



ASX RELEASE

6 May 2021

Presentation to Macquarie Investor Conference and trading update

Southern Cross Media Group Limited (ASX: SXL) (SCA) CEO, Grant Blackley, will make the attached presentation to the Macquarie Investor Conference today.

The presentation includes a trading update, which is set out on page 6 of the attached presentation.

Approved for release by Tony Hudson, Company Secretary.

For further information, please contact:

Southern Cross Media Group Limited

Investors:

Nick McKechnie
Chief Financial Officer
Tel: 03 9922 2001

Media:

Rochelle Burbury
Corporate Communications Manager
Mob: 0408 774 577

About Southern Cross Austereo

Southern Cross Austereo (SCA) is one of Australia's leading media companies reaching more than 95% of the Australian population through its radio, television, and digital assets. Under the Triple M and Hit network brands, SCA owns 99 stations across FM, AM, and DAB+ radio. SCA provides national sales representation for 23 regional radio stations. SCA broadcasts 92 free to air TV signals across regional Australia, reaching 4.4 million people a week, with Nine Network programming and advertising representation across Australia's East Coast, Seven Network programming in Tasmania and Darwin, and Seven, Nine and Ten programming in Spencer Gulf. SCA operates LISTNR, Australia's free, personalised audio destination for consumers featuring radio, podcasts, music, and news. SCA also provides Australian sales representation for global open audio platform SoundCloud and Sonos Radio. SCA's premium brands are supported by social media, live events and digital platforms that deliver national and local entertainment and news content. <https://www.southerncrossaustereo.com.au/>

ersonal use only

**SOUTHERN CROSS AUSTEREO
PRESENTATION TO
MACQUARIE INVESTOR CONFERENCE**

6 May 2021

SCA

Disclaimer

Summary information

The material in this presentation has been prepared by Southern Cross Media Group Limited ABN 91 116 024 536 (**SCA**) and contains summary information about SCA's activities current as at 6 May 2021. The information in this presentation is of a general background nature and does not purport to be complete. It should be read in conjunction with SCA's other periodic and continuous disclosure announcements which are available at www.southerncrossaustereo.com.au

Past performance

Past performance information in this presentation is for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Future performance

