



**NZ
ME.**

NEW ZEALAND
MEDIA AND
ENTERTAINMENT

NZME LIMITED HALF YEAR REPORT

KEEPING KIWIS IN THE KNOW

FOR THE HALF YEAR ENDING 30 JUNE 2023

 The New Zealand Herald
  **THE COUNTRY**
  **The Northern Advocate**
  **THE HITS**
  **DRIVEN CAR GUIDE**
  **travel**
 VIVA
  **OneRoof**

NewstalkZB
  **HOROWHENUA CHRONICLE**
 ROTORUA **Daily Post**
 GOLD
 GOLD SPORT
  **HERALD on SUNDAY**
BusinessDesk.

 **iHeartRADIO**
Te Puke Times
 **RADIO HAURAKI**
HASTINGS Leader
HCPOST
 **nzherald.co.nz**
Education Gazette
 **ZM**

 **radiowanaka**
 **Taupo & Tairāngi Herald**
ROTORUA Weekender
 **ALTERNATIVE COMMENTARY COLLECTIVE**
Kāpiti News
Bay of Plenty Times
Whanganui Chronicle
Coast

The Auckland Courier
essence
 Manawatu **GUARDIAN**
flava
BUSHTELEGRAPH Tairāra
Katikati Advertiser
The Northland Age
 **spy**
Mail CHR

WHANGANUI **MIDWEEK**
 Women's lifestyle *expo*
reset
 Hawke's Bay **TODAY**
 HOME & LIFESTYLE **SHOW**
hokonui
NAPIER Courier
 **TimeOut**
 nzherald **focus**

 **canvas**
eat well
NZME. PODCAST NETWORK
Kāhu
WHAT THE ACTUAL?!
Talanoa
 **RESTAURANT HUB**
Stratford PRESS

WeekendHerald
Waikato Herald

EVERYONE'S HERE.

**NZ
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 NEW ZEALAND
 MEDIA AND
 ENTERTAINMENT

AGENDA

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INTRODUCTION

FIRST HALF OPERATING ENVIRONMENT

- The market has continued to be challenging following the significant decline in business confidence that was experienced in the last quarter of 2022.
- Extremely low consumer confidence, linked to higher interest rates, has seen the property market stall, with new listings coming to market down 20% year on year (25% in Auckland).
- NZME's revenue declined by \$10.7m, predominantly from the Real Estate industry \$4.1m, Government \$2.7m and Retail customers down \$2.2m. Travel revenue remains \$3m below 2019 levels for the half.
- Cost efficiencies offset this reduction by \$3.9m.

SECOND HALF IMPROVEMENT

- Business confidence, while still negative, has been recovering and interest rates are peaking. Real estate sentiment is improving. However, the economic environment remains uncertain.
- The second half of 2023 has commenced well. Revenue performance is improving, with August and September bookings currently tracking to be 3% higher than the corresponding months in 2022.
- Given current performance, NZME confirms that it expects to be at the lower end of the EBITDA range previously provided of \$59-\$64 million for 2023.
- Based on the above, a working capital reduction of around \$10 million is expected by end of year, leaving net debt forecast to be below the lower end of the target leverage ratio.



RESULTS SUMMARY

For the half year ending 30 June 2023

- Strong delivery against strategic objectives despite uncertain economic environment.
- Operating revenue was 6% lower reflecting reduced business confidence and weak real estate market, however:
 - Radio market revenue share reached 42.4%², the highest since 2016.
 - Publishing subscriptions reached 218,000, including 123,000 digital only subscriptions.
 - OneRoof digital listings revenue grew 13% year on year, despite 20% reduction in new residential real estate listings coming to market.
- Operating expenses reduced by 3%, reflecting cost disciplines during challenging market.
- Operating EBITDA¹ of \$21.3 million down 24% on H1 2022.
- Statutory Net Profit After Tax of \$2.0 million for half, 76% lower than H1 2022.
- Operating Earnings Per Share¹ was 1.6 cents per share.
- Fully imputed interim dividend declared of 3.0 cents per share.
- Net debt increase reflects payment of dividends of \$11 million and increase in working capital of \$8.2 million.

1. Operating results presented are non-GAAP measures that include the impact of NZ IFRS 16, however, exclude exceptional items to allow for a like for like comparison between 2022 and 2023 financial years. Please refer to pages 36-37 of this results presentation for a detailed reconciliation.
2. Radio Broadcasters Association Radio Market Report, rolling 12-month average to 30 June 2023. Note: excludes independent broadcasters, contra revenue, and digital audio.

