	n/a	To ensure integrity within the LTI Plan, the Board retains the authority to clawback or adjust LTI awards in circumstances such as fraudulent or dishonest behaviour, gross misconduct, and breach of obligations or material financial misstatement.		

14 Shareholder return is calculated as aggregate dividends paid during the 3-year performance period plus the share price movement from the beginning to end of the performance period.

Woolworths 

oh!

Getting back
outdoors.

It's worth
a shot,
Indooroopilly.

Talk to your GP.
Supported by **oh!**



Sustainability Report

INTRODUCTION

At oOh!media 'Making Public Spaces Better' is our company's purpose. This statement of purpose describes the impact that we aspire to have in the community. When we live our purpose, we make the public spaces in which we operate safer, better connected and more enjoyable.

oOh!, through its commitment to making public spaces better, plays a crucial role in enhancing public spaces, whether that's through the services we provide to citizens, commercial partners or advertisers or through the funds and value we distribute to be re-invested into the community.

oOh! is acutely aware of the responsibilities we have to stakeholders and employees and in 2021 we continued to innovate, invest in and develop the business in line with these objectives.

Through our oOh! Community program we provide a valuable channel for not-for-profit and community organisations, local councils and governments to raise awareness by utilising our advertising networks. oOh! provided \$17 million in media space for more than 80 charity and community causes in 2021.

We continued adapting to the evolving challenges posed by COVID-19, ensuring the health and safety of citizens through the ongoing sanitisation and maintenance of our public infrastructure.

In an effort to increase vaccination uptake in the community, oOh! launched a major campaign 'Getting back outdoors, it's worth a shot' – a real-time data and dynamic creative campaign developed in-house that delivered geo-targeted information on vaccination rates in suburbs across the country.

A key objective of our commitment to Making Public Spaces Better is the continued investment, development and focus on Environmental, Social and Governance (ESG). In 2021 we engaged PricewaterhouseCoopers (PwC) to help build on our existing sustainability strategy and identify areas for additional improvements. Our ESG program is an integral business priority inextricably linked to financial performance and long-term, sustainable growth.

I am pleased to present the 2021 Sustainability Report.



Tony Faure
Chair

21 March, 2022
Sydney



oOh! has 766 permanent employees, 40 fixed term contractors and 19 casual employees working across Australia and New Zealand

ORGANISATIONAL PROFILE

oOh!media Limited (oOh!), a publicly listed company on the Australia Securities Exchange (ASX), operates across Australia and New Zealand, with headquarters located in North Sydney, NSW, Australia.

oOh! provides its products and services for the benefit of both media agencies and clients wishing to advertise their own products and services.

As at 31 December 2021, oOh! had 766 permanent employees, 40 fixed term contractors and 19 casual employees working across Australia and New Zealand. None are covered by collective bargaining agreements.

In more detail:

359

Female permanent employees

407

Male permanent employees

TOTAL NUMBER OF EMPLOYEES BY CONTRACT AND GENDER

Employment arrangement	Female	Male	Total
Permanent	359	407	766
Casual	10	9	19
Fixed Term Contractors	26	14	40
Board (Non-executive Directors only)	2	5	7
Total Workforce	397	435	832

NUMBER OF PERMANENT EMPLOYEES BY EMPLOYMENT TYPE AND GENDER

Employment type	Female	Male	Total
Full time	308	403	711
Part time	51	4	55
Total	359	407	766

TOTAL WORKFORCE BY REGION AND GENDER

Location	Female	Male	Total
New South Wales	264	235	499
Australian Capital Territory	1	3	4
Victoria	66	103	169
Queensland	21	30	51
South Australia	10	15	25
Western Australia	8	14	22
New Zealand	27	34	61
Other	0	1	1
Total Workforce	397	435	832



STAKEHOLDERS

oOh!'s stakeholders are an essential part of oOh!'s operations, and planning and engagement with stakeholders is a key element of effective risk management and opportunity development. The following is a list of stakeholders that oOh! believes have the greatest potential impact on sustainability risks.

Employees: oOh!'s people are our greatest asset and our culture is a distinct competitive advantage. Our cultural aim is to create a thriving workplace where people find meaning and belonging and can contribute to something bigger and better. We want to build an organisation of talented people who implicitly do the right thing for the Company and its customers, and ensure our values, processes, systems, symbols and our leaders support and reward the right behaviours.

Our People and Culture team partners with the business to provide strategic and operational people support, with specialised resources ensuring we have the right initiatives in place to attract, engage, retain, develop, recognise, reward and communicate to our talent.

An employee's experience with oOh! begins with our mobile-based onboarding and induction program, which ensures new employees are well equipped when they start with us. We measure their ongoing experience through regular one-on-one feedback and employee surveys at multiple stages during their first 12 months of employment.

All employees set goals with their managers and where possible these are linked to the Company or department's strategic priorities and aspirations and are reviewed on a formal basis every 6 months. Regular conversations between managers and employees enable ongoing feedback to ensure effective delivery against goals with 360° feedback encouraged twice yearly through our Impact & Growth performance process.



Beyond their goals, employees are also assessed on their contribution to their team and the wider business, in terms of their outputs, influence and core behaviours aligned to our values.

Through aligning employees' efforts, creating an exceptional experience and continuing to evolve our culture to meet our long-term strategy, we are building a successful and sustainable business.

Investors: oOh! communicates important information regularly to investors through a range of forums and publications in accordance with oOh!'s Continuous Disclosure Policy and Communication Strategy as further detailed in the Investor Relations section of the Corporate Governance Statement.

An overview of oOh!'s profile, businesses and corporate governance framework is also available on oOh!'s website at <http://investors.oohmedia.com.au>. oOh!'s investor relations program is led by the CEO and CFO with support from an external investor relations consultant.

The Chair of the Board and the Chair of the Remuneration & Nomination Committee also make themselves available for meetings with investors, analysts and proxy advisers over the year to ensure two-way engagement.

Commercial partners: oOh!'s portfolio of advertising assets is established and maintained through lease and licence agreements with our commercial partners, which include private landlords, property trusts, and state and local governments.



oOh! has deep experience working with our commercial partners, with dedicated commercial managers facilitating meaningful and successful relationship outcomes. The experience of our commercial managers is complemented by a team of experts across Health & Safety and legal fields to ensure we appropriately manage environmental, legal & governance and operational risks, such as safety, data protection and advertising regulatory compliance.

Service providers: oOh! selectively secures the services of specialists where required. Service providers are required to comply with work, health, safety and environmental (WHSE) laws and oOh!'s WHSE Agreement to ensure oOh!'s standards are maintained across all areas of the business. Safety management plans are required by service providers, depending on the services provided. oOh! evaluates the performance of its service providers throughout the relationship and at times of contract review.

Media agencies: oOh! is dependent on relationships with media agencies to represent oOh!'s products and services to their advertiser clients. oOh! has invested in data and insights to give agencies a greater understanding of the performance of advertiser client campaigns using oOh!'s unique portfolio, and the opportunities presented with technological advancements.

Advertisers: oOh! also depends on those advertising their goods and services. Whilst direct advertiser engagements are a smaller proportion of revenue than advertisers who engage through media agencies, oOh!'s digital footprint and operational support allows advertisers to engage directly for bespoke campaigns.

Government and local councils: Relevant planning laws are subject to review and reform by authorities from time to time, often as a result of the changing needs and desires of communities, stakeholder feedback and/or technological advancements. Similarly, federal, state and local road safety regulations (especially in regard to digital signage) and advertising standards are reviewed and adapted as a result of expert research and/or evolving community expectations. oOh! will continue to engage with governments, local councils and regulatory bodies both directly and through the Outdoor Media Association to ensure Out of Home advertising activity continues to be of high quality and is conducted with safety as an absolute priority for all stakeholders.

Industry associations: oOh! was a member of the following associations and organisations in the reporting period:

- Outdoor Media Association (Australia);
- Outdoor Media Association of New Zealand;
- Founding member and shareholder of Measurement of Outdoor Visibility and Exposure (MOVE);
- Media Federation of Australia (MFA) and Next Generation (ngen);
- Australian Association of National Advertisers (AANA);
- Independent Media Agencies Australia (IMAA);
- Property Council of Australia (PCA); and
- The World Out of Home Organization (previously FEPE).

Communities: oOh! is passionate about the communities in which we operate and our ability to operate in a way that benefits the wider population. Where required, oOh! engages with individuals, business alliances and resident groups to seek feedback on proposed development activities. oOh! also regularly engages specialists to provide assessments of the impact of its proposed activities on local community environments, particularly regarding any potential heritage, lighting or traffic issues.



oOh!'s people are our greatest asset and our culture is a distinct competitive advantage

COMMUNITY

oOh! continues to provide media space for not-for-profit organisations through its oOh! Community program in both Australia and New Zealand, helping to raise awareness and funds for the causes we support.

AUSTRALIA

oOh!'s contribution: oOh! supports a number of charities by providing free of charge advertising space to amplify their campaigns through oOh!'s network and donating media packages to auction for charity events. Over the reporting period, oOh! responded to over 75 requests for support, donated 12 media packages at a value of \$360,000, and provided over \$17 million in media space to charity and community causes.

In 2021, oOh! welcomed the GO Foundation as an oOh! Community partner, enabling us to support an organisation focused on Indigenous education.

Charities and causes we actively support include:

- Lifeline;
- Make-A-Wish Australia;
- Orange Sky;
- Pink Hope;
- GO Foundation;
- Taronga Conservation Society Australia;
- Two Good;
- Humpty Dumpty Foundation;
- Ovarian Cancer Research Foundation;
- Shake It Up Australia;
- Jean Hailes for Women's Health; and
- Australian Children's Music Foundation.

Industry support: Through the OMA oOh! also supported National Missing Persons Week where, in conjunction with other OMA members, approximately \$1,000,000 in advertising space was donated to highlight the profiles of missing persons cases.

Employee contribution: oOh! offers employees a paid workday a year to volunteer for a registered charity. While COVID-19 continued to limit activities, employees volunteered for a variety of causes in 2021 including Orange Sky, Lifeline and Two Good.

Responding to COVID-19: As illustrated throughout the bushfires and COVID-19 responses in 2020, the breadth of oOh!'s infrastructure across Australia and New Zealand continued to prove invaluable in sharing public service announcements to the public. Such examples have included:

- The Australian Government providing official medical advice;
- State-based health authorities on lock-down restrictions;
- Public transport providers on requirements to wear PPE whilst travelling;
- Community partners (e.g. shopping centres and office towers) used our panels to display COVIDsafe messaging and requirements;
- Mental health providers e.g. Lifeline, reminding the community of their services in these times; and
- Individual client requirements on business COVIDsafe requirements or community reminders.

NEW ZEALAND

oOh! New Zealand's ambition for the 2021 Community Program was to give back, make a difference and strive to add real value to the Not-for-Profit organisations we represent, as well as engage the NZ public and enrich the communities and suburbs our assets are part of.

In 2021, we continued an ongoing programme of support for our four long-standing partners:

- Keep New Zealand Beautiful;
- Youthline;
- The Urban Art Foundation; and
- Orange Sky.

We provided media space for the following charities:

- Prostate Cancer Foundation;
- Make-A-Wish New Zealand;
- Leukemia Blood Cancer;
- Everybody Eats;
- Starship Foundation;
- Motor Neuron Disease;
- Men's Health Week;
- White Ribbon Foundation;
- Movember; and
- Voices of Hope.

In addition, we supported the following community and industry entities and events:

- Art Week in conjunction with our Art in the Hood project;
- Beacon Awards;
- Mother's & Father's Day;
- Youthline Winter Appeal;
- Maori Language Week;
- Pride Shelters; and
- Ministry of Health COVID-19 messaging.



70%

Fully vaccinated¹⁸⁺, NSW

supported by **ooh!**

Getting back outdoors.
It's worth a shot.



COMMUNITY

AUSTRALIA

In September 2021, oOh! launched a data-led Out of Home campaign designed to encourage Australians to get their COVID-19 vaccinations as soon as possible, so they can get back outdoors. Leading with the tagline 'Getting back outdoors, it's worth a shot', the location-based campaign used data from the Australian Government to highlight state and territory vaccination rates, as well as dynamic creative tailored to local suburbs. Designed and implemented by oOh!'s in-house creative team, the campaign ran across classic and digital signage nationwide, visually updating the public on vaccination progress as momentum built over the following weeks.



ENVIRONMENT, SOCIAL & GOVERNANCE

oOh!'s commitment to its communities has been built over many years and underpinned by both our purpose of "Making public spaces better", as well as our core values of "bold dreams", "big impact" and "deep connection".

In 2021 oOh! committed to a new, holistic approach to ESG, in addition to continuing long-term initiatives under the banners of community, sponsorships, staff wellbeing, charitable support and engagement, environmental awareness and green action

As a first step of this deeper commitment, oOh! is identifying benchmarks against which to assess and measure future progress.

Accordingly, led by the CEO and Executive Leadership team, and supported by PricewaterhouseCoopers (PwC) during 2021 we undertook foundation work from which to build a meaningful ESG program of work:

- Started a project to develop a full carbon inventory for the business operations. This will enable us to establish an emissions baseline to allow environmental targets to be discussed and set in future years. This project has encompassed all oOh! facilities (offices, depots, warehouses and manufacturing buildings), and vehicles and infrastructure (billboards, retail, street furniture etc);
- Benchmarked oOh! against its global and local industry peers in relation to substantive areas of progress in ESG ;
- Benchmarked oOh!'s 2020 Sustainability Report against peers and other ASX listed companies to identify areas for improvement;
- Surveyed Executive Leadership team and key senior management across the business on what they see as their, and their key stakeholders' ESG expectations; and
- Held a workshop with Executive Leadership team and key business unit representatives to consolidate views on the ESG topics considered most material, both from oOh!'s perspective and the broader stakeholder groups' perspective, to inform the work to be done in 2022 and beyond.

Consistent with this approach, from late 2021, oOh! has actively engaged with the Outdoor Media Association's Net Zero initiative, with a number of oOh! representatives participating in Net Zero Committee meetings.

92,346kg

worth of posters, or the equivalent of just over 200,000 posters being directed away from landfill

95%

of their poster products New Zealand operations recycled

100%

of our advertising assets in New Zealand are sourced from renewable electricity

From 2022, oOh! will continue this strategic approach of setting the sound foundations for the long-term progress through four key streams of work, developing the specifics of:

- *Where we want to be:* Further defining oOh!'s ESG ambition and strategy
- *Where we are now:* Establishing current positions and baseline
- *How we will get from now to where we want to be:* Developing a plan and governance structure
- *How we'll track our progress:* Embedding and reporting

ENVIRONMENT

oOh! is committed to managing its business in an environmentally responsible manner and believes that caring for and considering the environment, now and for the future, is crucial to our continued success. We implemented a number of initiatives during the reporting period to support this commitment.

Vehicles: The rollout of replacement vehicles incorporating the Adblue-type design, continued through 2021 and is on track to be completed by early 2023.

These new vehicles also include telematics that allow for monitoring of vehicle use (e.g. speed, handling, maintenance) that provide opportunity to improve vehicle wear and tear, which in turn reduces CO₂ emissions. Work continues on the planning of vehicle routing in the Commute business where possible, to potentially reduce kilometres travelled and, in turn, result in fuel reductions and CO₂ emissions.

Our New Zealand field operations team received the first Transit Hybrid vehicle in 2021 to trial in Auckland, with the aim of this vehicle to become the standard for our field operatives as old vehicles come up for replacement. This is expected to take up to 4 years.

Commercial development: All new commercial developments and digitisation projects comply with environmental and planning legislation of the relevant state or council jurisdiction, supported by a Statement of Environmental Effects (or equivalent). Exact guidelines are followed to prepare an internal assessment where the project may be an exempt development in agreement with the lease partner (i.e. no requirement to submit a development application) pending road authority approval, where required, which sets out the current operational state of our assets and/or details any planning or environmental consequences of the proposed future development. This process ensures the consent authority can fully consider any impact/s attributable to the development proposal prior to making its determination.

We aim to incorporate environmentally friendly or sustainable products into all our commercial developments. This includes LED lighting on classic billboards, and small format poster assets being more environmentally friendly than traditional lighting practices, as well as ensuring our digital billboards are equipped so their brightness adjusts to ambient lighting levels, meaning that power reductions occur automatically as the operational need for energy reduces.

Recycling & waste: oOh!'s intent remains to recycle, reuse, refurbish or repurpose our assets, posting materials and waste.

Depot and warehouse facilities across the country have strong waste segregation practices in place, providing numerous opportunities to limit the type or volume of materials sent to landfill. Waste streams identified for recycling include batteries, fluorescent tubes, glass, steel, aluminium, copper, PVC cabling, e-waste and of course cardboard/posters.

In some locations, specialist providers have been identified for targeted recycling initiatives e.g. posters recycled into corflute/packaging materials, safety glass into road base.

Where possible, former or salvaged bus shelters and sign housings are broken down with reusable parts stored on site or refurbished for future use before recycling or disposal at landfill is considered.

We work with our clients and contract installers to see billboard skins either reused or repurposed as often as possible. Contract installers have a variety of solutions in place for skins at the end of their display-life including supply to charities for overseas disaster relief, repurposed in farming, painting or maintenance industries, sent overseas for use in housing, or donated to schools or volunteer associations e.g. local Scout units.

Continuing to work with an Australian dedicated recycling partner, waste posters have now been accepted from all but one Australian state and territory. In 2021 this resulted in 92,346kg worth of posters, or the equivalent of just over 200,000 posters being directed away from landfill.

Our New Zealand operations were able to recycle 95% of their poster products in 2021 with a locally-based recycling partner who is able to turn the materials into fence posts; this includes all poster products from across New Zealand with contract installers assisting with the process.

In early 2021, oOh! completed the relocation into the new office locations in both North Sydney (head office)

and Melbourne. Both buildings have similarities and site-specific environmental ratings and initiatives:

- North Sydney building-specific
 - Three separate locations consolidating into a single building
 - 5-star NABERS energy rating
 - 5-star Green Star rating for sustainable design
- Melbourne building-specific
 - 4.5-star NABERS energy rating
 - 4-star Green Star rating for sustainable design
 - Green share cars available for use
- Building similarities
 - Photovoltaic system on the roof
 - Rainwater harvesting for onsite use e.g. toilet flushing, plant watering systems
 - Air conditioning and LED lighting zone control (movement sensor operated)
- oOh! incorporated features into fit out or facility management
 - Inbuilt water point refilling stations to encourage minimum use of drinking glassware;
 - Elimination of waste bins in offices and meetings rooms, as well as reduced number of waste stations that encourage waste segregation of landfill, recyclables and paper whilst encouraging incidental exercise for our employees
 - Encouraging the reduction in printing by setting up technology restrictions on security card access to print and clearing print queue at the end of each day

Energy: Connecting new bus shelters to mains power is often a lengthy and expensive process, especially where new connections require trenching. oOh! always considers using solar energy to power our non-advertising and static advertising shelters, however our shelters are often designated to locations that are partially shaded by trees or subjected to poor sunlight which leads to the battery voltage depleting to levels unable to continue to power the advertising lighting as required. This issue is exacerbated when solar energy is low during cloudy winter days.

