



ASX RELEASE

27 February 2025

**APPENDIX 4D  
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

Results for Announcement to the Market (All comparisons to 31 December 2023)

<b>Key Financial Information</b>	<b>\$'000</b>	<b>up/down</b>	<b>% movement</b>
Revenue from ordinary activities	209,682	Up	5.3%
Net loss from ordinary activities after tax from continuing operations (including significant items)	(1,370)	Up	59.7%
Net profit from ordinary activities after tax from continuing operations (excluding significant items)	3,647	Up	279%
Net profit from ordinary activities after tax attributable to shareholders	3,224	Up	5.5%

<b>Dividend Information</b>	<b>Amount per share cents</b>	<b>Franked amount per share cents</b>	<b>Tax rate for franking credit</b>
Final FY2024 dividend per share	-	-	-
Interim FY2025 dividend per share	-	-	-

The dividend reinvestment plan has been suspended.

The Group confirmed there was no final dividend paid for the year ended 30 June 2024, and there will be no interim dividend paid for the year ending 30 June 2025.

	<b>31 Dec 24</b>	<b>31 Dec 23</b>
<b>Net Tangible Assets Per Security</b>	\$(0.74)	\$(0.78)

Additional Appendix 4D disclosure requirements are in the directors' report, financial statements and notes to the financial statements contained in the Southern Cross Austereo Interim Financial Report for the half year ended 31 December 2024. This report is based on the consolidated Interim Financial Report for the half year ended 31 December 2024 which has been reviewed by PricewaterhouseCoopers with the Independent Auditor's Review Report included in the Interim Financial Report.

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*Southern Cross Austereo comprises Southern Cross Media Group Limited and its subsidiaries.*

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**SOUTHERN CROSS AUSTereo**

**INTERIM FINANCIAL REPORT**

**FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

Southern Cross Austereo comprises Southern Cross Media Group Limited and its subsidiaries. Southern Cross Media Group Limited is a company limited by shares and incorporated and domiciled in Australia. The registered office of Southern Cross Media Group Limited is Level 2, 101 Moray Street, South Melbourne, Victoria 3205 Australia. Tel: +61 3 9252 1019.

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## Directors' Report

The Directors of Southern Cross Media Group Limited ("the Company") submit the following report for Southern Cross Austereo, being Southern Cross Media Group Limited and its subsidiaries ("the Group"), for the half year ended 31 December 2024. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

### Directors

The following persons were Directors of the Company during the whole of the financial half year, unless otherwise stated, and up to the date of this report:

- Heith Mackay-Cruise (Chair)
- John Kelly (Managing Director)
- Carole Campbell
- Marina Go (Appointed 1 October 2024)
- Ido Leffler
- Helen Nash (Retired 30 September 2024)

### Principal Activities

The principal activities of the Group during the course of the financial half year were the creation of audio content for distribution on broadcast (AM, FM and DAB radio) and digital networks. All of these media assets are monetised via revenue generated from the development and sale of advertising solutions for clients. The Group has also broadcast free-to-air television content in regional markets, however as noted below, the Group is in the process of divesting this business and it is being accounted for as a discontinuing operation, held for sale at 31 December 2024.

There were no other changes in the nature of the Group during the half year.

# INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2024

## Review and Results of Operations

### Group Results

The Group's results for the half year ended 31 December 2024 are summarised in the table below:

	1 Jul 24 -31 Dec 24	1 Jul 23 -31 Dec 23	Variance	Variance
	\$'m	\$'m	\$'m	%
<b>Total Revenue from continuing operations</b>				
Broadcast radio	187.6	183.5	4.1	2.2%
Digital audio	22.1	15.6	6.5	42.0%
<b>Total Revenue</b>	<b>209.7</b>	<b>199.1</b>	<b>10.6</b>	<b>5.3%</b>
<b>Revenue Related Expenses</b>				
Broadcast radio	(37.4)	(34.3)	(3.1)	9.1%
Digital audio	(5.6)	(3.6)	(2.0)	56.9%
<b>Total Revenue Related Expenses</b>	<b>(43.0)</b>	<b>(37.9)</b>	<b>(5.1)</b>	<b>13.6%</b>
<b>% of revenue</b>	<b>20.5%</b>	<b>19.0%</b>		
<b>Non-Revenue Related (NRR) Expenses</b>				
Broadcast radio	(104.4)	(106.4)	2.0	(1.9)%
Digital audio	(16.4)	(20.6)	4.2	(20.4)%
Corporate	(14.7)	(12.9)	(1.8)	13.3%
<b>Total NRR Expenses excluding significant items<sup>1</sup></b>	<b>(135.5)</b>	<b>(139.9)</b>	<b>4.4</b>	<b>(3.1)%</b>
<b>EBITDA</b>				
Broadcast radio	45.8	42.8	3.0	7.1%
Digital audio	0.1	(8.6)	8.7	101%
Corporate	(14.7)	(12.9)	(1.8)	(13.3)%
<b>EBITDA excluding significant items<sup>1</sup></b>	<b>31.2</b>	<b>21.3</b>	<b>9.9</b>	<b>46.9%</b>
<b>NPAT from continuing operations including significant items</b>	<b>(1.4)</b>	<b>(3.4)</b>	<b>2.0</b>	<b>59.7%</b>
<b>Profit from discontinuing operations</b>	<b>4.6</b>	<b>6.5</b>	<b>(1.9)</b>	<b>(28.8)%</b>
<b>Reported Group NPAT including significant items</b>	<b>3.2</b>	<b>3.1</b>	<b>0.1</b>	<b>5.5%</b>

