



**HT&E Limited**  
**2021 Annual General Meeting**  
**SYDNEY, 6 May 2021 at 9am**

## **CHAIRMAN'S ADDRESS TO SHAREHOLDERS**

Good morning and welcome to the Annual General Meeting of HT&E.

I am Hamish McLennan, Chairman of HT&E. With me in the room today are my fellow directors Roger Amos, Paul Connolly and Belinda Rowe.

Also joining us in the room are our CEO and Managing Director, Ciaran Davis, our CFO Andrew Nye, Company Secretary Jeremy Child and Louise King, our auditor from PwC.

I am informed there is a quorum present and accordingly declare the meeting open.

This is the second year we have held our AGM online. Over the last 12 months we have all become familiar with using videoconferencing for meetings, and online is now the typical format for AGMs.

While Australia's COVID-19 response has been successful from a public health perspective we are conscious the global pandemic continues to bring uncertainty and unease. We hope our people, their families and our shareholders are coping with the stresses and changes it has brought.

The COVID-19 pandemic has dramatically impacted our way of life, altered consumer behaviour, disrupted business models and resulted in widespread falls in global and local advertising revenues.

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.



ARN's mission remains to deliver Australia's most complete audio offering, to be everywhere our audiences want to be, with the content they want to consume.

We are confident we have the brands, technology investments and talent to deliver on this for our listeners, advertisers and shareholders.

### **Financial position and capital management**

HT&E's business is very well capitalised. At 31 December 2020, the company had \$112.1 million net cash and access to over \$250 million in funding.

Because of the uncertain economic outlook at the half year the Board suspended the dividend to preserve capital. It subsequently made the decision not to declare a full year dividend, recognising the level of inherent economic uncertainty attributable to the pandemic. However, we are committed to reinstating the dividend policy in 2021 if market conditions and performance allow.

We recommenced the share buyback in September 2020 following the release of the half year results and the improving ad market conditions. The buyback is accretive, acting to boost underlying returns for shareholders.

We continue to work with the business founder of Soprano, a growth business operating in the highly attractive CPaaS (Communications Platform as a Service) sector to maximise value for our 25% stake. We also announced the appointment of Macquarie Capital to explore liquidity options for our stake in Soprano and are pleased with progress to date.

As part of delivering value for shareholders, HT&E acquired a 4.7% strategic interest in local outdoor advertising company, oOh!media, in the first half of the year for \$18.1 million. At year end the stake was valued at \$45.9 million, a gain of \$27.8 million.

Our investment in oOh!media demonstrates our understanding of the sector and we will continue to focus on the right opportunities for our business.

### **Australian Tax Office dispute**

The dispute with the Australian Tax Office on the New Zealand Branch matter continues. We are still awaiting a response from the Australian Tax Office on our objections to the amended assessments from 2018.

The Board remains confident of HT&E's position and are prepared to pursue the matter fully, through to litigation.



## The year ahead

Looking ahead into 2021, HT&E's business remains well placed to capitalise on the exciting growth opportunity in digital audio. We have the benefit of a proven senior management team, world recognised broadcasters and a clear focus around maintaining our position as the leading audio entertainment business in Australia.

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 value.

Before handing over to Ciaran, I would like to thank our people for their dedication, particularly given the challenging conditions faced during 2020.

I also wish to thank to my fellow Board members for their contribution and dedication. Our Board is a great team, having a good mix of skills and experience and it continues to be a pleasure to work together on ensuring the best for the company.

Finally, thanks to you, our shareholders, for your continued support. This Board and management team remain aligned and determined to achieve the best possible returns on your investment over the long term. We look forward to your continued support.

ENDS

\*\*\*

For further information, please contact:

Peter Brookes, Citadel-MAGNUS, +61 407 911 389, [pbrookes@citadelmagnus.com](mailto:pbrookes@citadelmagnus.com)

Helen McCombie, Citadel-MAGNUS, +61 411 756 248, [hmccombie@citadelmagnus.com](mailto:hmccombie@citadelmagnus.com)

The release of this announcement was authorised by the Board of HT&E Limited.