



oOh!media Limited  
ABN 69 602 195 380

22 August 2022

## **ASX Release**

### **APPENDIX 4D AND HALF YEAR REPORT**

oOh!media Limited (ASX:OML) (oOh!) in accordance with ASX Listing Rules attaches the Appendix 4D and Half Year Report for the half year ended 30 June 2022.

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

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#### **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 more than 37,000 digital and static asset locations includes roadsides, retail centres, airports, train stations, bus stops, office towers, cafes, bars and universities.

Listed on the ASX, oOh! employs around 800 people across Australia and New Zealand and had revenues of \$504 million in 2021. It also owns the Cactus printing business.

The Company invests heavily in technology and is pioneering the use of sophisticated data techniques that enable clients to maximise their media spend through unrivalled and accurate audience targeting. Find out more at [oohmedia.com.au](http://oohmedia.com.au)

# oOh!media Limited and its Controlled Entities (the Group)

ACN 602 195 380

## Appendix 4D

## Half Year Report

### Results for announcement to the market

#### Details of the reporting period and the previous corresponding reporting period

**Reporting period:** For the half year ended 30 June 2022

**Previous corresponding period:** For the half year ended 30 June 2021

#### Results for announcement to the market

In accordance with the ASX Listing Rule 4.2A, the Board and management of oOh!media Limited have enclosed an Appendix 4D for the half year ended 30 June 2022.

		Change %	30-Jun-22 \$'000	30-Jun-21 \$'000
Revenues from ordinary activities <sup>(1)</sup>	Increased	10.4%	276,081	250,053
Profit / (loss) from ordinary activities after income tax attributable to members <sup>(1)</sup>	Increased	165.5%	6,103	(9,313)
Profit / (loss) for the period attributable to the members <sup>(1)</sup>	Increased	165.5%	6,103	(9,313)
EBITDA - Statutory <sup>(1), (2) and (3)</sup>	Increased	16.5%	131,788	113,100
EBITDA - Underlying <sup>(1), (2) and (4)</sup>	Increased	17.9%	131,597	111,573
Adjusted Underlying EBITDA <sup>(1), (2), (4) and (5)</sup>	Increased	62.1%	51,548	31,793

(1) All the above comparisons are on a statutory basis unless stated.

(2) Earnings before interest, tax, depreciation and amortisation (EBITDA) is a non-IFRS measure. This is included in management reports reviewed by the Group's chief operating decision maker (the Board).

(3) Includes Other income of gain on lease modifications and the compensation recognised for the compulsory acquisition of lease sites.

(4) The Directors believe that the Underlying presentation of results is a better indicator of performance and differs from the statutory presentation. The Underlying results exclude the impact of impairment of non-current assets and non-operating items (if any). Refer to Note 3 – Operating segments, of the Condensed Consolidated Financial Statements for a reconciliation between statutory and underlying EBITDA.

(5) AASB 16 became effective for the Group on 1 January 2019. AASB 16 establishes principles for the recognition and measurement of leasing arrangements. The Adjusted Underlying EBITDA performance measure for the half year ended 30 June 2022 does not include fixed rent costs due to the implementation of AASB 16. These are now accounted for as depreciation of right-of-use assets and interest expense on lease liabilities. The Board and executive management monitor Adjusted Underlying EBITDA performance.

Refer to the attached Half Year Report, including the Operating and Financial Review section of the Directors' Report for discussion of the results.

<b>Dividend information <sup>(1)</sup></b>	<b>Amount per share (cents)</b>	<b>Franked amount per share (cents)</b>	<b>Tax rate for franking credit</b>
<b>Current period</b>			
Interim 2022 dividend (to be paid on 22 Sept 2022)	1.5	1.5	30%
<b>Previous period</b>			
Final 2021 dividend (paid on 24 March 2022)	1.0	1.0	30%
No dividends were paid in 2021 in respect of the Final 2020 or Interim 2021 periods	-	-	-

<sup>(1)</sup> The Company's Dividend Reinvestment Plan did not operate for the Final 2021 dividend and will not operate for the Interim 2022 dividend.

<b>Interim 2022 dividend dates</b>	
Ex-dividend date	31 Aug 2022
Record date	1 Sept 2022
Payment date	22 Sept 2022

<b>Net tangible assets</b>	<b>30-Jun-22</b>	<b>30-Jun-21</b>
Net tangible assets per security (dollars) <sup>(1)</sup>	0.09	0.03
Net assets per security (dollars) <sup>(2)</sup>	1.35	1.33

<sup>(1)</sup> Derived by dividing net assets less intangible assets by total issued shares of 598,645,873 (2021: 598,645,873 shares).

<sup>(2)</sup> Derived by dividing net assets by total issued shares of 598,645,873 (2021: 598,645,873 shares).

## Details of associates and joint venture entities

In March 2021, the Group acquired a 50% interest in Calibre Audience Measurement Limited, a New Zealand company which operates an out-of-home audience measurement system in New Zealand. Since balance date, the Group has held a 33.3% interest in Calibre.

## Audit qualification or review

The Condensed Consolidated Interim Financial Statements were subject to a review by the auditors and the review report is attached as part of the Half Year Report.

## Attachments

The Half Year Report of oOh!media Limited and its controlled entities for the half year ended 30 June 2022 is attached.



**HALF YEAR REPORT**  
**30 JUNE 2022**

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## General Information

The Half Year Report covers oOh!media Limited and its controlled entities. The financial statements are presented in Australian currency.

oOh!media Limited is a listed company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 2, 73 Miller Street  
North Sydney, New South Wales 2060

The Half Year Report was authorised for issue in accordance with a resolution of the Directors. The Directors have the power to amend and reissue the Half Year Report.

Use of the internet facilitates timely and complete corporate reporting that is available globally at minimum cost to the Company. All media releases, financial reports and other information are available at the Investors section on the website: [www.oohmedia.com.au](http://www.oohmedia.com.au).

# Directors' Report

The Directors of oOh!media Limited present their Half Year Report for the half year ended 30 June 2022. The Half Year Report includes the results of oOh!media Limited (oOh!media, oOh! or the Company) and the entities that it controlled at the end of, or during the period (together referred to as the Group).

## Principal activities

oOh!media is a leading Out-of-Home media company offering advertisers the ability to create deep engagement between people and brands across the largest and most diverse Out-of-Home location-based portfolios in Australia and New Zealand. oOh!media's portfolio includes:

- (a) large format digital and classic roadside screens;
- (b) large and small format digital and classic signs located in retail precincts such as shopping centres;
- (c) large and small format digital and classic signs in airport terminals, lounges and in-flight;
- (d) digital and classic street furniture signs;
- (e) digital and classic format advertising in public transport corridors including rail; and
- (f) digital and classic signs in high dwell time environments such as cafés, pubs, universities and office buildings.

oOh!media also provides advertising creative and printing services.

## Operating and financial review

The consolidated profit after income tax for the half year ended 30 June 2022 was \$6,103,000 (30 June 2021: loss after income tax of \$9,313,000). A review of the operations of the Group for the half year ended 30 June 2022 is set out in the Operating and Financial Review 1H2022 section, which is attached and forms part of this Directors' Report.

## Matters subsequent to the reporting date

An interim dividend was declared by the Directors on 22 August 2022, to be paid on 22 September 2022. The Company's Dividend Reinvestment Plan will not operate for the interim dividend. See below for detail on the interim dividend.