<sup>1</sup>EBITDA disclosed within the Directors' Report is equivalent to 'Profit/(loss) before income tax expense for the half year from continuing operations' included within the Consolidated Statement of Comprehensive Income after adding back depreciation and amortisation expense, significant items, and net interest expense. EBITDA is used by the directors as a widely recognised measure of operational performance.

Group revenues from continuing operations increased by 5.3% on prior half year with growth in both broadcast radio and digital audio revenue. Revenue related expenses increased to 20.5% of revenue from 19.0% as the Group ran more integrated advertising campaigns in achieving revenue growth. Strong cost discipline saw non-revenue related (NRR) expenses decrease by \$4.4 million or 3.1% excluding significant items. And this combined with higher net revenues delivered a 46.9% increase in EBITDA to \$31.2 million excluding significant items.

## INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2024

On 13 December 2024, the Group announced that it had successfully negotiated the refinancing of its syndicated debt facility. The new facility comprises a 3-year revolving \$160 million facility and was used to repay the existing drawn debt of \$118 million on 13 January 2025. The \$42 million in undrawn debt will provide financial flexibility to support the business moving forward. Financial covenants remained at a maximum 3.5 times Net Debt: EBITDA and minimum interest cover of 3.0 times, with the ratios at 31 December 2024 of 1.58 times and 8.52 times respectively (as defined and calculated in accordance with the Groups syndicated debt facility agreement) well within the covenant ratios. A modification loss of \$0.8 million has been recorded in interest expense and other borrowing costs during the half year ended 31 December 2024.

### Broadcast Radio

The Broadcast radio business consists of two complementary radio networks operating across metro capital cities and regional markets in Australia. Both networks target audiences in the 25 to 54 age bracket, ('the audience that matters') as this accounts for the majority of agency advertising briefs. The Triple M network is skewed towards males within this age bracket, whereas the Hit Network is skewed towards females. The combined share of the 'audience that matters' across both networks has been steadily increasing, finishing CY24 at 35%.

	1 Jul 24 -31 Dec 24	1 Jul 23 -31 Dec 23	Variance	Variance
Broadcast Radio Profit & Loss	\$'m	\$'m	\$	%
Metro Radio Advertising Revenue	93.9	90.6	3.3	3.6%
Regional Radio Advertising Revenue	81.7	81.9	(0.2)	(0.2)%
Other Revenue	12.0	11.0	1.0	9.1%
<b>Total Revenue</b>	<b>187.6</b>	<b>183.5</b>	<b>4.1</b>	<b>2.2%</b>
Revenue Related Expenses	(37.4)	(34.3)	(3.1)	9.1%
Non-Revenue Related (NRR) Expenses	(104.4)	(106.4)	2.0	(1.9)%
<b>Total Expenses</b>	<b>(141.8)</b>	<b>(140.7)</b>	<b>(1.1)</b>	<b>0.8%</b>
<b>EBITDA excluding significant items</b>	<b>45.8</b>	<b>42.8</b>	<b>3.0</b>	<b>7.1%</b>

Total Broadcast radio revenues increased by 2.2% to \$187.6 million. The Group's metro radio advertising revenue increased by 3.6%, driven by strong share gains, with SCA leading the Metro Radio market growing revenue share from 26.7% in H1 FY24 to 27.5% in H1 FY25. The Group's regional radio advertising revenue declined by 0.2%, with strong national growth from Government and Automotive sectors largely offsetting declining local revenues that were impacted by a weak retail SME market.

Revenue related expenses increased from 18.7% of revenues in H1 FY2024 to 19.9% in H1 FY2025, due to higher commission payments and a greater proportion of integrated advertising campaigns which incur additional costs. Despite inflationary pressures, NRR expenses decreased by 1.9% due to strong on-going cost discipline and management enacting a number of cost out initiatives. Total expenses (excluding significant items) were up \$1.1m, or 0.8%.

As a result of the increase in revenue and small increase in costs Broadcast radio EBITDA improved by 7.1% to \$45.8 million, with EBITDA margins improving from 23.3% to 24.4%.

## INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### Digital Audio

The Digital Audio business consists of the Group's digital platform, LiSTNR and the digital assets associated with the Radio broadcasting business.