In 2019 we invested in a new solar solution to better respond to these challenges and provide the lighting reliability we need with advertising sites. The new solar solution included:

- A compact and efficient lithium battery that is more powerful, safer and longer lasting than previous solutions;
- A smarter charge controller providing telemetry for improved monitoring of performance and preventative maintenance activities; and
- Use of solar panels with a smaller surface area yet more efficient in their ability to harness increased volume of energy from the sun compared with other units.

Throughout 2021, oOh! added a further 51 new solar shelters to the existing network, taking the total number of solar bus shelters to 4000.

A refurbishment program was also commenced in 2021 to replace aging lead acid batteries and controllers in 60 of our older generation solar bus shelters. These were upgraded with our new lithium battery and smart charge controller kit which will further extend the life of these solar systems for up to 10 more years.

Through 2021, research was undertaken to investigate green options for the electricity supply across the Australian network of oOh! facilities and infrastructure. We have made positive progress to reduce our carbon emissions by switching over our electricity supply from coal energy to 100% carbon offset in late 2021, with further assessment to be made once we've completed the carbon footprint baseline in early 2022.

In New Zealand, our operations have partnered with the electricity supplier, to confirm 100% of our advertising assets are sourced from renewable electricity.





ENVIRONMENT, SOCIAL & GOVERNANCE

ENVIRONMENT

Sustainable printing: oOh! operates a printing company – Cactus Imaging. The business is continually seeking opportunities to align with suppliers that are reducing their environmental impact with innovative and sustainable product offerings. An increase in the use of PVC-free and recycled printing and laminating materials across a broader range of applications, combined with latex (water-based) and UV-based printing technologies makes up a key part of our environmental plans.

Posters for use in the oOh! Street Furniture business are printed on 100% recyclable materials. Cactus continues to offer a lightweight vinyl option for billboard skins which accounted for 75% of all skins printed through 2021.



Environmental campaigns: Throughout 2021, oOh! provided advertising space for a number of clients on their environmental messaging or initiatives. These included local councils on waste disposal processes, Water Authorities on the importance of water sustainability and independent clients with messaging such as planting trees, preparing for storm season and addressing global warming. Examples of key client initiatives included:

- Plastic Free July is a global movement that gives millions of people the opportunity to be part of the solution to plastic pollution, allowing all to have cleaner streets, oceans and beautiful communities. The aim of the campaign was to raise community awareness of overconsumed single-use plastic and apply pressure on large companies to stop using plastic packaging. oOh! backed this initiative and donated \$1.6m media space to help raise awareness across Plastic Free July.
- Dine has a campaign titled "Hope Grows" that is the world's largest coral restoration program, aiming to restore more than 185,000 square meters of coral reefs around the world by 2029. Dine took full advantage and utilised the strength of oOh!'s full motion impact assets to showcase a growing message over an extended period of time, with coral forming the message "Hope Grows" and "Hope Found". The messaging directed audiences to the Hope Grows first-of-its-kind YouTube Channel where with every video view, advertising revenue is donated to The Nature Conservancy to support its reef restoration initiatives.

- oOh!'s long standing partnership with Taronga Conservation Society Australia continued, with two campaigns for Taronga Zoo Sydney and Taronga Western Plains Zoo. Taronga is a leader in conservation research and environmental education, with its primary objectives being to facilitate visitor and community education, biological research and wildlife conservation.
- oOh! ran a campaign for The Lion's Share Fund an organisation working to create a new source of funding to secure wildlife populations and their habitats, improve animal welfare, and raise awareness of the nature crisis. Media space to the value of \$480,000 was donated, including digital billboards and retail panels nationally.

Certification: oOh! is certified to the ISO 14001:2015 Environmental Management System as part of an integrated management system with ISO 45001:2018 (occupational health & safety) and ISO 9001:2015 (quality). In November 2021, oOh! underwent a 10-day recertification audit by an independent third party confirming oOh! continues to retain this certification.

Environmental regulatory compliance: oOh! did not receive any fines or grievances for non-compliance with environmental laws and regulations over the reporting period.

\$1.6m

of donated media space to help raise awareness across Plastic Free July

2

campaigns for Taronga Zoo Sydney and Taronga Western Plains Zoo

\$480,000

of media space was donated to a campaign for The Lion's Share Fund



ETHICS & INTEGRITY

oOh! has 3 core values:

Bold Dreams: We dream big and inspire others with our ideas and passion. We are bold and push boundaries to create “Unmissable” moments.

Big Impact: We bring our best selves to work, operating ethically and responsibly, to make everything we do meaningful for our audiences.

Deep Connection: We align as one team with shared goals and always look after our work mates like family.

oOh!'s Values Statement is available on its investors website <http://investors.oohmedia.com.au>.

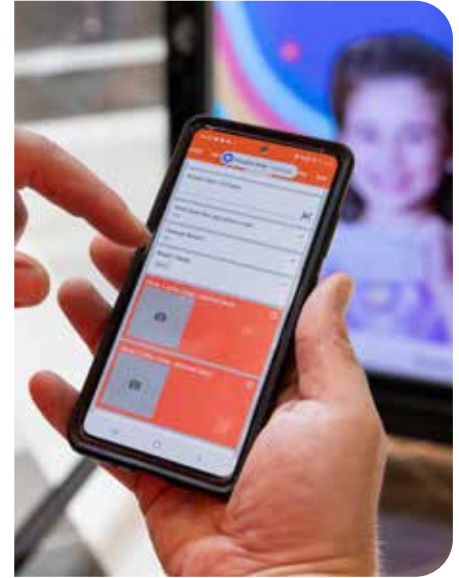
The values include actionable behaviours that sit below each to ensure clarity on what is required to live them day to day. The values are also represented in oOh!'s policies, including the Code of Conduct.

The Code of Conduct is designed to ensure that oOh! and all people employed, contracted by, associated with, or acting on behalf of oOh!, maintain a reputation for the highest standards of business conduct, professionalism and integrity. The key components of the Code of Conduct include:

- Our actions must be governed by the highest standards of integrity and fairness;
- Our decisions must be made in accordance with the spirit and letter of applicable laws; and
- Our business must be conducted honestly and ethically, with our best skills and judgment, and for the benefit of customers, employees, shareholders and oOh! alike.

oOh! supports these policies with a Whistleblower Policy, most recently updated in December 2019. This together with the Code of Conduct, sets out the process for seeking advice on ethical and lawful behaviour, and for reporting concerns about unethical or unlawful behaviour. Employees have access to an in-house legal team comprising qualified solicitors to facilitate understanding of legal requirements. Concerns can be reported to key management including the CEO, CFO, Chief People and Culture Officer or General Counsel, the Audit, Risk & Compliance Committee, or where required, to an independent external whistleblower service at no cost to the employee and with the guarantee of anonymity.

We dream big and inspire others with our ideas and passion. We are bold and push boundaries to create “Unmissable” moments



KEY IMPACTS, RISKS & OPPORTUNITIES

The most relevant risks to the business achieving its operational and financial targets are captured under risk management in the Directors' Report on pages 24 to 32 of the Annual Report. The summary below describes the key sustainability risks and associated challenges and opportunities, together with mitigation strategies and actions undertaken by the Company.

There continues to be change with technological advancement, regulatory development and innovation in our competitive environment. oOh! implements strategies that allow it to take advantage of these challenges for long-term business growth. It is this approach that has historically resulted in growth and allowed the Company to transform from an Out of Home media property business to a location-based, digitally-enabled public space media business delivering industry leading insights and technological advancements.

Throughout 2021, the Company continued with a key focus on the requirements to mitigate the ever-changing landscape of risks and impacts from COVID-19. The Company expects the impacts of COVID-19 to continue into 2022 with decisions and actions made to enable oOh! to continue to be well positioned to respond to the ongoing impacts of COVID-19 on our people, our infrastructure and our commercial partners/clients.

oOh! has identified the key ESG risks or those elements that may substantially influence the assessments and decisions of oOh!'s stakeholders. In this Sustainability Report, these have been captured under four headings:

- **People:** maintaining an innovative, engaged and safe workforce is essential for oOh!'s continued performance;

- **Operations, economic impacts and governance:** oOh! is committed to acting professionally, fairly and with integrity in all activities and with all stakeholders;
- **Environment and sustainability:** managing the business in an environmentally responsible manner, whilst considering, protecting and caring for the environment, now and for the future; and
- **Community:** consulting with local communities as part of our everyday business activities, and working with community partners to invest time, resources and money where we can make a positive difference.

There are a number of governance mechanisms in place to manage these risks:

- **Capable people:** Senior Management and dedicated teams trained in relevant regulatory and legal requirements, to specialist internal and external advisers across the areas of finance, law, technology, WSE and procurement;
- **Systems and processes:** a framework of policies, systems, processes and training to guide the business; and
- **Documentation:** standard template contracts to ensure compliance to standards and allocate risk appropriately amongst parties.



PEOPLE

oOh! is committed to being an employer of choice through our exceptional culture and leading people practices. In 2021, with COVID-19 continuing to impact Australian and New Zealand businesses, the focus was on keeping our people safe, both in the physical oOh! locations and whilst working remotely.

Beyond the foundation of providing a safe working environment for all people across our business, we aim to engage, develop and support our people to be their best self and to contribute fully in their careers and life as a whole. As innovation leaders, we recognise that our differences as individuals are key to our success and promote diversity, inclusion and belonging as a core operating principle.



PEOPLE

Responding to COVID-19: oOh!'s office-based employees continued to adopt remote and in-office working arrangements throughout 2021 in response to localised COVID-19 restrictions.

After the initial impact of COVID-19 in 2020, business continuity stepped more into a system that responded to the changing state and federal government restrictions, led by the WSE and Government Relations team in partnership with internal communications, reaching out to the relevant business unit leaders or Executive Leadership team as and when required. The objectives remained the same in 2021 as per 2020 to:

- Maintain oversight of Australian and New Zealand government bodies, state health authorities as well as state safety regulators for advice and guidance; and
- Establish the best response to protect the health and wellbeing of our employees and those our operations may interact with, namely the public, and the longevity of our operations.

Throughout the year, employees were provided with regular updates on:

- Being set up and working effectively from home, including welfare calls as necessary;
- Receiving timely communications on locality specific instructions; and
- Staggered return to work plans developed to ensure employees were safe as they were permitted to return to working in oOh! offices (at 31 December 2021 there were still several locations where returning to work in the office was under strict limitations due to government regulations).

Continuing into 2021, where roles permitted, employees continued to have flexibility to their working arrangements between the office and home. oOh!'s field and manufacturing employees, where appropriate, continued to be designated as essential workers across the maintenance activities of public infrastructure and producing business-specific COVID-19 signage, as well as government and community announcements for COVID-19 messaging. The WSE and Government Relations team in consultation with the business leaders and operations employees, remained vigilant across the differing legislation of Public Health Orders that included the tightening of government travel restrictions and incoming vaccination requirements. These processes allowed oOh! to maintain compliance across our contracts with minimal disruption to scheduled works, or team presence at work.

With the requirement for essential service employees to be vaccinated to continue working in a number of states and territories, the business was guided by the People & Culture and Legal teams to ensure the process of collecting and storing employee's personal health records complied with relevant legislation e.g. Privacy Act.

Towards the end of 2021, the Executive Leadership team made the decision to implement a 'Condition of Entry' to all business locations, including offices, depots, warehouses and manufacturing sites, in line with tightening government requirements across NSW, VIC and New Zealand. This 'Condition of Entry' required an employee to provide evidence of their double vaccination status to be permitted entry to the site. Where government restrictions had eased permitting certain activities, this condition was also extended to other persons who attended site, e.g. visitor, client or contractor.

As the business prepares to move into 2022, the key message is for the office to be the primary working location, allowing employees to maintain a level of flexibility.



Safety: oOh! strives to create a safe and healthy workplace for all employees, contractors and visitors. This includes psychological safety as much as physical safety.

oOh! maintains high standards in WSE for its outdoor operations, warehouse, printing and office environments and has a comprehensive WSE management framework and strategic plan in place.

Whilst the primary role of the WSE team throughout 2021 was focussed on the ever-changing landscapes of COVID-19, there were a number of continuing activities with some achievements met throughout the year:

- Ongoing commitment and further development of documents aligning to the comprehensive framework, policies and guidance notes within the Corporate Governance Framework as outlined by the legal department.
- A WHS Committee with representatives from across the business meets monthly to review the safety framework, initiatives, incidents, learnings, communication and training programs.
- Recertification on the integrated management system in late 2021 for safety, environment and quality.



oOh! strives to create a safe and healthy workplace for all employees, contractors and visitors. This includes psychological safety as much as physical safety



- The WSE team has done a lot of work with field-based teams to:
 - Increase knowledge and awareness of the importance of working safely;
 - Reviewing, consulting and implementing new safe work procedures with all workers retrained as relevant to their roles; and
 - Focus on workers exercising extra caution in performing their tasks during the heightened risks around COVID-19.
- Regular reporting of WSE initiatives, issues and opportunities to the Executives, the Audit, Risk & Compliance Committee and the Board, including monthly WSE SteerCo meetings for the WSE team to raise matters with the Executive Leadership team and other key stakeholders to discuss potential solutions and progress.

A review of safety data in 2021 against 2020 data indicates:

- A decrease in the reported number of vehicle incidents (61 vs 37) being attributed to less vehicle traffic on the roads and in/around shopping centres due to COVID-19 lockdowns presenting a lower risk environment;
- An increase in mental stress incidents (7 vs 12) can be attributed to the high stress environment in and around bus shelters amongst the general community, as well as oOh! providing an overall focus on mental health and wellbeing across the company leading to greater awareness and reporting; and
- Yearly trend analysis shows consistent incident numbers since the acquisition of Adshel, reflecting the heightened risk with field operatives working in public spaces, the tasks performed, equipment handled and the variable hours worked.

Safety regulatory compliance: oOh! did not receive any fines for non-compliance with safety laws and regulations over the reporting period.



oOh! recognises the continuing impact of mental health issues in the workplace with the direct relevance to the COVID-19 pandemic. oOh! has taken a number of steps in 2021 to improve the work environment allowing employees to have opportunities to contribute positively to their mental health



Psychological safety: oOh! recognises the continuing impact of mental health issues in the workplace with the direct relevance to the COVID-19 pandemic. oOh! has taken a number of steps in 2021 to improve the work environment allowing employees to have opportunities to contribute positively to their mental health.

Support is available to employees and families through an independently run Employee Assistance Program (EAP). The service, which is no cost to the employee and provides a guarantee of anonymity, was proactively and reactively communicated to employees. oOh! continued to regularly communicate with employees, including providing invitations to participate in webinars and information sessions involving our EAP provider. The Company understands that COVID-19 has impacted all staff differently and encouraged dialogue with managers and the use of the EAP services.

Following the successful trial of a combination of self-paced e-learning and virtual zoom sessions for Mental Health First Aid (MHFA) training in late 2020, several courses were run through 2021 across Australia. By year-end, oOh! had trained 61 employees with representation across almost all Australian oOh! locations, including the seven Australian-based Executive Leaders employed at the time of running the courses. The MHFA course that was scheduled to be run in New Zealand, unfortunately was postponed until early 2022 due to COVID-19 restrictions enforced by the training provider as the

New Zealand course format requires their course material to be presented in a face-to-face setting.

Throughout the year, the WSE team and others have arranged various zoom sessions for our employees to attend:

- As part of Women's Health Week and ahead of R U OK? Day, we had an R U OK? Community Ambassador, help remind our employees of the importance of spreading the R U OK? Message. The Ambassador spoke to his own experiences with helpful messaging around how to manage the everyday rollercoasters of mental health.
- Following the completion of our 2021 MHFA training we conducted a refresher session with our EAP provider and MHFA trainer. In this session employees learnt more about how our Employee Assistance Program can help in an employee's role as a MHFA Officer, and our MHFA trainer conducted a mental health conversations booster session to build employee's confidence as a MHFA Officer.
- An all-employee EAP awareness session was held during Safe Work Month in October, highlighting employees' entitlements as an oOh! employee, what confidential support means, the services available from the EAP provider, how to engage them and how the EAP provider is able to set employees up for success by linking them with other professional services that may contribute to their wholistic mental health.

- An EAP awareness session for oOh! managers and trained MHFA employees was arranged to specifically provide an education around the 24/7 Manager Assist Hotline provided by the EAP provider. This discussion included support for the managers to be able to ask questions on how to approach difficult conversations or scenarios, giving leaders immediate peace of mind about their decisions and the next steps relevant to the situation. Additionally, these employee groups were encouraged to call after a scenario where they'd like to talk through how a situation ran and considerations for future learnings.

oOh! applied to Mental Health First Aid Australia to be recognised under their Skilled Workplace Program. In late 2021, oOh!media was awarded the Gold Level recognition.

Talent acquisition, management & retention: oOh! has a talent acquisition and management process to maximise our ability to attract and retain the best talent for the benefit of oOh! and its stakeholders. oOh! also supports new employees with a mobile onboarding experience which commences 30 days prior to a new employee commencing and continues until the end of their first 12 months.

oOh! has an external careers website and talent community where existing and potential employees can submit their profiles and be considered for future opportunities. In 2021 our top sources of external appointments were directly sourced through a combination of our oOh! Careers page, social networks and job boards. Candidate experience continues to be a focus, ensuring we communicate, engage and excite our candidates throughout the recruitment experience.

During the period, overall employee turnover for our permanent workforce was 24% which was 4% higher than the previous reporting year. Voluntary turnover¹ was 21% which represented a 7% increase on the prior reporting period in 2020.

¹ Voluntary Turnover is calculated based on the employee initiating the decision to leave the Company

People Experience: Through the reporting period oOh! conducted various people related programs and initiatives across culture and engagement, leadership, employee development and performance.

- Supporting the innovative culture of the Company through the physical environment, the business continued a multi-year facilities refresh, introducing collaborative, flexible and future-focused workplaces aligned with the principles of activity-based working across our North Sydney and Melbourne office locations. Our final teams moved into our state of the art offices in North Sydney in Q1 of 2021, with our Melbourne teams moving into their new office throughout the first half of 2021.
- With a new CEO and refreshed business strategy the Executive Leadership Team ran multiple all business communication sessions with the aim of bringing our business priorities and objectives to life to ensure alignment and collaboration across the Company. Following these sessions our teams worked on their individual goals aligning to group and business unit priorities via our Impact & Growth performance process.

- oOh!'s approach to talent management in 2021 focused on two core people processes which included a group talent review consisting of a talent assessment with succession/development planning activities for our ELT and CEO-2&3 leadership roles across the group. The aim of the review was to better understand our people and their career/development needs highlighting any current or emerging talent risks. Our Impact & Growth performance cycle ran twice during the year evaluating half year and full year performance and goal alignment and achievement.
- Due to continued travel and social distancing restrictions imposed with COVID-19 our LEAD group leadership program was paused in 2021. However, our Sales and Operations Leadership groups received alternate leadership training focused on leadership impact, leading through change, managing mindset, influence and engagement.
- All employees across the group have a LinkedIn Learning licence to access on-demand learning content suited to their personal and professional development needs.

- The Sales function launched a personal development program which further builds on our Impact & Growth performance process. This program adds to the team's current toolkit and provides a clear understanding of the success profile of each sales role with clear performance measurement metrics and understanding of what is needed in both skills and behaviours to grow into bigger roles across the Sales function.