\$166.0m

Operating Revenue¹
H1 2022 \$176.7m ▼ 6%

\$21.3m

Operating EBITDA¹
H1 2022 \$28.1m ▼ 24%

\$2.0m

Statutory NPAT
H1 2022 \$8.5m ▼ 76%

\$2.9m

Operating NPAT¹
H1 2022 \$9.0m ▼ 68%

1.6 cps

Operating EPS¹
H1 2022 4.6cps ▼ 65%

3.0 cps

Interim Dividend
Payable on 27 Sep 2023

\$31.6m

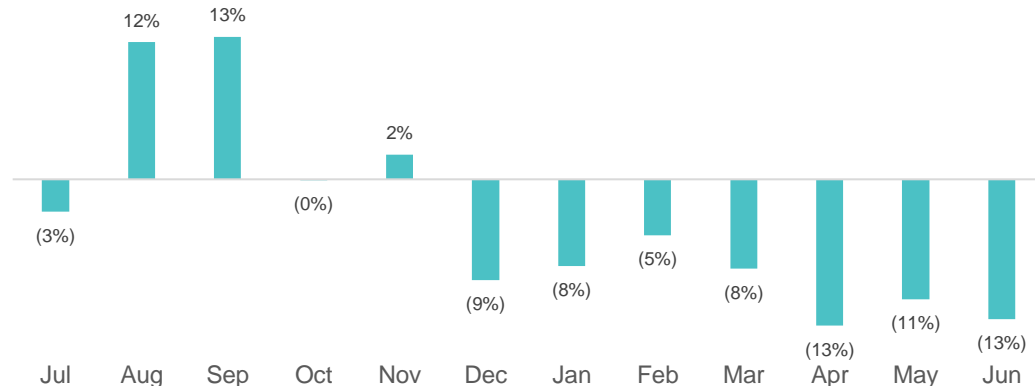
Net Debt
Increased by ▲ \$14.1m

DAMPENED MOOD DURING CHALLENGING TIMES BUT CAUTIOUS OPTIMISM FOR THE FUTURE

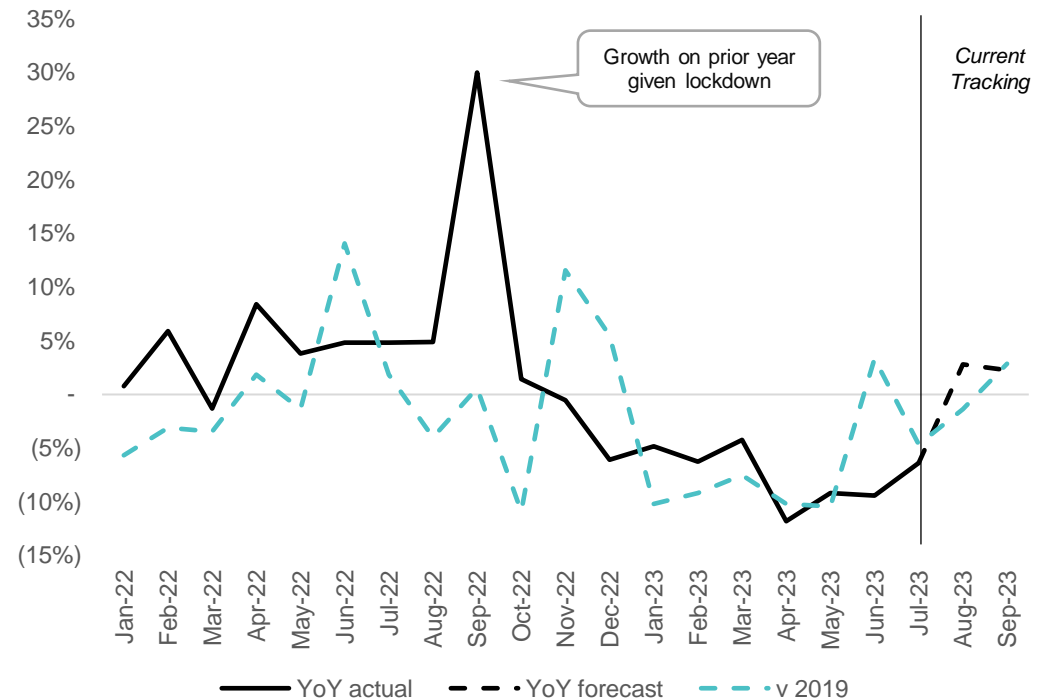
ANZ Business Confidence¹



Agency Market Advertising Revenue YoY variance²



NZME Advertising Revenue Variance³

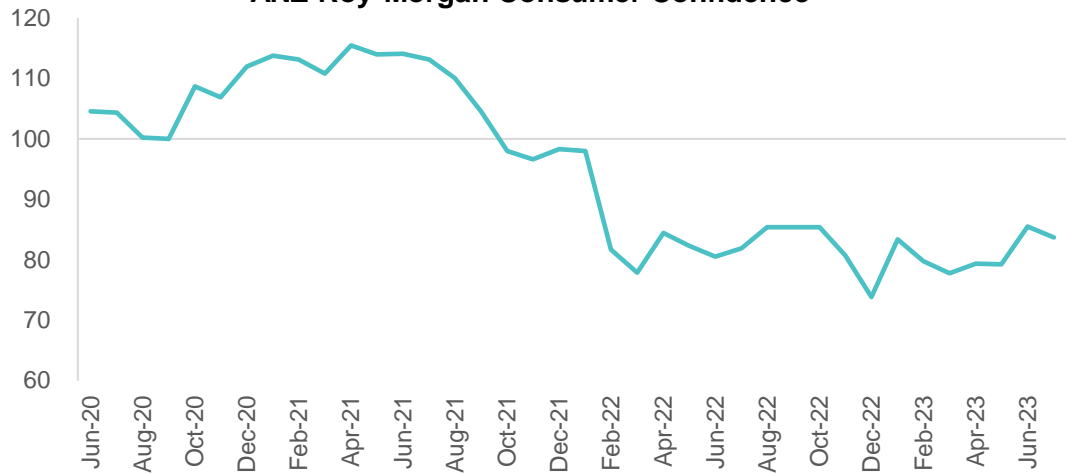


- Lower Business Confidence is reflected in total market revenue decline across all platforms.
- NZME has seen improvement in advertising revenue trend in recent months, in line with change in confidence levels.

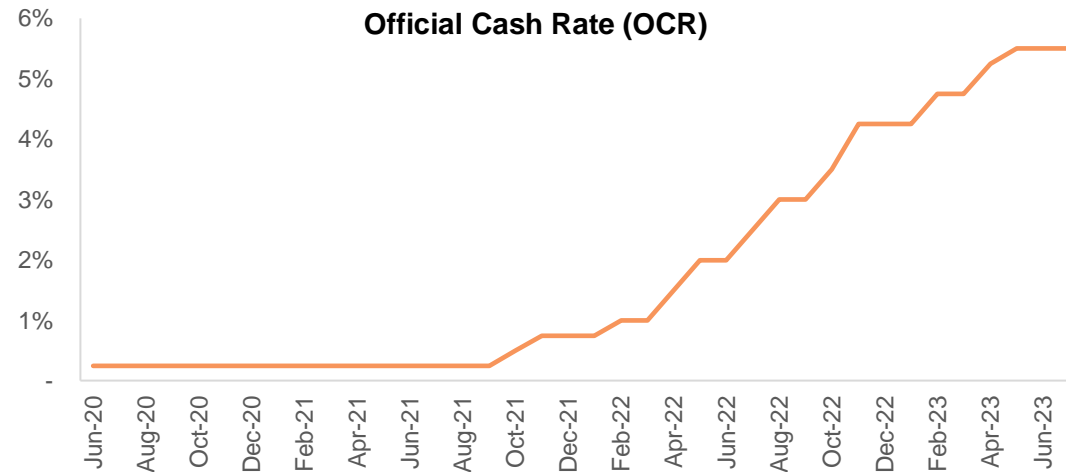
1. ANZ Business Confidence; Net Index (% negative survey responses less % positive survey responses).
 2. SMI Agency Market Revenue, YoY % change Jul 2022 – Jun 2023
 3. NZME Analysis.

WITH INTEREST RATES PEAKING, IMPROVED REAL ESTATE ENVIRONMENT ANTICIPATED

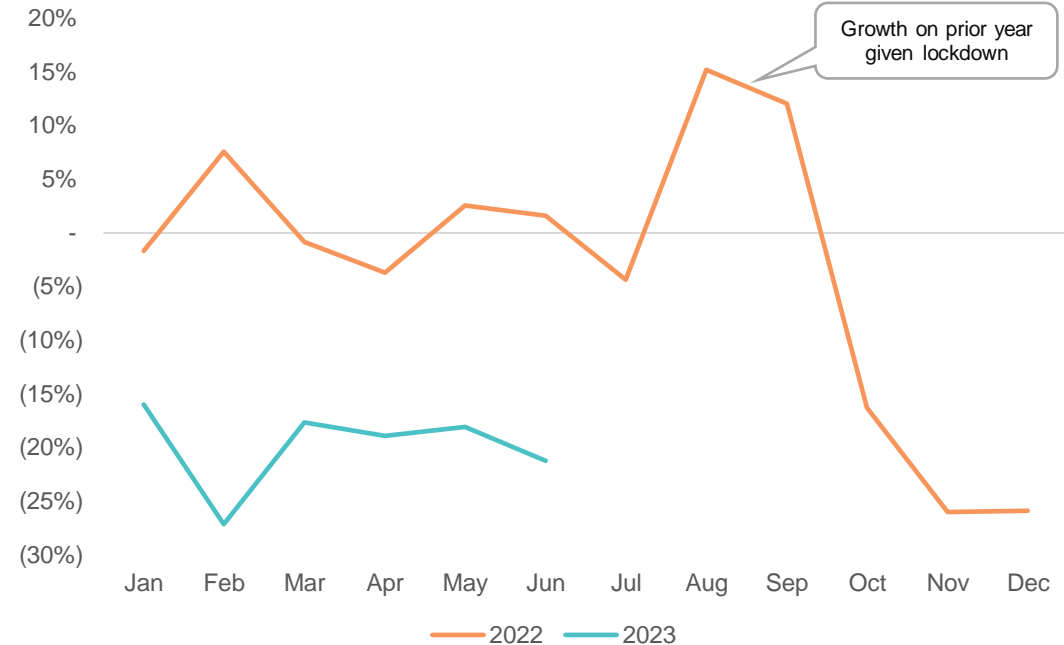
ANZ-Roy Morgan Consumer Confidence¹



Official Cash Rate (OCR)



Residential real estate market listings year on year variance²



- OCR has risen from 0.75% to 5.5%, median house prices² reduced 16% from Nov 21 peaks. H1 2023 listings down 20% year on year.
- Total new listings down 20% for half year, with Auckland down 25%.
- Market consensus for house price growth in H2 2023 and interest rate reductions in 2024.

