



## GTN Limited results for the year ended 30 June 2024

### Overview:

- Revenue \$184.2 million, +4% on FY23
- NPAT \$5.7 million, +115% on FY23
- Adjusted EBITDA<sup>1</sup> \$22.3 million, +15% on FY23 (after \$2.1m of non-recurring costs associated with transition to new executive team)
- Strong liquidity position with net cash of \$23.6 million (\$20 million after including lease liabilities under AASB16)
- Bank debt reduced by \$16m to \$8m and financial covenants removed from the existing Facility Agreement allowing flexibility for capital management initiatives
- Repurchased over 4.7 million shares (2.2% of shares outstanding at start of fiscal year)
- Declared Final FY24 dividend of \$0.017 per share (unfranked) taking total FY24 dividend to \$0.028 per share.

Sydney, 27 August 2024 – GTN Limited (ASX: GTN) (Company or GTN), one of the largest broadcast media advertising platforms by audience reach in Australia, Brazil, Canada and the United Kingdom today announced its results for the full year ended 30 June 2024.

### Overview of FY24 results

(m) <sup>2</sup>	FY24	FY23	% Difference
Revenue	184.2	177.0	4%
EBITDA <sup>4</sup>	13.8	11.3	22%
Adjusted EBITDA <sup>1</sup>	22.3	19.3	15%
NPAT	5.7	2.6	115%
NPATA <sup>3</sup>	10.2	7.2	42%
NPATA per share	\$0.05	\$0.03	67%

<sup>1</sup> Adjusted EBITDA is defined as EBITDA adding back the non-cash interest income related to the long-term prepaid affiliation agreement with Southern Cross Austereo which is treated as a financing transaction, transaction costs, foreign exchange gains/losses, gains on lease forgiveness and losses on refinancing.

<sup>2</sup> Amounts in tables may not add due to rounding. Percentage change based on actual amounts prior to rounding.

<sup>3</sup> NPATA is defined as net profit after tax adjusted for the tax effected amortisation arising from acquisition related intangible assets.

<sup>4</sup> EBITDA is defined as net profit after tax (earnings) before the deduction of interest expense/income, income taxes, depreciation and amortisation.

## **Chairman Comments**

GTN Chairman, Peter Tonagh, commented “We are proud to have delivered a solid set of results for full year 2024, while resetting the business for the future with a new executive team, a lower overhead cost base and an extension of some key affiliate agreements. Notwithstanding the cost of the transition to the new team, Adjusted EBITDA increased by 15% and NPAT increased by 115%. Eliminating the \$2.1m of transition costs, Adjusted EBITDA for the year would have increased by over 26%.

These results also reflect the continued growth of our non-Australian businesses which now represent 53% of GTN’s revenue, up from 50% in the previous period. Of particular note is the 42% increase in revenue in Brazil and \$2.4m turnaround in BTN’s Adjusted EBITDA.

GTN’s balance sheet remains strong with net cash of \$23.6m (\$20m after including lease liabilities under AASB16), notwithstanding the continued focus on returning cash to our shareholders via our share buyback and dividend programs. The strength of our balance sheet and removal of the financial covenants from our existing facility agreement provides optionality for future capital management and growth initiatives.

GTN is well positioned to continue to deliver solid growth with a new, locally based GTN Executive Team, strong Country Heads in each of our markets and a solid balance sheet.

## **Management Comment**

Commenting on the results, Brent Henley, Chief Financial Officer of GTN, said “Group revenue increased 4% compared to FY23 to \$184.2 million. This was driven by strong growth in both Brazil and the UK. Due to the revenue increase and effective cost management in the ATN business, Adjusted EBITDA for the group increased 15% to \$22.3 million. We were able to grow EBITDA while absorbing the restructuring costs of the Group’s previous executive team and costs related to its Drone operations. While we have achieved continued revenue growth over the past two fiscal years, we believe that there is still meaningful upside in all our markets from our existing networks.

Group overhead costs reduced in FY24 with the transition to the new local executive team and the business will realise the annualised benefit in FY25. If the impact of the one-off costs associated with the departure of our former Chief Financial Officer / Chief Operating Officer and Executive Vice President, Legal and Business affairs and the losses related to the start-up drone operations are eliminated from this period, Adjusted EBITDA would have increased 35% in FY24 compared to FY23.