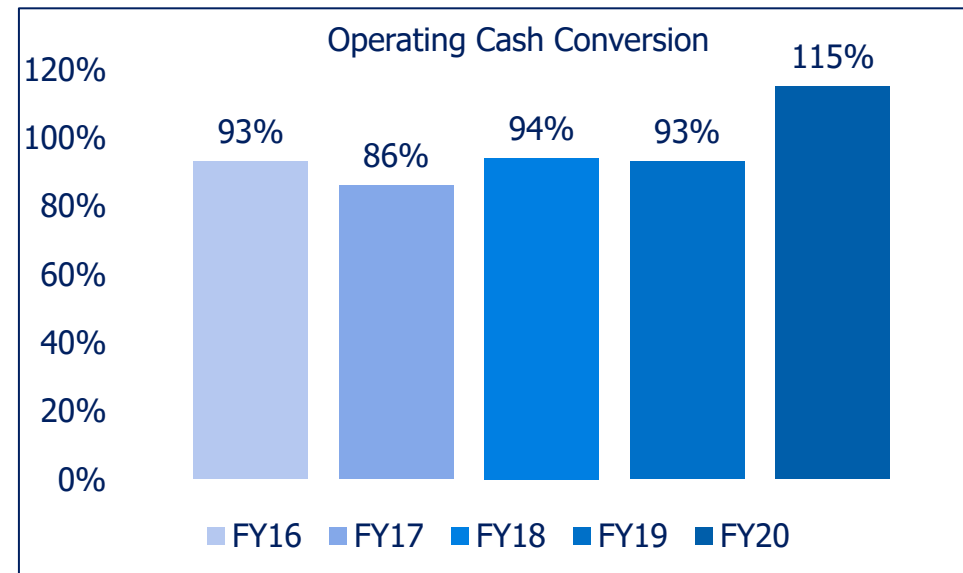
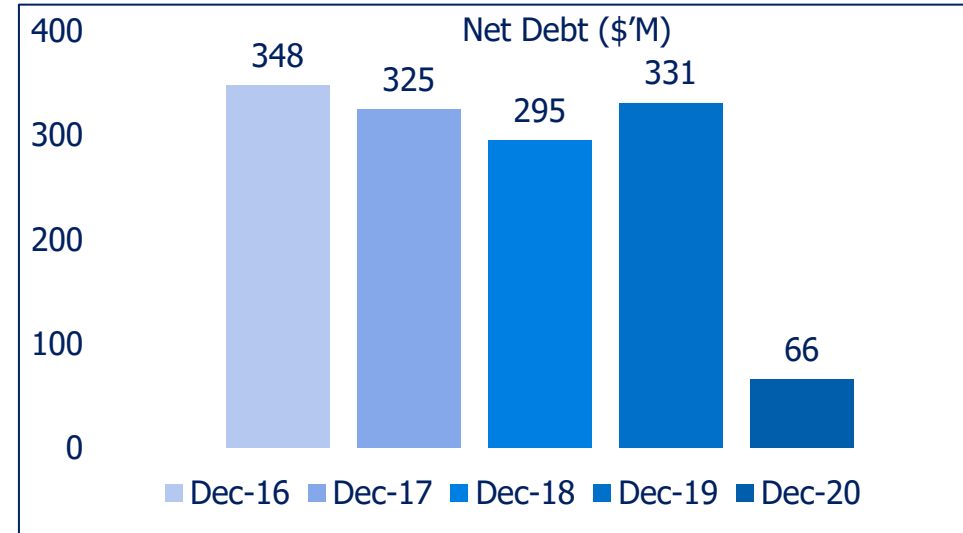
This presentation contains certain "forward-looking statements". Forward-looking statements, opinions and estimates provided in this presentation are based on assumptions and estimates which are subject to change without notice, as are statements about market and industry trends, which are based on interpretation of market conditions. Although due care has been used in the preparation of forward-looking statements, actual results and performance may vary materially because events and actual circumstances frequently do not occur as forecast. Investors should form their own views as to these matters and any assumptions on which any of the forward-looking statements are based.

Not financial product advice

Information in this presentation, including forecast financial information, should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities. Before acting on any information, you should consider the appropriateness of the information having regard to your particular objectives, financial situation and needs, any relevant offer document and in particular, you should seek independent financial advice.

Strengthened Balance Sheet as we enter a period of strong economic recovery

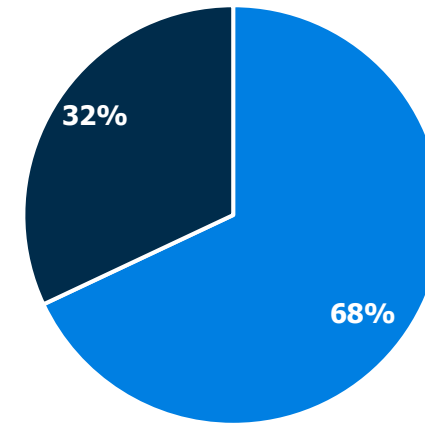
- Balance sheet has been strengthened
- Net debt at a historic low
- High quality of earnings with consistent strong cash conversion
- Meaningful reduction in cost base - \$30M or 10% of non-revenue related costs out since FY19
- Dividends to recommence with FY21 final dividend¹