Diversity, inclusion & belonging: oOh! is committed to unlocking the innovative potential of the Company by creating and supporting an environment where all ideas are heard, inspiring our people to harness their creativity to generate value and growth in an inclusive and diverse culture. Further details of oOh!'s diversity, inclusion and belonging framework are set out below.

oOh! committed to an updated three-year Diversity, Inclusion and Belonging strategy in 2019. The Company is committed to this strategy and reviewed processes and systems throughout 2021 to ensure they align to the strategy and are up to date with expectations. As at the end of 2021:



^ 4%

reporting period growth of women in people leadership roles

91%

oOh! employees returned from parental leave in 2021

37.5%

Women represented as Directors on the Board

- Women in people leadership roles² grew 4% over the reporting period to 43%.
- 91% of oOh! employees returned from parental leave in 2021.
- Women represented 29% of Non-executive Directors on the Board up from 25% in 2020³. As of 31 December 2021, 37.5% of all Directors are female.

The Company refreshed its measurable diversity objectives to ensure continued focus, progress and alignment with the overall Diversity, Inclusion and Belonging strategy as shown below.

Focus	Measurable Objectives ⁴	Progress at 31 December 2021
Balanced Teams		
Increase the percentage of women in leadership roles	NED representation 50/50	Non-executive Director's female representation is 29% (25% in 2020)
	ELT representation – recruitment to prioritise female candidates	Executive leadership representation increased to 33% (11.1% in 2020) <ul style="list-style-type: none"> • Female CEO & CPCO appointments • Male CTIO appointment
	Key leadership representation 50/50	Senior leadership female representation is 41% (40% in 2020)
	Manager representation 50/50	Overall manager female representation is 43% (39% in 2020)
	Succession plan representation 50/50	Group talent review concluded in June: <ul style="list-style-type: none"> • CEO-1 succession (<i>ELT roles minus CEO</i>) – 28% female representation • CEO-2 succession (<i>Roles reporting to ELT</i>) – 52% female representation
Provide opportunity for under-represented groups	Create a Reconciliation Action Plan that includes indigenous employment initiatives	Reconciliation Action Plan Working Group working towards Reflect RAP. Launch planned for Q2 FY22.
Continue targeted leadership development for women	Continue (inclusive) Women in Leadership program 50% female representation in LEAD ⁵ program	Due to various factors including change of CPCO and continued COVID-19 related disruptions the LEAD leadership program was put on hold and will be revisited in FY22. 4 high performing women to join a Future Women's Leadership program commencing in January 2022.



oOh! is committed to unlocking the innovative potential of the Company by creating and supporting an environment where all ideas are heard

2 People Leader is defined as an employee with at least one direct report
3 The percentage increased as the number of women in Non-executive Director roles was sustained while the total number of Non-executive Directors reduced from 8 to 7.
4 These Diversity Measurable Objectives were originally set in 2018 and refreshed in February 2020. This table measures progress against the refreshed Measurable Objectives. The Measurable Objectives were reviewed again in November 2021.
5 The LEAD program is aimed at developing leadership capability for our Key Leadership Group.

86%

“I bring my true self to work”

81%

“I feel comfortable sharing aspects of my identity with people at work”

80%

“My leader visibly and actively supports my identity and communities I belong to”

77%

“My colleagues visibly and actively support my identity and communities I belong to”

Focus	Measurable Objectives ⁶	Progress at 31 December 2021
Inclusion and Belonging		
Demonstrate commitment to inclusive behavioural practices	Formal training, workshops and direct coaching on inclusive mindsets and belonging	Held through 2021– Leadership development programs being reviewed and refreshed for 2022.
	Leadership development (through LEAD, development plans, ELT People Plans)	Held through 2021– Leadership development programs being reviewed and refreshed for 2022.
Demonstrate appreciation for all employees regardless of gender, cultural identity, age, sexual orientation, disability, work style or approach	Celebrate the diversity of the company and showcase contributions from diverse employee base at internal events and customer events.	<p>Highlights include:</p> <ul style="list-style-type: none"> • Sydney office launch – “acknowledgment of country with a First Nations Elder” • Celebrated our partnership with Family Friendly Workplaces and showcased employees’ families throughout the office network via our internal screens • Celebrated International Women’s Day • Celebrated Women’s & Men’s Health week <p><i>(Due to continued COVID-19 related impacts through 2021 minimal internal events were held)</i></p>
	Create Diversity Inclusion & Belonging working groups to address key focus areas: reflecting and leading our customers, inclusion for all employees, increasing capability in behaviours that promote belonging	<p>Further working groups to be established across 4 streams in Q1 FY22:</p> <ul style="list-style-type: none"> • Family Friendly Workplace • LGBTIQ+ • oOh! Women • Ethnicity
	Participate in government and/or industry initiatives that are designed to improve diversity or promote inclusive cultures	<p>Founding/supporting partner with the Family Friendly Workplace⁶ initiative meeting certification status.</p> <p>This initiative is a collaboration between Parents at Work and UNICEF Australia with the aim of improving work life wellbeing, inclusion and equity outcomes for families by introducing a set of certifiable national work and family standards for employers.</p>

⁶ More information can be found at the Family Friendly Workplace website <https://familyfriendlyworkplaces.com/>

Focus	Measurable Objectives ⁴	Progress at 31 December 2021
Create an environment to ensure all employees can thrive	Refine and embed flexible working practices	<p>Flexible working practices are in place for all roles where flexible working is operationally feasible.</p> <p>Flexible working guidelines were launched early 2021 with leaders taking an employee centric approach to flexibility.</p>
	Continue annual gender pay equity and performance review	<p>Gender pay equity analysis undertaken in August, with oOh!'s overall gender pay gap (without CEO compensation) being 5.24%.</p> <p>Performance Review process commenced in December 2021 with outcomes due in February 2022. Our performance snapshots at the end of this process will be analysed to determine performance results by gender.</p>
	Introduce oOh!WOW design thinking coaching, behaviours and training	Due to various factors including change of CPO leadership and continued COVID-19 related impacts this program has not progressed.
	Benchmark and act on belonging & psychological safety feedback via culture survey	<p>Through 2021 three internal surveys were run across the Company with key highlights below.</p> <p>Group Culture Survey, April 2021 (77% employee participation)</p> <p>Group Pulse Survey, December 2021 (66% employee participation)</p> <p>Responses:</p> <ul style="list-style-type: none"> • 80% (April 21) and 74% (Dec 21) – “I feel like I belong at oOh!” – 79% 2020 & 74% 2019 • 86% – “I feel like I belong in my Team!” • 89% – “My manager genuinely cares about my wellbeing, health and safety” – 92% 2020 <p>Group Diversity, Inclusion & Belonging Survey, March 2021 (42% employee participation)</p> <p>Responses:</p> <ul style="list-style-type: none"> • 86% – “I bring my true self to work” • 81% – “I feel comfortable sharing aspects of my identity with people at work” • 80% – “My leader visibly and actively supports my identity and communities I belong to” • 77% – “My colleagues visibly and actively support my identity and communities I belong to”



oOh! has formed a Working Group to create a Reconciliation Action Plan (RAP) to assist the business to embed the principles and purpose of Reconciliation with Aboriginal and Torres Strait Islander peoples in Australia

12 weeks

paid parental leave to primary carers

+4 weeks

made up of 2 weeks return to work bonus and a further 2 weeks' bonus annual leave

Focus	Measurable Objectives*	Progress at 31 December 2021
Process and Policies		
Ensure robust measurement, benchmarking and visibility of Diversity, Inclusion and Belonging	Create and publish a Diversity, Inclusion and Belonging statement and Reconciliation Action Plan for oOh! in line with 2019 results	Reconciliation Action Plan Working Group engaged expert and undertook workshops, progressing towards a Reflect RAP launch in FY22.
	Maintain competitive parental leave and flexible working policies	oOh! offers primary carers 12 weeks paid parental leave, 2 weeks return to work bonus and a further 2 weeks' bonus annual leave (after 3 months of returning to work) and \$1,000 worth of vouchers.
	Equity in parental leave: increase % of men taking primary carer leave, maintain robust stay in touch programs, ensure return to meaningful roles	91% of team members returned from parental leave in 2021. The practice is for those returning to return to the same or equivalent roles, unless requesting reduced roles. During 2021 two male employees took up primary carer parental leave.
	Review progress towards Diversity Inclusion & Belonging priorities and measurable objectives bi-annually	Two reviews carried out in 2021.
	Identify, implement and measure outcomes on diversity priorities by team	Reprioritised to 2022, following refreshed Diversity & Inclusion Strategy.

oOh! did not receive any fines or grievances for non-compliance with discrimination laws and regulations over the reporting period.

Parental leave: Primary caregivers can access 16 weeks' parental leave as a combination of upfront payments, return to work bonuses and additional leave, and receive \$1,000 worth of vouchers to put towards essential services upon commencing parental leave. Combined with "keep in touch" and "return to work" programs, this helped to ensure high rates of employees returning from parental leave.

Reconciliation Action Plan: In 2020 oOh! formed a Working Group to create a Reconciliation Action Plan (RAP) to assist the business to embed the principles and purpose of Reconciliation with Aboriginal and Torres Strait Islander peoples in Australia. To ensure an authentic and informed approach to the creation of a RAP, the Working Group made the decision to engage an Indigenous consultancy firm to guide the business in this process. The Working Group has committed to a Reflect Reconciliation Action plan, which scopes our impact as a business and provides a pathway forward to engage with our stakeholders in ways that progress reconciliation and is due to launch in 2022.

OPERATIONS, ECONOMIC IMPACTS & GOVERNANCE

oOh! conducts its business in an honest and ethical manner. We believe a strong commitment to corporate governance helps build an environment of trust, transparency and accountability. Not only does this align with our strategy to build a sustainable business, but it also delivers long-term value for our shareholders.

Throughout 2021 oOh! continued to mitigate the financial impacts of COVID-19 and position the Company to respond to the ongoing impacts of the pandemic.

Suppliers: In selecting suppliers, oOh! considers, as appropriate, issues of capability, quality, innovation and regulatory compliance. Depending on the scope of works being undertaken, local suppliers may be required to:

- Provide a detailed safety management plan;
- Provide an environmental management plan, and
- Agree to oOh!'s WHS Agreement (setting out minimum safety standards expected).

Following a risk assessment of the works being completed, the supplier may also be audited. Such audits provide oOh! with an additional element of assurance regarding a supplier's work practices.

Offshore suppliers: Depending on the nature of the supplier, some suppliers may be subjected to additional due diligence, including but not limited to:

- Requiring compliance with Australian standards for the goods and services provided;
- Requiring confirmation of compliance with local labour laws;
- Site inspections; and/or
- Third party audits of manufacturing and distribution facilities.

To date, we have not identified negative labour or environmental practices in oOh!'s domestic or international supply chains.

Since the introduction of specific anti-modern slavery laws in Australia in 2019, oOh! has been enhancing its supply chain due diligence and requirements, focussing on high-risk products and countries of origin at the time of supplier selection. The Company published its first Modern Slavery Statement in H1 2021 for the 2020 reporting period and is preparing to publish its statement for the 2021 reporting period.



Technology: A key focus of Technology Operations following the head office moves in both Sydney and Melbourne was around building ourselves to a more sustainable operating model.

A project through 2021 has seen us migrate almost all of our on-premises data centres largely to the cloud, greatly reducing our in-office energy output. Due to economies of scale, moving our servers to the cloud creates more efficient energy consumption.

In 2021 we removed or consolidated many legacy systems and hardware which will see us become more efficient. Legacy systems can require more power and their large sizes often mean outsized heat output requiring additional cooling.

We have a number of processes in place which result in our end-of-life hardware being sold or given back to organisations who will refurbish and recycle components or devices to less developed companies or communities.

Our systems and processes have been set up using best-practice energy efficiency; this includes sleep timers on our laptops and servers. Sharing a smaller number of printers results in less online hardware. Printers are set up to use basic black and white printing and double sided as a standard. We utilise systems such as DocuSign to avoid printing where possible. All used toner cartridges are collected and recycled by a third-party vendor.

Compliance with regulations & standards: oOh! operates within a number of regulatory and industry self-regulatory frameworks.

In addition to regulations that apply to most businesses, all content displayed via oOh! assets is governed in Australia by the standards set by Australian Association of National Advertisers (AANA) as adjudicated by Ad Standards,

and in New Zealand by the Advertising Standards Authority. oOh! is diligent in adhering to these standards. oOh! provides clients and employees with Advertising Standard Guidelines and oOh!'s Copy Advice Committee is an escalation for review of creative content. Since 2019, oOh! employs a staff member whose role is specifically to engage more closely with regulators and to oversee compliance with these regulations and standards.

oOh! is a foundation member of the Out of Home industry body, the Outdoor Media Association (OMA), which is a self-regulating body to whose standards oOh! also adheres.

Corporate governance framework: The Board adopted and follows a framework for overseeing oOh!'s corporate governance, supported by core policies, functions and registers across the business. oOh! regularly reviews its corporate governance framework to ensure it remains aligned to evolving business operations and external expectations.

Corporate Governance Statement: oOh! has prepared a Corporate Governance Statement for the reporting period, following the fourth edition of the ASX Corporate Governance Council (ASX CGC) Principles & Recommendations. The Corporate Governance Statement is available on the oOh! website under "Governance".

CURRENCY AND QUESTIONS

This Sustainability Report is current as at 21 March 2022 (except as specified otherwise) and has been approved by the Board.

Any questions regarding this report can be directed to the Company Secretary of oOh!media Limited.

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Financial Statements

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General Information

The Annual Financial Report covers oOh!media Limited and its controlled entities. The financial statements are presented in Australian currency.

oOh!media Limited is a listed company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 2, 73 Miller Street, North Sydney, New South Wales 2060

The Annual Financial Report was authorised for issue, in accordance with a resolution of the Directors. The Directors have the power to amend and reissue the Annual Financial Report.

Through the use of the internet, oOh!media Limited ensures that all corporate reporting is timely, complete and available to all users at minimum cost to the Company. All media releases, financial reports and other information are available at the Investors section on the website: www.investors.oohmedia.com.au

Significant changes in the reporting period

The Company's financial results were affected in 2021 by various government restrictions on mobility in Australia and New Zealand to combat the effects of the COVID-19 pandemic. When governments implemented stay at home orders audiences for the Company's assets declined for the period of the restricted public mobility, as did revenues. When mobility and audiences resumed, the Company's revenues increased. To address the uncertainty for near term revenues resulting from such government measures the Company is operating at historically low net debt and gearing levels, and in the most affected environments of Fly and Rail, receives fixed rent abatements under agreements with those concession partners.

The 2021 financial results for the Company do not include any benefit from Covid-19 related government assistance as these were repaid in December 2021.

For a detailed discussion on the Group's financial performance and position, refer to the Operating and Financial Review.

Consolidated statement of profit or loss and other comprehensive income/(loss)

for the year ended 31 December 2021

	Notes	Consolidated	
		31 Dec 21 \$'000	Restated ⁽¹⁾ 31 Dec 20 \$'000
Revenue from continuing operations	5	503,734	426,525
Cost of media sites and production ⁽³⁾		(133,356)	(78,103)
Gross profit		370,378	348,422
Other income ⁽²⁾	5	4,026	6,829
Operating expenditure			
Employee benefits expense ⁽⁴⁾		(100,999)	(77,053)
Depreciation and amortisation expense	12,13,14	(209,061)	(223,783)
Legal and professional fees		(5,160)	(5,758)
Advertising and marketing expenses		(7,781)	(6,622)
Restructuring		-	(3,621)
Impairment expense	15	-	(3,461)
Other expenses	7	(20,183)	(21,051)
Total operating expenditure		(343,184)	(341,349)
Operating profit		31,220	13,902
Finance income		598	331
Finance costs ⁽⁵⁾		(47,267)	(59,190)
Net finance costs	8	(46,669)	(58,859)
Share of (loss) / profit of equity-accounted investees, net of tax		(90)	(93)
(Loss) / profit before income tax		(15,539)	(45,050)
Income tax benefit / (expense)	10	5,251	8,867
(Loss)/profit after income tax		(10,288)	(36,183)
Attributable to:			
Owners of the company		(10,288)	(36,183)
(Loss) / profit for the period		(10,288)	(36,183)
Other comprehensive (loss) / income			
(Loss) / profit for the period		(10,288)	(36,183)
Items that may be subsequently classified to profit or loss:			
Effective portion of changes in fair value of cash flow hedges, net of tax		3,455	(4,732)
De-designation of interest rate derivatives to the Consolidated Income Statement, net of tax ⁽⁵⁾		2,502	4,394
Foreign currency translation differences		272	(848)
Total comprehensive loss for the period		(4,059)	(37,369)
Attributable to:			
Owners of the company		(4,059)	(37,369)
Total comprehensive income for the period		(4,059)	(37,369)
Earnings per share attributable to the ordinary equity holders of the company		Cents	Restated Cents
Basic (loss) / earnings per share	29	(1.7)	(7.1)
Diluted (loss) / earnings per share	29	(1.7)	(7.1)

⁽¹⁾ As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer Note 2 Basis of accounting.

⁽²⁾ Other income comprises compensation recognised for compulsory acquisition of a leased site, gain on sale of assets and gain on lease modifications. Refer Note 5.

⁽³⁾ Cost of media sites and production is shown net of negotiated rent abatements with lessors. Refer Note 6.

⁽⁴⁾ Employee benefits in the prior period are shown net of government grants specifically Jobkeeper and NZ Wage Subsidy. Refer Note 6.

⁽⁵⁾ Pursuant to AASB9, a portion of the interest rate derivative was deemed ineffective, and the \$2,502,000 adjustment to Fair value was recognised in the statement of profit and loss. Refer Note 8.

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

Consolidated statement of financial position

as at 31 December 2021

		Consolidated	
	Notes	31 Dec 21 \$'000	Restated ⁽¹⁾ 31 Dec 20 \$'000
Current assets			
Cash and cash equivalents		60,048	80,042
Trade and other receivables	11	99,827	85,480
Inventories	16	5,006	3,472
Other assets	17	26,878	23,199
Total current assets		191,759	192,193
Non-current assets			
Property, plant and equipment	12	168,426	214,205
Right-of-use-assets	13	723,862	727,243
Intangible assets and goodwill	14	767,308	774,495
Other assets	17	1,110	-
Total non-current assets		1,660,706	1,715,943
Total assets		1,852,465	1,908,136
Current liabilities			
Trade and other payables	19	50,141	42,596
Interest bearing lease liabilities	18	178,568	159,424
Provisions	20	1,240	828
Employee benefits		8,005	7,348
Income tax payable	10	9,227	1,632
Total current liabilities		247,181	211,828
Non-current liabilities			
Loans and borrowings	18	123,570	191,277
Provisions	20	14,018	14,858
Employee benefits		2,570	2,568
Interest bearing lease liabilities	18	649,603	645,127
Derivative liabilities	21	5,102	18,335
Deferred tax liability	10	7,777	18,113
Total non-current liabilities		802,640	890,278
Total liabilities		1,049,821	1,102,106
Net assets		802,644	806,030
Equity			
Share capital	22(a)	886,468	876,291
Reserves	22(b)	25,516	28,791
Accumulated losses		(108,435)	(98,147)
Equity attributable to the owners of the Company		803,549	806,935
Non-controlling interest	22(c)	(905)	(905)
Total equity		802,644	806,030

⁽¹⁾ As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer Note 2 Basis of accounting.