The Company announced on 22 August 2022 that it will commence an on-market share buy back program up to 10% of oOh!media Limited's ordinary shares or up to circa \$75,000,000. The program is expected to commence in September 2022 and run for up to 12 months.

As previously announced to the market, Sheila Lines stepped down as Chief Financial Officer effective 1 August 2022 and will leave the business on 30 September 2022. Christopher Roberts was appointed CFO effective 1 August 2022.

No other matter or circumstance at the date of this report has arisen since 30 June 2022 that has significantly affected or may affect:

- (a) the operations of the Group;
- (b) the results of those operations in future financial years; or
- (c) the Group's state of affairs in the future financial years.

## Dividends

The following fully franked dividends have been paid to date:

	Amount per share	Total paid
	Cents	(\$)
<b>Dividends paid during 2022</b>		
Final 2021 dividend (paid on 24 March 2022)	1.0	5,986,459
<b>Dividends paid during 2021</b>		
Nil	-	-

The Board suspended the Company's dividend policy in March 2020. In February 2022, the Company announced a return to its former policy to pay dividends of 40-60 per cent of Adjusted Underlying net profit after tax and before amortisation of acquired intangibles (Adjusted NPAT) as AASB 16 does not have a cash impact and there is no cash replacement cost for the acquired intangibles. For the financial year ended 31 December 2021, Adjusted NPAT was \$12,689,000 profit and therefore the Company resumed its dividend policy and declared a final dividend for CY21 of 1.0 cent per share.

After the reporting date, the Board declared a fully franked interim dividend of 1.5 cents per share, amounting to \$8,979,688<sup>(1)</sup> in respect of the half year ended 30 June 2022. The dividend is payable on 22 September 2022. The financial effect of this dividend has not been brought to account in the condensed consolidated financial statements for the half year ended 30 June 2022 and will be recognised in subsequent financial reports.

<sup>(1)</sup> Based on 598,645,873 total issued shares as at the date of this report

## Directors

The names of the Directors who held office at any time during or since the half year ended 30 June 2022 and as at the date of this report are:

Tony Faure	Chair and Non-executive Director	Director for whole period
Catherine (Cathy) O'Connor	Chief Executive Officer and Managing Director	Director for whole period
Marco (Mick) Hellman	Non-executive Director	Retired effective 9 April 2022
Philippa Kelly	Independent Non-executive Director	Director for whole period
Tim Miles	Independent Non-executive Director	Director for whole period
Joanne Pollard	Independent Non-executive Director	Director for whole period
Andrew Stevens	Independent Non-executive Director	Director for whole period
David Wiadrowski	Independent Non-executive Director and Lead Independent Director	Director for whole period

## Auditor's independence declaration

The Lead auditor's independence declaration is set out on page 27 and forms part of the Directors' Report for the half year ended 30 June 2022.

## Rounding of amounts

The Company is a kind referred to in ASIC Corporations Instrument 2016/191 (Instrument) issued by the Australian Securities and Investments Commission (ASIC), relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with the Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar, unless otherwise stated.

This report is made in accordance with a resolution of the Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

Signed on behalf of the Directors.



**Tony Faure**

Chair

22 August 2022

# Operating and Financial Review 1H 2022

## INTRODUCTION

For the half year ended 30 June 2022 ("1H22") oOh! continued to successfully leverage audience growth across key Out of Home formats to deliver a 10% increase in revenue.

oOh!'s strong operating leverage, combined with continued operational discipline, ensured earnings continued to grow faster than revenue with EBITDA increasing by 17% on the prior corresponding period, and adjusted underlying EBITDA<sup>1</sup> growing 62% on the prior comparative period.

The Group's financial position continued to strengthen during the period with a 37% decline in net debt from 31 December 2021 and a corresponding 0.4X reduction in its gearing ratio compared to the prior corresponding period.

As a result, the Group declared an interim dividend of 1.5 cents per share fully franked. The Group has also announced an on market buyback of up to 10% of its issued share capital, circa \$75 million, expected to commence in September 2022.

oOh!'s strategy remains clear and consistent. As the market leader across Australia/New Zealand, the Group is uniquely positioned to capitalise on the growth of Out Of Home as advertisers continue to increase their investment into this media format.

At the same time, oOh! continues to implement revenue growth initiatives through, leveraging its portfolio of existing assets with continued digital investments in screens, programmatic and data capabilities.

## GROUP FINANCIAL RESULTS

### BASIS OF PREPARATION

The 1H22 non-IFRS and statutory results are presented in accordance with AASB 16 Leases.

A\$m unless specified	1H22	1H21	Variance (\$)	Variance (%)
Revenue	276.1	250.1	26.0	10%
Gross profit	198.6	179.8	18.8	10%
Gross profit margin (%)	71.9%	71.9%	0.0 pts	n/a
Total operating expenditure	(67.0)	(68.3)	1.3	2%
Underlying EBITDA	131.6	111.5	20.1	18%
Other income & non-operating items	0.2	1.5	(1.3)	(87%)
EBITDA	131.8	113.1	18.7	17%
EBITDA margin (%)	47.7%	45.2%	2.5 pts	n/a
Depreciation and amortisation	(102.5)	(103.0)	0.4	0%
EBIT	29.2	10.1	19.1	188%
Net finance costs	(20.3)	(24.3)	4.0	17%
Profit/(loss) before tax	8.9	(14.2)	23.1	163%
Income tax expense	(2.8)	4.9	(7.7)	(158%)
Net profit/(loss) after tax	6.1	(9.3)	15.4	166%
EPS (cps)	1.0	(1.6)	2.6	165%
<b>Adjusted Underlying EBITDA</b>	<b>51.5</b>	<b>31.8</b>	<b>19.8</b>	<b>62%</b>
Adjusted EBITDA margin (%)	18.7%	12.7%	6.0 pts	n/a
<b>Adjusted EBITDA<sup>1</sup></b>	<b>51.5</b>	<b>33.2</b>	<b>18.4</b>	<b>55%</b>
<b>Adjusted NPAT<sup>2</sup></b>	<b>20.4</b>	<b>2.2</b>	<b>18.1</b>	<b>810%</b>

- Adjusted underlying EBITDA (earnings before interest, taxes, depreciation and amortisation) excluding any other income components recognised in accordance with AASB 16, and non-operating items. Adjusted EBITDA includes non-operating items. Fixed rent obligations for the period under the Group's commercial leases are included in Adjusted Underlying EBITDA and Adjusted EBITDA. The Group believes that these measures are a better representation of the underlying economics of the business and reflective of its ability to generate cash flows. oOh! believes that most analysts and shareholders analyse the Group on this basis.
- Adjusted NPAT is statutory NPAT excluding the depreciation, finance charges and any other income components of AASB 16, and non-operating items. Fixed rent obligations for the period under our commercial leases is included in adjusted NPAT. Adjusted NPAT also excludes the tax effected amortisation expense on acquired intangibles which do not have a cash replacement cost. The Group believes that this is a better representation of the underlying economics of the business and reflective of its ability to generate cash flows. The Group's dividend policy is 40-60% of Adjusted NPAT.

