



ASX RELEASE

1 May 2023

SCA appoints John Kelly as Managing Director and CEO

Southern Cross Media Group Limited (ASX: SXL) (SCA) announces that Grant Blackley will step down as Managing Director and CEO on 30 June 2023. Current Chief Operating Officer John Kelly has been appointed as Managing Director and CEO from 1 July 2023.

In the next two months, Mr Blackley will provide Mr Kelly with a comprehensive transition. Mr Blackley has also agreed to extend his contractual post-employment restraint period from six months to nine months.

SCA Chair Rob Murray said, “Grant has made a significant contribution to SCA since joining in June 2015. Under his leadership, SCA has become a truly national media business. This included rolling out our market-leading radio brands Triple M and Hit around the country, acquiring the Redwave stations in Western Australia, expanding SCA’s national sales representation to 51 non-owned radio stations, and establishing national management structures and reporting lines. More recently, we have launched our LiSTNR ecosystem as the centrepiece of SCA’s digital transformation and invested in digital infrastructure to enable our audiences to enjoy our live and on-demand content anywhere, at any time, on the device of their choice.

“The Board has appreciated Grant’s leadership over his term and particularly through the challenges presented by the lockdowns and uneven recovery from the COVID-19 pandemic.

“It is also a credit to Grant that he embraced and led constructive cultural change, along with a robust succession planning process throughout his tenure. This has given the Board confidence in appointing John Kelly as Grant’s successor.”

Grant Blackley said, “During my eight years at SCA, I have been privileged to design and lead a highly collaborative and talented team of dedicated people located across the length and breadth of Australia. I thank each person for their support and dedication.

“I’m absolutely thrilled to hand the baton to a natural successor in John Kelly. Having worked with John for over 20 years, both at SCA and previously at the Ten Network, I know he is the right person to lead the next growth phase at SCA. I look forward to supporting John through his transition and then to watching SCA’s future success under John’s leadership.”

John Kelly brings extensive strategic, operational, and financial leadership experience from 25 years working for Australian media and sporting organisations. He spent 16 years in executive roles at the Ten Network, including eight years as Group CFO, and then three years as Chief Operating Officer at Football Federation Australia, before joining SCA as Chief Operating Officer in 2016. In his current role, Mr Kelly oversees SCA’s general management teams, strategy, research and insights, and digital audio, as well as facilitating SCA’s key sporting rights, television affiliations, and digital audio partnerships.

Mr Murray said, “The Board is delighted to confirm John’s appointment as Managing Director and CEO. John has an intimate understanding of SCA’s radio, television, and digital audio portfolio of assets, and he has been pivotal in leading the digital transformation of the group’s business model to position SCA for future growth.

“John is universally respected around the business for his balanced and engaging leadership style, his ability to build effective and accountable teams, and for his strong networks in the wider media industry. The Board is confident he will hit the ground running in leading SCA’s next stage of growth.”

John Kelly said he is honoured, energised, and excited by the opportunity to take on the role as Managing Director and CEO of SCA. “Despite ongoing challenges in advertising media markets, the changes we have made in recent years have positioned SCA to take advantage of emerging and accelerating digital trends. SCA has unparalleled national reach supported by market-leading research and insights and a team of creative and passionate people focused on delivering sustainable value to our advertisers, audiences, communities, and shareholders.”

During the coming transitional period, Mr Kelly and the Board will review the structure of the group’s executive team and reporting lines. At this stage, it is not intended that the group will appoint a new Chief Operating Officer.

The material terms of Grant Blackley’s separation package and John Kelly’s employment agreement are summarised in the appendix.

Approved for release by the Board of directors.

