oOh!media Limited
ABN 69 602 195 380

24 February 2025

ASX Release

oOh! builds momentum in 2H 2024

Action taken to drive revenue growth and right-size cost base sets strong platform for CY25

oOh!media Limited (ASX:OML) (**oOh!** or **the "Group"**) today announced its financial results for the year ended 31 December 2024 ("**CY24**").

Highlights:

- **CY24 results in line with December 2024 trading update, with total revenue of $636M and adjusted underlying EBITDA of $129M; Statutory NPAT $37M**
- **Decisive action taken to drive revenue growth and right-size cost base delivered improved 2H performance and sets platform for profitable growth in CY25**
- **Maintained market leadership in ANZ Out of Home (OOH) market, as category continues to outperform wider media sector**
- **Momentum has accelerated in CY25, with double-digit revenue growth in February YTD in an improving OOH market**
- **Customer wins for reo, with Petbarn, Officeworks and Australia Post pilot signed**
- **Strong balance sheet (gearing 0.8x), enables stable fully franked dividend of 3.5cps**

oOh! Chief Executive Officer, Cathy O'Connor, said "After a disappointing first half, we took action to drive revenue and market share growth and right-size our cost base which delivered improved momentum in the second half.

"Pleasingly, this momentum has accelerated in CY25, with double-digit revenue growth in February year to date.

"The focus on successful execution of our strategy is expected to accelerate our growth ambitions: energising our go-to-market, unlocking the full potential of our network and leading in retail media.

"By making it easier for our customers to work with us, providing them with access to the best assets and audiences, and partnering with retailers to explore new revenue adjacencies, we will continue to grow our market share in an improving OOH market. Winning three new customers for reo is a validation of our retail media offering and also our ambition to be the leading independent retail media business in Australia and New Zealand.

"The long-term growth outlook for OOH remains highly attractive, as the best performing category in media, having now surpassed 15% of total advertising spend. As the market leader, oOh! is well positioned to continue to innovate to deliver profitable growth and drive shareholder value."

FORMATS

Road

Road declined by 1% in CY24, as revenue growth cycled a strong comparative period. oOh! added over 50 new digital assets to its portfolio and strengthened its presence in Melbourne with the securing of rights to the landmark West Gate Freeway large format digital site, launching in July 2024. As part of this Victorian acquisition, a further eight new large-format suburban sites are now operational.

Street Furniture and Rail

Street & Rail revenue grew 3%, with strong 2H growth of 8% driven by the Sydney Metro launch and an enhanced Sydney-Melbourne rail offering. In CY24, 224 new digital panels were commissioned, with the remaining 25% of Sydney Metro and 50% of Woollahra assets set for completion in CY25.

Retail

Retail was down 9%, primarily impacted by the non-renewal of the Vicinity contract. Adjusting for this non-renewal, revenue increased by 10% for CY24 driven by the accelerated digitisation of the remaining portfolio and addition of 439 new digital screens across 113 centres.

oOh! is investing further in digitisation of its retail assets to offset the non-renewal of the Vicinity contract to ensure the Group maintains a Retail portfolio with the highest overall footfall across Australia and New Zealand.

Fly; City & Youth

Fly revenue rose 14%, led by the Melbourne Airport rollout, including a new immersive digital screen in the arrivals hall.

City & Youth revenue increased 18%, reflecting the partial return of CBD office audiences. The segment, which operates on a variable rent model, remains highly attractive, with 21 new office tower assets commissioned in CY24.

CONTRACT DISCIPLINE AND OPERATIONAL EFFICIENCY

oOh! continued its strong contract discipline during the period, with the gross profit margin improving 0.4 ppts to 44.7% driven by the exit and renegotiation of lower margin contracts.

As announced in December 2024, oOh! implemented a cost reduction program in early 2025 that is expected to deliver ~$15M in savings from CY25. As a result, oOh! expects to have an operating cost base of approximately $150m to $155m in CY25. Cost savings were achieved through role restructures and lease cost reductions, while oOh! strategically invested to enhance speed-to-market and drive customer satisfaction by strengthening its media sales capability, omnichannel marketing, and inventory optimisation technology.

FINANCIAL POSITION

The Group's financial position remains strong, with gearing at 0.8x and expected to remain below 1.0x adjusted EBITDA.

Right-of-use assets and liabilities increased due to new and renewed commercial leases. oOh! has ample liquidity with $168M in undrawn debt. oOh! has $150M of interest rate derivatives against its drawn debt until October 2025.

DIVIDEND

Reflecting the Group's financial strength and confidence in the trading outlook, the oOh! Board declared a final dividend of 3.5 cents per share, fully franked. This brings the full year dividend to 5.25 cents per share, fully franked, in line with the prior year. This represents a 48% payout of adjusted underlying NPATA of $58.8M, in line with the Group's policy to pay dividends of 40-60% of adjusted underlying NPATA.

The record date for entitlement to receive the final dividend is 6 March 2025 with a scheduled payment date of 27 March 2025.

CY25 OUTLOOK

oOh!'s improved 2H24 momentum has accelerated into CY25, with 14% revenue growth YTD in February 2025 and Q1 media revenue pacing up 14% on the pcp.

oOh! expects to drive revenue and market share growth, with further tailwinds expected from future interest rate cuts and market growth. The OOH category is expecting mid-to-high single digit growth in CY25.

CY25 adjusted gross margin is expected to be broadly in line with CY23/24 . CY25 capex is expected to be between $45M and $55M (largely funding new advertising assets), contingent upon development approvals. Gearing is expected to remain below 1.0X adjusted EBITDA.

BOARD CHANGE

oOh! also announces that Andrew Stevens has notified the Board that he is retiring as a Non-Executive Director of oOh!, effective close of business today. Mr Stevens has been an Independent Non-Executive Director of oOh! since 2020.

Tony Faure, Chair of oOh! thanked Mr Stevens for his significant contribution to oOh!. "Andrew has shown great commitment to oOh! and his extensive experience and his exposure and insights across a number of sectors has been valuable to oOh!. The Board and Management team of oOh! have benefited from Andrew's valuable contribution, specifically in relation to financial, technology and ESG matters. On behalf of the Board and the oOh! team, we wish Andrew well for the future."

The Board will continue to consider Board composition on a regular basis to ensure an appropriate mix of skills and experience.

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

***

Investor contacts
Ryan Thompson
0423 151 378
ryan.thompson@sodali.com.au

Saskia West
0452 120 192
saskia.west@sodali.com.au

Media contact
Tim Addington
0405 904 287
tim.addington@tagpr.com.au

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 digital and static asset locations across Australia and New Zealand, includes roadsides, retail centres, airports, train stations, bus stops, office towers and universities.

Find out more at oohmedia.com.au