	1 Jul 24 -31 Dec 24	1 Jul 23 -31 Dec 23	Variance	Variance
Digital Audio Profit & Loss	\$'m	\$'m	\$	%
<b>Total Revenue</b>	<b>22.1</b>	<b>15.6</b>	<b>6.5</b>	<b>42.0%</b>
Revenue Related Expenses	(5.6)	(3.6)	(2.0)	56.9%
Non-Revenue Related (NRR) Expenses	(16.4)	(20.6)	4.2	(20.4)%
<b>Total Expenses</b>	<b>(22.0)</b>	<b>(24.2)</b>	<b>2.2</b>	<b>(9.1)%</b>
<b>EBITDA excluding significant items</b>	<b>0.1</b>	<b>(8.6)</b>	<b>8.7</b>	<b>101%</b>

Digital Audio continued its strong operating momentum from FY24 into H1 FY25. Group digital audio revenues increased by 42.0% to \$22.1 million driven by strong growth in owned InStream and Podcast revenue and market leading AdTech capabilities growing share of market.

Revenue related costs increased from 23.1% of revenues in H1 FY2024 to 25.3% in H1 FY2025, due to higher commission payments and additional costs associated with more integrated advertising campaigns. NRR expenses decreased by 20.4% due to ongoing disciplined and effective cost management.

The combined impact of strong revenue growth with lower expenses resulted in Digital Audio achieving positive EBITDA in the half, compared with a loss of \$8.6 million in H1 FY24.

### Corporate

The Corporate function comprises the group wide centralised functions that cannot be clearly attributable to the broadcast radio or digital audio segments. Corporate expenses increased by 13.3%, this was largely due to the inflationary pressures and the year on year impact in provisions for variable remuneration, which have increased in line with the year on year improvements in business performance.

### Significant Items

There are \$7.2 million of significant items included in net profit before tax in the half year ended 31 December 2024 (equating to \$5.0 million post tax). These comprise: \$6.4 million of restructuring costs relating to a number significant cost-out programmes which have delivered \$20 million in ongoing NRR cost savings and \$0.8 million of other items which included the costs associated with implementing a new HR Information System.

In the prior half year, \$1.9 million of significant items relating principally to restructuring costs were included in net profit before tax (\$1.4 million post tax).

### Discontinuing operations - Television

On 29 August 2024, the Group announced that it had commenced a strategic review of its non-core regional television assets and was in active negotiations with several parties with an interest in acquiring those assets.

On 17 December 2024, the Group announced that it had signed heads of agreement for the sale of its television licences in the three aggregated markets of Queensland, southern New South Wales and Victoria ('3-Agg Markets') to Network 10.

On 26 February 2025 the Group has signed a binding proposal to dispose of the remaining TV assets to Australian Digital Holdings ('ADH') for an expected cash consideration of \$3.75 million.

## INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2024

The Group has assessed that the Television assets should be accounted for as held for sale and the operations treated as discontinuing as at the reporting date.

The television market continues to be subject to ongoing significant market and audience pressures, with revenues declining by 16.8% to \$44.1 million in H1 FY25. With expenses declining by 6.9%, Television EBITDA fell by 60% to \$3.9 million and the operations contributed \$0.8 million of net profit after tax, down 87% from H1 FY25. A combination of a \$6.1 million reversal of previous impairments of the 3-Agg broadcasting licences and a \$2.4m impairment of the remaining TV assets, led to a total profit from discontinuing operations of \$4.6 million in H1 FY25.

### Dividends

On 29 August 2024, the Group confirmed there would be no final dividend paid for the year ended 30 June 2024. Further, there has been no interim dividend declared for the half year ended 31 December 2024.

### Significant Changes in State of Affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the half year under review, other than the planned sale of the television operations as described above.

### Events Occurring After Balance Date

Events occurring after balance date are outlined in Note 12 "Events Occurring after Balance Date" to the Financial Statements.

### Directors' Holdings of Shares

The aggregate number of Company fully paid shares held directly, indirectly or beneficially by directors of the Company at the date of this report is 508,099 (30 June 2024: 536,974).

### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Signed in accordance with resolutions of the directors of Southern Cross Media Group Limited.



**Heith Mackay-Cruise**

Chairman

Southern Cross Media Group Limited

Sydney, Australia

27 February 2025



**John Kelly**

Managing Director

Southern Cross Media Group Limited

Sydney, Australia

27 February 2025





## Auditor's Independence Declaration

As lead auditor for the review of Southern Cross Media Group Limited for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Southern Cross Media Group Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'A Campbell'.

