



MARKET ANNOUNCEMENT

HT&E AGM Market Update

Strong platform for growth in 2021

Highlights

- Confidence in the advertising market returning; radio's relevance remains strong
- Best performing audio company in Australia; further opportunities for growth in digital audio
- Strong balance sheet; \$112m net cash
- Navigated COVID-19 well, maintaining strategic focus
- Macquarie Capital appointed to explore liquidity options for HT&E's 25% stake in Soprano
- Opportunities in consolidating media market
- No dividend declared; commitment to re-instating dividend policy

SYDNEY, 6th May 2021 – HT&E Limited [ASX: HT1] today provided the following market update on business operations at the company's Annual General Meeting (AGM).

ARN continues to be the #1 metropolitan network in Australia, and its strategy is delivering results.

Chairman of HT&E Hamish McLennan, made the following comments at the Company's AGM in Sydney today:

"HT&E navigated the period well and has maintained its strategic focus, strengthening our core Australian radio operations, investing in our digital audio growth strategy, and maximising shareholder value as we exited several non-core investments.

"Confidence in the radio market is returning and radio's relevance remains strong. ARN experienced growth in total listening across COVID-19, with ARN commercial radio now reaching 5.3 million people weekly from breakfast to drive.

"ARN remains the best performing audio company in Australia – both commercially and in ratings – delivering advertisers integrated, unique and engaging content from some of the world's best talent, across radio, music streaming and podcasting.

"We believe that there will be continued consolidation in media markets and with its deep media experience, HT&E's Board will be looking for further opportunities to maximise shareholder returns.

"As part of our focus on delivering value for shareholders we appointed Macquarie Capital to explore liquidity options for our 25% stake in Soprano. While no dividend was declared for the year we are committed to re-instating the dividend policy."

CEO of HT&E Ciaran Davis said ARN had outperformed the market in terms of broadcast radio revenues.

"ARN's radio revenue was down 21%, while the overall market was down 25.2%. Additionally, digital audio revenues were up 122% on a like basis and we saw good momentum in podcasting and streaming revenues.



"Pleasingly, our operations have emerged from 2020 in better shape and we are encouraged that this momentum is continuing in 2021. We are dominating ratings, winning 11 surveys in a row. In the crucial breakfast period, with Kyle & Jackie O No.1 for 18 surveys in a row, and Christian O'Connell in Melbourne in No.1 position for 7 surveys in a row.

"Our dominance continues in podcasting. We are the No.1 podcast publisher with 19 million downloads a month and we continue to onboard new content partners to consolidate our leading position, along with launching news products. As a result, we anticipate doubling of podcast revenues in 2021.

"The iHeartRadio platform is another point of difference for us in the radio market with an active unique audience approaching 1 million and total registered users approaching 2 million.

"We have invested in building our digital content creation, data capability and monetisation and we are starting to see the benefits of our exclusive partnership with global platform, iHeartRadio come through."

Trading Update

ARN

- In an improving advertising market, total revenues for Q1 were back ~2.5% on the prior period, with March finishing ahead of March 2020.
- Cycling COVID comparatives, Q2 is tracking well ahead of FY20 with April revenues finishing +53% on the prior period.
- Forward bookings and briefing activity for the remainder of Q2 continue to strengthen underpinned by strong ratings performance and business confidence.
- Growth in consumer demand for podcasts listening saw Q1 digital audio revenues grow over 180% on the prior period; we anticipate this level of growth to continue in Q2.
- In respect of costs, subject to current trading conditions continuing, we expect total people and operating costs to be in line with 2019. ⁽¹⁾

Hong Kong

- Advertising revenues in Q1 finished marginally ahead of the prior comparative period, impacted by COVID mobility restrictions in December / January.
- Improved April revenues, Q2 forward bookings and briefing activity suggest a return of consumer confidence and an improving advertising market.

(1) Before costs associated with disposed businesses (iINC & The Roar) in 2019 (\$3.6m)

ENDS

This announcement has been authorised for release by the Board of HT&E Limited.

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