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

for the year ended 31 December 2021

	Notes	Consolidated	
		31-Dec-21 \$'000	Restated ⁽¹⁾ 31-Dec-20 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		544,230	522,847
Payments to suppliers and employees (inclusive of goods and services tax)		(336,619)	(310,012)
Cash generated from operations		207,611	212,835
Interest paid		(48,858)	(46,341)
Interest received		45	331
Income tax paid		(2,717)	1,133
Net cash generated in operating activities	30	156,081	167,958
Cash flows from investing activities			
Acquisition of property, plant and equipment	12	(12,257)	(13,027)
Acquisition of intangible assets	14	(2,440)	(2,684)
Loan to industry association		(1,007)	-
Disposal of subsidiary		2,163	-
Transaction costs related to disposals		(310)	-
Proceeds from sale of property, plant and equipment		53	2,491
Net cash used in investing activities		(13,798)	(13,220)
Cash flows from financing activities			
Proceeds from issue of shares		-	167,004
Transaction costs related to issue of shares		-	(5,238)
Proceeds from loans and borrowings		-	24,818
Repayment of loans and borrowings		(70,000)	(248,818)
Payment of transaction costs related to borrowings and derivatives		(414)	(2,395)
Payment of lease liabilities		(91,863)	(71,275)
Proceeds from underwriters for DRP		-	(12,180)
Dividends paid in cash		-	12,180
Net cash used in financing activities		(162,277)	(135,904)
Net (decrease) / increase in cash and cash equivalents		(19,994)	18,834
Cash and cash equivalents at beginning of period		80,042	61,208
Cash and cash equivalents at end of period		60,048	80,042

⁽¹⁾ As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer Note 2 Basis of accounting.

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 2021

	Contributed equity	Foreign currency translation reserve	Other equity reserve	Cash flow hedge reserve	Share-based payments reserve	Accumulated losses	Non-controlling interest	Total equity
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2020	694,913	1,370	16,608	(9,294)	8,621	(43,785)	(905)	667,528
Total comprehensive income for the period:								
Profit / (loss) for the period after income tax ⁽¹⁾	-	-	-	-	-	(36,183)	-	(36,183)
Other comprehensive income/(loss):								
Effective portion of changes in fair value of cash flow hedges	-	-	-	(4,732)	-	-	-	(4,732)
De-designation of interest rate derivatives to the Consolidated Income Statement, net of tax	-	-	-	4,394	-	-	-	4,394
Exchange differences on translation of foreign operations	-	(848)	-	-	-	-	-	(848)
Total comprehensive income for the period	-	(848)	-	(338)	-	(36,183)	-	(37,369)
Transactions with owners, recorded directly in equity:								
Contributions and distributions								
Issue of ordinary shares	167,004	-	-	-	-	-	-	167,004
Share issue costs, net of tax	(3,805)	-	-	-	-	-	-	(3,805)
Issue of ordinary shares (Employee Performance Rights)	-	-	-	-	-	-	-	-
Issue of Ordinary Shares (Dividend Reinvestment Plan)	18,179	-	-	-	-	(18,179)	-	-
Dividends paid	-	-	-	-	-	-	-	-
Equity-settled share-based payment transactions	-	-	-	-	12,672	-	-	12,672
Change to non-controlling interest	-	-	-	-	-	-	-	-
Total transactions with owners of the Company	181,378	-	-	-	12,672	(18,179)	-	175,871
Restated balance at 31 December 2020	876,291	522	16,608	(9,632)	21,293	(98,147)	(905)	806,030
Restated balance as at 1 January 2021	876,291	522	16,608	(9,632)	21,293	(98,147)	(905)	806,030
Total comprehensive income for the period:								
Loss for the period after income tax	-	-	-	-	-	(10,288)	-	(10,288)
Other comprehensive income:								
Effective portion of changes in fair value of cash flow hedges	-	-	-	3,455	-	-	-	3,455
De-designation of interest rate derivatives to the Consolidated Income Statement, net of tax	-	-	-	2,502	-	-	-	2,502
Exchange differences on translation of foreign operations	-	272	-	-	-	-	-	272
Total comprehensive loss for the period	-	272	-	5,957	-	(10,288)	-	(4,059)
Transactions with owners, recorded directly in equity:								
Contributions and distributions								
Issue of ordinary shares (Employee bonus shares)	10,177	-	-	-	(10,177)	-	-	-
Equity-settled share-based payment transactions	-	-	-	-	673	-	-	673
Total transactions with owners of the Company	10,177	-	-	-	(9,504)	-	-	673
Balance at 31 December 2021	886,468	794	16,608	(3,675)	11,789	(108,435)	(905)	802,644

⁽¹⁾ As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer Note 2 Basis of accounting.

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

Notes to the consolidated financial statements

1. Reporting entity

oOh!media Limited is a company domiciled in Australia. The Company was incorporated on 7 October 2014 and listed on the Australian Securities Exchange (ASX) on 17 December 2014. The Company's registered office and principal place of business is at Level 2, 73 Miller Street, North Sydney, NSW 2060.

The consolidated Annual Financial Statements (Annual Financial Statements) of the Company as at and for the year ended 31 December 2021 comprises the Company and its subsidiaries (together referred to as the Group, and individually as Group entities), and the Group's interests in associates and joint ventures. The comparative information represents the financial position of the Company as at 31 December 2021 and the Group's performance for the period 1 January 2021 to 31 December 2021.

The Group is a for-profit entity and is primarily involved in outdoor media, production and advertising in Australia and New Zealand.

2. Basis of accounting

a) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 (Cth). The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Standards Board (IASB).

These consolidated financial statements were approved and authorised for issue by the Board of Directors on 21 February 2022.

b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following item in the consolidated statement of financial position:

- Derivative financial instruments are measured at fair value

c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency. The Company is of a kind referred to in ASIC Corporations Instrument 2016/191 dated 1 April 2016 and in accordance with the instrument, all financial information presented in Australian dollars has been rounded to the nearest thousand unless otherwise stated.

d) Going concern

The consolidated financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The Group has, as a result of adopting AASB16 in 2019, an excess of current liabilities over current assets totalling \$55,422,000. The Group is generating positive operating cash flows and there is no indication that the Group will not be able to meet its obligations as and when they fall due.

e) Use of judgements and estimates

In preparing these Annual Financial Statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

i. Judgements

Key judgements include the forecast performance of the Group, which at the time of this report has inherent uncertainty. These key judgements relate to the carrying value of the tangible and intangible assets and were made based on the internal and external available information. Should actual performance differ significantly from these assumptions there may be material changes to the carrying value of the assets and liabilities listed above for future reporting periods. Quantified sensitivity impacts of the assumptions with regards to the recoverability of tangible and intangible assets of Cash Generating Units on impairment are included in Note 15 Non-current assets.

ii. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the year ending 31 December 2021 are included in the following notes:

- Note 15 Non-current assets: key assumptions underlying recoverable amounts for impairment testing; and
- Note 18 Loans and borrowings: incremental borrowing rate and lease terms.

iii. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and which reports directly to the Chief Financial Officer.

The finance team reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the Group's Audit, Risk & Compliance Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as much as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included Note 23 Fair values.

f) Changes in accounting policies

The accounting policies adopted in this report have been consistently applied to each entity in the Group and are consistent with those of the previous year, except for revisions to standard AASB 138 discussed below.

g) New standards and interpretations

The Group has adopted all the relevant new, revised, or amended Accounting Standards and interpretations issued by the AASB which are mandatory for the current and comparative reporting period.

IFRIC agenda decision Configuration or Customisation Costs in a Cloud Computing Arrangement (AASB 138 Intangible Assets)

In April 2021, the International Financial Reporting Standards Interpretations Committee (IFRIC) issued a final agenda decision, Configuration or customisation costs in a cloud computing arrangement. The decision provides additional guidance on how to determine whether configuration or customisation expenditure relating to cloud computing arrangements can be recognised as an intangible asset and if not, over what time period the expenditure is recognised in the Income Statement. Where material, the application of this agenda decision could result in the reclassification of Intangible Assets to Prepayments in the Statement of Financial Position or the immediate recognition of an expense in the Consolidated Income Statement.

The Group's accounting policy has historically been to capitalise all costs related to customisation costs for cloud computing arrangements as intangible assets in the Statement of Financial Position. The Group has performed an assessment of its intangible assets as at 1 January 2021 and identified \$664,000 of assets which were capitalised in 2020 which no longer meet the capitalisation threshold. There is no opening retained earnings impact as no capitalised assets were identified prior to 1 January 2020. With the adoption of the above agenda decision the Group has recognised an expense of \$664,000 in the comparative Statement of Comprehensive Income, with an offsetting tax impact of \$199,000. As the asset was not yet in use no adjustment for amortisation was required. The comparative period Statement of Cash Flows has been restated with a \$664,000 increase in Payments to suppliers and employees and a corresponding decrease in Acquisition of intangible assets to reflect the above adjustment.

3. Significant accounting policies

Accounting policies can be found throughout the notes to these financial statements, beneath the appropriate note disclosure. For changes in the accounting policy in the period refer to Note 2(f) Changes in accounting policies.

a) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of oOh!media Limited and the results of subsidiaries. oOh!media Limited and its subsidiaries together are referred to in this Annual Financial Report as 'the Group'.

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

ii. Investments in equity-accounted investees

The Group's interest in equity-accounted investees represents its interest in a joint venture. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. The Group's interest in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

iii. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in that investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

iv. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

b) **Income tax** – refer to Note 10 Income tax

c) **Receivables and revenue recognition** – refer to Note 11 Trade and other receivables and Note 5 Revenue and other income

d) **Plant and equipment** – refer to Note 12 Property, plant and equipment

e) **Right-of-use assets** – refer to Note 13 Right-of-use assets

f) **Intangibles** – refer to Note 14 Intangible assets and goodwill

g) **Inventories** – refer to Note 16 Inventories

h) **Financial instruments** – refer to Note 24 Financial risk management

i) **Leases** – refer to Note 18 Loans and borrowings

j) **Trade and other payables** – refer to Note 19 Trade and other payables

k) **Employee benefits** – refer to Note 9 Share-based payments

l) **Cash and cash equivalents** – refer to Note 30 Reconciliation of cash flows from operating activities

m) **Impairment of assets** – refer to Note 15 Non-current assets

n) **Foreign currency translation** – refer to Note 22 Capital and reserves

i. 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 the statement of comprehensive income.

ii. Foreign operations

The results and financial position of foreign operations (none of which have the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates unless this is not a reasonable approximation of the:
 - Cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions;
 - All resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign operations, and of borrowings and other financial instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, ceases operation or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the statement of comprehensive income, as part of the gain or loss on sale where applicable. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

o) Borrowings – refer to Note 18 Loans and borrowings

p) Finance income and finance costs – refer to Note 8 Net finance costs

q) Maintenance and repairs – refer to Note 12 Property, plant and equipment

r) Provisions – refer to Note 20 Provisions

s) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. Operating cash flows are recognised inclusive of the associated GST. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

t) Share capital – refer to Note 22 Capital and reserves

u) Glossary – refer to glossary of defined terms

4. Operating segments

a) Basis for segmentation

The Group operates as a single segment providing a range of Out-of-Home advertising solutions.

b) Reconciliation of information on reportable segments to IFRS measures

The Board and executive management review the Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) pre AASB16 to monitor business performance because they believe that it provides a better representation of financial performance in the ordinary course of business.

	31 Dec 21 \$'000	Restated ⁽¹⁾ 31 Dec 20 \$'000
Underlying EBITDA pre AASB16 ⁽³⁾	77,553	62,499
Fixed rent obligations ⁽²⁾	158,702	175,439
Underlying EBITDA post AASB16	236,255	237,938
Other income ⁽⁴⁾	4,026	6,829
Non-operating items ⁽⁵⁾	-	(3,621)
Impairment of non-current assets	-	(3,461)
Statutory EBITDA	240,281	237,685
Share of (loss) / profit of equity-accounted investees, net of tax	(90)	(93)
Amortisation	(25,095)	(23,391)
Depreciation	(183,966)	(200,392)
Net finance costs	(46,669)	(58,859)
(Loss) / profit before income tax	(15,539)	(45,050)

⁽¹⁾ As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer Note 2 Basis of accounting.

⁽²⁾ Includes rent of \$148,372,000 excluded from Cost of media sites and production and \$10,330,000 from Other expenses under AASB16. Abatements for fixed rent, due up to 31 December 2021, that qualify for practical expedients relief of \$13,939,000 and \$31,476,000 relating to unconditional abatements accounted for as part of a lease modification, refer Note 6 Government grants and rent concessions.

⁽³⁾ Includes government grants in the prior year, refer Note 6 Government grants and rent concessions.

⁽⁴⁾ Other income includes the compensation recognised for the compulsory acquisition of leased sites and gain on sale of subsidiaries. See Note 5.

⁽⁵⁾ Non-operating items of \$3,621,000 in 2020 consist of: restructuring costs including redundancy payments and programme costs for the integration of the Adshel acquisition.

5. Revenue and other income

Revenue by Product

Key information relating to the Group's financial performance is detailed below. This is also included in management reports reviewed by the Group's Chief Operating Decision Maker (The Board).

	31 Dec 21 \$'000	31 Dec 20 \$'000
Street Furniture and Rail ⁽¹⁾	182,072	148,082
Road	158,477	118,393
Retail	124,995	106,226
Fly	12,243	22,814
Locate	11,839	14,327
Other ⁽²⁾	14,108	16,683
Revenue from continuing operations	503,734	426,525

⁽¹⁾ Street Furniture and Rail revenue includes advertising, production, sale of street furniture, and cleaning and maintenance revenue.

⁽²⁾ Other revenues include subsidiary entities Cactus and Junkee.

	31 Dec 21 \$'000	31 Dec 20 \$'000
Compensation for compulsory acquisition	1,698	2,586
Disposal of subsidiary	2,043	1,252
Gain on lease modification	285	2,991
Other income	4,026	6,829

Other income includes the compensation recognised for the compulsory acquisition of leased sites, gain on sale of subsidiaries and gain on lease modifications.

Accounting policy: Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable, net of the amount of goods and services tax. Revenue from core operating activities consists of Out Of Home advertising revenues. Revenue from Out Of Home advertising is recognised equally on a pro rata basis over the period in which the advertising is on display. Revenue for media production work is recognised on completion of the assignment. Revenue is recognised on a gross basis with commissions payable to advertising and media agencies recognised as expenses in 'Cost of media sites and production'.

In accordance with AASB15, the Group has applied the exemption not to disclose revenue from unfulfilled performance obligations, as performance obligations form part of a contract that has an original term of one year or less.

Contract balances

The timing of revenue recognition, invoicing and cash collections results in accounts receivable, un-invoiced receivables (contract assets), and customer advances (contract liabilities) on the consolidated statement of financial position. Media contracts are billed in accordance with agreed-upon contractual terms, either upfront, at periodic intervals (e.g., lunar period) or upon achievement of contractual milestones. These assets and liabilities are reported on the consolidated statement of financial position on a contract-by-contract basis at the end of each reporting period. Changes in the contract asset and liability balances were not materially impacted by any other factors during the year ended 31 December 2021.

Revenue recognised in 2021 that was included in the contract liability balance at the beginning of the year was \$6,611,000.

6. Government grants and rent concessions

	31 Dec 21 \$'000	31 Dec 20 \$'000
JobKeeper	-	20,258
New Zealand Wage Subsidy	-	497
Total government grants	-	20,755
JobKeeper (for JV)	-	296
Total government grants for JV	-	-
Rent abatements - COVID-19 practical expedient	13,939	54,401
Variable rent	(3,146)	(5,216)
Net rent abatement	10,793	49,185
Net cost reduction	10,793	69,940

⁽¹⁾ Following the IFRC decision under COVID-19 the Group have taken up the practical expedients detailed under AASB 2020-4 Amendments to Australian Accounting Standards – COVID-19 Related Rent Concessions.

JobKeeper (AU)

The JobKeeper payment is a temporary subsidy scheme to support businesses that have been impacted by Coronavirus (COVID-19) and have seen significant reductions of in annual turnover.

In CY2020, oOh!media Operations Pty Limited, oOh!media Street Furniture Pty Limited and oOh!edge each qualified for JobKeeper.

In CY2021, oOh!media Street Furniture Pty Limited qualified for JobKeeper until 31 March 2021. \$1,222,000 recognised in H121 results were repaid to the Australian Tax Office by the Company in December 2021.

The Company also repaid to the Australian Tax Office \$127,000 of the \$20,258,000 recognised in 2020 for employees who on further investigation did not meet all eligibility criteria.

Wage Subsidy (NZ)

The Wage Subsidy was released by the NZ Government to support businesses that have been impacted by Coronavirus (COVID-19) and have seen significant reductions in revenue.

In CY2020, oOh!media Street Furniture New Zealand Limited and oOh!media New Zealand Limited each qualified for the Wage Subsidy.

In CY2021, oOh!media Street Furniture New Zealand Limited and oOh!media New Zealand Limited each qualified for the Wage Subsidy in September 2021. Both entities subsequently repaid these subsidies in December 2021 to the Ministry of Social Development.

Rent abatements – COVID-19 practical expedient

Fixed rent abatements of \$13,939,000 were given for rent that would have normally been due for the period, however the commercial partners have provided rent relief due to the COVID-19 impact, either as a waiver or as a conversion to variable rent.

Deferral of lease payments

\$16,837,000 of fixed rent payments which would have been paid by December 2020 were deferred and paid in 2021 with the agreement of the commercial partners. There are no deferred lease payment liabilities at 31 December 2021.

7. Other expenses

	31 Dec 21	Restated ⁽¹⁾ 30 Dec 20
	\$'000	\$'000
Office expenses	3,618	3,305
Information technology and communications expenses	9,322	10,403
Taxes and charges	1,609	2,521
Insurances	3,433	2,295
Loss on sale of assets	1,007	409
Other expenses	1,194	2,118
Other expenses	20,183	21,051

⁽¹⁾ As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer Note 2 Basis of accounting.

8. Net finance costs

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Finance income	(598)	(331)
Interest expense on bank borrowings	7,022	12,163
Amortisation of debt facility establishment costs	842	4,051
AASB16 interest expense	34,680	37,253
Hedge ineffectiveness	2,221	1,329
De-designation of cash flow hedges	2,502	4,394
Finance Costs	47,267	59,190
Net finance costs	46,669	58,859

Accounting policy: Finance income and finance costs

i) Finance income

Finance income is recognised as income in the period in which it is earned. Finance income includes interest income, which is recognised on a time proportion basis using the effective interest method.

ii) Finance costs

Finance costs are recognised as expenses in the period in which they are incurred using the effective interest method. Finance costs include interest on bank borrowings, finance lease charges, short-term and long-term borrowings and ancillary costs incurred in connection with arrangement of borrowings, and interest expense on lease liabilities recognised on application of AASB16 Leases. Refer to Note 18 Loans and borrowings.