Amanda Campbell  
Partner  
PricewaterhouseCoopers

Melbourne  
27 February 2025

# INTERIM FINANCIAL REPORT

## FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### Consolidated Statement of Comprehensive Income

	Note	Consolidated	
		1 Jul 24 -31 Dec 24	1 Jul 23 -31 Dec 23 (Restated)
		\$'000	\$'000
<b>Continuing operations</b>			
Revenue	3	209,682	199,063
Revenue-related expenses		(43,058)	(37,911)
Employee expenses		(99,830)	(95,587)
Program and production		(11,589)	(11,336)
Promotions and marketing		(4,626)	(7,319)
Technical expenses		(14,650)	(15,345)
Administration costs		(13,591)	(13,501)
Other income		1,741	1,260
Depreciation and amortisation expense		(15,902)	(14,527)
Interest expense and other borrowing costs		(10,250)	(9,586)
Interest revenue		153	90
<b>Loss before income tax expense for the half year from continuing operations</b>		<b>(1,920)</b>	<b>(4,699)</b>
Income tax credit from continuing operations	5	550	1,303
<b>Loss from continuing operations after income tax for the half year</b>		<b>(1,370)</b>	<b>(3,396)</b>
Profit from discontinuing operations	7	4,594	6,452
<b>Profit for the half year</b>		<b>3,224</b>	<b>3,056</b>
<i>Other comprehensive income for the half year that may be reclassified to profit or loss:</i>			
Changes to fair value of cash flow hedges, net of tax		(222)	(354)
<b>Total comprehensive profit for the half year attributable to shareholders</b>		<b>3,002</b>	<b>2,702</b>
<b>Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company:</b>			
Basic earnings per share		(0.6)	(1.4)
Diluted earnings per share		(0.6)	(1.4)
<b>Earnings per share for profit attributable to the ordinary equity holders of the Company:</b>			
Basic earnings per share		1.3	1.3
Diluted earnings per share		1.3	1.3

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

# INTERIM FINANCIAL REPORT

## FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### Consolidated Statement of Financial Position

		Consolidated	
	Note	31 Dec 24 \$'000	30 Jun 24 \$'000
<b>Current assets</b>			
Cash and cash equivalents		25,100	10,540
Receivables		94,722	105,388
Current tax asset		4,048	923
Assets classified as held for sale	7	13,616	-
<b>Total current assets</b>		<b>137,486</b>	<b>116,851</b>
<b>Non-current assets</b>			
Receivables		4,460	9,721
Derivative financial instruments		167	485
Right-of-use assets		100,681	104,728
Investments		3,182	5,790
Property, plant and equipment		55,449	63,239
Intangible assets	8	390,680	391,503
<b>Total non-current assets</b>		<b>554,619</b>	<b>575,466</b>
<b>Total assets</b>		<b>692,105</b>	<b>692,317</b>
<b>Current liabilities</b>			
Payables		44,548	40,780
Deferred Income		2,896	4,926
Provisions		19,078	21,433
Leases liability		8,296	7,752
<b>Total current liabilities</b>		<b>74,818</b>	<b>74,891</b>
<b>Non-current liabilities</b>			
Deferred Income		83,048	84,162
Provisions		4,237	3,918
Borrowings	10	117,739	117,543
Lease liability		117,492	120,523
Deferred tax liability		88,698	88,443
<b>Total non-current liabilities</b>		<b>411,214</b>	<b>414,589</b>
<b>Total liabilities</b>		<b>486,032</b>	<b>489,480</b>
<b>Net assets</b>		<b>206,073</b>	<b>202,837</b>
<b>Equity</b>			
Contributed equity	11	1,516,105	1,516,105
Reserves		5,971	5,959
Accumulated losses		(1,316,003)	(1,319,227)
<b>Total equity</b>		<b>206,073</b>	<b>202,837</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

# INTERIM FINANCIAL REPORT

## FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### Consolidated Statement of Changes in Equity

Half year ended 31 December 2024

	Contributed equity \$'000	Share- based payment reserve \$'000	Hedge reserve \$'000	(Accumulated losses) /retained profits \$'000	Total equity \$'000
<b>Total equity at 1 July 2024</b>	1,516,105	5,619	340	(1,319,227)	202,837
Profit for the half year	-	-	-	3,224	3,224
Other comprehensive income	-	-	(222)	-	(222)
<b>Total comprehensive income</b>	-	-	(222)	3,224	3,002
<b>Transactions with equity holders in their capacity as equity holders:</b>					
Employee share entitlements	-	376	-	-	376
Payments on maturity of executive incentive plan	-	(142)	-	-	(142)
	-	234	-	-	234
<b>Total equity at 31 December 2024</b>	1,516,105	5,853	118	(1,316,003)	206,073
<b>Half year ended 31 December 2023</b>					
	Contributed equity \$'000	Share- based payment reserve \$'000	Hedge reserve \$'000	(Accumulated losses) /retained profits \$'000	Total equity \$'000
<b>Total equity at 1 July 2023</b>	1,516,105	5,475	515	(1,086,946)	435,149
Profit for the half year	-	-	-	3,056	3,056
Other comprehensive income	-	-	(354)	-	(354)
<b>Total comprehensive income</b>	-	-	(354)	3,056	2,702
<b>Transactions with equity holders in their capacity as equity holders:</b>					
Employee share entitlements	-	284	-	-	284
Dividends paid	-	-	-	(5,278)	(5,278)
	-	284	-	(5,278)	(4,994)
<b>Total equity at 31 December 2023</b>	1,516,105	5,759	161	(1,089,168)	432,857