Australia revenue decreased 3.1% compared to FY23, however it remains our largest and most profitable market with Adjusted EBITDA up 20.4% to \$21.4 million, driven by cost management across selling, general and administration expenses. ATN continues to focus on serving its core advertising base while optimising its cost base to positively impact future results.

Canada revenue decreased 10.7% compared to FY23 (12% in local currency). This decline in revenue performance led to a reduction in EBITDA, with FY24 Adjusted EBITDA declining to \$3.4 million from \$5.6 million in FY23. We remain confident that Canada can deliver growth that was evident prior to the pandemic disruption.

Brazil achieved our largest revenue increase, increasing 42% compared to FY23 (33% in local currency). The strong revenue contributed to a profitable full year performance of \$2.4 million Adjusted EBITDA, representing a significant improvement over the past several fiscal years. We continue to be optimistic

about the long-term prospects for growth in our Brazil business as we expand our presence in both existing and new geographic regions.

United Kingdom revenue increased 20.5% compared to FY23 (12.2% in local currency). The market was positively impacted by a material increase in total radio impacts available to customers. The UK business continues to deliver solid results, adding \$3.4 million Adjusted EBITDA to the Group's financial performance.

During FY24, we generated \$0.7 million in revenue across the Drones business. We have decided to exit the Drones business in Canada and have sold the fleet of Drones to a local competitor. In Australia, we have scaled back our Drone operations to drive profitability and pull through radio advertising revenue from our key customers.

As of 30 June 2024, our cash balance was \$31.6 million and our net cash (including lease liabilities recognised under AASB 16) was \$20.0 million. During FY24, we repurchased 4.7 million shares for \$1.9 million and repaid an additional \$16 million on our debt facility. Over the past four fiscal years we have repaid \$52 million of the debt facility, reducing the amount outstanding from \$60 million to \$8 million.

We have maintained our affiliate networks and excellent local management teams while having a strong balance sheet. These factors put us in a solid position to continue to grow our business.

### **Trading update**

Revenue for July/August 2024 is trending 10% ahead of this time last year. Revenue from our Australian Brazilian and UK operations are showing strong growth, while Canada is pacing slightly behind the same period last year.

We have implemented a plan to drive further cost efficiencies, including station compensation, which is expected to have a positive impact on our future results.

Due to the short lead time of the Group's sales cycle, it is not possible to forecast revenue for the remainder of FY24.

### **About GTN Limited**

GTN Limited (ASX: GTN) began operations in Australia in 1997 and has grown to become the largest supplier of traffic information reports to radio stations in Australia, United Kingdom, Canada and Brazil (four of the 10 largest advertising markets in the world) and one of the largest broadcast media advertising platforms by audience reach in these operating geographies.

In exchange for providing traffic and information reports, and generally monetary compensation, GTN receives commercial advertising spots adjacent to traffic, news and information reports from its large network of affiliates. These spots are bundled together by GTN and sold to advertisers on a national, regional or specific market basis.

GTN's advertising spots are short in duration, adjacent to engaging information reports and are often read live on the air by well-known radio and television personalities during peak audience hours. GTN's broad

audience means it is able to deliver effective radio advertisements with high frequency and expansive reach, enabling advertisers to communicate with high-value demographics cost effectively.

For more information, visit the Company's website at [www.gtnetwork.com.au](http://www.gtnetwork.com.au)

### **Conference Call**

GTN Limited will host a conference call at 8:30 a.m. Australia Eastern Standard time on Wednesday, 28 August 2024 to discuss its fiscal 2024 results.

The conference call will include a presentation and Q&A. To register to participate in the conference call, please click on the following link and follow the instructions:  
<https://s1.c-conf.com/diamondpass/10040744-7sbd6s.html>

Participants will then be provided with the dial in number, a passcode, and a unique access PIN. This information will also be emailed to participants as a calendar invite. To join the conference, participants should dial the number in the calendar invite and enter the passcode followed by the PIN provided when you registered, and you will join the conference instantly.

### **Conference Call Replay**

The conference call will be archived following the call. It will be available to be heard at <http://www.openbriefing.com/OB/5636.aspx>

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***This statement was approved by the Board of Directors of GTN Limited***