## REVENUE INCREASED 10% WITH GROWTH ACROSS ALL FORMATS AND ROAD, RETAIL AND STREET FURNITURE OUTPERFORMING 2019 LEVELS

The continued recovery in Out of Home audiences led the 10% revenue increase on the prior corresponding period to \$276.1 million. First quarter growth of 18% was moderated by 4% growth in the second quarter due to the impact of the Federal election in May and broader economic concerns muting June's performance.

Road, Retail and Street Furniture were largely at pre-COVID-19 audience levels throughout the half and grew in excess of 10%. This demonstrates the structural growth opportunity of Out Of Home, as other traditional media first half growth was 4%, as reported by the Standard Media Index<sup>3</sup>. Fly, Locate and Rail had a mixed performance with Fly revenues increasing by 52% versus the prior comparative period as audiences returned to airports meaningfully for the first quarter, but Locate and Rail continue to be challenged by lower audiences versus pre-COVID-19 and oOh! no longer has the advertising rights to the Sydney Trains concession as from the end of 2021.

### REVENUE BY FORMAT

A\$m unless specified	1H22	1H21	Variance (\$)	Variance (%)
Street Furniture and Rail	96.1	91.9	4.2	5%
Road	92.0	78.6	13.4	17%
Retail	63.1	57.3	5.8	10%
Fly	12.2	6.7	5.5	83%
Locate	9.0	7.5	1.4	19%
Other	3.7	8.1	(4.4)	(54%)
<b>Total</b>	<b>276.1</b>	<b>250.1</b>	<b>26.0</b>	<b>10%</b>

### STREET FURNITURE AND RAIL (FORMERLY COMMUTE)

Revenue in Street Furniture and Rail increased by 5% to \$96.1 million with the prior period including revenue of circa \$6.0m from the Sydney Trains contract (not included in 1H22).

Revenue in Street Furniture continues to increase and is performing at similar levels to 2019 (pre-COVID-19) as oOh! demonstrates the breadth of its network across both suburban and city locations.

Revenue in Rail continued to be impacted by passenger declines in key stations in Melbourne.

### ROAD

The Group's Road (billboard) division continues to perform strongly, continuing its solid result from the prior year. Revenue for 1H22 increased by 17% to \$92.0 million.

Revenue was also ahead of 2019 levels with revenue for 1H22 up 36% on 1H19 as the Group continues to leverage the diversity and scale of its metropolitan and suburban network to deliver results for advertisers.

oOh! added 11 digital locations to its metropolitan and regional roadside billboard portfolio during the period and now has over 200 large format digital signs across Australia.

### RETAIL

Revenue in the Retail format increased 10% to \$63.1 million compared to the prior corresponding period. Pleasingly the growth in retail improved throughout the half as advertisers continue to return to promoting brands and products / services within oOh!'s leading retail portfolio as well as supporting the retail category overall – with the retail/lifestyle in the OMA<sup>4</sup> 1H up by 12% as new entrants have grown the market overall.

### FLY

The re-opening of state borders and return of domestic business travel drove a significantly improved performance in the Fly segment with revenue increasing by 83% over the prior corresponding half to \$12.2 million.

Fly is achieving month on month revenue growth as airlines increase capacity and both domestic and international passenger audiences return.

### LOCATE

Revenue in the Locate format increased by 19% to \$9.0 million, however recovery momentum continues to be impacted by the slow return of audiences to Central Business District office environments. The Locate segment predominantly has a variable rent profile which ensures it continues to be a highly valuable segment for oOh!.

3. The Standard Media Index June 2022

4. Retail / Lifestyle grouping in the Outdoor Media Association's June report consists largely of retail media suppliers

## OTHER

This consists largely of Cactus Imaging as Junkee Media's digital publishing business was divested to the RACAT Group in December 2021.

## EARNINGS COMMENTARY

*Unless specified, the commentary below relates to statutory results which comply with AASB 16 Leases in respect of 1H22 and the prior corresponding period (1H21).*

The 10% increase in revenue translated to a statutory gross profit of \$198.6 million, up 10% on the prior corresponding period. Gross profit margin of 71.9% is in line with the prior period. The gross profit on an adjusted basis increased by \$18.2 million to \$123.6 million representing gross margin of 44.8% (an increase of 2.6 ppts).

Net rental abatements received in 1H22 were \$7.3 million, 62% below the prior corresponding period, and contained within the Fly and Rail formats.

oOh! remains disciplined on operational expenditure which declined 2% on the prior period to \$67.0 million on a statutory basis. This reduction in operational expenditure was primarily driven by the disposal of Junkee Media which resulted in an underlying net saving of \$2.5 million versus the prior comparative period. The operating expenditure on an adjusted basis decreased by \$1.5 million to \$72.0 million.

Underlying EBITDA increased by 18% to \$131.6 million, reflecting oOh!'s continued operating leverage to audience growth and generating earnings at a faster rate than revenue.

Earnings were also assisted by mix enhancement with the continued strong performance of the higher-margin Road format and improvements in Street Furniture and Rail margins with the loss of the Sydney Trains contract. Road revenue increased from 31% of oOh! revenue in 1H21 to 33% in 1H22.

Adjusted underlying EBITDA was \$51.5 million, an increase of 62% on the prior corresponding period. Adjusted EBITDA was \$51.5 million, an increase of 55% on the prior corresponding period, after accounting for \$1.4m in non-operating items relating to compensation for compulsory acquisitions in 1H21. There were no non-operating items for 1H22 on an adjusted basis.

Adjusted underlying EBITDA margin increased from 12.7% to 18.7%.

Depreciation and amortisation was \$0.4 million lower than the prior corresponding period.

Net finance costs reduced by 17% to \$20.3 million, primarily reflecting lower average net debt as the Group's financial position continued to strengthen during the period. The Group reported a profit on hedged items of \$1.1 million as its \$150 million in interest rate hedges benefitted from the rising interest rates in the second quarter.

The Group reported a statutory net profit after tax of \$6.1 million compared to a statutory net loss after tax of \$9.3 million for the prior corresponding period.

Adjusted net profit after tax was \$20.4 million compared to adjusted net profit after tax of \$2.2 million for the prior corresponding period, an increase of 810%.

## DIVIDEND

The Group's policy is to pay dividends of 40-60 per cent of Adjusted net profit. Adjusted net profit is statutory net profit less the depreciation, finance charges and any other income components of AASB 16, and non-operating items. Fixed rent obligations for the period under the Group's commercial leases are included as a deduction in Adjusted net profit after tax. Adjusted net profit also excludes the tax effected amortisation expense on acquired intangibles which do not have a cash replacement cost.

For 1H22 Adjusted net profit was \$20.4 million. The Board declared an interim dividend for 1H22 of 1.5 cents per share, fully franked. This represents a 44% payout ratio.

The record date for entitlement to receive the interim dividend is 1 September 2022 with a scheduled payment date of 22 September 2022.

## CAPITAL MANAGEMENT

The Group announced an on market buyback of up to 10% of its issued share capital, approximately \$75 million, based on the strength of its balance sheet and expected future cash flow generation.