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# INTERIM FINANCIAL REPORT

## FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### Consolidated Statement of Cash Flows

	Note	Consolidated	
		1 Jul 24	1 Jul 23
		- 31 Dec 24	- 31 Dec 23
		\$'000	\$'000
<b>Cash flows from operating activities</b>			
Receipts from customers		284,127	273,858
Payments to suppliers and employees		(253,605)	(253,891)
Interest received from external parties		153	90
Tax paid net of refunds received		(3,030)	(98)
<b>Net cash inflows from operating activities</b>		<b>27,645</b>	<b>19,959</b>
<b>Cash flows from investing activities</b>			
Payments for purchase of property, plant and equipment		(957)	(1,953)
Payments for purchase of intangibles		(3,952)	(9,189)
Proceeds from sale of property, plant and equipment		2,828	4,074
Payment for purchase of unlisted equity securities		(166)	(138)
Proceeds from sale of unlisted equity securities		-	800
Dividends received from equity accounted investments		-	500
<b>Net cash flows used in investing activities</b>		<b>(2,247)</b>	<b>(5,906)</b>
<b>Cash flows from financing activities</b>			
Dividends paid to security holders	6	-	(5,278)
Net proceeds of borrowings from external parties		-	10,000
Payments for debt financing		(130)	-
Interest paid to external parties		(6,787)	(6,786)
Principal elements of lease payments		(3,921)	(3,558)
<b>Net cash flows used in financing activities</b>		<b>(10,838)</b>	<b>(5,622)</b>
Net increase in cash and cash equivalents		14,560	8,431
Cash assets at the beginning of the half year		10,540	12,963
<b>Cash assets at the end of the half year</b>		<b>25,100</b>	<b>21,394</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

## Notes to the Financial Statements

### 1. Summary of Material Accounting Policies

This condensed consolidated interim financial report for the half year reporting period ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of the Company for the year ended 30 June 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

#### Basis of Preparation

##### i) *Compliance with IFRS*

Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Group comply with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB'). Consequently, this financial report has also been prepared in accordance with and complies with IFRS as issued by the IASB.

##### ii) *Historical cost convention*

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities (including derivative instruments) at fair value through profit or loss. All amounts are presented in Australian dollars, unless otherwise noted.

##### iii) *Comparative figures*

Where necessary, comparatives have been adjusted to conform to changes in presentation in the current period.

## Notes to the Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

#### **Rounding of Amounts**

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' Report and Financial Report. Amounts have been rounded off in accordance with the Instrument to the nearest thousand dollars, unless otherwise indicated.

#### **Critical Accounting Estimates and Judgement**

The preparation of the interim financial report in accordance with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires the Group to exercise judgement in the process of applying the accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The Group believes the estimates used in the preparation of the interim financial report are reasonable. Actual results in the future may differ from those reported.

The critical estimates and judgements adopted are consistent with those of the previous financial year and corresponding interim reporting period.

#### **Notes to the financial statements**

Notes relating to individual line items in the financial statements now include accounting policy information where it is considered relevant to an understanding of these items, as well as information about critical accounting estimates and judgements. No new accounting standards were introduced in the current period.

## Notes to the Financial Statements (continued)

### 2. Segment Information

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

The Group has determined that it has two main operating segments, being:

- Broadcast Radio, comprising metro and regional radio and other related businesses; and
- Digital Audio

with the former Television segment, being the regional television broadcasting operations, being classified as discontinuing operations.

	Broadcast Radio		Digital Audio		Corporate		Consolidated	
	1 Jul 24- 31 Dec 24	1 Jul 23- 31 Dec 23	1 Jul 24- 31 Dec 24	1 Jul 23- 31 Dec 23	1 Jul 24- 31 Dec 24	1 Jul 23- 31 Dec 23	1 Jul 24- 31 Dec 24	1 Jul 23- 31 Dec 23
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Segment revenue</b>	<b>187,570</b>	<b>183,492</b>	<b>22,112</b>	<b>15,571</b>	-	-	<b>209,682</b>	<b>199,063</b>
National revenue <sup>1</sup>	<b>105,618</b>	101,043	-	-	-	-	<b>105,618</b>	101,043
Local revenue <sup>2</sup>	<b>69,845</b>	71,481	-	-	-	-	<b>69,845</b>	71,481
Other revenue	<b>12,107</b>	10,968	<b>22,112</b>	15,571	-	-	<b>34,219</b>	26,539
<b>Total revenue</b>	<b>187,570</b>	<b>183,492</b>	<b>22,112</b>	<b>15,571</b>	-	-	<b>209,682</b>	<b>199,063</b>
<b>EBITDA before significant items<sup>3,4</sup></b>	<b>45,795</b>	42,754	<b>73</b>	(8,565)	<b>(14,623)</b>	(12,921)	<b>31,245</b>	21,268
<b>Reported EBITDA</b>	<b>41,190</b>	41,573	<b>(323)</b>	(8,674)	<b>(16,788)</b>	(13,575)	<b>24,079</b>	19,324
Reported EBITDA % of Revenue	<b>22.0%</b>	22.7%	<b>(1.5)%</b>	(55.7)%	<b>N/A</b>	N/A	<b>11.5%</b>	<b>9.7%</b>
Depreciation and amortisation	-	-	-	-	-	-	<b>(15,902)</b>	(14,527)
<b>Reported EBIT / Segment result</b>	-	-	-	-	-	-	<b>8,177</b>	<b>4,797</b>
Financing costs	-	-	-	-	-	-	<b>(10,097)</b>	(9,496)
Income tax (expense) / credit	-	-	-	-	-	-	<b>550</b>	1,303
<b>Profit / (Loss) from continuing operations</b>	-	-	-	-	-	-	<b>(1,370)</b>	<b>(3,396)</b>
<b>Profit from discontinuing operations</b>	-	-	-	-	-	-	<b>4,594</b>	<b>6,452</b>
<b>Profit for the half year attributable to shareholders</b>	-	-	-	-	-	-	<b>3,224</b>	<b>3,056</b>

<sup>1</sup> National revenue is sold by SCA's national sales team who are able to sell all SCA products across all markets.