1. ANZ-Roy Morgan Consumer Confidence; Net Index (% negative survey responses less % positive survey responses).
2. Real Estate Institute of New Zealand (REINZ)


STRATEGIC PRIORITIES AND MARKET PERFORMANCE

OUR THREE STRATEGIC PRIORITIES WERE SET WITH TARGETS FOR 2023




 **NEW ZEALAND'S LEADING AUDIO COMPANY**

 Create New Zealand's best local audio content


 Grow broadcast and digital reach

 Grow market revenue share and digital revenue

 **NEW ZEALAND'S HERALD**

 The #1 News brand for all New Zealanders

 Subscriber first

 Be a safe, scalable destination for advertisers

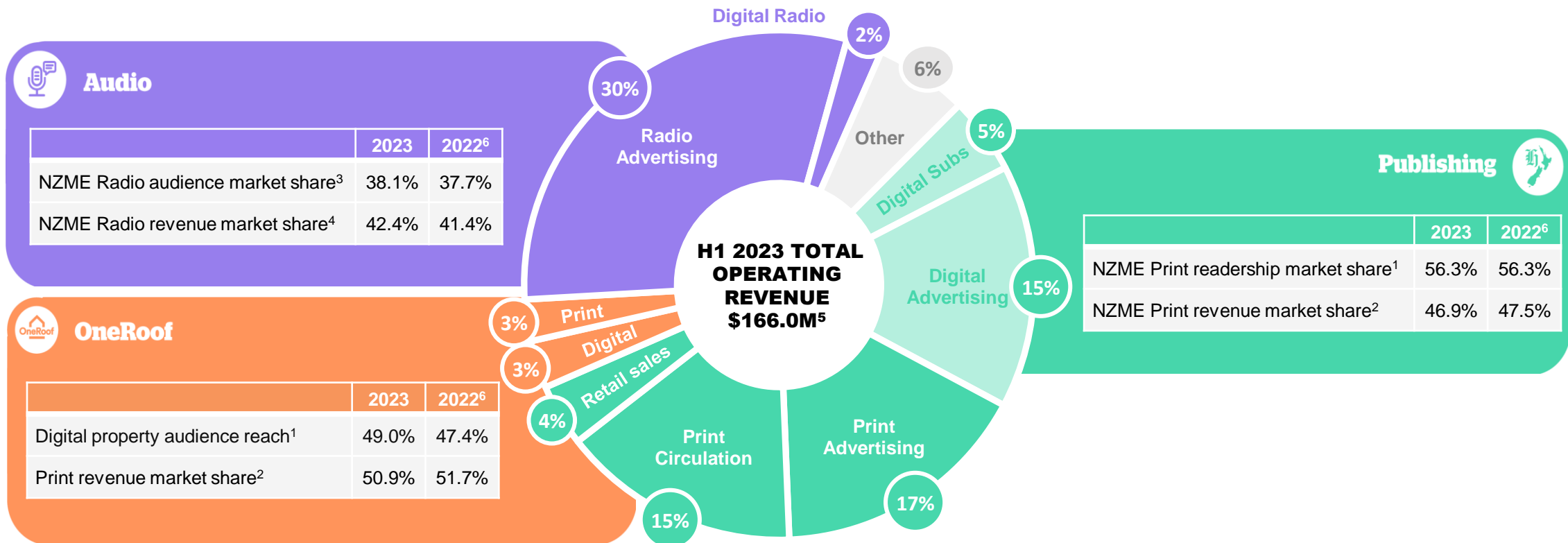
 **YOUR COMPLETE PROPERTY DESTINATION**

 Strengthen core residential listings business

 Be indispensable to agents

 Expand the portfolio

GREATER EXPOSURE TO AUCKLAND MARKET IMPACTS PRINT MARKET SHARE



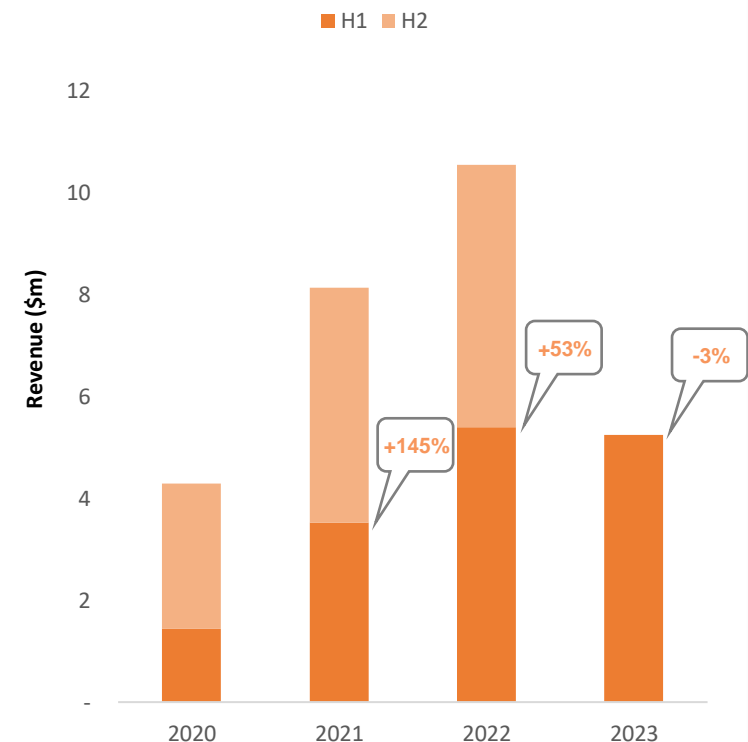
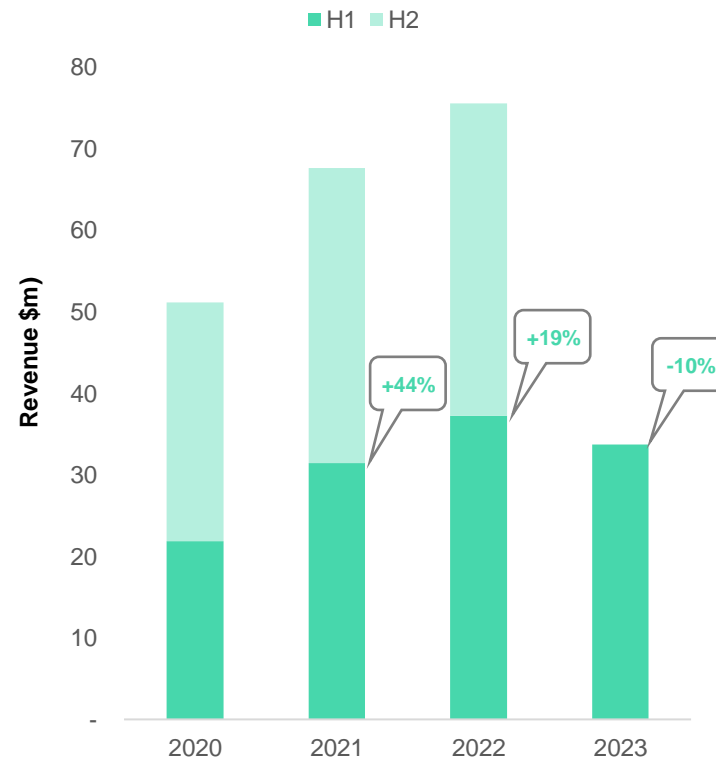
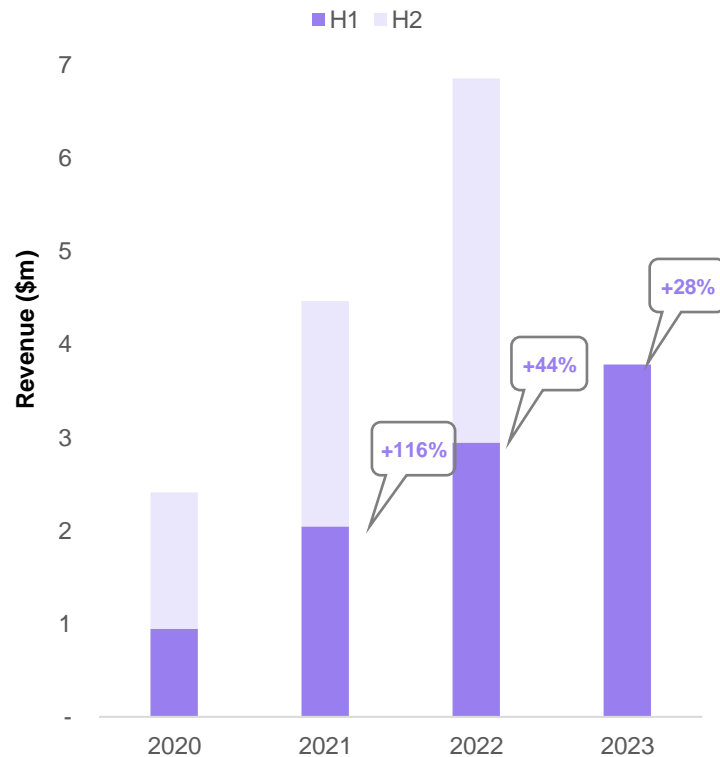
1. Nielsen Consumer Media Insights Service (CMI), Q2 22 – Q1 23 Online Fused May 2023 People 15+. OneRoof reach of property visitors (property visitors=unduplicated audience of oneroof.co.nz, trademe.co.nz/property, homes.co.nz & realestate.co.nz).
 2. PwC NPA quarterly performance comparison report, rolling 4-quarter average. Print Includes Publishing and OneRoof print advertising revenue. OneRoof is Property only.
 3. GfK Commercial RAM, NZME excl. Partners, Share %, M-S 12mn-12mn, Total NZ, S4 2022 & S1 2023. AP10+.
 4. Radio Broadcasters Association Radio Market Report, rolling 12-month average to 30 June 2023. Note: excludes independent broadcasters, contra revenue, and digital audio.
 5. NZME Consolidated Interim Financial Statements for the six months ended 30 June 2023.
 6. 2022 figures shown are as presented in the 2022 Full Year Results presentation for the year ended 31 December 2022

STRONG DIGITAL AUDIO GROWTH AS OTHER PILLARS FACE MARKET HEADWINDS

DIGITAL AUDIO REVENUE

DIGITAL PUBLISHING REVENUE

DIGITAL ONEROOF REVENUE



Source: NZME Analysis.

2023 HALF YEAR FINANCIAL RESULTS



\$ million	H1 2023	H1 2022 ¹	% change
Reader revenue	39.8	41.8	(5%)
Advertising revenue	116.4	125.8	(7%)
Other revenue	7.1	5.8	23%
Operating Revenue²	163.3	173.3	(6%)
Other income	2.7	3.4	(21%)
Operating Revenue and Other Income²	166.0	176.7	(6%)
Operating expenses ²	(144.7)	(148.6)	(3%)
Operating EBITDA²	21.3	28.1	(24%)
Depreciation and amortisation on owned assets	(8.0)	(7.7)	5%
Depreciation on leased assets	(5.8)	(5.3)	9%
Interest income	0.2	0.2	16%
Finance cost	(3.7)	(2.9)	29%
Operating NPBT²	4.0	12.5	(68%)
Taxation expense	(1.1)	(3.4)	(67%)
Operating NPAT²	2.9	9.0	(68%)
Operating Earnings per Share (cents)²	1.6	4.6	(65%)

OPERATING RESULTS

For the half year ended 30 June 2023

Difficult market reflected in temporary reduction in revenue and profitability