## CONTINUED STRONG CASHFLOW GENERATION

A\$m unless specified	1H22	1H21	Variance (\$)	Variance (%)
Adjusted EBITDA	51.5	33.2	18.4	55%
Net change in working capital and non-cash items	0.5	2.8	(2.3)	(83%)
Interest and income tax (included in net cash from operating activities)	(12.1)	(8.2)	(3.9)	47%
<b>Net cash from operating activities</b>	<b>39.9</b>	<b>27.7</b>	<b>12.2</b>	<b>44%</b>
Capital expenditure	(8.6)	(8.1)	(0.5)	7%
Other	0.5	0.1	0.4	699%
<b>Net cash flow before financing and acquisitions</b>	<b>31.7</b>	<b>19.7</b>	<b>12.1</b>	<b>61%</b>

Capital expenditure of \$8.6 million remains focused on initiatives to expand the Group's digital network. Capital expenditure was lower than anticipated due to freight disruption, significant amounts of weather disruption on the East Coast of Australia and some workplace restrictions associated with COVID-19.

oOh! launched 378 new digital sites in key locations, including 11 new Road digitals and 21 new and upgraded Retail centres.

Investment decisions will continue to be aligned to revenue growth opportunities and concession renewals and the Group.

## FINANCIAL POSITION STRENGTHENED FURTHER

A\$m unless specified	30 June 2022	31 Dec 2021	Variance (\$)	Variance (%)
Borrowings	103.7	123.6	(19.9)	(16%)
Cash and cash equivalents	63.9	60.0	3.9	7%
Net Debt	39.8	63.5	(23.8)	(37%)
Leverage Ratio (Net Debt/Adjusted Underlying EBITDA)	0.4x	0.8x	(0.4x)	--

The Group's financial position continued to strengthen during the period with net debt at 30 June 2022 of \$39.8 million compared to \$63.5 million at 31 December 2021.

Credit metrics continued to improve with the Group's gearing ratio (Net Debt/Adjusted Underlying EBITDA for the preceding 12 months) as at 30 June 2022 of 0.4 times, compared 0.8 times at 31 December 2021.

This gearing ratio excludes the impact of AASB 16 which is not seen as debt for the purposes of applying the banking covenants.

The Group refinanced its debt facilities and extended the maturity date of the facilities to June 2026. Total facilities under the syndicate are \$350 million, with \$150 million of interest rate hedges until October 2025 in place which were taken out in October 2018.



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of oOh!media Limited

I declare that, to the best of my knowledge and belief, in relation to the review of oOh!media Limited for the half year ended 30 June 2022 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A stylized, handwritten signature of the KPMG firm, rendered in a light grey color.

KPMG

A handwritten signature of Kristen Peterson, rendered in a light grey color.

Kristen Peterson

*Partner*

Sydney

22 August 2022

# Condensed consolidated statement of profit or loss and other comprehensive income / (loss)

for the half year ended 30 June 2022

		Consolidated	
	Notes	30 Jun 22 \$'000	30 Jun 21 \$'000
Revenue	5	276,081	250,053
Cost of media sites and production <sup>(1)</sup>		(77,503)	(70,205)
<b>Gross profit</b>		<b>198,578</b>	<b>179,848</b>
Other income <sup>(2)</sup>	5	191	1,527
<b>Operating expenditure</b>			
Employee benefits expense <sup>(3)</sup>		(51,134)	(51,342)
Depreciation and amortisation expense		(102,539)	(102,956)
Legal and professional fees		(3,171)	(2,821)
Advertising and marketing expenses		(3,317)	(3,786)
Other expenses		(9,359)	(10,326)
<b>Total operating expenditure</b>		<b>(169,520)</b>	<b>(171,231)</b>
<b>Operating profit</b>		<b>29,249</b>	<b>10,144</b>
Finance income		41	339
Finance costs <sup>(4)</sup>		(20,332)	(24,677)
<b>Net finance costs</b>	7	<b>(20,291)</b>	<b>(24,338)</b>
Share of (loss) / profit of equity-accounted investees, net of tax		(36)	-
<b>Profit / (loss) before income tax</b>		<b>8,922</b>	<b>(14,194)</b>
Income tax (expense) / benefit	9	(2,819)	4,881
<b>Profit / (loss) after income tax</b>		<b>6,103</b>	<b>(9,313)</b>
<b>Attributable to:</b>			
Owners of the company		6,103	(9,313)
<b>Profit / (loss) for the period</b>		<b>6,103</b>	<b>(9,313)</b>
<b>Other comprehensive income / (loss)</b>			
<b>Profit / (loss) for the period</b>		<b>6,103</b>	<b>(9,313)</b>
<b>Items that may be subsequently reclassified to profit or loss:</b>			
Effective portion of changes in fair value of cash flow hedges, net of tax		6,801	2,077
De-designation of interest rate derivatives, net of tax <sup>(4)</sup>		(1,128)	1,382
Foreign currency translation differences		(3,921)	(1,266)
<b>Total comprehensive income / (loss) for the period</b>		<b>7,855</b>	<b>(7,120)</b>
<b>Attributable to:</b>			
Owners of the company		7,855	(7,120)
<b>Total comprehensive income / (loss) for the period</b>		<b>7,855</b>	<b>(7,120)</b>
<b>Earnings per share attributable to the ordinary equity holders of the company</b>		<b>Cents</b>	<b>Cents</b>
Basic earnings / (loss) per share		1.0	(1.6)
Diluted earnings / (loss) per share		1.0	(1.6)

<sup>(1)</sup> Cost of media sites and production is shown net of negotiated rent abatements with lessors. Refer to Note 6.

<sup>(2)</sup> Other income comprises compensation recognised for compulsory acquisition of leased sites and gain on lease modifications. Refer to Note 5.

<sup>(3)</sup> Employee benefits in the prior period are shown net of government grants specifically Jobkeeper. Refer to Note 6.

<sup>(4)</sup> Pursuant to AASB 9, a portion of the interest rate derivative was deemed ineffective and a fair value gain was reclassified to profit or loss. Refer to Note 7.

The above condensed consolidated statement of profit or loss and comprehensive income / (loss) should be read in conjunction with the accompanying notes.

# Condensed consolidated statement of financial position

as at 30 June 2022

	Notes	30-Jun-22 \$'000	Consolidated 31-Dec-21 \$'000
<b>Current assets</b>			
Cash and cash equivalents		63,922	60,048
Trade and other receivables	10	94,595	99,827
Inventories		3,487	5,006
Other assets		11,661	26,878
<b>Total current assets</b>		<b>173,665</b>	<b>191,759</b>
<b>Non-current assets</b>			
Property, plant and equipment		156,444	168,426
Right-of-use-assets		720,871	723,862
Intangible assets and goodwill		754,408	767,308
Derivative assets		4,450	-
Other assets		965	1,110
<b>Total non-current assets</b>		<b>1,637,138</b>	<b>1,660,706</b>
<b>Total assets</b>		<b>1,810,803</b>	<b>1,852,465</b>
<b>Current liabilities</b>			
Trade and other payables		47,325	50,141
Interest bearing lease liabilities		167,361	178,568
Provisions		1,345	1,240
Employee benefits		8,910	8,005
Income tax payable		8,162	9,227
<b>Total current liabilities</b>		<b>233,103</b>	<b>247,181</b>
<b>Non-current liabilities</b>			
Loans and borrowings		103,672	123,570
Provisions		10,895	14,018
Employee benefits		2,251	2,570
Interest bearing lease liabilities		647,925	649,603
Derivative liabilities		-	5,102
Deferred tax liability		6,493	7,777
<b>Total non-current liabilities</b>		<b>771,236</b>	<b>802,640</b>
<b>Total liabilities</b>		<b>1,004,339</b>	<b>1,049,821</b>
<b>Net assets</b>		<b>806,464</b>	<b>802,644</b>
<b>Equity</b>			
Share capital	12	886,468	886,468
Reserves		29,219	25,516
Accumulated losses		(108,318)	(108,435)
<b>Equity attributable to the owners of the Company</b>		<b>807,369</b>	<b>803,549</b>
Non-controlling interest		(905)	(905)
<b>Total equity</b>		<b>806,464</b>	<b>802,644</b>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