<sup>2</sup> Local revenue is sold directly by SCA's local sales team who focus on selling local products specific to the particular market.

<sup>3</sup> Refer to Note 4 'Significant Items'

<sup>4</sup> EBITDA is the key profit measure reported to the CODM

<sup>5</sup> The CODM reviews the balance sheet on a consolidated basis only

<sup>6</sup> The Group is in the process of reviewing the recently issued IFRIC agenda decision on disclosure of material items by segment for inclusion of any such items in the financial statements for the full year ending 30 June 2025



## Notes to the Financial Statements (continued)

### 3. Revenue

The profit before income tax from continuing operations included the following specific items of revenue:

	Consolidated	
	1 Jul 24 - 31 Dec 24	1 Jul 23 - 31 Dec 23
	\$'000	\$'000
<b>Revenue from continuing operations</b>		
Sales revenue	209,555	198,906
Rental revenue	127	157
<b>Total revenue from continuing operations</b>	<b>209,682</b>	<b>199,063</b>

### 4. Significant Items

The net profit after tax includes the following significant items relevant in explaining the financial performance of the Group. Significant items are those items of such a nature or size that separate disclosure will assist users to understand the financial statements.

	1 Jul 24 - 31 Dec 24	1 Jul 23 - 31 Dec 23
	\$'000	\$'000
Restructuring charges (after tax)	(4,078)	(987)
Response to corporate activity proposals (after tax)	-	(374)
Other (after tax)	(939)	-
<b>Total significant items included in net profit after tax</b>	<b>(5,017)</b>	<b>(1,361)</b>

### 5. Income Tax Expense

	Consolidated	
	1 Jul 24 - 31 Dec 24	1 Jul 23 - 31 Dec 23
	\$'000	\$'000
<b>Income tax expense</b>		
<b>Current tax</b>		
Current tax on profits for the year	(143)	280
Adjustments for current tax of prior periods	785	2,057
<b>Total current tax expense</b>	<b>642</b>	<b>2,337</b>
<b>Deferred income tax</b>		
Increase in net deferred tax liabilities	1,043	969
Adjustment for deferred tax of prior periods	(1,135)	(2,003)
<b>Total deferred tax expense</b>	<b>(92)</b>	<b>(1,034)</b>
<b>Income tax credit</b>	<b>550</b>	<b>1,303</b>

## Notes to the Financial Statements (continued)

### 6. Dividends Paid

	Consolidated	
	1 Jul 24 - 31 Dec 24 \$'000	1 Jul 23 - 31 Dec 23 \$'000
<b>The dividends were paid/payable as follows:</b>		
Final dividend paid for the year ended 30 June 2024/2023 – fully franked at the tax rate of 30% and paid in cash	-	5,278
	-	<b>5,278</b>
	Cents per share	Cents per share
Final dividend paid for the year ended 30 June 2024/2023	-	2.2

On 29 August 2024, the Group confirmed there would be no final dividend paid for the year ended 30 June 2024. Further, there has been no interim dividend declared for the half year ended 31 December 2024.

### 7. Discontinuing operations

#### Description

On 29 August 2024, the Group announced that it had commenced a strategic review of its non-core regional television assets and was in active negotiations with several parties with an interest in acquiring those assets.

On 17 December 2024, the Group announced that it had signed heads of agreement for the sale of its television licences in the three aggregated markets of Queensland, southern New South Wales and Victoria ('3-Agg Markets') to Network 10.

The net present value of gross consideration has been calculated at \$13.0 million. The terms of the sale provide that SCA will be entitled to receive a 32.5% share of the profit before tax generated by the 3-Agg Market licences for five years after completion of the sale ("Participation Period"). The consideration to be received by SCA will be dependent on advertising market conditions over the Participation Period and will be paid quarterly in arrears.

SCA has an ongoing contract with BAI Communications for broadcast transmission services for both TV and Radio which expires on 1 September 2034. As part of the asset sale agreement, Network Ten will enter into a new agreement with BAI for the transmission services that service the 3-Agg Markets.

SCA will be liable for termination fees under the new contract if Network 10 exercises a right to terminate after expiry of the Participation Period. SCA has considered various scenarios and applied probability weightings to arrive at a net present value of this potential liability of \$3.2 million.

The price in the transaction with Network 10 is an observable indicator that the recoverable amount of the broadcast licences being sold to Network 10 has increased, and is therefore considered to be an indicator of a reversal of impairment in respect of these assets. This has led to a partial reversal of previous impairments of \$6.1 million.