Primary focus on audio, with accelerating digital audio portfolio

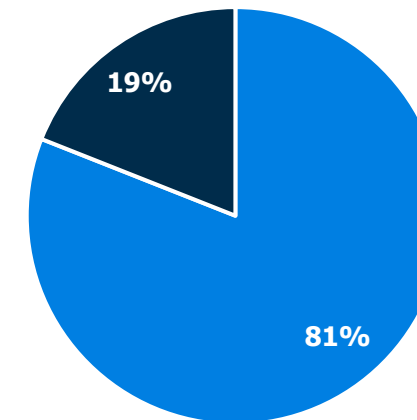
- Audio revenue growing – underpinned by a strong increase in digital audio listening and resulting monetisation
- The Digital Audio revenue pool is expanding – and SCA is well positioned to take a leading role in the deployment of new audio products and services – evidenced through our investment in LiSTNR and its considerable audio library
- Digital Audio is a high margin sector – delivering premium yields per customer – based on addressable advertising demand and targeting
- Television affiliation negotiation proceeding well for the 3-aggregated markets (Regional Queensland, SNSW and Regional Victoria). Workflows will ensure a seamless transition back to Ten. Lower programming costs will naturally mitigate TV revenue reduction
- Audio representing >80% of group earnings and is expected to expand - led by an accelerating digital audio market

Audio/TV Revenue



■ Audio revenue % ■ TV revenue %

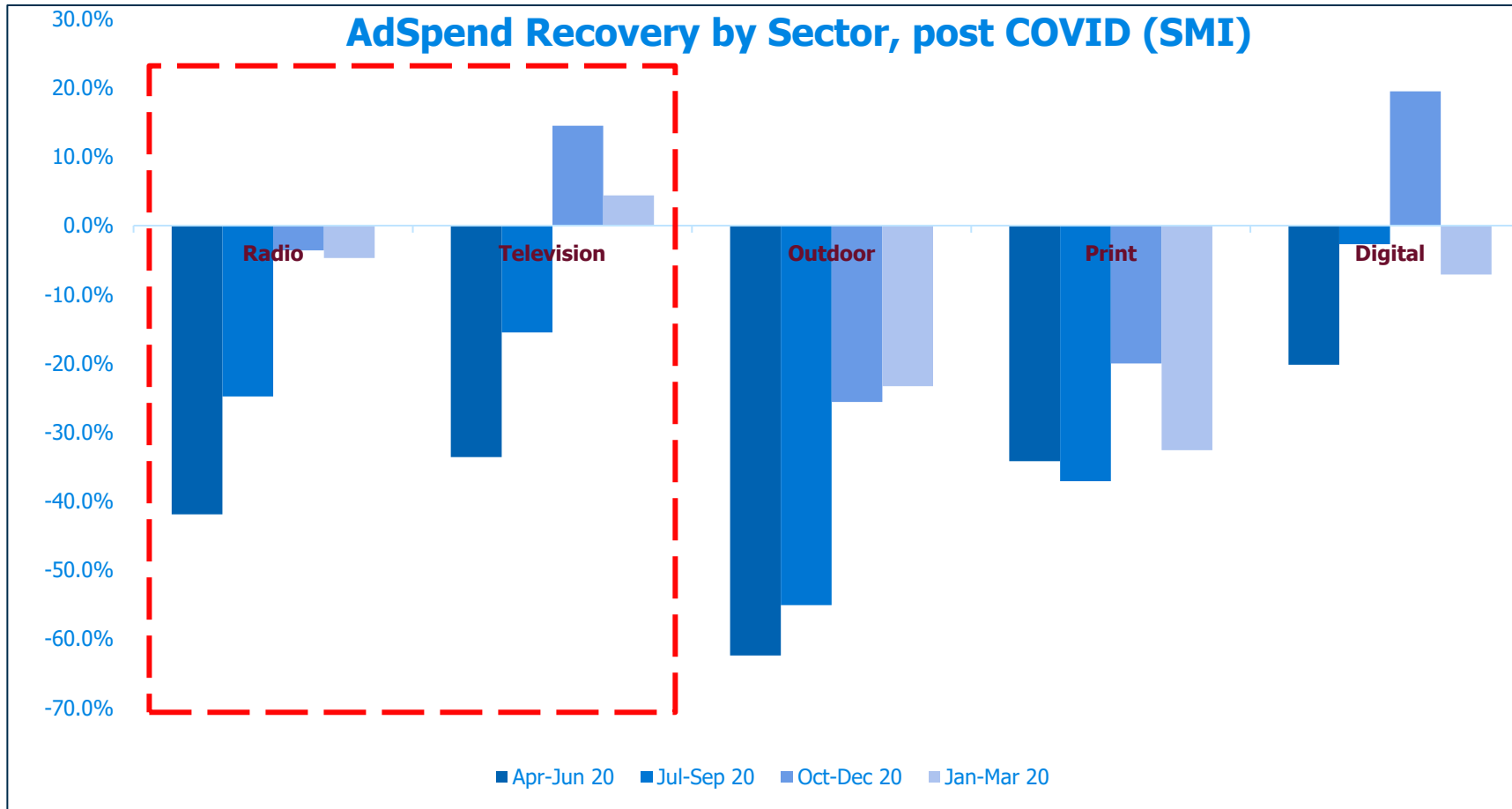
EBITDA % (excluding corporate costs)