- Operating revenue was down 6% compared to the first half of last year.
- Reader revenue declined by 5% as a result of the abnormal decline in print circulation revenues due to Cyclone Gabrielle.
- Advertising revenue was 7% lower driven by lower Publishing and OneRoof advertising revenues, with Audio largely flat year on year.
- Other revenue growth is primarily due to higher third-party print & distribution and events revenue.
- Strong cost management across the business more than offset inflationary cost pressures.
- Operating EBITDA was 24% lower, delivering an Operating NPAT¹ 68% lower at \$2.9 million for the half.
- Operating Earnings Per Share reduced to 1.6 cents per share due to reduced earnings, despite reduced number of shares on issue.

1. H1 2022 operating results presented reflect reclassification adjustments that differ when compared with operating results as reported for the half year ended 30 June 2022. Please refer to page 38 of this results presentation for a reconciliation.

2. Operating results presented are non-GAAP measures that include the impact of NZ IFRS 16, however, exclude exceptional items to allow for a like for like comparison between 2022 and 2023 financial years. Please refer to pages 36-37 of this results presentation for a detailed reconciliation.

\$ million	H1 2023	H1 2022 ¹	% change
People	73.0	74.8	(2%)
Print and distribution	25.0	25.6	(2%)
Agency commission and marketing	18.2	20.5	(11%)
Content	9.4	9.1	3%
Other expenses:			
<i>Property</i>	3.6	3.6	(1%)
<i>IT and communications</i>	5.4	6.2	(12%)
<i>Third party fulfilment</i>	4.3	4.0	8%
<i>Other</i>	5.8	4.9	18%
Total other expenses	19.1	18.6	3%
Total operating expenses²	144.7	148.6	(3%)

Total non-recurring expenses	1.0	0.7
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EXPENSES

For the half year ended 30 June 2023

Disciplined cost management more than offsets inflationary pressure

- People costs down 2% reflects efficiencies achieved across the business, offsetting inflationary pressure.
- Print and Distribution costs were similar year on year with increased paper and distribution costs offset by lower volumes.
- Agency commission and marketing costs were 11% lower largely due to the lower revenues.
- Overall other expenses were 3% higher with lower IT and Communications costs offset by higher other costs including fulfilment costs relating to the resale of digital marketing products.
- Non-recurring expenses relate primarily to restructuring in response to weaker revenue in the period.

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2. Operating results presented are non-GAAP measures that include the impact of NZ IFRS 16, however, exclude exceptional items to allow for a like for like comparison between 2022 and 2023 financial years. Please refer to pages 36-37 of this results presentation for a detailed reconciliation.