# Condensed consolidated statement of cash flows

for the half year ended 30 June 2022

	Consolidated	
	30-Jun-22	30-Jun-21
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of goods and services tax)	315,191	282,647
Payments to suppliers and employees (inclusive of goods and services tax)	(173,839)	(175,354)
<b>Cash generated from operations</b>	<b>141,352</b>	<b>107,293</b>
Interest paid	(22,133)	(23,491)
Interest received	41	29
Income tax paid	(7,176)	(2,392)
<b>Net cash generated from operating activities</b>	<b>112,084</b>	<b>81,439</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(8,627)	(6,627)
Acquisition of intangible assets	-	(1,462)
Loan to industry association	(877)	-
Disposal of subsidiary	468	-
Proceeds from sale of property, plant and equipment	10	60
<b>Net cash used in investing activities</b>	<b>(9,026)</b>	<b>(8,029)</b>
<b>Cash flows from financing activities</b>		
Repayment of loans and borrowings	(20,000)	(50,000)
Payment of transaction costs related to borrowings and derivatives	(995)	(414)
Payment of lease liabilities	(72,203)	(53,750)
Dividends paid in cash	(5,986)	-
<b>Net cash used in financing activities</b>	<b>(99,184)</b>	<b>(104,164)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>3,874</b>	<b>(30,754)</b>
Cash and cash equivalents at beginning of period	60,048	80,042
<b>Cash and cash equivalents at end of period</b>	<b>63,922</b>	<b>49,288</b>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# Condensed consolidated statement of changes in equity

for the half year ended 30 June 2022

	Share capital	Foreign currency translation reserve	Other equity reserve	Cash flow hedge reserve	Share-based payments reserve	Accumulated losses	Equity attributable to owners of the Company	Non-controlling interest	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>									
Restated balance as at 1 January 2021 <sup>(1)</sup>	876,291	522	16,608	(9,632)	21,293	(98,147)	806,935	(905)	806,030
<b>Total comprehensive income for the period:</b>									
(Loss) for the period after income tax	-	-	-	-	-	(9,313)	(9,313)	-	(9,313)
<b>Other comprehensive income:</b>									
Effective portion of changes in fair value of cash flow hedges	-	-	-	2,077	-	-	2,077	-	2,077
De-designation of interest rate derivatives to the Consolidated Income Statement, net of tax	-	-	-	1,382	-	-	1,382	-	1,382
Exchange differences on translation of foreign operations	-	(1,266)	-	-	-	-	(1,266)	-	(1,266)
<b>Total comprehensive loss for the period</b>	-	(1,266)	-	3,459	-	(9,313)	(7,120)	-	(7,120)
<b>Transactions with owners, recorded directly in equity:</b>									
<b>Contributions and distributions</b>									
Issue of ordinary shares (Employee bonus shares)	11,305	-	-	-	(11,305)	-	-	-	-
Equity-settled share-based payment transactions	-	-	-	-	(180)	-	(180)	-	(180)
<b>Total transactions with owners of the Company</b>	<b>11,305</b>	-	-	-	<b>(11,485)</b>	-	<b>(180)</b>	-	<b>(180)</b>
<b>Balance at 30 June 2021</b>	<b>887,596</b>	<b>(744)</b>	<b>16,608</b>	<b>(6,173)</b>	<b>9,808</b>	<b>(107,460)</b>	<b>799,635</b>	<b>(905)</b>	<b>798,730</b>
<b>Balance as at 1 January 2022</b>	<b>886,468</b>	<b>794</b>	<b>16,608</b>	<b>(3,675)</b>	<b>11,789</b>	<b>(108,435)</b>	<b>803,549</b>	<b>(905)</b>	<b>802,644</b>
<b>Total comprehensive income for the period:</b>									
Profit for the period after income tax	-	-	-	-	-	6,103	6,103	-	6,103
<b>Other comprehensive income:</b>									
Effective portion of changes in fair value of cash flow hedges	-	-	-	6,801	-	-	6,801	-	6,801
De-designation of interest rate derivatives to the Consolidated Income Statement, net of tax	-	-	-	(1,128)	-	-	(1,128)	-	(1,128)
Exchange differences on translation of foreign operations	-	(3,921)	-	-	-	-	(3,921)	-	(3,921)
<b>Total comprehensive income for the period</b>	-	<b>(3,921)</b>	-	<b>5,673</b>	-	<b>6,103</b>	<b>7,855</b>	-	<b>7,855</b>
<b>Transactions with owners, recorded directly in equity:</b>									
<b>Contributions and distributions</b>									
Dividends paid	-	-	-	-	-	(5,986)	(5,986)	-	(5,986)
Equity-settled share-based payment transactions	-	-	-	-	1,951	-	1,951	-	1,951
<b>Total transactions with owners of the Company</b>	-	-	-	-	<b>1,951</b>	<b>(5,986)</b>	<b>(4,035)</b>	-	<b>(4,035)</b>
<b>Balance at 30 June 2022</b>	<b>886,468</b>	<b>(3,127)</b>	<b>16,608</b>	<b>1,998</b>	<b>13,740</b>	<b>(108,318)</b>	<b>807,369</b>	<b>(905)</b>	<b>806,464</b>

<sup>(1)</sup> As a result of the IFRS Interpretation Committee (IC) agenda decision, the Group has retrospectively adjusted the accounting for SaaS. Refer Note 2 – Basis of accounting.

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# Notes to the Condensed Consolidated Interim Financial Statements

## 1. Reporting entity

oOh!media Limited is a company domiciled in Australia. The Company was incorporated on 7 October 2014 and listed on the Australian Securities Exchange (ASX) on 17 December 2014. The Company's registered office and principal place of business is at Level 2, 73 Miller Street, North Sydney, NSW 2060.

The Condensed Consolidated Interim Financial Statements (Interim Financial Statements) of the Company as at and for the half year ended 30 June 2022 comprises the Company and its subsidiaries (together referred to as the Group, and individually as Group entities), and the Group's interests in associates and joint ventures. The comparative information represents the financial position of the Company as at 31 December 2021 and the Group's performance for the period 1 January 2021 to 30 June 2021.

The Group is a for-profit entity and is primarily involved in outdoor media, production and advertising in Australia and New Zealand.

## 2. Basis of preparation

### a) Statement of compliance

The Interim Financial Statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting*, and the *Corporations Act 2001*, and with IAS 34 *Interim Financial Reporting*.

These Interim Financial Statements do not include all the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2021.