■ Audio EBITDA % ■ TV EBITDA %

Source: SCA internal reporting, average 2H FY19 to 1H FY21

Advertising market in strong recovery – meaningful quarterly improvement in radio and television since Q420



Radio has followed Television through the economic recovery cycle – typical with historical economic events

Source: SMI Dataminer, Interim Dataset, last updated April 14, 2021

Trading Update

- SCA revenues continue to improve with Q3 advertising revenues -4.3%, ahead of guidance of -6% to -8%
- Cost control remains a key focus with FY21 Non-Revenue Related costs forecast \$250M - \$255M (ahead of guidance of \$255M - \$260M)
- TV Affiliation negotiations on-going – multiple workstreams progressing to ensure seamless transition
- FY21 EBITDA forecast \$118M - \$125M
- Net Debt forecast \$55M - \$65M



**PROUDLY
NATIONAL**

**FIERCELY
LOCAL**

OUR MISSION:

**To entertain, inform
and inspire Australians.
Anytime. Anywhere.**

ersonal use only

SCA STRATEGY – FOUR KEY PILLARS

CONTENT



**Entertain, inform
and inspire our
audiences**

DISTRIBUTION



**Establish LiSTNR
as Australia's
ultimate audio
destination**

MONETISATION



**Use our assets to
help our clients
succeed**

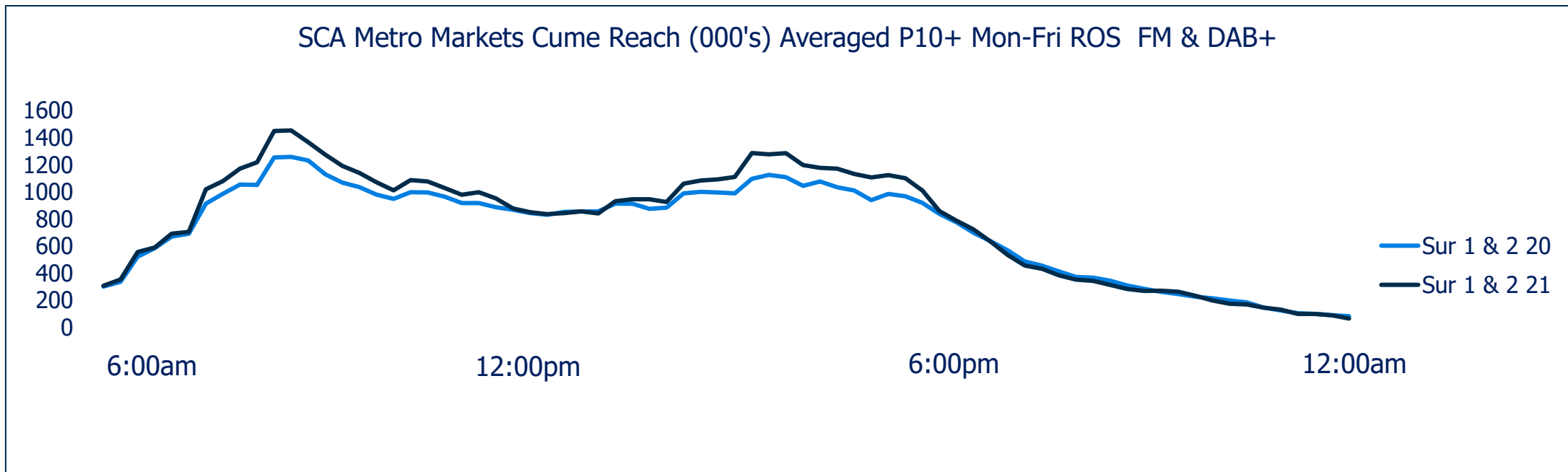
OPERATING MODEL



**Drive and embed
a new Digital
Audio First
Operating Model**

Radio listening has recovered above pre-COVID levels

SCA metro radio listening in 2021 exceeds same period in 2020



Source: GFK Metro Surveys, SCA Internal analysis

SCA has a large digital Audience that is continuously growing



142%

INCREASE YOY

In original podcast listening from November 2019 to November 2020

**ORIGINAL
PODCASTING**



70%

INCREASE YOY