\$ million	30 June 2023	31 December 2022
Trade and other receivables	45.2	48.8
Inventories	5.9	5.6
Trade and other payables	(45.5)	(52.5)
Current tax receivable / (payable)	2.9	(1.7)
Net working capital excluding cash	8.4	0.2
Plant property & equipment, intangibles and other non-current assets	170.8	174.1
Right-of-use assets (NZ IFRS 16)	59.8	63.7
Lease liabilities (NZ IFRS 16)	(86.9)	(91.2)
Finance lease receivable (NZ IFRS 16)	4.2	4.4
Net Debt	(31.6)	(17.5)
Deferred tax	4.0	4.0
Net Assets	128.7	137.8

BALANCE SHEET

For the half year ended 30 June 2023

- Net working capital excluding cash was \$8.2 million higher than December 2022, driven by
 - seasonally lower payables and accruals
 - seasonal increase in tax receivable of \$4.6 million
 - Working capital reduction of around \$10 million is expected by end of year, based on lower inventory levels and seasonality of tax payments.
- Net debt increased by \$14.1 million to \$31.6 million as at 30 June 2023 largely as a result of the payment of the final 2022 dividend in March 2023 and increase in working capital.

\$ million	H1 2023	H1 2022
Operating EBITDA¹	21.3	28.1
Interest paid on bank facilities	(1.1)	(0.5)
Interest paid on leases	(2.4)	(2.4)
Interest received on leases	0.1	0.2
Dividends and interest received	0.2	0.1
Exceptional items	(0.7)	(0.4)
Tax paid	(5.5)	(8.0)
Working capital movement (excluding tax)	(3.6)	(3.9)
Other (non-cash)	0.5	(1.4)
Cash flow from operations	8.8	11.9
Capital expenditure	(5.4)	(4.1)
Lease principal repayment	(6.3)	(5.7)
Operating free cash flow	(2.9)	2.0
BusinessDesk and Radio Wanaka purchases	-	(3.6)
Distribution to shareholders		
Final dividend paid	(11.0)	(9.9)
Share buy-back	-	(5.3)
Cash movement in Net Debt	(13.9)	(16.7)
Other movements	(0.2)	0.2
Movement in Net Debt	(14.1)	(16.4)

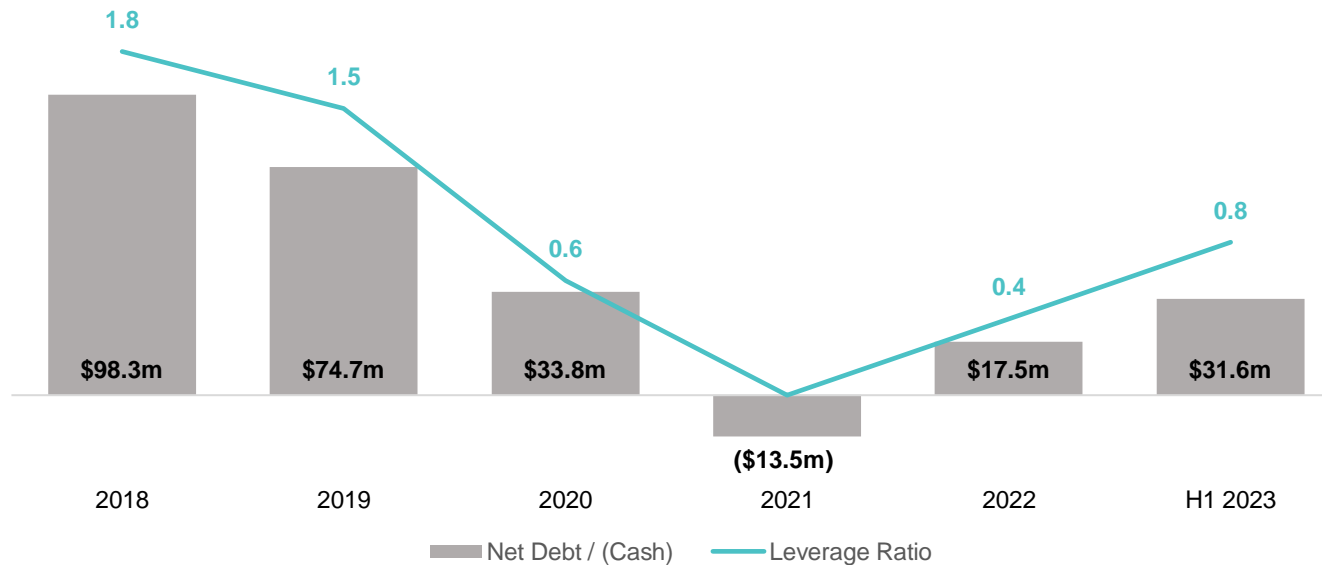
CASH FLOWS

For the half year ended 30 June 2023

- Cash flow from operations for the half was \$8.8 million, which is lower than H1 2022 due to reduced operating earnings.
- Tax paid in the half was lower due to higher tax paid in H1 2022 related to supplementary dividend payments that are treated as a tax credit.
- Tax paid is higher than tax expense as first half earnings lower and tax is paid evenly through the year.
- Capital expenditure for the first half is in line with expected full year of around \$10.0 million.
- 2022 Final Dividend of 6.0 cents per share was paid 22 March 2023.
- Expect working capital movement to reverse by the end of the 2023 year.

1. Operating results presented are non-GAAP measures that include the impact of NZ IFRS 16, however, exclude exceptional items to allow for a like for like comparison between 2022 and 2023 financial years. Please refer to pages 36-37 of this results presentation for a detailed reconciliation.

	30 June 2023	31 December 2022
12-months Operating EBITDA (pre NZ IFRS 16) ¹	41.2	48.7
Interest Expense	1.7	1.5
Net interest cover (Operating EBITDA (pre NZ IFRS 16)¹ / Interest Expense)	24.9	46.5
Net Debt (\$ million)	31.6	17.5
Leverage Ratio (Net debt / 12-month Operating EBITDA (pre NZ IFRS 16)¹)	0.8	0.4



CAPITAL MANAGEMENT

For the half year ended 30 June 2023

- Net debt position of \$31.6 million as at 30 June 2023 is \$14.1 million higher than at the end of 2022.
- Leverage ratio has increased in the first half of this year but remains within target range of 0.5 to 1.0 times EBITDA¹ (pre IFRS 16).
- Fully imputed interim dividend declared of 3.0 cents per share, payable on 27 September 2023.

Dividend Policy

NZME intends to pay dividends of 50-80% of Free Cash Flow subject to being within its target leverage ratio and having regard to NZME's capital requirements, operating performance and financial position.

Target Leverage Ratio of 0.5 to 1.0 times rolling 12 month EBITDA¹ (pre NZ IFRS 16).