The accounting policies adopted in the preparation of these Interim Financial Statements are consistent with those applied and disclosed in the Annual Report for the year ended 31 December 2021. These Interim Financial Statements should be read in conjunction with the Annual Report for the year ended 31 December 2021 (the Annual Report 2021).

These Interim Financial Statements were approved and authorised for issue by the Directors on 22 August 2022.

### b) Rounding of amounts

The Company is a kind referred to in ASIC Corporations Instrument 2016/191 (Instrument) issued by the Australian Securities and Investments Commission (ASIC), relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with the Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar, unless otherwise stated.

### c) Going concern

The Interim Financial Statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The Group has, as a result of adopting AASB 16 in 2019, an excess of current liabilities over current assets totalling \$59,438,000. The Group is generating positive operating cash flows and there is no indication that the Group will not be able to meet its obligations as and when they fall due.

### d) Use of judgements and estimates

In preparing these Interim Financial Statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

### e) New standards and interpretations

The Group has adopted all the relevant new, revised, or amended Accounting Standards and interpretations issued by the Australian Accounting Standards Board which are mandatory for the current and comparative reporting period.

### 3. Operating segments

#### a) Basis for segmentation

The Group operates as a single segment providing a range of Out-of-Home advertising solutions.

#### b) Reconciliation of Adjusted Underlying EBITDA

The Board and executive management review the Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) pre-AASB 16 to monitor business performance because they believe that it provides a better representation of financial performance in the ordinary course of business.

	30-Jun-22	30-Jun-21
	\$'000	\$'000
<b>Adjusted Underlying EBITDA <sup>(1)</sup></b>	<b>51,548</b>	<b>31,793</b>
Fixed rent obligations <sup>(2)</sup>	80,049	79,780
<b>Underlying EBITDA</b>	<b>131,597</b>	<b>111,573</b>
Other income <sup>(3)</sup>	191	1,527
<b>Statutory EBITDA</b>	<b>131,788</b>	<b>113,100</b>
Share of (loss) / profit of equity-accounted investees, net of tax	(36)	-
Amortisation	(11,564)	(11,170)
Depreciation	(90,975)	(91,786)
Net finance costs	(20,291)	(24,338)
<b>Profit / (loss) before income tax</b>	<b>8,922</b>	<b>(14,194)</b>

<sup>(1)</sup> Includes government grants in the prior period, refer Note 6 – Government grants and rent concessions.

<sup>(2)</sup> Includes rent of \$74,996,000 excluded from Cost of media sites and production and \$5,053,000 from Other expenses under AASB 16. Abatements for fixed rent, due up to 30 June 2022, that qualify for practical expedients relief of \$10,850,000 and \$202,000 relating to unconditional abatements that did not qualify for application of the practical expedient.

<sup>(3)</sup> Other income includes gain on lease modifications and the compensation recognised for the compulsory acquisition of lease sites. Refer to Note 5.

### 4. Seasonality of operations

The Group's operational results are subject to seasonal fluctuations as media spend is typically stronger in the second half of the calendar year. In particular, retail benefits from proportionally higher media spend leading up to the Christmas period. The Group attempts to minimise the seasonal impact through promoting the Out-Of-Home medium throughout the year. However, the first half of the year typically results in lower revenues and profitability.

### 5. Revenue and other income

#### Revenue by Product

Key information relating to the Group's financial performance is detailed below. This is also included in management reports reviewed by the Group's Chief Operating Decision Maker (the Board).

	30-Jun-22	30-Jun-21
	\$'000	\$'000
Street Furniture and Rail <sup>(1)</sup>	96,099	91,893
Road	92,039	78,607
Retail	63,102	57,279
Fly	12,177	6,651
Locate	8,963	7,521
Other <sup>(2)</sup>	3,701	8,102
<b>Revenue</b>	<b>276,081</b>	<b>250,053</b>

<sup>(1)</sup> Street Furniture and Rail revenue includes advertising, production, sale of street furniture, and cleaning and maintenance revenue.

<sup>(2)</sup> Other revenue includes subsidiary entity Cactus and Junkee.

	30-Jun-22	30-Jun-21
	\$'000	\$'000
Compensation for compulsory acquisition	-	1,364
Gain on lease modification	191	163
<b>Other income</b>	<b>191</b>	<b>1,527</b>

Other income includes the compensation recognised for the compulsory acquisition of leased sites and gain on lease modifications.

## 6. Government grants and rent concessions

	30-Jun-22	30-Jun-21
	\$'000	\$'000
JobKeeper	-	1,095
<b>Total government grants</b>	<b>-</b>	<b>1,095</b>
Fixed rent abatements - COVID-19 practical expedient	10,850	7,071
Variable rent	(3,528)	(2,091)
<b>Net rent abatement</b>	<b>7,322</b>	<b>4,980</b>
<b>Net cost reduction</b>	<b>7,322</b>	<b>6,075</b>

### JobKeeper (AU)

The JobKeeper payment was a temporary subsidy scheme to support businesses that had been impacted by Coronavirus (COVID-19) and had seen significant reductions in annual turnover.

oOh!media Street Furniture Pty Limited qualified for JobKeeper in 1H21 due to the performance in Q4 2020.

In the prior period, oOh!media Street Furniture Pty Limited qualified for JobKeeper until 31 March 2021. \$1,095,000 recognised in H121 results were repaid to the Australian Tax Office by the Group in December 2021.

### Rent abatements – IFRIC - COVID-19 related rent concessions

Fixed rent abatements of \$10,850,000 were given for rent that would have normally been due for the period, however the commercial partners have provided rent relief due to the COVID-19 impact, either as a waiver or as a conversion to variable rent.

## 7. Net finance costs

	30-Jun-22	30-Jun-21
	\$'000	\$'000
<b>Finance income</b>	<b>(41)</b>	<b>(339)</b>
Interest expense on bank borrowings	4,051	5,447
Interest expense on lease liabilities	17,129	17,618
(Gain) / loss due to hedge ineffectiveness	(1,128)	1,382
Other interest expense	280	230
<b>Finance costs</b>	<b>20,332</b>	<b>24,677</b>
<b>Net finance costs</b>	<b>20,291</b>	<b>24,338</b>

Following the repayment of \$20,000,000 of borrowings during 1H22 the Group has rebalanced its hedge accounting resulting in the derecognition of hedge accounting for a portion of the derivative assets. As a result, the cumulative gain of \$1,128,000 recognised within the cash flow hedge reserve has been released to profit or loss.

## 8. Share-based payments

### Description of the share-based payment arrangements

As at 30 June 2022 the Group had the following share-based payment arrangements:

Performance rights granted to senior executives that existed during the period are as follows:

	Grant date	Vesting date	Number granted
Tranche #6a <sup>(1)</sup>	04-Mar-19	15-Feb-22	1,146,035
Tranche #6b <sup>(1)</sup>	16-May-19	15-Feb-22	192,940
Tranche #7	30-Nov-20	28-Feb-23	3,453,482
Tranche #8	10-May-21	28-Feb-24	1,344,890
Tranche #9a	05-May-22	28-Feb-25	988,395
Tranche #9b	16-May-22	28-Feb-25	443,892
<b>Total performance rights</b>			<b>7,569,634</b>

<sup>(1)</sup> Tranche #6a and Tranche #6b did not vest because the performance hurdles were not achieved.