## Notes to the Financial Statements (continued)

### 7. Discontinuing operations (continued)

On 26 February 2025 the Group has signed a binding proposal to dispose of the remaining TV assets to Australian Digital Holdings ('ADH') for an expected cash consideration of \$3.75 million. The price in the transaction with ADH is an observable indicator that the recoverable amount of the remaining TV assets has decreased, and is therefore considered to be an indicator of an impairment in respect of these assets. This has led to an impairment of \$2.4 million. The balance sheet reflects the recoverable amount of these assets.

The sales processes above will lead to the disposal of the entire Television operating segment, however at 31 December 2024 no sale had been completed, therefore the relevant assets are treated as assets held for sale and the Television segment is a discontinuing operation in these financial statements.

### Financial performance and cash flow information

The financial performance and cash flow information presented are for the six months ended 31 December 2024 and 31 December 2023

	<b>Consolidated</b>	
	<b>1 Jul 24 - 31 Dec 24</b>	<b>1 Jul 23 - 31 Dec 23</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue	44,107	52,234
Expenses	(42,485)	(43,104)
Impairment of remaining TV assets	(2,369)	-
Reversal of impairment of 3-AGG market licences	6,145	-
Profit before income tax	<b>5,398</b>	9,130
Income tax expense	(804)	(2,678)
<b>Profit from discontinuing operations</b>	<b>4,594</b>	<b>6,452</b>
Net cash inflow from operating activities	3,915	8,439
Net cash (outflow)/inflow from investing activities	(23)	394
<b>Net increase in cash generated by the discontinuing operations</b>	<b>3,892</b>	<b>8,833</b>

### Assets of discontinuing operations classified as held for sale

The following assets were reclassified as held for sale in relation to the discontinuing operations as at 31 December 2024:

	<b>Consolidated</b>	
	<b>31 Dec 24</b>	<b>30 June 24</b>
	<b>\$'000</b>	<b>\$'000</b>
Receivables	4,487	-
Investments	1,781	-
Property, plant and equipment	1,203	-
Intangible assets	6,145	-
<b>Total assets held for sale</b>	<b>13,616</b>	<b>-</b>

## Notes to the Financial Statements (continued)

### 8. Non-Current Assets – Intangible Assets

Consolidated	Goodwill	Broadcasting Licences	Brands and Trademarks	Other	Total
31 December 2024	\$'000	\$'000	\$'000	\$'000	\$'000
Cost <sup>1</sup>	72,535	1,155,320	90,525	42,536	1,360,916
Accumulated impairment expense <sup>1</sup>	(72,535)	(833,893)	(41,662)	-	(948,090)
Accumulated amortisation expense	-	-	-	(22,146)	(22,146)
<b>Net carrying amount</b>	<b>-</b>	<b>321,427</b>	<b>48,863</b>	<b>20,390</b>	<b>390,680</b>

#### Movement

Net carrying amount at 30 June 2024	-	321,427	48,836	21,240	391,503
Additions	-	-	27	3,926	3,953
Reversal of impairment <sup>1</sup>	-	6,145	-	-	6,145
Assets classified as held for sale <sup>1</sup>	-	(6,145)	-	-	(6,145)
Amortisation expense	-	-	-	(4,776)	(4,776)
<b>Net carrying amount at end of period</b>	<b>-</b>	<b>321,427</b>	<b>48,863</b>	<b>20,390</b>	<b>390,680</b>

Consolidated	Goodwill	Broadcasting Licences	Brands and Trademarks	Other	Total
31 December 2023	\$'000	\$'000	\$'000	\$'000	\$'000
Cost	362,088	1,502,031	90,450	34,860	1,989,429
Accumulated impairment expense	(362,088)	(854,478)	(41,662)	-	(1,258,228)
Accumulated amortisation expense	-	-	-	(13,090)	(13,090)
<b>Net carrying amount</b>	<b>-</b>	<b>647,553</b>	<b>48,788</b>	<b>21,770</b>	<b>718,111</b>

#### Movement

Net carrying amount at 30 June 2023	-	647,553	48,747	15,820	712,120
Additions	-	-	41	9,148	9,189
Amortisation expense	-	-	-	(3,198)	(3,198)
<b>Net carrying amount at end of period</b>	<b>-</b>	<b>647,553</b>	<b>48,788</b>	<b>21,770</b>	<b>718,111</b>

1. The Television assets have been classified as held for sale. These assets, which had a gross cost relating to goodwill of \$289.553m and \$346.711m of Broadcasting Licences had been fully impaired in the year ended 30 June 2019.

### Impairment of goodwill and intangible assets with indefinite useful lives

The value of licences, trademarks, brands and goodwill is allocated to the Group's cash generating units ("CGUs"). The Group has identified Broadcast Radio, being metro and regional free-to-air commercial radio broadcasting and other related businesses, and Digital Audio as CGU's, with the former Television CGU, being the regional television broadcasting operations, being classified as discontinuing operations, and its assets being classified as assets held for sale.

