

MARKET ANNOUNCEMENT

Update on Non-Binding Indicative Proposal to Acquire SCA

SYDNEY, Tuesday 19 December 2023 – ARN Media Limited (ASX: A1N) (“**ARN**”) and Anchorage Capital Partners Pty Limited¹ (“**ACP**”, and together with ARN, the “**Consortium**”) refer to their non-binding indicative offer to acquire 100% of the fully diluted share capital of Southern Cross Media Group Limited (ASX: SXL) (“**SCA**”) (the “**Indicative Proposal**”) dated 18 October 2023. A copy of the Indicative Proposal was provided by ARN to the ASX on 18 October 2023.

Under the Indicative Proposal, SCA shareholders would receive 0.753 ARN shares and 29.6 cents cash per SCA share. The Consortium remains open to working with SCA to structure part of the cash component of consideration as a pre-completion fully franked special dividend, which is expected to provide access to an additional value of 12.7 cents per SCA share from franking credits for eligible existing SCA shareholders.

Following an initial period of due diligence engagement with SCA and its advisers, including the provision of initial information, the Consortium has reconfirmed the Indicative Proposal to the SCA Board of Directors and has been granted a further period of due diligence engagement to access the required information to progress its confirmatory due diligence. The Consortium is also focused on progressing related transaction documentation in an efficient manner and, subject to the receipt of the required due diligence information, has an objective of delivering a certain proposal to SCA shareholders in early 2024. The Consortium remains confident that the Indicative Proposal represents a compelling value proposition for both ARN and SCA shareholders.

This announcement should be read in conjunction with the Indicative Proposal. The Indicative Proposal is subject to a number of conditions, including completion of satisfactory due diligence, transaction documentation and regulatory approvals. No binding agreement to implement the Indicative Proposal has been reached with SCA at this time and there is no certainty that a transaction will eventuate. The Indicative Proposal (and this announcement) is preliminary, incomplete, and non-binding and does not constitute a commitment or undertaking by the Consortium to proceed with the Proposed Transaction.

At this time, ARN shareholders do not need to take any action in relation to the Indicative Proposal.

ARN will continue to update shareholders as required by its continuous disclosure obligations.

ENDS

This announcement has been authorised for release by the Board of ARN Media Limited.

For further information, please contact:

Peter Brookes, Citadel-MAGNUS, +61 407 911 389, pbrookes@citadelmagnus.com

Helen McCombie, Citadel-MAGNUS, +61 411 756 248, hmccombie@citadelmagnus.com

¹ Funds managed by the ACP group will establish a new nominee entity for the purposes of the Proposed Transaction.