9. Share-based payments

Description of the share-based payment arrangements

As at 31 December 2021 the Group had the following share-based payment arrangements:

Performance rights granted to senior executives that existed during the period are as follows:

	Grant date	Vesting date	Number granted
Tranche #5 ⁽¹⁾	01-Feb-18	15-Feb-21	822,152
Tranche #6a	04-Mar-19	15-Feb-22	1,146,035
Tranche #6b	16-May-19	15-Feb-22	192,940
Tranche #7	30-Nov-20	28-Feb-23	3,453,482
Tranche #8	10-May-21	28-Feb-24	1,344,890
Total performance rights			6,959,499

⁽¹⁾ Tranche 5 did not vest because the performance hurdles were not achieved.

Vesting conditions for the performance rights are as follows:

Tranche #5 - 3 years' service from grant date and (i) 75% of rights subject to EPS achieving EPS hurdle of 10% CAGR and (ii) 25% subject to achieving a Total Shareholder Return (TSR) performance hurdle.

Tranche #6a & #6b - 3 years' service from grant date and (i) 75% of rights subject to EPS achieving 10% CAGR EPS and (ii) 25% subject to achieving a Total Shareholder Return (TSR) performance hurdle.⁽²⁾

Tranche #7 - 3 years' from start of performance period and (i) 1/3 of rights subject to achieving Free Cash Flow (FCF) of 6.33 cents per share of and (ii) 1/3 subject to achieving a Return on Capital (ROC) of 12.9% and 1/3 subject to achieving a Relative TSR Hurdle of at or above 75%.

Tranche #8 - 3 years' from start of performance period and (i) 1/3 of rights subject to achieving 12.7 cents per share Free Cash Flow (FCF) and (ii) 1/3 subject to achieving a 15.3% Return on Invested Capital (ROIC) and 1/3 subject to achieving a 75% CAGR for Relative TSR Hurdle.

⁽²⁾ Relative Total Shareholder return (TSR) over a three-year performance period assessed against the ASX200 index (excluding Financials and Industrials), representing 25% of the award.

Long-term incentive plan - performance rights

Tranche #5 performance rights which were due to vest on 15 February 2021, did not meet the vesting conditions and the LTI program for 2018 shares lapsed.

Tranche #8 was granted in May 2021.

Reconciliation of performance rights

The number of performance rights on issue during the year ended 31 December 2021 are illustrated below:

	Number of rights #	Face Value \$'000
Outstanding at 1 January 2021	5,308,284	10,758
Exercised during the period	-	-
Granted during the period	1,344,890	4,800
Lapsed	(675,320)	(2,803)
Outstanding at 31 December 2021	5,977,854	12,755
Exercisable at 31 December 2021	-	-

The share-based payment expense has been adjusted in 2021 and 2020 to reflect the expectation that vesting conditions for non-market-based hurdles tranches 6a and 6b are not expected to be met.

A net share-based payment expense relating to the performance rights was recorded in the year to 31 December 2021 of \$672,456 (2020: \$1,281,193 expense) and is included in the 'Employee benefits' expense line in the consolidated statement of profit or loss and other comprehensive income.

Measurement of fair values

The fair value of the share-based payment plan was measured based on the Monte Carlo and Binomial models. The inputs used in the measurement of the fair values at grant date were as follows:

Fair value of performance rights and assumptions	Tranche #5	Tranche #6a	Tranche #6b	Tranche #7	Tranche #8
Share price at grant date	\$4.58	\$3.49	\$3.75	\$1.74	\$1.62
5-day VWAP at grant date	\$4.54	\$3.58	\$3.63	\$1.70	-
20-day VWAP at 31 Dec 20	-	-	-	-	\$1.76
Fair value at grant date (EPS hurdle)	\$4.15	\$3.17	\$3.43	-	-
Fair value at grant date (TSR hurdle)	\$2.80	\$1.76	\$2.07	\$0.58	\$1.01
Fair value at grant date (FCF hurdle)	-	-	-	\$1.64	\$1.58
Fair value at grant date (ROC hurdle)	-	-	-	\$1.64	-
Fair value at grant date (ROIC hurdle)	-	-	-	-	\$1.58
Exercise price	Nil	Nil	Nil	Nil	Nil
Expected volatility	33.00%	32.20%	31.50%	60.00%	50.00%
Expected life	3 years	3 years	3 years	3 years	3 years
Expected dividends	3.40%	3.40%	3.40%	1.00%	1.00%
Risk-free interest rate (based on government bonds)	2.13%	1.69%	1.19%	0.11%	0.11%

Accounting policy: Employee benefits

i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term incentive plan - performance rights

In response to the COVID 19 pandemic impact, the Company chose to provide short-term incentives for 2020 in the form of shares instead of cash. The vesting conditions for the shares completed at the period end date and 6,857,593 shares were issued in 2021 under the short-term incentive plan. An expense of \$11,390,742 with a corresponding increase in equity, based on the number of shares expected to be issued at the market price on grant dates of 25 September 2020 and 30 November 2020 were recorded in the prior period.

ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. 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 with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Benefits falling more than 12 months after the end of the reporting period are classified as non-current.

iii) Shared-based payment transactions

The Group currently engages in the practise of allocating its employees long-term equity share-based payments as part of their remuneration packages.

The grant date fair value of long-term share-based payment arrangements granted to employees is recognised as share-based payment expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount is ultimately recognised as an expense for the strategic milestone. Expense related to the TSR are measured on grant and is not subsequently adjusted based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of

withdrawal or to providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value and classified as non-current.

v) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent a cash refund or reduction of future payments is available.

Employee benefits expense includes contributions to defined contribution plans of \$8,498,000 for the current reporting period (2020: \$7,301,000).

10. Income tax

a) Tax recognised in profit or loss

	31 Dec 21 \$'000	Restated ⁽¹⁾ 31 Dec 20 \$'000
Current tax expense		
Current tax expense	10,637	3,382
Adjustment for prior periods	(520)	100
Total current tax expense	10,117	3,482
Deferred tax (benefit)/expense		
Origination and reversal of temporary difference	(15,368)	(12,349)
Total deferred tax (benefit)/expense	(15,368)	(12,349)
Total income tax (benefit)/expense	(5,251)	(8,867)

Tax recognised in other comprehensive income (OCI)

	2021			2020		
	Before tax \$'000	Tax (expense)/ benefit \$'000	Net of tax \$'000	Before tax \$'000	Tax (expense)/ benefit \$'000	Net of tax \$'000
Changes in fair value of cash flow hedges	(8,510)	2,553	(5,957)	(482)	144	(338)

Reconciliation between income tax expense and pre-tax profit

	31 Dec 21 \$'000	Restated ⁽¹⁾ 31 Dec 20 \$'000
(Loss)/profit after income tax for the year	(10,288)	(36,183)
Total income tax (benefit)/expense	(5,251)	(8,867)
(Loss)/profit before income tax	(15,539)	(45,050)
Tax using the Company's domestic tax rate 30% (2020: 30%)	(4,662)	(13,515)
Effect of tax rate in foreign jurisdictions	(143)	(130)
Non-deductible expenses	628	4,650
Non-assessable income	(579)	-
Effect of share of loss / (profit) of equity accounted investees	25	28
(Over)/Under provided in prior years	(520)	100
Total income tax (benefit)/expense	(5,251)	(8,867)

The effective tax rate is calculated as company income tax expense divided by profit before income tax, adjusted for post-tax share of results of equity-accounted investees.

	31 Dec 21 \$'000	Restated ⁽¹⁾ 31 Dec 20 \$'000
(Loss)/profit from ordinary activities before income tax	(15,539)	(45,050)
Add/(less): Post-tax share of results of equity-accounted investees	90	93
(Loss)/profit before income tax	(15,449)	(44,957)
Income tax (benefit)/expense	(5,251)	(8,867)
Total income tax (benefit)/expense	34.0%	19.7%

b) Recognised deferred tax assets and liabilities

	2021				Balance 31-Dec-21 \$'000
	Balance 1-Jan-21 \$'000	Recognised in profit or loss \$'000	Recognised in Equity ⁽²⁾ \$'000	Recognised in OCI \$'000	
Plant, property and equipment	(1,701)	5,248	(1,153)		2,394
Right-of-use asset	(217,113)	880			(216,233)
Transaction costs related to acquisitions and equity raising	387	(387)			-
Cash flow hedges	5,500	(1,417)		(2,553)	1,530
Other capital costs deductible over 5 years	3,101	(856)			2,245
Accrued expenses	911	3,184			4,095
Provisions	5,186	(85)			5,101
Employee benefits provision	3,048	123			3,171
Licences acquired	(43,789)	4,542	(1,326)		(40,573)
Other intangibles	(3,279)	81			(3,198)
Unearned revenue	278	(155)			123
Leases	229,053	3,819			232,872
Other	305	391			696
Total tax assets/(liabilities)	(18,113)	15,368	(2,479)	(2,553)	(7,777)

	2020				Restated ⁽¹⁾ Balance 31-Dec-20 \$'000
	Balance 1-Jan-20 \$'000	Restated ⁽¹⁾ Recognised in profit or loss \$'000	Recognised in Equity \$'000	Recognised in OCI \$'000	
Plant, property and equipment	(3,512)	1,811			(1,701)
Right-of-use asset	(238,425)	21,312			(217,113)
Transaction costs related to acquisitions and equity raising	1,133	(746)			387
Cash flow hedges	4,153	1,203		144	5,500
Other capital costs deductible over 5 years	2,263	(795)	1,633		3,101
Accrued expenses	1,145	(234)			911
Provisions	4,994	192			5,186
Employee benefits provision	3,197	(149)			3,048
Licences acquired	(49,369)	5,580			(43,789)
Other intangibles	(3,822)	543			(3,279)
Unearned revenue	852	(574)			278
Leases	245,062	(16,009)			229,053
Other	90	215			305
Total tax assets/(liabilities)	(32,239)	12,349	1,633	144	(18,113)

	31 Dec 21 \$'000	Restated ⁽¹⁾ 31 Dec 20 \$'000
Deferred tax assets	-	-
Deferred tax liabilities	(7,777)	(18,113)
Net deferred tax liability	(7,777)	(18,113)

⁽¹⁾ As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer Note 2 Basis of accounting.

⁽²⁾ During 2021 the Group has reassessed the carrying value of some of the Australian Plant and Equipment assets acquired as part of the Adshel acquisition in 2018, with a corresponding adjustment to Licences, Goodwill and Tax – See Note 12 Property plant and equipment.

Accounting policy: Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or in other comprehensive income (OCI).

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

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 tax rates which are enacted or substantially enacted for 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 temporary differences will not reverse in the foreseeable future.

With regards to measuring deferred tax consequences on licences and brands, management considers the tax consequences of recovery through use and then disposal separately. Under this approach the tax base from use (nil as the licences and brands are not depreciable for tax) is considered separate from the tax base from disposal (capital gains tax value). This results in a taxable temporary difference (deferred tax liability) on revenue account and a deductible temporary difference (deferred tax asset) on capital account. As it is not currently probable that future capital gains will be made, the deferred tax asset has not been recognised.

Tax consolidation legislation

oOh!media Limited and its wholly owned Australian controlled subsidiaries apply the tax consolidation legislation.

The deferred tax balances recognised by the parent entity and the consolidated entity in relation to wholly owned entities joining the tax consolidated group are initially measured and remeasured based on the carrying amounts of the assets and liabilities of those entities at the level of the tax consolidated group and their tax values, as applicable under the tax consolidation legislation.

oOh!media Limited, as the head entity in the tax consolidated group, recognises current and deferred tax amounts relating to transactions, events and balances of the controlled entities in this group as if those transactions, events and balances were its own, in addition to the current and deferred tax amounts arising in relation to its own transactions, events and balances. Amounts receivable or payable under a tax sharing agreement with the tax consolidated entities are recognised as tax-related amounts receivable or payable. Expenses and revenues arising under the tax sharing agreement are recognised as a component of income tax (expense)/benefit.

In accordance with Urgent Issues Group Interpretation 1052 "Tax Consolidation Accounting", the controlled entities in the tax consolidated group account for their own deferred tax balances, except for those relating to tax losses.

11. Trade and other receivables

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Trade receivables	99,797	85,577
Allowance for impairment of receivables	(1,145)	(1,025)
	98,652	84,552
Other receivables	1,175	928
Total trade and other receivables	99,827	85,480

In December 2021 oOh! sold Junkee Media Pty Ltd to Racat 3 Pty Ltd. The sale proceeds included \$485,000 in contingent consideration, which is contingent on the purchaser recovering the full balance of trade receivables outstanding at the date of sale.

Information on the Group's exposure to credit and market risks and impairment losses for trade and other receivables are included in Note 24 Financial risk management.

Accounting policy: Trade receivables

All trade debtors are recognised at the amount receivable as they are due for settlement no more than 45 days from the date of recognition. Recoverability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is calculated using an expected credit losses provision matrix. The provision matrix is based on the Group's historical observed default rates, adjusted for forward looking estimates. The historical observed default rates are updated to reflect current and forecast credit conditions on each reporting date. Provisions for specific receivables are recognised in addition to the general provision originating from the expected credit losses matrix.

The amount of the provision is recognised in the consolidated statement of financial position with a corresponding charge recognised in the consolidated statement of profit or loss and other comprehensive income.

12. Property, plant and equipment

Reconciliation of carrying amount

	2021		
	Leasehold improvements	Plant & equipment	Total
	\$'000	\$'000	\$'000
Cost			
Balance as at 1 January 2021	11,440	391,547	402,987
Additions	1,299	10,958	12,257
Disposals	(18)	(1,402)	(1,420)
Reclassification	30	1,079	1,109
Adjustments	-	(19,091)	(19,091)
Effects of movement in exchange rates	2	354	356
As at December 2021	12,753	383,445	396,198
Accumulated depreciation			
Balance as at 1 January 2021	(7,967)	(180,815)	(188,782)
Depreciation for the year	(1,032)	(42,809)	(43,841)
Disposals	11	71	82
Reclassification	-	-	-
Adjustments	4	4,908	4,912
Effects of movements in exchange rates	(1)	(142)	(143)
As at December 2021	(8,985)	(218,787)	(227,772)
Carrying amount at 31 December 2021	3,768	164,658	168,426
	2020		
	Leasehold improvements	Plant & equipment	Total
	\$'000	\$'000	\$'000
Cost			
Balance as at 1 January 2020	10,017	385,991	396,008
Additions	1,851	11,176	13,027
Disposals	-	(2,764)	(2,764)
Reclassification	2	(3,073)	(3,071)
Adjustments	(430)	217	(213)
Effects of movement in exchange rates	-	-	-
As at December 2020	11,440	391,547	402,987
Accumulated depreciation			
Balance as at 1 January 2020	(6,759)	(140,978)	(147,737)
Depreciation for the year	(1,754)	(40,512)	(42,266)
Disposals	95	1,021	1,116
Reclassification	451	(256)	195
Adjustments	-	(90)	(90)
Effects of movements in exchange rates	-	-	-
As at December 2020	(7,967)	(180,815)	(188,782)
Carrying amount at 31 December 2020	3,473	210,732	214,205

During 2021 the Group reassessed the carrying value of some of the Australian Plant and Equipment assets acquired as part of the Adshel acquisition in 2018, with a corresponding adjustment to Licences, Goodwill and Tax:

	01-Jan-21 \$'000
Plant and Equipment	(14,485)
Licences	4,421
Goodwill	12,544
Income tax payable	(616)
Deferred tax liability	(1,864)
Total	-

Accounting policy: Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. 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 statement of comprehensive income during the financial period in which they are incurred.

Within the Group, depreciation is calculated on a straight-line basis to write-off the cost of each item of plant and equipment over its estimated remaining useful life (less the estimated residual value). Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

- Leasehold improvements 2-10 years; and
- Plant and equipment 2-20 years.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the statement of comprehensive income.

Accounting policy: Maintenance and repairs

Certain plant and equipment are required to be overhauled on a regular basis. This is managed as part of an ongoing major cyclical maintenance program. The costs of this maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated over their useful lives. Other routine operating maintenance, repair costs and minor renewals are charged as expenses as incurred.

13. Right-of-use assets

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Cost		
Balance as at 1 January	727,243	807,608
Depreciation for the year	(140,125)	(158,127)
Additions, modifications and remeasurements	142,750	145,119
Disposals	(4,371)	(13,861)
Covid-19 related lease modification ⁽¹⁾	(1,635)	(53,496)
As at 31 December	723,862	727,243

⁽¹⁾ Due to Covid-19 a number of leases moved from a fixed to variable rent in 2020 and 2021.

Accounting policy: Right-of-use - intangible assets

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. The right-of-use assets are depreciated over the lease term using the straight-line method.

Lease modification is a change in the scope of a lease, or the consideration for a lease, that was not part of its original terms and conditions. Common lease modifications include, for example: increasing the scope of the lease by adding the right to use one or more underlying assets; decreasing the scope of the lease by removing the right to use one or more underlying assets or shortening the contractual lease term; increasing the scope of the lease by extending the contractual lease term; and changing the consideration in the lease by increasing or decreasing the lease payments. Changes that result from renegotiations and changes to the terms of the original contract are lease modifications.

When the right to use one or more underlying assets is removed, a corresponding adjustment is made to decrease the carrying amount of the right-of-use asset to reflect the lease. The Group shall then recognise in profit or loss (if any) relating to the termination of the lease and making corresponding adjustments to the lease liabilities.

14. Intangible assets and goodwill

Reconciliation of carrying amount

	2021				
	Brands \$'000	Goodwill \$'000	Licences \$'000	Software \$'000	Total \$'000
Cost					
Balance as at 1 January 2021	9,783	601,818	256,506	41,885	909,992
Additions	-	-	-	2,440	2,440
Disposals	(796)	-	(3,194)	(463)	(4,453)
Reclassification	-	-	-	(1,109)	(1,109)
Adjustments	13	12,544	5,382	(381)	17,558
Effects of movement in exchange rates	-	-	80	3	83
As at December 2021	9,000	614,362	258,774	42,375	924,511
Accumulated depreciation					
Balance as at 1 January 2021	(6,149)	(7,179)	(107,271)	(14,898)	(135,497)
Depreciation for the year	(598)	-	(20,159)	(4,338)	(25,095)
Disposals	796	-	3,194	463	4,453
Reclassification	-	-	-	-	-
Adjustments	-	-	(1,148)	109	(1,039)
Effects of movements in exchange rates	-	-	(25)	-	(25)
As at December 2021	(5,951)	(7,179)	(125,409)	(18,664)	(157,203)
Carrying amount at 31 December 2021	3,049	607,183	133,365	23,711	767,308
2020⁽¹⁾					
	Brands \$'000	Goodwill \$'000	Licences \$'000	Software \$'000	Total \$'000
Cost					
Balance as at 1 January 2020	9,783	601,818	254,647	38,645	904,893
Additions	-	-	500	2,184	2,684
Disposals	-	-	-	-	-
Reclassification	-	-	2,015	1,056	3,071
Effects of movement in exchange rates	-	-	(656)	-	(656)
As at December 2020	9,783	601,818	256,506	41,885	909,992
Accumulated depreciation					
Balance as at 1 January 2020	(5,599)	(6,138)	(87,008)	(11,252)	(109,997)
Depreciation for the year	(550)	-	(19,390)	(3,451)	(23,391)
Disposals	-	-	-	-	-
Reclassification	-	-	-	(195)	(195)
Impairment	-	(1,041)	(306)	-	(1,347)
Effects of movements in exchange rates	-	-	(567)	-	(567)
As at December 2020	(6,149)	(7,179)	(107,271)	(14,898)	(135,497)
Carrying amount at 31 December 2020	3,634	594,639	149,235	26,987	774,495

⁽¹⁾ As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for SAAS. Refer Note 2.