Over 1.6M live radio streaming listeners during March 2021

LIVE STREAMS



61%

INCREASE YOY

2.4M listening hours, accounting for 23% of total listening

**SMART SPEAKER
LISTENING**



11%

INCREASE YOY

Recording more than 3.1M total listening hours

**MOBILE & TABLET
LISTENING**

ersonal use only



The billboard features four portraits of hosts: a bald man with a beard, a man with short blonde hair, a woman with red hair wearing a leopard print hat, and a woman with dark hair. The LISTNR logo is centered in a red circle, with the text 'LISTNR' in white and 'RADIO | PODCASTS | MUSIC | NEWS' below it. A red banner at the bottom contains the text 'Open your ears to a new world of audio' and a button that says 'DOWNLOAD THE FREE APP'.



LiSTNR WILL EXPAND SCA'S DIGITAL AUDIO ECOSYSTEM

SCA's digital transformation is accelerating through the launch of LiSTNR, capitalising on the rapidly growing digital audio environment

1	Changing audience behaviour	The number of Australians accessing digital audio has doubled since 2016 & is projected to reach 80% of Australians by 2024. ¹
2	Creating category leadership	Scale and Simplicity. High quality, personalised and free app – aggregating SCA's extensive depth of digital audio content in a single destination
3	Customer Experience	A personalised listening experience that enables consumers to easily discover a new world of premium, relevant audio that's live, timely and timeless
4	Value of data	A real time deep understanding of SCA's audiences' listening behaviour enables SCA to deliver targeted audiences at scale
5	The time is now	Depth of insights and new audience identities, accelerated digital audio listening and a focus on digital-first behaviour across SCA