The Group tests at least annually whether intangible assets with indefinite useful lives have suffered any impairment and when there is an indication of impairment. The tests incorporate assumptions regarding future events which may or may not occur, resulting in the need for future revisions of estimates.

## Notes to the Financial Statements (continued)

### 9. Derivative Financial Instruments

	Consolidated	
	31 Dec 24	30 Jun 24
	\$'000	\$'000
Interest rate swap contracts – non-current asset	168	485
<b>Total derivative financial instruments</b>	<b>168</b>	<b>485</b>

#### Hedge accounting

The Group designated interest rate swaps held as cash flow hedges and has applied hedge accounting.

The Group documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking the hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in cash flows of hedged items.

The fair values of derivative financial instruments used for hedging purposes are presented within the balance sheet. Movements in the hedging reserve are shown within the Consolidated Statement of Changes in Equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

In the 2023 financial year the Group entered into \$35 million of interest rate swap contracts under which it is obliged to receive interest at variable rates and pay interest at fixed rates starting in April 2023 at an average fixed rate of 3.6%. These interest rate swap contracts will expire in April 2026.

#### Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated Statement of Comprehensive Income.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in profit or loss within “interest expense and other borrowing costs”. When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

## Notes to the Financial Statements (continued)

### 10. Borrowings

	Consolidated	
	31 Dec 24	30 Jun 24
	\$'000	\$'000
<b>Non-current secured borrowings</b>		
Total committed non-current bank facilities	160,000	160,000
Undrawn facilities	(42,000)	(42,000)
Drawn bank facilities	118,000	118,000
Borrowing costs	(261)	(457)
<b>Total secured non-current interest bearing liabilities</b>	<b>117,739</b>	<b>117,543</b>
<b>Total current and non-current borrowings</b>	<b>117,739</b>	<b>117,543</b>

For all non-current borrowings, the carrying amount approximates fair value in the balance sheet. The Group also has a short-term \$25 million overdraft facility with the ANZ Banking Group, which is renewable on an annual basis each 30 April.

On 13 December 2024, the Group announced that it had successfully negotiated the refinancing of its syndicated debt facility. The new facility comprises a 3-year revolving \$160 million facility and was used to repay the existing drawn debt of \$118 million on 13 January 2025 and will provide financial flexibility to support the business moving forward. Financial covenants remained at a maximum 3.5 times Net Debt: EBITDA and minimum interest cover of 3.0 times, with the ratios at 31 December 2024 of 1.58 times and 8.52 times respectively (as defined and calculated in accordance with the Groups syndicated debt facility agreement) well within the covenant ratios. A modification loss of \$0.8 million has been recorded in interest expense and other borrowing costs during the half year ended 31 December 2024.

# INTERIM FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2024

## 11. Contributed Equity

	Consolidated			
	31 Dec 24	30 Jun 24		
	\$'000	\$'000		
Ordinary Shares	1,516,105	1,516,105		
Contributed equity	1,516,105	1,516,105		
	1 Jul 24 - 31 Dec 24	1 Jul 23 - 31 Dec 23	1 Jul 24 - 31 Dec 24	1 Jul 23 - 31 Dec 23
	\$'000	\$'000	Number of securities '000	Number of securities '000
On issue at the beginning of the half year	1,516,105	1,516,105	239,899	239,899
On issue at the end of the financial year	1,516,105	1,516,105	239,899	239,899

## 12. Events Occurring after Balance Date

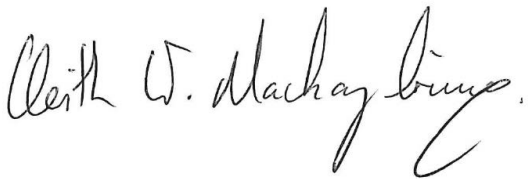
Other than matters outlined elsewhere in this report, no matters or circumstances have arisen since the end of the half year that have significantly affected or may significantly affect the operations of the Group, the results of these operations in future financial years or the state of affairs of the Group in periods subsequent to the half year ended 31 December 2024.

## Directors' Declaration

The directors of the Company declare that:

- (a) the financial statements and notes set out on pages 7 to 20 are in accordance with the Corporations Act 2001, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the financial position of the Group as at 31 December 2024 and the financial performance of the Group, as represented by the results of its operations, changes in equity, and cash flows, for the interim financial period ended on that date; and
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors of Southern Cross Media Group Limited.



Heith Mackay-Cruise  
Chair  
Sydney, Australia  
27 February 2025



John Kelly  
Managing Director  
Sydney, Australia  
27 February 2025





# ***Independent auditor's review report to the members of Southern Cross Media Group Limited***

## **Report on the half-year financial report**

### ***Conclusion***

We have reviewed the half-year financial report of Southern Cross Media Group Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Southern Cross Media Group Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### ***Basis for conclusion***

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### ***Responsibilities of the directors for the half-year financial report***

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

### ***Auditor's responsibilities for the review of the half-year financial report***

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that



the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'A. Campbell'.

Amanda Campbell  
Partner

Melbourne  
27 February 2025