During 2021 the Group has reassessed the carrying value of some of the Australian Plant and Equipment assets acquired as part of the Adshel acquisition in 2018, with a corresponding adjustment to Licences, Goodwill and Tax – See Note 12 Property plant and equipment.

Accounting policy: Intangible assets

i) Goodwill

Goodwill represents the excess of the purchase consideration plus incidental costs over the fair value of the identifiable net assets acquired. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually, or more frequently, if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Goodwill is allocated to cash generating units for impairment testing. Refer to Note 15 Non-current assets for further information.

ii) Licences

Licences represent the rights and relationships associated with acquired site leases and the associated new business revenue streams. Licences are amortised over their expected useful life.

iii) Software

Software that is acquired by the Group and has a finite useful life is measured at cost less accumulated amortisation and any accumulated impairment losses.

iv) Amortisation

Amortisation is calculated to write-off the cost of intangible assets less estimated residual values using the straight-line method over their estimated useful lives and is recognised in the consolidated statement of profit or loss and comprehensive income. The estimated useful lives are as follows:

- Licences 11-15 years;
- Brands 2-15 years; and
- Software 3-7 years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

15. Non-current assets

Cash generating units (CGUs) for the purpose of goodwill impairment testing have been identified as follows for the year ended 31 December 2021: Australia, New Zealand and Cactus.

Goodwill is allocated to CGUs as shown below:

	Australia \$'000	Cactus \$'000	New Zealand \$'000	Total \$'000
Goodwill	527,389	2,917	76,877	607,183

The Company has assessed the recoverable value of groups of CGUs to which goodwill attaches and for individual CGUs with tangible and intangible assets excluding goodwill.

The recoverable amount of the goodwill allocated to the Group's CGUs was based on fair value less costs to sell. This was determined by discounting the future cash flows expected to be generated from the continuing use of the units, less the notional cost of disposing of the assets.

For the year ended 31 December 2021, the carrying value of assets allocated to each CGU is supported by their recoverable amount and no impairment loss was recorded.

The key assumptions of the impairment testing are:

- Annual earnings before interest, tax, depreciation and amortisation less fixed rent obligations (EBITDA less fixed rent obligations) based on the latest management forecast for next twelve months, plus normalised compound annual growth rates from 2022 to 2026 for Australia of 12.8%, New Zealand of 6.2%, and 5.2% for Cactus. The growth rates 2022 to 2026 of EBITDA less fixed rent obligations reflect revenue recovery to pre COVID levels in the short term and an average of mid-single digit revenue growth thereafter, and the fixed cost operating leverage in the Group which results in EBITDA less fixed rent obligations growing at a faster rate than revenue.
- Terminal growth rate: Australia and New Zealand 3.0%, and Cactus 2.0%
- Discount rate post-tax (unchanged from 2020): Australia 9.80%, New Zealand 11.60%, and Cactus 11.80%

The values assigned to the key assumptions represent management's assessment of future trends in the media industry and are based on historical and projection data from both external and internal sources. These assessments include assumptions for revenue recovery following COVID, as well as renewal of licence agreements and the corresponding changes in projected cash flow from revenue, rent, and investment in capital expenditure.

Sensitivity analysis undertaken on the assumptions modelled if there were a change in the assumptions by the magnitudes indicate the below:

- Australia CGU: an impairment loss if there was a decrease in the 2021-26 revenue CAGR below 1.0%, all other assumptions held constant
- Australia CGU: no impairment loss would result if there was a decrease in the terminal growth rate from year 5 by 100bp to 2.0%, nor an impairment if there was an increase in the discount rate by 70bp to 10.5%, all other assumptions held constant

- iii. NZ CGU: an impairment loss if there was a decrease in the 2021-26 revenue CAGR below 2.3%, all other assumptions held constant
- iv. NZ CGU: no impairment loss would result if there was a decrease in the terminal growth rate from year 7 by 100bp to 2.0%, nor an impairment if there was an increase in the discount rate by 70bp to 12.3%, all other assumptions held constant

Cactus CGU: no impairment loss would result if there was a decrease in the terminal growth rate from year 5 by 100bp to 1.0%, nor an impairment if there was an increase in the discount rate by 90bp to 12.7

Accounting policy: Impairment of assets

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Fair value less costs of disposal is based on the estimated future cash flows, discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

The carrying value of assets allocated to each CGU is supported by their recoverable amount.

16. Inventories

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Gross value of inventories	5,801	4,024
Provision for obsolescent stock	(795)	(552)
Net value of inventories	5,006	3,472

Accounting policy: Inventories

Inventories are measured at the lower of original cost and replacement cost. The cost of inventories are based on first in first out methodology.

17. Other assets

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Current		
Prepayments	7,386	7,186
Contract assets	19,160	10,262
Other assets	332	5,751
Total current other assets	26,878	23,199
Non-current		
Other assets	1,110	-
Total non-current other assets	1,110	-
Total other assets	27,988	23,199

18. Loans and borrowings

	31 Dec 21 \$'000	31 Dec 20 \$'000
Current		
Interest bearing lease liabilities	178,568	159,424
Total current borrowings	178,568	159,424
Non-current		
Bank loan	125,000	195,000
Unamortised borrowing costs	(1,430)	(3,723)
Interest bearing lease liabilities	649,603	645,127
Total non-current borrowings	773,173	836,404
Total loans and borrowings	951,741	995,828

Bank loans represent debt facilities from a syndicate of lending banks, with a facility limit of \$350,000,000. The banking syndicate has security over the assets of the Company and its Subsidiaries. The debt facilities expire in December 2023.

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in Note 24 Financial risk management.

Accounting Policy: Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Lease liabilities

	31 Dec 21 \$'000	31 Dec 20 \$'000
Within one year	155,580	142,538
Later than one year but not later than five years	429,292	452,125
Later than five years	369,643	366,912
Total undiscounted lease liabilities at 31 December ⁽¹⁾	954,515	961,575
Lease liabilities included in the statement of financial position at 31 December	828,171	804,551
Current	178,568	159,424
Non-current	649,603	645,127

⁽¹⁾ Lease terms range from 1 to 23 years. The weighted average incremental borrowing rate applied is 4.9%.

Variable rent payments not included in the measurement of the lease liabilities listed above was \$26,413,000 for the year ended 31 December 2021.

Accounting policy: Interest bearing lease liabilities

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The lease liability is initially measured at the present value of the lease payments at the commencement date, discounted using the Group's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability (recognised in Finance costs on the income statement) and decreased by lease payments made.

Lease modification is a change in the scope of a lease, or the consideration for a lease, that was not part of its original terms and conditions. Common lease modifications include, for example: increasing the scope of the lease by adding the right to use one or more underlying assets; decreasing the scope of the lease by removing the right to use one or more underlying assets or shortening

the contractual lease term; increasing the scope of the lease by extending the contractual lease term; and changing the consideration in the lease by increasing or decreasing the lease payments. Changes that result from renegotiations and changes to the terms of the original contract are lease modifications. Changes in the assessment of whether an extension option is reasonably certain to be exercised is a lease modification and the Group has applied judgement to determine whether it is reasonably certain to exercise an extension option.

When the right to use one or more underlying assets is removed, a corresponding adjustment is made to decrease the carrying amount of the lease liabilities to reflect the lease modification. The Group shall then recognise in profit or loss (if any) relating to the termination of the lease and making corresponding adjustments to the right-of-use asset.

19. Trade and other payables

	31 Dec 21 \$'000	31 Dec 20 \$'000
Trade payables	6,039	3,308
Accrued expenses	31,974	28,383
Contract liability	7,936	6,611
Other payables	4,192	4,294
Total trade and other payables	50,141	42,596

Information about the Group's exposure to currency and liquidity risks is included in Note 24 Financial risk management.

Accounting policy: Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Contract liabilities are recognised within trade payables where invoices are issued in advance of the period in which the revenue is earned.

20. Provisions

Provisions	Make good \$'000	Other \$'000	Total \$'000
2021			
Balance as at 1 January 2021	15,686	-	15,686
Provisions used during the year	(2,089)	(430)	(2,519)
Provisions made during the year	1,351	736	2,087
Provisions released during the year	-	-	-
Effects of movement in exchange rates	4	-	4
As at 31 December 2021	14,952	306	15,258
Current provisions	934	306	1,240
Non-current provisions	14,018	-	14,018
As at 31 December	14,952	306	15,258
2020			
Current provisions	828	-	828
Non-current provisions	14,858	-	14,858
As at 31 December	15,686	-	15,686

Accounting policy: Make good provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

A make good provision is recognised for the costs of restoration or removal in relation to plant and equipment and site leases where there is a legal or constructive obligation. The provision is initially recorded when a reliable estimate can be determined and discounted to present value. The unwinding of the effect of discounting on the provision is recognised as a finance cost. At the time of initial recognition of the make good provision, a corresponding asset is recognised as part of plant and equipment.

21. Derivative liabilities

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Interest rate derivative liability	5,102	18,335
Total derivative liabilities	5,102	18,335

Information about the fair value of derivative instruments is included in Note 23 Fair values.

22. Capital and reserves

a) Contributed equity

	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	number	number	\$'000	\$'000
Opening balance as at 1 January	591,788,280	242,385,958	876,291	694,913
Employee bonus shares	6,857,593	-	10,177	-
Dividend reinvestment plan	-	34,300,577	-	18,179
Capital raising - shares issued	-	315,101,745	-	163,199
Issued and paid up share capital	598,645,873	591,788,280	886,468	876,291
Weighted average number of shares	597,345,945	507,634,096		

Ordinary shares

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. The holders of these shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

b) Reserves

Nature and purpose of reserves

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Foreign currency translation reserve	794	522
Other equity reserve	16,608	16,608
Cash flow hedge reserve	(3,675)	(9,632)
Share based payment reserve	11,789	21,293
Total reserves	25,516	28,791

Foreign currency translation reserve - The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations in New Zealand. Refer to Note 3(n) Significant accounting policies.

Other equity reserve - The other equity reserve mostly represents the difference between the issued capital in Outdoor Media Investments Limited (OMI) and the consideration paid to acquire OMI on 18 December 2014. The transaction was accounted for as a common control transaction as disclosed in the annual financial statements for the year ended 31 December 2014. The other equity reserve reflects the share price movements for former OMI owners who remained as oOh!media Limited (OML) owners.

Cash flow hedge reserve - The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss. Refer to Note 23 Fair values.

Share-based payments reserve - The share-based payments reserve is used to record the value of share-based payments provided to employees as part of their remuneration and the expense relating to cancelled shares under the legacy share-based payments plan. The current balance relates to unexercised rights issued to senior executives and managers. This includes the short-term incentive at 31 December 2021. A portion of this reserve may be reversed against contributed equity if the underlying rights are exercised and results in shares being issued.

c) Non-controlling interest (NCI)

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Non controlling interest		
Balance at 1 January	(905)	(905)
Share of operating profit/(loss) for the period after income tax	-	-
Balance at 31 December	(905)	(905)

d) Equity - dividends

	Amount per share cents	Total value (\$)
<u>Dividends paid during 2021</u>		
Final 2020 dividend	-	-
Interim 2021 dividend	-	-
Total reserves		-
<u>Dividends paid during 2020</u>		
Final 2019 dividend (paid 3 April 2020)	7.5	18,178,958
Interim 2020 dividend	-	-
Total reserves		18,178,958

After the reporting date, a final dividend of 1.0 cents per qualifying ordinary share amounting to \$5,986,000 has been declared by the Board of directors. The dividends have not been recognised as liabilities and there are no tax consequences in 2021.

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Adjusted franking account balance	49,576	42,866
Impact on franking account balance of dividends proposed after the reporting date but not recognised as a liability	(2,566)	-
Franking credits available to shareholders of the Company for subsequent financial years based on a tax rate of 30%	47,010	42,866

The ability to utilise franking credits is dependent upon the ability to declare dividends. In accordance with the tax consolidation legislation, the Company, as the head entity in the tax-consolidated group, has assumed the benefit of the \$47,010,000 (2020: \$42,866,000) franking credits.

e) Capital management policy

The Board's policy is to retain a strong capital base relative to normal trading conditions including media advertising industry cycles to maintain investor and creditor confidence and to sustain future development of the business. Capital consists of share capital, retained earnings and the non-controlling interest of the Group.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a capital position. To address the uncertainty for near term revenues resulting from such government measures the Company is operating at historically low net debt and gearing levels, and in the most affected environments of Fly and Rail, receives fixed rent abatements under agreements with those concession partners.

Accounting policy: Share capital

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with AASB112 Income Taxes.

23. Fair values

Accounting classifications and fair values

a) Fair values vs carrying amounts

The fair values of financial assets and liabilities equals the carrying amounts shown in the statement of financial position, with the exception of interest rate derivatives. The fair value of interest rate derivatives is determined as the present value of future contracted cash flows and credit adjustments.

b) Interest rates used for determining fair value

The interest rates used to discount estimated cash flows, where applicable, are based on the government yield curve at the end of the reporting period plus an appropriate credit spread, and were as follows:

	31 Dec 21	31 Dec 20
Interest rate derivatives	1.8% - 2.8%	1.8% - 2.8%
Bank loan	2.01% - 2.885%	1.49% - 2.865%
Leases	2.45% - 5.09%	1.60% - 7.26%

c) Fair values hierarchy

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below analyses financial instruments carried at fair value, by the levels in the fair value hierarchy. The different levels have been defined as below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Consolidated	31 Dec 21			31 Dec 20		
	Carrying value \$'000	Level 2 \$'000	Level 3 \$'000	Carrying value \$'000	Level 2 \$'000	Level 3 \$'000
Financial liabilities measured at fair value						
Interest rate derivatives	(5,102)	(5,102)	-	(18,335)	(18,335)	-
Interest rate derivatives (liability)/asset	(5,102)	(5,102)	-	(18,335)	(18,335)	-

d) Valuation techniques

The fair value of Level 2 interest rate derivatives is determined as the present value of future contracted cash flows and credit adjustments. Cash flows are discounted using standard valuation techniques at the applicable market yield, having regard to the timing of the cash flows.

In accordance with AASB9 – Financial Instruments, there has been a rebalancing of the interest rate derivative (hedging instrument). During the year oOh!media made debt repayments on the hedged item in March and December 2021 totaling \$70,000,000.

In July 2021, oOh!media Ltd terminated 50%, or \$50,000,000, of an interest rate derivative, and \$2,435,000 was paid in settlement. In October 2021 an \$80,000,000 interest rate derivative matured. As a result, \$125,000,000 of the hedging instrument remains effective, with \$25,000,000 designated as ineffective.

24. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall 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 derivative financial instruments such as interest rate swaps to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e., not as trading or other speculative instruments. 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 rates, foreign exchange and other price risks and aging analysis for credit risk.

(a) Credit risk

Credit risk is the financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

i) Management of credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks, as well as credit exposures to agency and direct clients, including outstanding receivables and committed transactions. The interest rate derivative financial instruments are contracted with credit worthy counterparties that are large banks, primarily members of the Group's syndicated debt facility.

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of media and services are made to customers with appropriate credit histories based on enquires through the Group's credit department. Ongoing customer credit performance is monitored on a regular basis.

Under the Company's leasing arrangements financial guarantees are given to certain parties. Such guarantees are provided under the Group's banking facilities.

ii) Cash and cash equivalents

The Group held cash and cash equivalents of \$60,048,000 at 31 December 2021 (31 December 2020: \$80,042,000). The cash and cash equivalents are held with credit worthy counterparties that are large banks, primarily members of the Group's syndicated debt facility.

Interest rate derivatives are subject to credit risk in relation to the relevant counterparties, which are large banks and members of the Group's syndicated debt facility. The credit risk on derivative contracts is limited to the net amount to be received from counterparties on contracts that are favourable to the consolidated entity.

iii) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Cash and cash equivalents	60,048	80,042
Trade receivables	98,652	84,552
Contract assets	19,160	10,262
Other receivables	1,175	928
Total financial assets	179,035	175,784

iv) Receivables

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

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Neither past due nor impaired	94,521	79,646
Past due 0-30 days	1,510	3,456
Past due 31-60 days	702	738
Past due 61-90 days	416	70
Past due 91+ days	1,503	642
Trade receivables	98,652	84,552

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Balance at 1 January	1,025	1,449
Impairment loss recognised	745	47
Amounts written off	(625)	(471)
Balance at 31 December	1,145	1,025

Other than those receivables specifically considered in the above allowance for impairment, the Group does not believe there is a material credit quality issue with the remaining trade receivables balance

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure that, as far as possible, it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

i) Management of liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

ii) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting date:

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Revolving facility including bank guarantees	191,324	111,426

iii) Maturities of financial liabilities

The table below analyses the Group's financial liabilities, net and gross settled derivative financial instruments in relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. For interest rate derivatives, the cash flows have been estimated using forward interest rates applicable at the reporting date.

	2021			
	Carrying amount \$'000	Contractual cash flows \$'000	12 months or less \$'000	Greater than 1 year \$'000
<u>Non-derivatives</u>				
Bank debt	125,000	(134,346)	(4,673)	(129,673)
Lease liabilities	828,171	(954,515)	(155,580)	(798,935)
Trade and other payables	50,141	(50,141)	(50,141)	-
Total non-derivatives	1,003,312	(1,139,002)	(210,394)	(928,608)
<u>Derivatives</u>				
Interest rate derivatives used for hedging	(5,102)	5,915	4,079	1,836
	2020			
	Carrying amount \$'000	Contractual cash flows \$'000	12 months or less \$'000	Greater than 1 year \$'000
<u>Non-derivatives</u>				
Bank debt	195,000	(218,594)	(7,865)	(210,729)
Lease liabilities	804,551	(961,575)	(142,538)	(819,037)
Trade and other payables	42,596	(42,596)	(42,596)	-
Total non-derivatives	1,042,147	(1,222,765)	(192,999)	(1,029,766)
<u>Derivatives</u>				
Interest rate derivatives used for hedging	(18,335)	19,879	6,156	13,723

The Group's banking facilities loan agreement includes a change of control clause that triggers a review in the event of a change of control. The banking syndicate could cancel the facility as a result of such review. As at 31 December 2021 balance date, no change of control event is anticipated and therefore the bank debt is assessed as non-current in line with the existing maturity dates of the facility.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

I. Management of currency risk

The Group operates in New Zealand and therefore is exposed to foreign exchange transaction risks with respect to the New Zealand dollar. Foreign exchange transaction risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency and through net investments in foreign operations. The risk is measured using cash flow forecasting. The Group has an accounting exposure to movements in the AUD/NZD exchange rate in consolidating the NZD net assets of oOh!media Street Furniture New Zealand, and its subsidiaries at each balance date. Any such movements are booked to the Group's foreign currency translation reserve (FCTR).

Based on the exposure, the Group has not deemed it necessary to hedge this exposure in the period or the prior period.

II. Interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable interest rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group's interest rate policy is to fix estimated interest rate risk exposure at a minimum of 50% for a period of at least 12 months or as otherwise determined by the Board.

