



16 November 2023

2023 ANNUAL GENERAL MEETING

CHAIR'S ADDRESS

There are four main points that I would like to make about our business this morning:

First, the company continues to strongly grow revenue post the disruption of the COVID-19 pandemic. In particular, our Canadian and Brazilian businesses continue growing at strong double-digit rates. And, importantly, we are delivering strong revenue growth this year while tightly controlling our cost base.

Second, we have a very strong balance sheet having paid down \$36m of bank debt over the past three fiscal years. This has allowed us to return to paying dividends and to institute a share buyback. Since year end F23 we have repaid an additional \$3m of bank debt and expect to continue to do so in the future. We currently have net cash of \$6m at quarter end notwithstanding the ongoing share buyback.

Third, our core business is in great shape with continued market leading audience reach and solid relationships with our affiliates around the world.

And, fourthly, we are focused on opportunities for growth both in our core business and elsewhere, including the considered development of aerial drone light shows.

Turning to my first point, the Company continues to recover nicely from the harshly negative impact of the COVID-19 pandemic. For F23, revenue increased 11% compared to F22, which followed a 12% increase in F22. After two consecutive years of double-digit revenue growth, F23 Group revenue was only 4% behind F19 Group revenue, the last full year prior to the COVID-19 pandemic.

The F23 revenue growth led to a 13% increase in Adjusted EBITDA. If the impact of Jobkeeper and similar programs, the one-time costs related to our CEO/MD's departure and the costs relating to our ramp up of drone operations are excluded from both periods, F23 Adjusted EBITDA jumped 32% compared to F22.

Revenue for the first quarter in FY24 was up 5% compared to the previous year. The F24 first quarter Adjusted EBITDA was \$3.0 million, an improvement of 39% compared to first quarter F23. Adjusted EBITDA was positively impacted by control of operating expenses which grew only 3% compared to 1Q F22. Sales pacsings for 2Q F24 to date have also been ahead of the previous year period including a solid performance in October 2023. Our international operations continue to grow strongly and in the most recent quarter represent 55% of group revenues.

Second, GTN has a very strong balance sheet. Since the beginning of F21 we have repaid \$39m of bank debt, lowering our outstanding bank debt to \$21m, which is less than our trailing 12-month Adjusted EBITDA. Due to our strengthening financial performance, we have been able to



reinstate the dividend, paying a 1.4 cent dividend in FY23, as well as maintaining a vigorous share buyback. Since the commencement of the buyback in September 2022, we have repurchased over 13 million GTN shares, which represents over 6% of the shares outstanding at the start of the buyback. We expect the Company to continue to generate meaningful cash going forward.

Third, our core business remains in great shape with solid and productive relationships with our key radio station affiliates. For example, our most important affiliations in Australia, our largest market, all have at least more than a year before renegotiation. This allows our focus to be solely on execution of our sales strategy. Importantly, our long-term contract with Southern Cross is unimpacted by the current corporate activity with that company.

Finally, we are focused on sensible growth opportunities both in our core business and outside. While we have considered a number of outside growth options, our focus is on areas where we have a competitive advantage and can leverage our organisations skills and experience. Our focus on aerial drone light shows in Australia is a great example – it leverages our core business model and our many years of experience while also enhancing our relationship with our key advertising clients.

I would like to thank our local management, operations, IT, sales and administrative staff for their outstanding efforts during the past year. We would not have been able to continue to grow and thrive without their extraordinary efforts around the world. In particular, I would like to thank Scott Cody and Gary Worobrow who have played a vital role in the smooth transition from our previous Global CEO.

I would also like to thank your Board members, each of whom contributes a good balance of the experience and skills required for strong governance and deep local industry knowledge.

Most importantly, I'd like to thank you, our shareholders, for your ongoing support. It is very much appreciated. We never lose sight that you are the owners of GTN.

I would now like to introduce our CFO and COO Scott Cody who will provide an update on each of the Group's operating divisions.