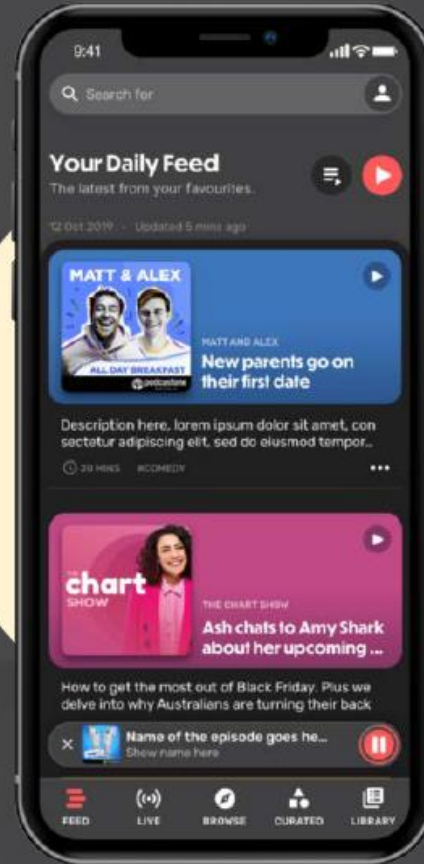
ersonal use only

¹ Source: GfK Australian Share of Audio, 2019

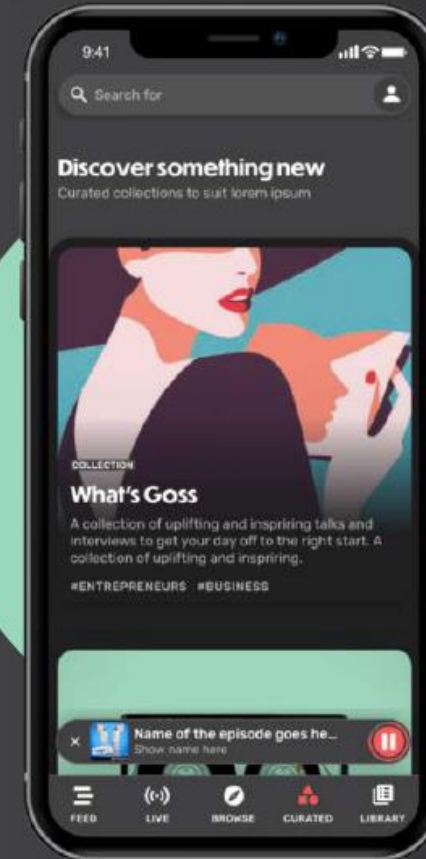
A TAILORED CONSUMER APP EXPERIENCE



**Intuitive
Onboarding**

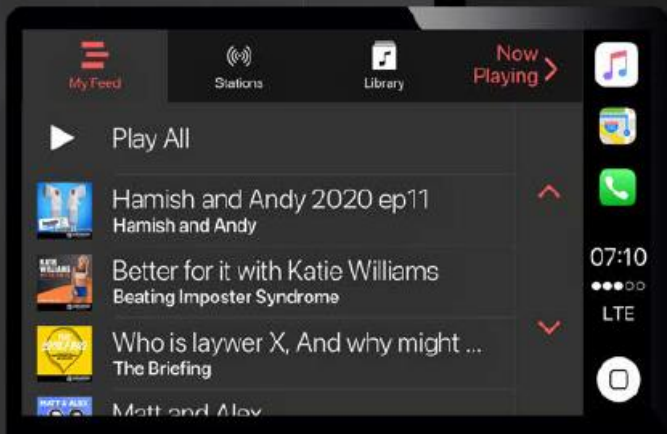


**Personalised
Daily Feed**



**Ease
of Discovery**

personal use only



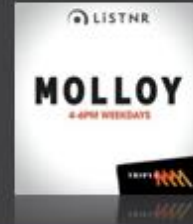
AUDIO
ANYTIME
ANYWHERE



WHAT IS LISTNR

RADIO | PODCASTS | MUSIC | NEWS

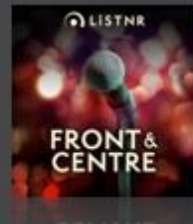
RADIO



PODCASTS



MUSIC



NEWS




personal use only


OPEN YOUR EARS TO A NEW WORLD OF AUDIO


PARTNERS / BRANDS



RADIO 

PODCASTS 

MUSIC 

NEWS 

- ORIGINAL CONTENT
- LIVE & ON DEMAND
 - DISCOVERY
 - PERSONALISED

- INCREMENTAL REACH
- ACTIVE KNOWN USERS
- TARGETING
- PREMIUM CONTENT



ENGAGED AUDIENCES AT SCALE

personal use only

ersonal use only

SCA