Vesting conditions for the performance rights are as follows:

Tranche #6a & #6b - 3 years' service from grant date and (i) 75% of rights subject to EPS achieving 10% CAGR EPS and (ii) 25% subject to achieving a Total Shareholder Return (TSR) performance hurdle. <sup>(2)</sup>

Tranche #7 - 3 years' from start of performance period and (i) 1/3 of rights subject to achieving Free Cash Flow (FCF) of 6.33 cents per share of and (ii) 1/3 subject to achieving a Return on Capital (ROC) of 12.9% and 1/3 subject to achieving a Relative TSR Hurdle of at or above 75%.

Tranche #8 - 3 years' from start of performance period and (i) 1/3 of rights subject to achieving 12.7 cents per share Free Cash Flow (FCF) and (ii) 1/3 subject to achieving a 15.3% Return on Invested Capital (ROIC) and 1/3 subject to achieving a 75% CAGR for Relative TSR Hurdle.

Tranche #9 - 3 years' from start of performance period and (i) 1/3 of rights subject to achieving 24.8 cents per share Cumulative Free Cash Flow (CFCF) and (ii) 1/3 subject to achieving a 16.5% Return on Invested Capital (ROIC) and 1/3 subject to achieving a 75% CAGR for Relative TSR Hurdle.

<sup>(2)</sup> Relative Total Shareholder return (TSR) over a three-year performance period assessed against the ASX 200 index (excluding Financials and Industrials).

### Long-term incentive plan - performance rights

Tranche #6 performance rights which were due to vest on 15 February 2022, did not meet the vesting conditions and the LTI program for 2019 shares lapsed.

Tranche #9a and #9b were issued in May 2022.

### Reconciliation of performance rights

The number of performance rights on issue during the half year ended 30 June 2022 are illustrated below:

	Number of rights #	Face Value \$'000
Outstanding at 1 January 2022	5,977,854	9,824
Exercised during the period	-	-
Granted during the period	1,432,287	1,886
Lapsed	(1,179,482)	(3,789)
Outstanding at 30 June 2022	<b>6,230,659</b>	<b>7,921</b>
Exercisable at 30 June 2022	-	-

## Measurement of fair values

The fair value of the share-based payment plan was measured based on the Monte Carlo and Binomial models. The inputs used in the measurement of the fair values at grant date were as follows:

Fair value of performance rights and assumptions	Tranche #6a	Tranche #6b	Tranche #7	Tranche #8	Tranche #9a	Tranche #9b
Share price at grant date	\$3.49	\$3.75	\$1.74	\$1.62	\$1.67	\$1.52
5-day VWAP at grant date	\$3.58	\$3.63	\$1.70	-	-	-
20-day VWAP at 31 Dec 20	-	-	-	\$1.76	-	-
20-day VWAP at 31 Dec 21	-	-	-	-	\$1.69	\$1.69
Fair value at grant date (EPS hurdle)	\$3.17	\$3.43	-	-	-	-
Fair value at grant date (TSR hurdle)	\$1.76	\$2.07	\$0.58	\$1.01	\$1.01	\$0.86
Fair value at grant date (FCF hurdle)	-	-	\$1.64	\$1.58	-	-
Fair value at grant date (CFCF hurdle)	-	-	-	-	\$1.54	\$1.40
Fair value at grant date (ROC hurdle)	-	-	\$1.64	-	-	-
Fair value at grant date (ROIC hurdle)	-	-	-	\$1.58	\$1.54	\$1.40
Exercise price	Nil	Nil	Nil	Nil	Nil	Nil
Expected volatility	32.20%	31.50%	60.00%	50.00%	40.00%	45.00%
Expected life	3 years	3 years	3 years	3 years	3 years	3 years
Expected dividends	3.40%	3.40%	1.00%	1.00%	3.00%	3.00%
Risk-free interest rate (based on government bonds)	1.69%	1.19%	0.11%	0.11%	2.96%	2.84%

## 9. Income tax

### a) Tax recognised in profit or loss

	30-Jun-22	30-Jun-21
	\$'000	\$'000
Current tax expense / (benefit)	2,819	(4,881)

### b) Reconciliation of effective tax rate

	30-Jun-22	30-Jun-21
	\$'000	\$'000
Profit / (loss) before tax	8,922	(14,194)
Income tax at 30% (2021: 30%)	2,677	(4,258)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of tax in foreign jurisdictions	(87)	(47)
Non-deductible expenses	677	63
Non-assessable items	(119)	(111)
Effect of share of loss of equity accounted investees	10	-
Over provided in prior years	(339)	(528)
<b>Tax expense / (benefit) recognised in the profit or loss</b>	<b>2,819</b>	<b>(4,881)</b>

## 10. Trade and other receivables

	30-June-22	30-June-21
	\$'000	\$'000
Trade receivables	95,745	99,797
Allowance for impairment of receivables	(1,150)	(1,145)
	<b>94,595</b>	<b>98,652</b>
Other receivables	-	1,175
<b>Total trade and other receivables</b>	<b>94,595</b>	<b>99,827</b>

All trade debtors are recognised at the amount receivable as they are due for settlement no more than 45 days from the date of recognition. Recoverability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is calculated using an expected credit losses provision matrix. The provision matrix is based on the Group's historical observed default rates, adjusted for forward looking estimates. The historical observed default rates are updated to reflect current and forecast credit conditions on each reporting date. Provisions for specific receivables are recognised in addition to the general provision originating from the expected credit losses matrix.

The amount of the provision is recognised in the consolidated statement of financial position with a corresponding charge recognised in the consolidated statement of profit or loss and other comprehensive income.

## 11. Goodwill

Cash generating units (CGUs) for the purpose of goodwill impairment testing have been identified as follows for the half year ended 30 June 2022: Australia, New Zealand, and Cactus.

Goodwill is allocated to CGUs as shown below:

	Australia	Cactus	New Zealand	Total
	\$'000	\$'000	\$'000	\$'000
Goodwill	527,389	2,917	76,877	607,183

The recoverable amount of the goodwill allocated to the Group's CGU's was determined using the fair value less costs to sell approach. This was determined by discounting the future cash flows expected to be generated from the continuing use of the units, less the notional cost of disposing of the assets.

For the half year ended 30 June 2022, the carrying value of assets allocated to each CGU is supported by their recoverable amount and no impairment loss was recorded.

The key assumptions of the impairment testing are:

- Annual revenue based on the latest management forecast for the next six months, plus normalised compound annual growth rates from 2022 to 2026 for Australia of 7.2%, New Zealand of 5.7%, and Cactus of 5.7%.
- Terminal growth rate: Australia and New Zealand of 3.0%, and Cactus of 2.0%.
- Discount rate post-tax: Australia of 10.1% (0.3% increase from December '21), New Zealand of 11.60%, and Cactus of 11.80%.

The values assigned to the key assumptions represent management's best estimate of the impact of future trends in the media industry and are based on historical and projection data from both external and internal sources. These assessments include assumptions for revenue recovery following COVID-19, as well as renewal of licence agreements and the corresponding changes in projected cash flow from revenue, rent and investment in capital expenditure. Sensitivity analysis undertaken on all of the assumptions mentioned above indicate that no reasonably possible change would result in an impairment.