The Group manages its cash flow interest rate risk by using floating to fixed interest rate derivatives. Such interest rate derivatives have the economic effect of converting borrowings from floating rates to fixed rates. Generally, the Group raises long-term borrowings at floating rates and hedges them into fixed rates using a mixture of swaps and options. Under the interest rate derivatives, the Group agrees with other parties to exchange, monthly or quarterly, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group was as follows:

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Fixed rate instruments		
Financial liabilities	828,171	804,551
Variable rate instruments		
Financial assets	60,048	80,042
Financial liabilities	125,000	195,000

Cash flow hedges

The amounts at the reporting date relating to items designated as hedged items were as follows:

	Change in value used for calculating hedge ineffectiveness \$'000
Interest rate risk	
Variable rate instruments	13,233

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

	31-Dec-21			During the period - 2021	
	Carrying amount			Changes in the value of the hedging instrument recognised in the OCI	Hedge ineffectiveness recognised in profit and loss
	Nominal amount	Assets	Liabilities		
	\$'000	\$'000	\$'000	\$'000	\$'000
Interest rate derivatives	125,000	-	5,102	(8,510)	(4,723)

III. Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables and foreign currency rates remain constant. The analysis was performed on the same basis as 2020.

		2021			
		Profit or loss		Equity	
		100 BP increase	100 BP decrease	100 BP increase	100 BP decrease
		\$'000	\$'000	\$'000	\$'000
Variable rate instruments		(1,250)	1,250	(1,250)	1,250
Interest rate derivatives				1,500	(1,500)
Cash flow sensitivity (net)		(1,250)	1,250	250	(250)
		2020			
		Profit or loss		Equity	
		100 BP increase	100 BP decrease	100 BP increase	100 BP decrease
		\$'000	\$'000	\$'000	\$'000
Variable rate instruments		(1,950)	1,950	(1,950)	1,950
Interest rate derivatives				(1,700)	1,700
Cash flow sensitivity (net)		(1,950)	1,950	(3,650)	3,650

Accounting policy: Financial instruments

(a) Initial recognition and measurement

Trade receivables and debt securities are initially recognised when they are originated. Other financial assets/liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Trade receivables are initially measured at the transaction price. Financial assets / liabilities are initially measured at fair value (together with any transaction costs which are directly attributable to the acquisition of the asset, or cost of the liability).

Classification and subsequent remeasurement

Three principal classification categories for financial assets exist:

- i) measured through amortised cost;
- ii) fair value through other comprehensive income (FVOCI); and
- iii) fair value to the consolidated statement of profit or loss (FVTPL).

Financial assets are classified according to the business model in which the asset is managed and according to its contractual cash flow characteristics. They will not subsequently be reclassified unless the Group changes its business model for managing financial assets. If the business model changes, all financial assets would be reclassified on the first day of the reporting period after which the change took place.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and contractual terms give rise to cash flows of principal and interest on specific dates. When assessing whether cash flows represent solely principal and interest, the Group considers factors which may affect the timing and amount of the cash flows, such as contingent events, contractual terms and prepayment or extensions features.

All derivative financial assets are measured as FVTPL. At inception, the Group may also irrevocably designate that a financial asset be measured as FVTPL, even though it would otherwise be measured as amortised cost or FVOCI, if such an election eliminates (or significantly reduces) an accounting mismatch which would otherwise occur.

Subsequent remeasurement of	Remeasured at	Gains / Losses	Other considerations
Financial assets at FVTPL	Fair value	Profit or loss	Does not apply to hedging instruments (refer to (d) below)
Financial assets at amortised cost	Amortised cost using the effective interest method	Profit or loss	Amortised cost is reduced by any impairment losses
Financial liabilities at FVTPL	Fair value	Profit or loss	Does not apply to hedging instruments (refer to (d) below)
Financial liabilities at amortised cost	Amortised cost using the effective interest method	Profit or loss	-

(b) Derecognition

Financial assets

The Group will de-recognise a financial asset when any of the following occur:

- expiration of the contractual right to receive cash flow from the asset; or

- a transaction occurs which results in the Group transferring substantially all of the risks and rewards of ownership of the asset and therefore it also transfers the right to receive cash flows from the asset; or
- although the Group does not transfer the risks and rewards of ownership, it no longer retains control of the asset.

Financial liabilities

The Group will derecognise a financial liability when any of the following occur:

- contractual obligations are discharged, cancelled or expire; or
- the terms are modified, such that the cash flows are also modified. In this situation, a new financial liability would be recognised, at fair value, based on the modified terms.

(c) Offsetting

The Group may only offset financial assets and liabilities (or present them on a net basis) in circumstances where there is a legally enforceable right to do so and the Group intends to settle the asset and liability on a net basis, or simultaneously.

(d) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its interest rate risk exposure. Derivatives are initially measured at fair value. Subsequent changes in fair value are recognised in OCI.

The Group designates certain instruments as cash flow hedges to minimise the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

The risk management objective and strategy for undertaking a hedge, are documented at the inception of the hedging relationship. The Group also documents the economic relationship between the hedged item and the hedging instrument (including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset).

The accounting policy for cash flow hedges is as follows:

- When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.
- The amount accumulated in equity is retained in OCI and reclassified to profit or loss in the same period or periods during which the hedged item affects profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

25. List of subsidiaries and equity accounted investees

(a) Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 3(a):

Name of entity	Country of	Consolidated entity	
		2021	2020
Outdoor Media Operations Pty Limited	Australia	100%	100%
oOh!media Group Pty Limited	Australia	100%	100%
oOh!media Street Furniture Pty Ltd	Australia	100%	100%
oOh!media Operations Pty Limited	Australia	100%	100%
oOh!media Produce Pty Limited	Australia	100%	100%
oOh!media Assets Pty Limited	Australia	100%	100%
oOh!media Factor Pty Limited	Australia	100%	100%
oOh!media Digital Pty Limited	Australia	100%	100%
oOh!media Retail Pty Limited	Australia	100%	100%
oOh!media Lifestyle Pty Limited	Australia	100%	100%
oOh!media Shop Pty Limited	Australia	100%	100%
oOh!media Roadside Pty Limited	Australia	100%	100%
oOh!media MEP Pty Limited	Australia	100%	100%
oOh!media Regional Pty Ltd	Australia	100%	100%

Red Outdoor Pty Ltd	Australia	100%	100%
Closebuys Pty Limited	Australia	83%	83%
oOh!media Café Screen Pty Limited	Australia	100%	100%
Eye Corp Pty Limited	Australia	100%	100%
Eye Corp Australia Pty Limited	Australia	100%	100%
oOh!media Fly Pty Limited	Australia	100%	100%
Eye Drive Sydney Pty Limited	Australia	100%	100%
Eye Outdoor Pty Limited	Australia	100%	100%
Eye Mall Media Pty Limited	Australia	100%	100%
Eye Drive Melbourne Pty Limited	Australia	100%	100%
oOh!media Study Pty Limited	Australia	100%	100%
Outdoor Plus Pty Limited	Australia	100%	100%
Eye Shop Pty Limited	Australia	100%	100%
Homemaker Media Pty Limited	Australia	100%	100%
oOh!media Office Pty Limited	Australia	100%	100%
Inlink Office Pty Ltd	Australia	100%	100%
Inlink Café Pty Ltd	Australia	100%	100%
Inlink Fitness Pty Ltd	Australia	100%	100%
Executive Channel International Pty Ltd	Australia	100%	100%
Executive Channel Pty Ltd	Australia	100%	100%
Junkee Media Pty Limited ⁽¹⁾	Australia	0%	100%
InTheMix dot com dot au Pty Ltd	Australia	100%	100%
Thought By Them Pty Ltd	Australia	100%	100%
Qjump Australia Pty Limited	Australia	100%	100%
Faster Louder Pty Ltd	Australia	100%	100%
Sound Alliance Nominees Pty Ltd	Australia	100%	100%
Cactus Imaging Pty Limited	Australia	100%	100%
Cactus Holdings Pty Limited	Australia	100%	100%
oOh!media Locate Pty Ltd	Australia	100%	100%
oOh!media Street Furniture New Zealand Limited	New Zealand	100%	100%
oOh!media New Zealand Limited	New Zealand	100%	100%
oOh!media Retail New Zealand Limited	New Zealand	100%	100%
oOh!media Study New Zealand Limited	New Zealand	100%	100%
Calibre Audience Measurement Limited	New Zealand	50%	50%

⁽¹⁾ Junkee Media Pty Ltd ceased to be a subsidiary on disposal on 7 December 2021.

26. Capital commitments

The Group entered into contracts to purchase plant and equipment in 2021 for \$10,525,000 (2020: \$5,083,000).

27. Contingencies

Contingent Liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

	31 Dec 21	31 Dec 20
	\$'000	\$'000
Bank guarantees	33,676	43,574
Bank guarantees	33,676	43,574

Bank Guarantees are issued to lessors as part of the groups commercial lease obligations.

Contingent Assets

During 2019, the Group was advised by the Transport for NSW and Australian Rail Track Corporation that certain sites in the Sydney Airport Precinct would be permanently or temporarily removed as part of the Sydney Gateway Project and the Botany Rail Duplication projects. In September 2019 the compulsory acquisition of certain Transport for NSW sites was completed. The Group has recorded a receivable based on the Valuer General's report. The Group has reserved its rights with regards to seeking further compensation. The quantum and timing of the compensation for the Australian Rail Track sites is subject to negotiation or subsequent determination and cannot be reliably measured at this point in time.

28. Related parties

(a) Parent entity and ultimate controlling party

As at 31 December 2021, the parent entity of the Group is oOh!media Limited.

(b) Subsidiaries

Interest in subsidiaries is set out in Note 25 List of subsidiaries and equity accounted investees.

(c) Transactions with Key Management Personnel

2) Key Management Personnel compensation

The Key Management Personnel compensation comprised:

	31 Dec 21 \$'000	31 Dec 20 \$'000
Short term employee benefits	2,197,698	1,274,553
Termination benefits	-	903,435
Post-employment benefits	59,182	122,969
Share-based benefits	375,870	1,531,435
	2,632,750	3,832,392

Key Management Personnel also participate in the Group's share plans, details of which are discussed in Note 9 Share-based payments.

In addition to the above, Non-executive Director compensation included short-term employee benefits of \$1,176,348 (2020: 1,071,836) and post-employment benefits of \$69,425 (2020: 75,940).

3) Directors' related party transactions

Directorships and shareholdings held by oOh!media Limited's non-executive director Marco Hellman have given rise to related party arrangements in the current and prior period.

Marco Hellman is Founder, Managing Partner & co-CIO of HMI Capital. HMI Capital is a significant shareholder in the Group. Marco Hellman was appointed as a Non-Executive Director on 7 April 2020. In June 2020 the Company entered into a consultancy agreement with HMI under which the Company may request consultancy services on matters the Company considers are within the expertise of HMI. There is no fee payable for services provided under the consultancy agreement. Either party may terminate the consultancy agreement at any time by giving one months' notice.

To mitigate any potential conflicts arising, there is a Board protocol in place whereby the aforementioned Board member is asked to exit a Board meeting should any matters arise that may impact their independence.

Joanne Pollard is a director of RACAT Group which is the parent company of Racat 3 Pty Ltd, who acquired Junkee from the Company in 2021. Joanne recused herself from all discussions of the Junkee sale, both at oOh! and at the parent company of Racat 3 Pty Ltd.

29. Earnings per share

The table below shows the calculation of basic and diluted earnings per share for 2021 and 2020.

	31 Dec 21	Restated ⁽¹⁾ 31 Dec 20
	\$'000	\$'000
Profit attributable to ordinary shareholders	(10,288)	(36,183)
Net profit after income tax attributable to equity holders of the parent	(10,288)	(36,183)
Number of shares		
Weighted average number of shares outstanding - basic		
Opening issued ordinary shares balance	591,788,280	242,385,958
Employee bonus shares	5,557,665	-
Effect of allotment and issuances	-	205,192,041
Effect of bonus issue from 2020 share capital raising	-	34,495,119
Effect of dividend reinvestment scheme	-	25,560,978
Weighted average number of ordinary shares at 31 December	597,345,945	507,634,096
Weighted average number of shares outstanding - diluted		
Weighted average number of shares outstanding - basic	597,345,945	507,634,096
Effect of performance rights on issue	-	-
Weighted average number of ordinary shares at 31 December	597,345,945	507,634,096
	31 Dec 21	Restated ⁽¹⁾ 31 Dec 20
	\$'000	\$'000
Basic profit earnings per share (cents)	(1.7)	(7.1)
Diluted profit earnings per share (cents)	(1.7)	(7.1)

⁽¹⁾ As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer Note 2 Basis of accounting.

30. Reconciliation of cash flows from operating activities

	31 Dec 21	Restated ⁽¹⁾ 31 Dec 20
	\$'000	\$'000
Cash flows from operating activities		
Profit after income tax for the year	(10,288)	(36,183)
Adjustments for:		
Depreciation	183,966	200,392
Amortisation	25,095	23,391
Hedge ineffectiveness	4,723	5,723
Borrowing costs	1,291	4,128
Share of profit of equity-accounted investees, net of tax	90	93
Impairment Expense	-	3,461
Covid-19 Fixed rent abatements	(13,939)	(54,401)
Net exchange differences	(75)	6
Equity-settled share-based payment transactions	673	12,672
	191,536	159,282
Changes in:		
Trade receivables	(14,347)	46,490
Deferred tax balances	(10,336)	(13,926)
Other operating assets	(5,314)	9,681
Trade payables	7,545	(37,051)
Other provisions	231	(1,335)
Provision for income taxes payable	7,595	4,416
Other operating liabilities	(20,829)	401
Cash generated from operating activities	156,081	167,958

⁽¹⁾ As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer Note 2 Basis of accounting.

Accounting policy: Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other highly liquid investments with original maturities of three months or less that are readily convertible to cash on hand and are subject to an insignificant risk of change in value, net of outstanding bank overdrafts.

31. Auditor's remuneration

	31 Dec 21 \$'000	31 Dec 20 \$'000
Audit and assurance services		
KPMG Australia		
Audit and review of financial statements	601,002	732,888
Other assurance services	171,991	243,782
Total audit and assurance services	772,993	976,670
Other services		
KPMG Australia		
Taxation compliance and advisory services	213,407	189,761
Total other services	213,407	189,761
Total auditor's remuneration	986,400	1,166,431

32. Parent entity disclosures

As at and throughout the financial year ended 31 December 2021 the parent entity of the Group was oOh!media Limited (2020: oOh!media Limited).

	31 Dec 21 \$'000	31 Dec 20 \$'000
(a) Financial position		
Financial position of parent entity at year end		
Current assets	123,122	228,032
Non-current assets	910,504	900,327
Total assets	1,033,626	1,128,359
Current liabilities	(9,227)	(1,632)
Non-current liabilities	137,879	231,647
Total liabilities	128,652	230,015
Net assets	904,974	898,344
Total equity of parent entity comprising of:		
Contributed equity	886,468	876,291
Reserves	18,506	22,053
Retained earnings	-	-
Total equity	904,974	898,344
(b) Comprehensive income		
Result of parent entity		
Profit for the year:		
Dividends received from subsidiary	-	18,179
Other comprehensive (loss)/profit	5,957	(338)
Total comprehensive income for the year	5,957	17,841

(c) Parent entity capital commitments for acquisition of property, plant and equipment

The parent entity did not have any capital commitments for the acquisition of property, plant or equipment as at 31 December 2021 (2020: Nil).

(d) Guarantees and contingent liabilities

Please refer to Note 27 for information on the guarantees and contingent liabilities of the parent entity.

33. Deed of cross guarantee

On 20 April 2018, the wholly-owned subsidiaries listed below entered into a Deed of Cross Guarantee with oOh!media Limited in accordance with ASIC Corporations (Wholly Owned Companies) Instrument 2016/785 thereby relieving them from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports, and Directors' reports.

The effect of the Deed is that the Company guarantees to each creditor payment in full of any debt of the others.

The subsidiaries subject to the Deed are:

Outdoor Media Operations Pty Limited
oOh!media Group Pty Limited
oOh!media Operations Pty Limited
oOh!media Produce Pty Limited
oOh!media Assets Pty Limited
oOh!media Factor Pty Limited
oOh!media Digital Pty Limited
oOh!media Locate Pty Limited
oOh!media Retail Pty Limited
oOh!media Lifestyle Pty Limited
oOh!media Shop Pty Limited
oOh!media Roadside Pty Limited
oOh!media MEP Pty Limited
oOh!media Regional Pty Limited
Red Outdoor Pty Ltd
Eye Corp Pty Limited
Eye Corp Australia Pty Limited
oOh!media Fly Pty Limited
Eye Drive Sydney Pty Limited
Eye Outdoor Pty Limited
Eye Mall Media Pty Limited
Eye Drive Melbourne Pty Limited
oOh!media Study Pty Limited
Outdoor Plus Pty Limited
Eye Shop Pty Limited
Homemaker Media Pty Limited
oOh!media Office Pty Limited
Inlink Office Pty Ltd
Inlink Café Pty Ltd
Inlink Fitness Pty Ltd
Executive Channel International Pty Ltd
Executive Channel Pty Ltd
Cactus Imaging Holdings Pty Limited
Cactus Imaging Pty Limited
oOh!media Café Screen Pty Limited
oOh!media Street Furniture Limited
Junkee Media Pty Ltd ⁽¹⁾⁽²⁾
Faster Louder Pty Limited ⁽¹⁾
Thought By Them Pty Ltd ⁽¹⁾
QJump Australia Pty Limited ⁽¹⁾
Sound Alliance Nominees Pty Ltd ⁽¹⁾
Inthemix dot com dot au Pty Ltd ⁽¹⁾

⁽¹⁾ Junkee Media Pty Ltd, FasterLouder Pty Ltd, Thought By Them Pty Ltd, QJump Australia Pty Ltd, Sound Alliance Nominees Pty Ltd and InTheMix dot com dot au Pty Ltd became a party to the Deed on 28 June 2019, by virtue of a Deed of Assumption.

⁽²⁾ Junkee Media Pty Ltd ceased to be a party to the Deed on disposal of the shares in Junkee 07 December 2021.