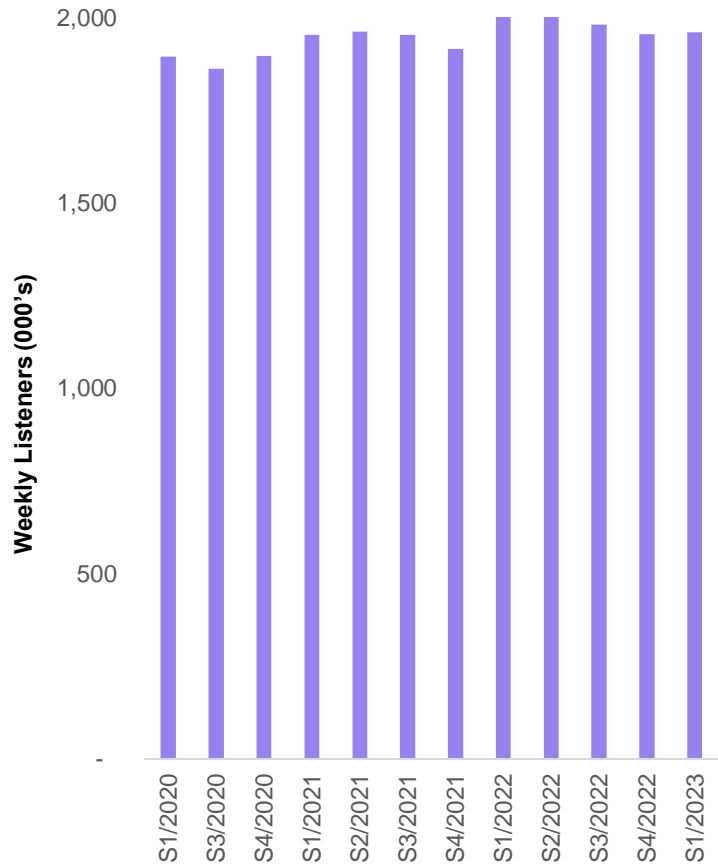
Full dividend policy is available at www.nzme.co.nz/investor-relations/dividends/

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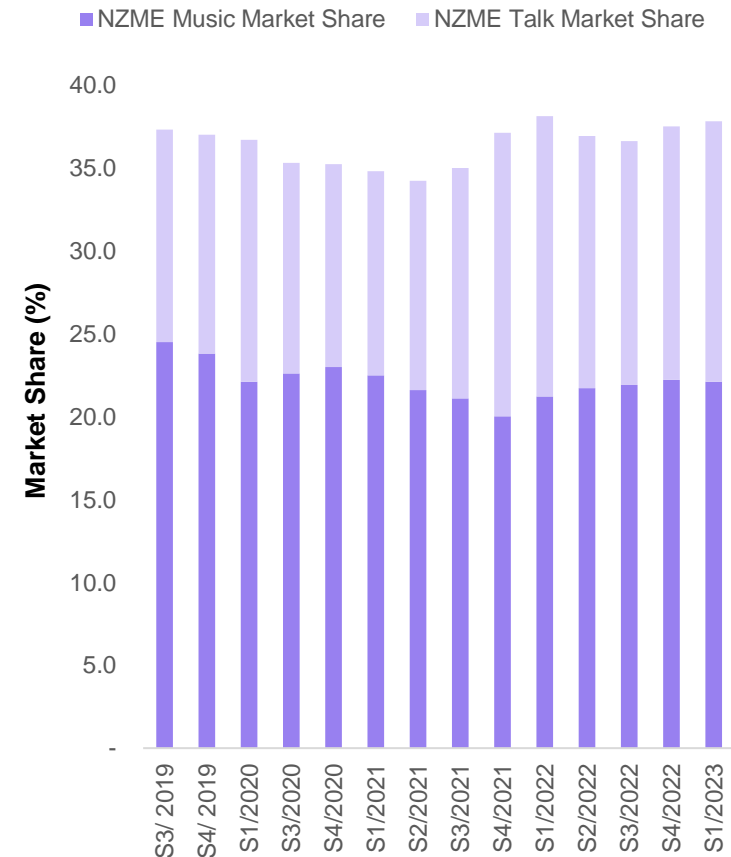
AUDIO

AUDIO LISTENERS AND MARKET SHARE

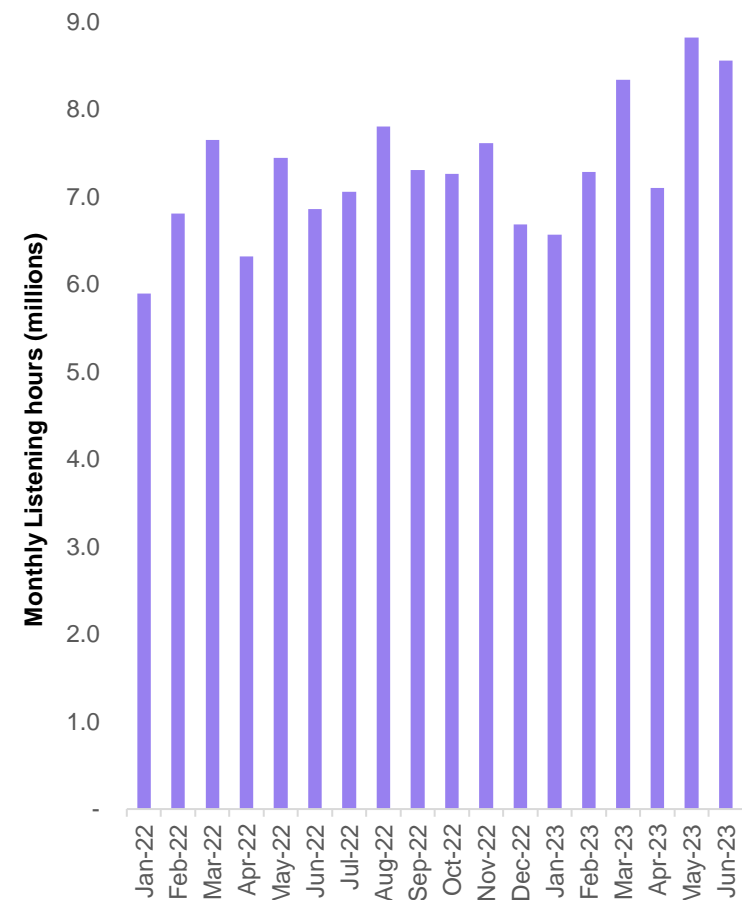
**NZME Radio weekly listeners
(Total NZ All 10+ Cume)¹**



**NZME Radio Share
(Total NZ All 10+ Share)²**



Digital Audio Total Listening Hours³



1. GfK Commercial RAM, NZME excl. Partners, Cumulative Audience 000, M-S 12mn-12mn, Total NZ, S1 2019-S1 2023. AP10+.

2. GfK Commercial RAM, NZME excl. Partners (doesn't include BBC Auckland), Market Share %, M-S 12mn-12mn, S1 2019-S1 2023, AP10+. Note: Radio Sport closed prior to S3 2020.

3. Adswizz AudioMetricx, NZME Network stations, All countries, Monthly TLH plus Triton NZ Podranker, Monthly downloaded hours Jan 2022 - Jun 2023

\$ million	H1 2023	H1 2022 ¹	% Change
Digital audio advertising	3.8	2.9	28%
Radio advertising	50.1	51.1	(2%)
Other	0.6	0.8	(23%)
Audio revenue	54.6	54.8	(1%)
People	(27.7)	(27.9)	(0%)
Agency Commission & Marketing	(6.7)	(7.7)	(13%)
Content	(3.7)	(3.3)	12%
Other	(5.9)	(6.2)	(5%)
Audio expenses	(44.1)	(45.1)	(2%)
Audio EBITDA² (incl. NZ IFRS 16)	10.5	9.7	8%
NZ IFRS 16 Adjustment	(3.9)	(3.5)	13%
Audio EBITDA² (pre NZ IFRS 16)	6.6	6.3	5%
EBITDA² Margin (pre NZ IFRS 16)	12%	11%	1 ppt

AUDIO

For the half year ending 30 June 2023

Digital revenues continue strong growth, contributing to improved profitability year on year

- Digital audio revenue grew 28% compared to the comparative period with continuing momentum.
- Overall Audio revenue was 1% lower than the first half of last year.
- Radio market share to 42.4%, up 1 percentage point compared to 2022³.
- People costs were lower in the half through initiatives to manage costs to offset wage inflationary pressure.
- Agency Commission & Marketing costs were 13% lower, reflecting lower agency revenues and reduced marketing during the half.
- EBITDA¹ margin improved 1 percentage point, despite difficult environment.