## 12. Share capital

	30-Jun-22	
	Share #	\$'000
Opening balance as at 1 January 2022	598,645,873	886,468
<b>Issued and paid up share capital</b>	<b>598,645,873</b>	<b>886,468</b>
<b>Weighted average number of shares</b>	<b>598,645,873</b>	<b>886,468</b>

## Ordinary shares

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. The holders of these shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

See note 15 'Subsequent Events' for detail on the share buy back announced in August 2022.

## Dividends

	Amounts per share cents	Total value (\$)
<b>Dividends paid during 2022</b>		
Final 2021 dividend	1.0	5,986,000
Interim 2022 dividend	-	-
<b>Total reserves</b>		<b>5,986,000</b>
<b>Dividends paid during 2021</b>		
Nil	-	-

After the reporting date, a final dividend of 1.5 cents per qualifying ordinary share amounting to \$8,979,688 has been declared by the Board of directors. The dividends have not been recognised as liabilities and there are no tax consequences in 2022.

	30-Jun-22 \$'000	30-Jun-21 \$'000
Adjusted franking account balance	42,984	42,306
Impact on franking account balance of dividends proposed after the reporting date but not recognised as a liability	(3,848)	-
Franking credits available to shareholders of the Company for subsequent financial years based on a tax rate of 30%	<b>39,136</b>	<b>42,306</b>

## 13. Financial instruments

### Accounting classifications and fair values

#### a) Fair values vs carrying amounts

The fair values of financial assets and liabilities equals the carrying amounts shown in the statement of financial position, with the exception of interest rate derivatives. The fair value of interest rate derivatives is determined as the present value of future contracted cash flows and credit adjustments.

#### b) Interest rates used for determining fair value

The interest rates used to discount estimated cash flows, where applicable, are based on the government yield curve at the end of the reporting period plus an appropriate credit spread, and were as follows:

	30-Jun-22	30-Jun-21
Interest rate derivatives	1.75% - 2.75%	1.75% - 2.75%
Bank loan	2.07% - 3.03%	2.87% - 2.89%
Leases	2.45% - 5.09%	2.45% - 5.09%

### c) Fair values hierarchy

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below analyses financial instruments carried at fair value, by the levels in the fair value hierarchy. The different levels have been defined as below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Consolidated	30-Jun-22			30-Jun-21		
	Carrying value	Level 2	Level 3	Carrying value	Level 2	Level 3
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Liabilities measured at fair value</b>						
Interest rate derivatives	4,450	4,450	-	(12,716)	(12,716)	-
<b>Interest rate derivatives (liability) / asset</b>	<b>4,450</b>	<b>4,450</b>	<b>-</b>	<b>(12,716)</b>	<b>(12,716)</b>	<b>-</b>

### d) Valuation techniques

The fair value of Level 2 interest rate derivatives is determined as the present value of future contracted cash flows and credit adjustments. Cash flows are discounted using standard valuation techniques at the applicable market yield, having regard to the timing of the cash flows.

In accordance with AASB 9 *Financial Instruments*, there has been a rebalancing of the interest rate derivative (hedging instrument). During the half year oOh!media made debt repayments on the hedged item in March 2022 totalling \$20,000,000. As a result, we dedesignated a further \$20,000,000 of the hedging instrument.

In June 2022, the company refinanced its debt facility with a \$350,000,000 loan over 4 years, to June 2026. Drawn debt remained unchanged at \$105,000,000, transactional costs associated with the refinance are being amortised over the length of the loan. According to AASB 9, the refinance is considered as non-substantial and the remaining amortised costs of \$1,112,000 relating to the old loan remain on the balance sheet.

## 14. Contingencies

### Contingent Liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

	30-Jun-22	30-Jun-21
	\$'000	\$'000
Bank guarantees	33,590	33,869
<b>Bank guarantees</b>	<b>33,590</b>	<b>33,869</b>

Bank Guarantees are issued to lessors as part of the groups commercial lease obligations.

## 15. Subsequent events

An interim dividend was declared by the Directors on 22 August 2022, to be paid on 22 September 2022. The Company's Dividend Reinvestment Plan will not operate for the interim dividend. See below for detail on the interim dividend.

The Company announced on 22 August 2022 that it will commence an on-market share buy back program up to 10% of oOh!media Limited's ordinary shares or up to approximately \$75,000,000. The program is expected to commence in September 2022 and run for up to 12 months.

As previously announced to the market, Sheila Lines stepped down as Chief Financial Officer effective 1 August 2022 and will leave the business on 30 September 2022. Chris Roberts was appointed CFO effective 1 August 2022.

No other matter or circumstance at the date of this report has arisen since 30 June 2022 that has significantly affected or may affect:

- (a) the operations of the Group;
- (b) the results of those operations in future financial years; or
- (c) the Group's state of affairs in the future financial years.

## Directors' Declaration

In accordance with a resolution of the Directors of oOh!media Limited ('the Company'), we state that:

In the Directors opinion:

- a) the Interim Financial Statements and notes of the Group that are set out on pages 13 to 25, for the half year ended 30 June 2022, are in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the half year ended on that date; and
  - ii. complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



**Tony Faure**

Chair

22 August 2022

# Independent Auditor's Review Report

To the shareholders of oOh!media Limited

## Conclusion

We have reviewed the accompanying **Half Year Financial Report** of oOh!media Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half Year Financial Report of oOh!media Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 30 June 2022 and of its performance for the half year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Half Year Financial Report** comprises:

- Condensed consolidated statement of financial position as at 30 June 2022
- Condensed consolidated statement of profit or loss and other comprehensive income / (loss), Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the half year ended on that date
- Notes 1 to 15 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises oOh!media Limited (the Company) and the entities it controlled at the half year's end or from time to time during the half year.

## 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*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the 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 and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our 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 that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Half Year Financial Report that gives a true and fair view and 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 does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2022 and its performance for the half year ended on that date, and complying with Australian 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.



KPMG



Kristen Peterson

*Partner*

Sydney

22 August 2022

# Corporate directory

## oOh!media Limited ACN 602 195 380

### Directors

#### **Tony Faure**

Chair and Non-executive Director

#### **Cathy O'Connor**

Chief Executive Officer and Managing Director

#### **Philippa Kelly**

Independent Non-executive Director

#### **Tim Miles**

Independent Non-executive Director

#### **Joanne Pollard**

Independent Non-executive Director

#### **Andrew Stevens**

Independent Non-executive Director

#### **David Wiadrowski**

Independent Non-executive Director

### Company Secretary

#### **Maria Polczynski**

### Principal registered office

Level 2, 73 Miller Street  
North Sydney NSW 2060  
Ph: +61 2 9927 5555

### Share register

Link Market Services Limited  
Level 12, 680 George Street  
Sydney NSW 2000  
Ph: 1300 554 474

### Auditors

KPMG  
Tower Three  
International Towers Sydney  
300 Barangaroo Avenue  
Sydney NSW 2000

### Bankers

Westpac Banking Corporation  
Commonwealth Bank of Australia  
National Australia Bank  
ING Bank (Australia) Limited  
Sumitomo Mitsui Banking Corporation  
Australia and New Zealand Banking Group Limited (ANZ)

### Stock exchange listing

The shares of oOh!media Limited are listed by ASX Ltd on the Australian Securities Exchange trading under the ASX Listing Code "OML".

### Website

[www.oohmedia.com.au](http://www.oohmedia.com.au)