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About Southern Cross Austereo

Southern Cross Austereo (SCA) is one of Australia’s leading media companies and the home of LiSTNR, the Hit and Triple M networks and regional television stations, reaching more than 95% of the Australian population. The LiSTNR digital audio app hosts a library of free and compelling digital audio content available anytime, anywhere. It houses SCA’s 99 FM, AM and DAB+ radio stations, including AFL, NRL and international cricket coverage, 27 music genre stations, and over 600 podcasts from leading Australian and global creators, plus local news and information. With more than one million signed-in users, LiSTNR has something to entertain, inform, and inspire all Australians and helps advertisers to connect with highly engaged and addressable audiences. The LiSTNR digital audio sales network reaches an estimated 8 million people each month. SCA owns 99 radio stations across FM, AM, and DAB+ under the Triple M and Hit network brands and provides national sales representation for 56 regional radio stations, with 6.131 million listeners across the Hit and Triple M networks. SCA broadcasts 96 free to air TV signals across regional Australia and represents or has a joint venture with 39 TV stations, reaching 3.6 million people a week. SCA broadcasts Network 10 programs in regional Queensland, southern NSW, and Victoria and provides national advertising sales representation for Network 10 programming in all Australian states and territories. SCA also broadcasts and provides sales representation for Seven Network programming in Tasmania, Darwin, and Remote Central and Eastern Australia and for Seven and Nine Network programming in Spencer Gulf and Broken Hill. SCA also features Sky News Regional in regional Queensland, southern NSW, and Victoria and sales representation in northern NSW, Griffith, and Mount Gambier. SCA provides Australian sales representation for global open audio platform SoundCloud and Sonos Radio. www.southerncrossaustereo.com.au.

APPENDIX

1. **Material terms of Grant Blackley's separation package**

Grant Blackley will receive his post-employment entitlements in accordance with his employment contract, including payment of six months base salary. In addition, and in consideration of an aggregate post-employment restraint period of nine months, the Board has approved payment to Mr Blackley of an additional amount equivalent to three months base salary.

The Board will assess Mr Blackley's performance against his FY23 key performance indicators, including in relation to his hand-over to John Kelly, after approval and audit of SCA's FY23 financial report. The Board will consider at that time whether Mr Blackley has earned an award under SCA's Executive Incentive Plan (**EIP**) for FY23. SCA will pay Mr Blackley the cash component – representing 40% – of any such award during September 2023. The equity component – representing 60% – of any such award will be forfeited.

All performance rights granted to Mr Blackley in earlier years under SCA's EIP will be forfeited on cessation of his employment on 30 June 2023.

Performance rights granted to Mr Blackley under SCA's FY21 long-term incentive (**LTI**) plan will remain eligible for vesting based on SCA's total shareholder return for the three-year performance period ending on 30 June 2023. The Board currently expects that performance rights granted under the FY21 LTI plan will not vest. In that case, the Board will not exercise discretion to permit vesting of those performance rights for Mr Blackley or for any other participant.

Details of Mr Blackley's FY23 remuneration, including any award made under SCA's FY23 EIP and any performance rights that vest under SCA's FY21 LTI plan, will be provided in SCA's remuneration report to be published in August 2023.

2. **Material terms of John Kelly's employment contract**

Commencement date	Mr Kelly commenced employment with SCA on 1 February 2016. His employment as Managing Director and Chief Executive Officer will commence on 1 July 2023.
Term	No fixed term.
Base salary	\$800,000 (including superannuation). The Board will review Mr Kelly's base salary annually.
Other benefits	Other customary benefits, including car parking at SCA's Sydney office and reimbursement of business-related expenses.
Incentive remuneration	Participation in SCA's Executive Incentive Plan (EIP) with a target and maximum amount payable equal to 150% of Mr Kelly's base salary. All or a portion of the target amount will be payable based on the extent to which Mr Kelly achieves both corporate and individual key performance indicators each year. Forty percent of Mr Kelly's annual award under the EIP will be payable in cash and 60% will be settled in equity performance rights that will

be eligible for vesting two years after grant. Under the rules of SCA's EIP, restrictions on disposal will apply for a further two years after vesting.

Notice period	Six months by either party.
Termination entitlements	SCA may pay Mr Kelly's base salary in lieu of notice. Dependent on the circumstances of termination and subject to applicable law, ASX rules and shareholder approval, the Board may accelerate payment to Mr Kelly of pro-rated entitlements under SCA's EIP (or whatever other incentive plan applies at the time of termination).
Leave entitlements	Four weeks annual leave, plus one additional week's leave which will not accrue if not taken. Other leave entitlements in accordance with law and SCA group policies.
Other terms	Mr Kelly's employment contract includes other standard terms covering leave; expense reimbursement; confidentiality; intellectual property; post-employment restraints on competing with SCA and soliciting employees, suppliers, and clients; compliance, and approvals.