1. H1 2022 operating results presented reflect reclassification adjustments that differ when compared with operating results as reported for the half year ended 30 June 2022. Please refer to page 38 of this results presentation for a reconciliation.

2. EBITDA is a non-GAAP measure and excludes exceptional items.

3. Radio Broadcasters Association Monthly Radio Market Report, rolling 12-month average to 30 June 2023 vs 12 months to 31 December 2022. Note: report excludes independent broadcasters, contra revenue, and digital audio.

NEW ZEALAND'S LEADING AUDIO COMPANY



Metric	2023 Target set in 2020	2020 Achievement	2021 Achievement	2022 Achievement	H1 2023 Achievement	2023 Initiatives - Progress Update
NZME share of total audience	> 1% share point growth per annum	35.6% ¹	37.4% ¹	37.7% ¹	38.1% ¹	<ul style="list-style-type: none"> Maintained strength of ZB and ZM in key demographics and delivered further audience share growth. Digital Radio total Listening Hours have grown 12% to 38 million for the half⁵. NZME Podcast network continues to lead the market with 1.0 million monthly listeners⁶ who have downloaded over 44 million podcasts in the first half of this year.
Radio Revenue Share	> 1% share point growth per annum	40.4% ²	40.9% ²	41.4% ²	42.4% ²	<ul style="list-style-type: none"> Industry-wide audio advocacy programme launched to drive total radio market growth, with continued development over the remainder of 2023. While the NZ advertising market remains challenged, NZME's audio revenue is now 5% ahead of 2019. NZME's digital audio revenues are excluded from radio share metrics and deliver incremental revenue and share gains.
Digital audio revenue as a % of total audio revenue	5%	2.4%	3.4%	5.1%	7.0%	<ul style="list-style-type: none"> Increased customer enquiry being generated across NZME customer base. Commenced exclusive commercial representation for the second and third largest podcast networks in NZ (Audioboom and Sirius). New iHeart features ready for launch allowing personalisation of content.
EBITDA³ Margin Target (pre NZ IFRS16)	15 – 17%	14%⁴	12%	13%	12%	

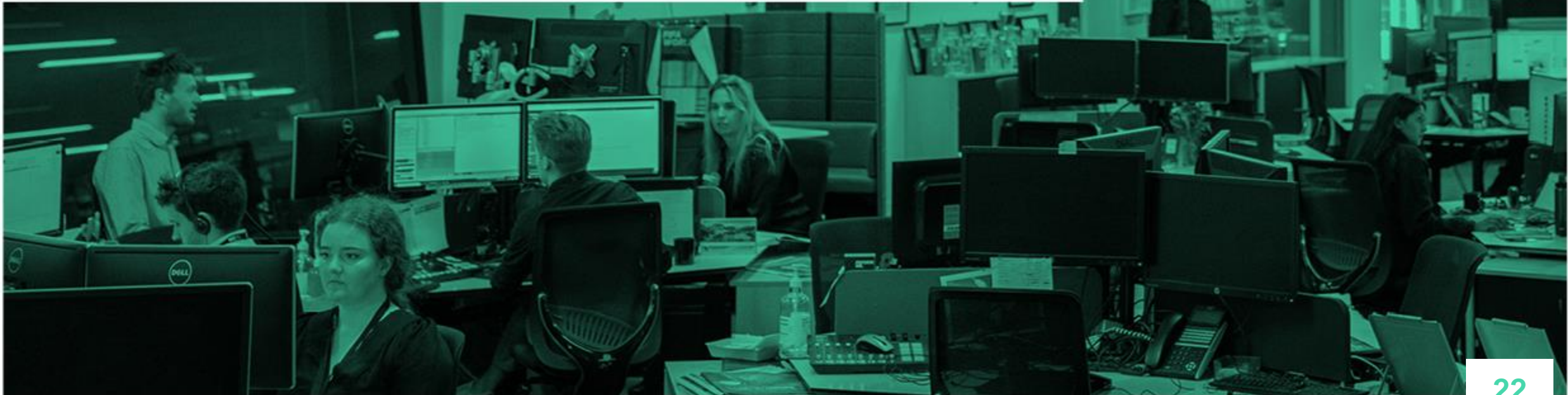
1. GfK Commercial RAM, NZME excl. Partners, Total NZ, M-S 12mn-12mn, Market Share %, S4 2020 – S1 2023, AP10+
2. Radio Broadcasters Association Monthly Radio Market Report, rolling 12-month average to 31 December (2020 – 2022) and 12-month average to 30 June 2023 (H1 2023). Note: report excludes independent broadcasters, contra revenue, and digital audio.
3. EBITDA is a non-GAAP measure and excludes exceptional items.
4. Includes Covid-19 government wage subsidy received in 2020. Excluding the impact of the government wage subsidy received in 2020, the EBITDA margin was 10.5%.
5. Adswizz AudioMetrix, NZME Network stations, All countries, Average Monthly TLH Jan-Jun 2023
6. Triton NZ Podranker as at June 2023 *Triton NZ Podranker Jan – June 2023

REPORTERS
Kaipūrongo



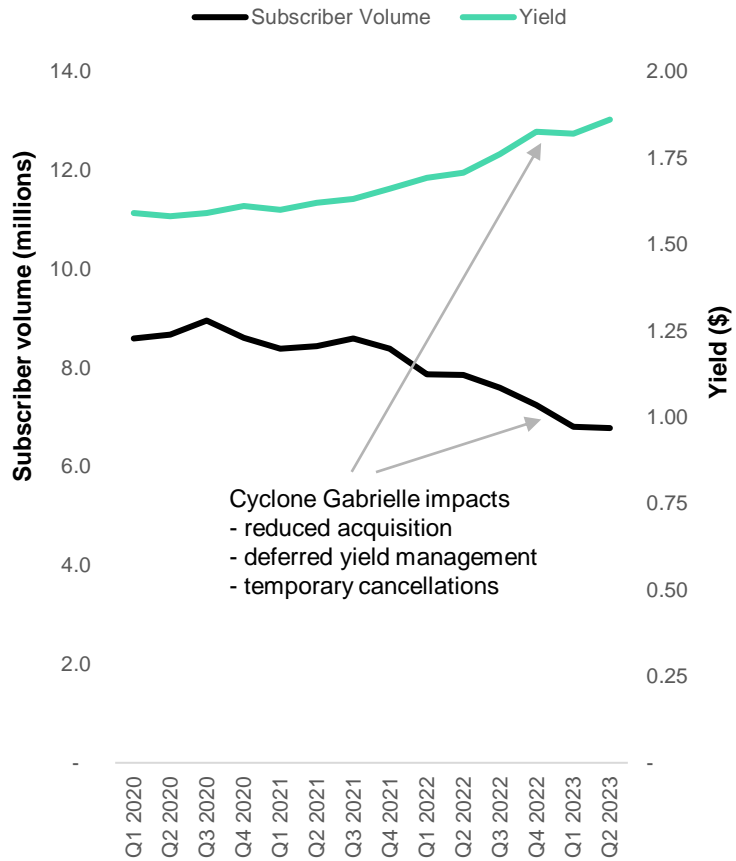
**NZ
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PUBLISHING