A consolidated statement of comprehensive income and consolidated statement of financial position, comprising the Company and controlled entities which are a party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, for the year ended 31 December 2021 is set out as follows:

Statement of profit or loss and other comprehensive income and retained earnings

	31 Dec 21	Restated ⁽¹⁾ 31 Dec 20
	\$'000	\$'000
Revenue	453,759	384,640
Cost of sales	(109,501)	(59,912)
Gross profit	344,258	324,728
Other income	3,863	6,829
Operating expenses, depreciation and amortisation	(325,205)	(324,741)
Finance income	(148)	327
Finance costs and foreign exchange costs	(46,102)	(58,592)
Share of profit of equity-accounted investees	-	(93)
Profit before tax	(23,334)	(51,542)
Tax expense	7,287	10,646
Profit after tax	(16,047)	(40,896)
Effective portion of changes in fair value of cash flow hedges, net of tax	3,455	(4,732)
De-designation of interest rate derivatives to the Consolidated Income Statement, net of tax	2,502	4,394
Foreign currency translation differences	-	-
Other comprehensive income for the period, net of tax	5,957	(338)
Total comprehensive income for the period, net of tax	(10,090)	(41,234)

Statement of financial position

	31 Dec 21	Restated ⁽¹⁾ 31 Dec 20
	\$'000	\$'000
Assets		
Cash and cash equivalents	38,407	57,046
Trade and other receivables	92,411	65,046
Inventories	4,234	2,771
Other current assets	26,149	22,761
Income tax assets	-	(183)
Current assets	161,201	147,441
Property, plant and equipment	147,282	188,224
Right of use asset	710,595	711,453
Intangible assets	672,917	679,222
Investments	129,152	131,112
Other non-current assets	984	-
Non-current assets	1,660,930	1,710,011
Total assets	1,822,131	1,857,452
Liabilities		
Trade and other payables	43,591	37,489
Loans and borrowings	26,706	-
Interest bearing lease liabilities	175,155	156,015
Provisions	1,090	570
Employee benefits	7,908	7,110
Income tax payable	(738)	-
Derivative liabilities	7,266	-
Current liabilities	260,978	201,184
Loans and borrowings	124,308	191,277
Provisions	12,166	13,649
Employee benefits	2,570	2,568
Interest bearing lease liabilities	637,161	630,332
Derivative liabilities	5,102	18,335
Deferred tax liabilities	1,218	9,817
Non-current liabilities	782,525	865,978
Total liabilities	1,043,503	1,067,162
Net assets	778,628	790,290
Equity		
Share capital	884,067	876,291
Reserves	24,690	28,270
Minority interest	10	-
Accumulated losses	(130,139)	(114,271)
Total equity	778,628	790,290

(1) As a result of the IFRS IC agenda decision – IAS 38 Intangible Assets, the Group has changed its accounting policy, retrospectively adjusting the accounting for customisation costs for cloud computing arrangements. Refer Note 2 Basis of accounting.

34. Subsequent events

Since the end of the financial year, and after the approval of these consolidated financial statements, the Board has declared a fully franked dividend of 1.0 cents per ordinary share, amounting to \$5,986,000 in respect of the year ended 31 December 2021 (31 December 2020: \$0). This dividend is payable on 23 March 2022. The financial effect of this dividend has not been brought to account in the consolidated financial statements for the year ended 31 December 2021 and will be recognised in subsequent financial reports.

The Group continues to evaluate the impact on operations of the COVID-19 pandemic and government actions in relation to the pandemic. The Company has considered events after 31 December 2021 to determine if there is further evidence of conditions existing at 31 December 2021 when forming judgements on the values of assets and liabilities at 31 December 2021.

No other matter or circumstance at the date of this report has arisen since 31 December 2021 that has significantly affected or may affect:

- (a) the operations of the Group;
- (b) the results of those operations in future financial years; or
- (c) the Group's state of affairs in the future financial years.

Directors' Declaration

In accordance with a resolution of the Directors of oOh!media Limited ('the Company'), we state that:

1. In the Directors opinion:
 - a) the consolidated financial statements and notes of the Group that are set out on pages 41 to 80, for the year ended 31 December 2021, are in accordance with the Corporations Act 2001 (Cth), including:
 - i. giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and the Corporations Regulations 2001 (Cth); 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.
2. There are reasonable grounds to believe that oOh!media Limited and the controlled entities will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between oOh!media Limited and those controlled entities pursuant to ASIC Corporations (Wholly-owned companies) instrument 2016/785 (Instrument).
3. The Directors have been given the declarations required by section 295A of the Corporations Act 2001 (Cth) from the Chief Executive Officer and the Chief Financial Officer for the financial year ended 31 December 2021.
4. The Directors draw attention to Note 2(a) to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards as issued by the Accounting Standards Board.

On behalf of the Board



Tony Faure

Chairman

21 February 2022

Sydney

This is the original Directors' Declaration, signed by the Chair on 21 February 2022. Page reference 41 to 80 with respect to the consolidated financial statements should be updated to read 75 to 114

Independent Auditor's Report

This is the original version of the Independent Auditor's Report over the Financial Report signed by the Directors on 21 February 2022. Page reference 24 to 39 with respect to the audit of the Remuneration Report, should be updated to read 34 to 49. The page reference has been updated to reflect the correct references now that the financial statements have been presented in the context of the Annual Report.



To the shareholders of oOh!media Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of oOh!media Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2021 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated Statement of financial position as at 31 December 2021
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated Statement of cash flows for the year then ended

The **Group** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the *Financial Report* in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

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Key Audit Matters

The **Key Audit Matters** we identified are:

- Accuracy of Lease asset and liability accounting under AASB16 Leases
- Recoverable amount of goodwill and intangible assets.

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These 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.

Accuracy of Lease asset and liability accounting under AASB16 Leases

Refer to Notes 13 and 18 to the Financial Report

The key audit matter	How the matter was addressed in our audit
<p>The accounting requirements of AASB 16 Leases (AASB16) are inherently complex, where specific and individualised lease-features drive different accounting outcomes, increasing the need for interpretation and judgement. This is a key audit matter, focusing on the judgements, along with other factors driving additional audit effort, such as:</p> <ul style="list-style-type: none"> • High volume of leases – the Group has a high volume of individualised lease agreements required to be assessed in determining the lease liability and right-of-use asset. A focus for us was the completeness of the lease population and the accuracy of multiple and varied inputs which may drive different accounting outcomes, including key terms of the lease agreements, such as key dates, fixed and variable rent payments, renewal options and incentives. • Complex modelling process – the Group developed an AASB 16 lease calculation model, which is largely manual and complex, and therefore is at greater risk for potential error and inconsistent application. • Relative magnitude – the size of balances has a significant financial impact on the Group’s financial position and performance. <p>The most significant areas of judgement we focus on was in assessing the Group’s:</p> <ul style="list-style-type: none"> • Incremental borrowing rates used – these are meant to reflect the Group’s entity specific 	<p>Our procedures included:</p> <ul style="list-style-type: none"> • We considered the appropriateness of the Group’s accounting policies against the requirements of the accounting standard and our understanding of the business and industry practice. • We obtained an understanding of the Group’s processes used to calculate the lease liability, right-of-use asset, depreciation and interest expense. • We compared the Group’s inputs in the AASB 16 lease calculation model, such as, key dates, fixed rent payments, renewal options and incentives, for consistency to the relevant terms of a sample of underlying signed lease agreements, including new lease arrangements and modifications. • We assessed the Group’s estimate of whether it is reasonably certain to exercise lease renewal options. • We assessed the scope, competency and objectivity of the external expert engaged by the Group to assist determining the Group’s incremental borrowing rates. We assessed the appropriateness of the expert’s methodology and we tested key inputs to external sources. • We assessed the integrity of the Group’s

<p>credit risk and vary based on each lease term. The Group engaged an external expert to assist with determining each of the Group's incremental borrowing rates. The Group's AASB 16 lease calculation model is sensitive to changes in the incremental borrowing rates.</p> <ul style="list-style-type: none"> Lease terms where leases have renewal options – assessing the determination of whether it is reasonably certain renewal options will be exercised impacts the measurement of the lease, therefore is important to the accuracy of the accounting. <p>In the financial year, the Group was impacted by COVID-19 and in response, negotiated a number of rent abatements and deferrals with lessors. The Group applied the practical expedient issued by the IASB in May 2020 and extension in March 2021 and the assessment of whether individual rent abatements met the criteria of the practical expedient required additional audit effort in the current year.</p> <p>We involved our senior audit team members in assessing these areas.</p>	<p>AASB 16 lease calculation model used, including the accuracy of the underlying calculation formulas.</p> <ul style="list-style-type: none"> We tested a sample of rent abatements and deferrals to agreed lease modifications and assessed against the requirements of the practical expedient. We assessed the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standard.
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Recoverable amount of goodwill and intangible assets (\$766 million)	
Refer to Note 15 to the Financial Report	
The key audit matter	How the matter was addressed in our audit
<p>The Group's annual testing of goodwill and intangible assets for impairment is a key audit matter, given the size of the balance (being 41% of total assets). We focussed on the significant forward-looking assumptions the Group applied in their recoverable value models, including:</p> <ul style="list-style-type: none"> forecast cash flows – specific attention has been paid to forecast duration and severity of COVID-19 health orders and the subsequent economic recovery discount rate - these are complicated in nature and vary according to the conditions and environment the specific Cash Generating Unit (CGU) is subject to from time 	<p>Our procedures included:</p> <ul style="list-style-type: none"> We considered the appropriateness of the fair value less costs of disposal method applied by the Group to perform the annual test of goodwill for impairment against the requirements of the accounting standards. We assessed the integrity of the discounted cash flow models used, including the accuracy of the underlying calculation formulas. We compared the forecast cash flows contained in the discounted cash flow

<p>to time, and the models approach to incorporating risks into the cash flows or discount rates.</p> <p>We involve our valuations specialists to supplement our senior audit team members in assessing this key audit matter.</p>	<p>models to Board approved forecasts.</p> <ul style="list-style-type: none"> • We challenged the Group’s forecast cash flow and growth assumptions. We compared the recovery period and terminal growth rates to authoritative published studies from external sources • Working with our valuation specialists we independently developed a discount rate range considering comparable publicly available market data, adjusted for risk factors in certain CGUs relating to achievement of forecasts and concentration of revenue. • We considered the sensitivity of the models by varying key assumptions, such as forecast growth rates and discount rates, within a reasonably possible range. We did this to identify any CGU at higher risk of impairment and to focus our further procedures. • We assessed the disclosures in the financial report using our understanding obtained from our testing against the requirements of the accounting standards.
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Other information

Other Information is financial and non-financial information in oOh!media Limited’s annual reporting which is provided in addition to the Financial Report and the Auditor’s Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor’s Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of oOh!media Limited for the year ended 31 December 2021, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' 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 responsibilities

We have audited the Remuneration Report included in pages 24 to 39 of the Directors' report for the year ended 31 December 2021.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.



KPMG



Trent Duvall

Partner

Sydney

21 February 2022

Shareholder Information

VOTING RIGHTS

The voting rights attaching to each class of equity securities are set out below:

Ordinary shares: On a show of hands every member present at a meeting in person, virtually or by proxy shall have one vote and upon a poll each share shall have one vote. There are no other classes of equity securities.

Share rights: Share rights holders do not have any voting rights on the share rights held by them.

Unless otherwise stated, the shareholder information set out below is current as of 7 February 2022.

DISTRIBUTION OF EQUITY SECURITIES

Analysis of number of equity security holders by size of holding:

Range	Number of holders	% of holders	Number of shares	% of shares
1 – 1,000	2,912	35.39	1,578,836	0.26
1,001 – 5,000	3,260	39.62	8,306,573	1.39
5,001 – 10,000	1,001	12.16	7,539,067	1.26
10,001 – 100,000	987	11.99	25,216,679	4.21
100,001 and over	69	0.84	556,004,718	92.88
Total number of security holders	8,229	100.00	598,645,873	100.00
Holders holding less than a marketable parcel of shares (being a parcel of 295 shares based on a closing price of \$1.695 on 7 February 2022)	586	7.12	58,773	–

RESTRICTED SECURITIES

As of the date of the Annual Report, there are currently no restricted securities on issue.

ON-MARKET BUY BACK

As of the date of the Annual Report, there is no current on-market buy back.

UNQUOTED EQUITY SECURITIES

Range	Number of share rights holders	Number of share rights	% of share rights
1 – 1,000	0	0	0
1,001 – 5,000	0	0	0
5,001 – 10,000	15	115,755	4.09
10,001 – 100,000	40	1,366,858	48.31
100,001 and over	9	1,346,623	47.60
Total	64	2,829,236	100.00

TOTAL OF QUOTED AND RESTRICTED SECURITIES

Range	% of share rights
Ordinary shares not subject to voluntary escrow (quoted securities)	598,645,873
Ordinary shares subject to voluntary escrow (restricted securities)	0
Total Number of Shares	598,645,873

TWENTY LARGEST QUOTED EQUITY SECURITY HOLDERS

Range	Number of ordinary shares held	Percentage of ordinary shares %
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	192,777,937	32.20
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	108,489,005	18.12
CITICORP NOMINEES PTY LIMITED	70,227,783	11.73
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	64,066,237	10.70
NATIONAL NOMINEES LIMITED	45,827,358	7.66
BNP PARIBAS NOMINEES PTY LTD	17,169,854	2.87
BNP PARIBAS NOMS PTY LTD	9,811,796	1.64
UBS NOMINEES PTY LTD	8,493,060	1.42
BNP PARIBAS NOMS(NZ) LTD	6,724,592	1.12
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6,441,715	1.08
PACIFIC CUSTODIANS PTY LIMITED	6,158,898	1.03
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,811,054	0.30
BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD	1,789,113	0.30
CITICORP NOMINEES PTY LIMITED	1,455,005	0.24
BNP PARIBAS NOMINEES PTY LTD	1,208,629	0.20
MR JOHN GERARD BELL	945,985	0.16
BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD	785,542	0.13
MRS DEBRA ANNE COOK	740,000	0.12
HOBSON WEALTH CUSTODIANS LTD	735,553	0.12
MR BARRY MARTIN LAMBERT + MRS JOY WILMA LILLIAN LAMBERT	600,000	0.10
Total held by top 20 largest holders	546,259,116	91.25
Other	52,386,757	8.75
Total	598,645,873	100.00

SUBSTANTIAL HOLDERS (AS DISCLOSED IN SUBSTANTIAL HOLDING NOTICES GIVEN TO THE COMPANY IN ACCORDANCE WITH THE CORPORATIONS ACT)

Range	Number of ordinary shares held	Percentage of ordinary shares %
HMI CAPITAL MANAGEMENT, L.P.	63,851,250	10.79
Challenger	36,413,073	6.08
Harris Associates	36,172,862	6.04
Perpetual Investments	30,159,218	5.04
FIL Limited	30,284,133	5.06

Glossary

Term	Meaning/definition
AASB	Australian Accounting Standards Board
AGM	Annual General Meeting
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange, as operated by ASX Limited ABN 98 008 624 691
AUD, A\$, \$ or Australian dollar	The lawful currency of the Commonwealth of Australia
Auditor	KPMG
Australian Accounting Standards	Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board and Urgent Issues Group Interpretations
Board or Board of Directors	The board of Directors of oOh!media Limited
CAGR	Compound Annual Growth Rate
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGU	Cash Generating Unit
Company	oOh!media Limited ACN 602 195 380
Company Secretary	The Company Secretary of oOh!media as appointed from time-to-time
Constitution	The constitution of the Company
Corporations Act	Corporations Act 2001 (Cth)
CY16	Financial year ended 31 December 2016
CY17	Financial year ended 31 December 2017
CY18	Financial year ended 31 December 2018
CY19	Financial year ended 31 December 2019
CY20	Financial year ended 31 December 2020
CY21	Financial year ended 31 December 2021
Digital revenue	Revenue from digital advertising display panels
Director	Each of the Directors of oOh!media as appointed to the position from time-to-time
EBIT	Earnings before interest and taxation
EBITDA	Earnings before interest, taxation, depreciation and amortisation
EPS	Earnings Per Share
Escrow	An 'escrow' is a restriction on sale, disposal or encumbering of, or certain other dealings in respect of, the shares concerned for the period of the escrow, subject to exceptions set out in the escrow arrangement
FAR	Fixed annual remuneration
FCTR	Foreign Currency Translation Reserve
FMCG	Fast moving consumer goods
Group	oOh!media Limited and its subsidiaries
GST	Goods and services or similar tax imposed in Australia and New Zealand
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
KMP	Key Management Personnel
KPI	Key Performance Indicator
KPMG	KPMG ABN 51 194 660 183

Term	Meaning/definition
Listing	The admission of oOh!media to the Official List of the ASX
Listing Rules	The Official Listing Rules of ASX
LTI	Long term incentive as payable under the LTI Plan
LTI Plan	oOh!media's long-term incentive plan, as amended by oOh!media from time-to-time
Management	The management of oOh!media
MD	Managing Director
MOVE	Measurement of Outdoor Visibility and Exposure, Australia's national Out of Home audience measurement system
n/a	Not applicable
NCI	Non-controlling Interest
NED	Non-executive Director
NPAT	Net profit after tax
NPATA	Net profit after tax before amortisation of acquired intangibles
NZD	New Zealand Dollars
OCI	Other Comprehensive Income
OFR	Operating and Financial Review
OMA	Outdoor Media Association, the peak national industry body that represents most of Australia's traditional and digital outdoor media display companies and production facilities, as well as some media display asset owners.
Officer	An Officer of the Company
OMI	Outdoor Media Investments Limited ABN 32 156 446 187
OML	oOh!media Limited ACN 602 195 380
oOh!	oOh!media Limited ACN 602 195 380
oOh!media	oOh!media Limited ACN 602 195 380
Out of Home	Out of Home, also commonly referred to as out of home or outdoor advertising, represents the media sector of the advertising industry that communicates with people when they are out of their home
Registry	Link Market Services Limited ABN 54 083 214 537
Rights	Rights to shares granted pursuant to the LTI Plan
Senior Executive	The senior executive management of oOh!media
Share of security	A fully paid ordinary share in oOh!media
Share registry	Link Market Services Limited ABN 54 083 214 537
Shareholder	The registered holder of a Share
SMI	Standard Media Index
STI	Short term incentive payable under the STI Plan
STI Plan	oOh!medi's short term incentive plan, as amended by oOh!media from time-to-time
TSR	Total Shareholder Return
VWAP	Volume weighted average price
WHS	Workplace health & safety
WHSE&S	Work, health, safety, environment & sustainability
WSE	Wellbeing, safety & environment

Corporate Directory

OOH!MEDIA LIMITED ACN 602 195 380

Directors:

Tony Faure

Chair and Non-executive Director

Cathy O'Connor

Chief Executive Officer and Managing Director

Marco Hellman

Non-executive Director

Philippa Kelly

Independent Non-executive Director

Tim Miles

Independent Non-executive Director

Andrew Stevens

Independent Non-executive Director

David Wiadrowski

Independent Non-executive Director

Joanne Pollard

Independent Non-executive Director

Company Secretary:

Maria Polczynski

Principal registered Office:

Level 2, 73 Miller Street
North Sydney NSW 2060
Ph: +61 2 9927 5555

Share register:

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000
Ph: 1300 554 474

Auditors:

KPMG

Tower 3, International Towers Sydney
300 Barangaroo Avenue
Sydney NSW 2000

Bankers:

Commonwealth Bank of Australia
ING Bank (Australia) Limited
National Australia Bank
Sumitomo Mitsui Banking Corporation
Westpac Banking Corporation

Stock exchange listing:

The shares of oOh!media Limited are listed by ASX Ltd on the Australian Securities Exchange trading under the ASX Listing Code "OML".

Website:

www.oohmedia.com.au
<https://investors.oohmedia.com.au/investor-centre/>



oh!

nova 96.9

turn up the *feel good*

The advertisement features two men standing side-by-side against a light blue background. The man on the left is bald and wearing a white t-shirt and green pants. The man on the right has dark hair and is wearing a dark blue button-down shirt and green pants. Both are smiling and have their hands in their pockets. The text 'nova 96.9' is prominently displayed in red and blue, with the slogan 'turn up the feel good' in a red script font below it. A small 'oh!' logo is in the top right corner of the ad.