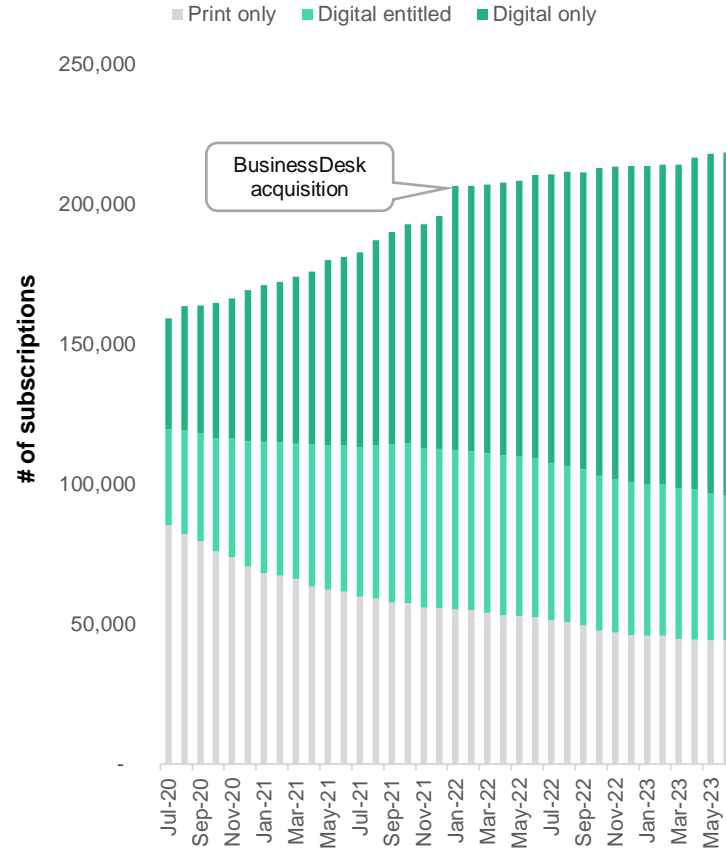


INCREASING DIGITAL SUBSCRIPTIONS

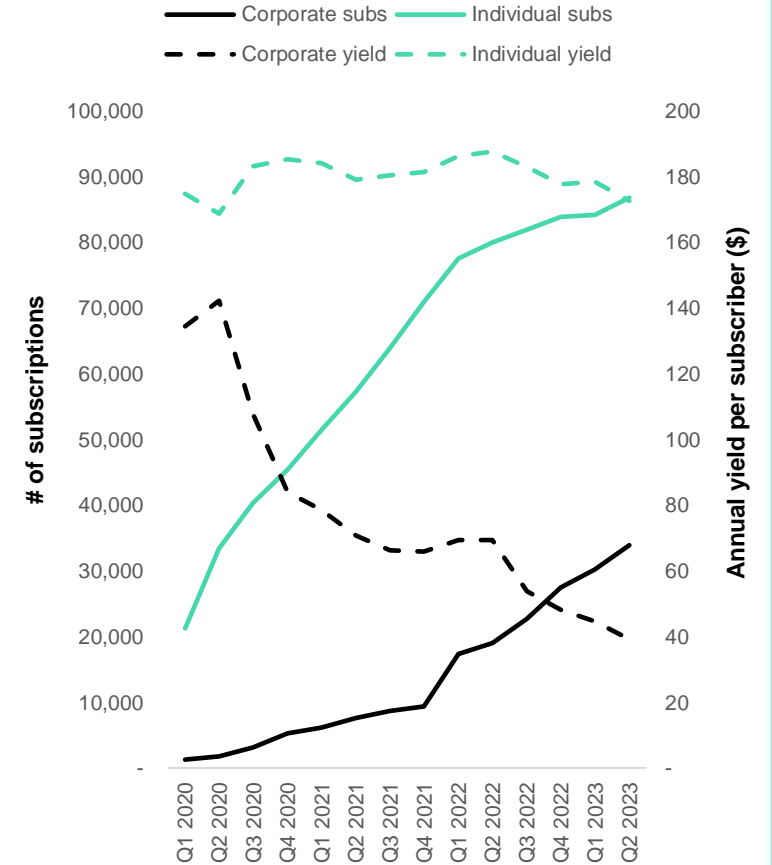
Print Subscriber volume and yield¹



Subscriptions Mix



Digital subscription volume² and yield



1. Print subscriber volume drives revenue and represents the count of individual paid papers delivered including the NZ Herald, Herald on Sunday and Regionals. Subscriber yield includes promotional volumes.
 2. Digital subscription volumes, quarterly average.

\$ million	H1 2023	H1 2022 ¹	% Change
Digital subscriptions	8.1	7.9	2%
Print subscriptions	25.1	26.9	(7%)
Retail outlet sales	6.5	7.0	(6%)
Total reader revenue	39.8	41.8	(5%)
Digital advertising	25.6	29.3	(12%)
Print advertising	27.5	30.7	(10%)
Total advertising revenue	53.1	59.9	(11%)
Other	8.6	7.9	9%
Publishing revenue	101.4	109.6	(7%)
People	(40.3)	(41.4)	(3%)
Print & Distribution	(22.6)	(22.3)	1%
Agency Commission & Marketing	(7.7)	(9.4)	(18%)
Content	(4.9)	(4.8)	3%
Other	(11.0)	(10.7)	3%
Publishing expenses	(86.5)	(88.6)	(2%)
Publishing EBITDA² (incl. NZ IFRS 16)	14.9	21.0	(29%)
NZ IFRS 16 Adjustment	(4.1)	(3.8)	6%
Publishing EBITDA² (pre NZ IFRS 16)	10.8	17.1	(37%)
EBITDA² Margin (pre NZ IFRS 16)	11%	16%	-5 ppt

PUBLISHING

For the half year ending 30 June 2023

Difficult economic environment impacts reader and advertising revenues

- Total reader revenue decreased 5% half-on-half, with the decline in print reader revenue and retail outlet sales offsetting revenue growth in digital subscriptions.
- Print subscription decline represents significant disruption from Cyclone Gabrielle, resulting in temporary cancellations, reduced acquisition and deferred yield enhancements.
- Total advertising revenue declined 11%, with digital advertising revenue declines slightly more than Print advertising revenue.
- Other revenue increase represents additional external print & distribution revenue.
- Lower People costs through initiatives to manage costs in response to lower revenue more than offsetting the wage inflationary pressure.
- Agency Commission & Marketing costs were 18% lower, reflecting lower revenue from Agency clients and reduced marketing spend in the half.

1. H1 2022 operating results presented reflect reclassification adjustments that differ when compared with operating results as reported for the half year ended 30 June 2022. Please refer to page 38 of this results presentation for a reconciliation.
2. EBITDA is a non-GAAP measure and excludes exceptional items.

NEW ZEALAND'S HERALD



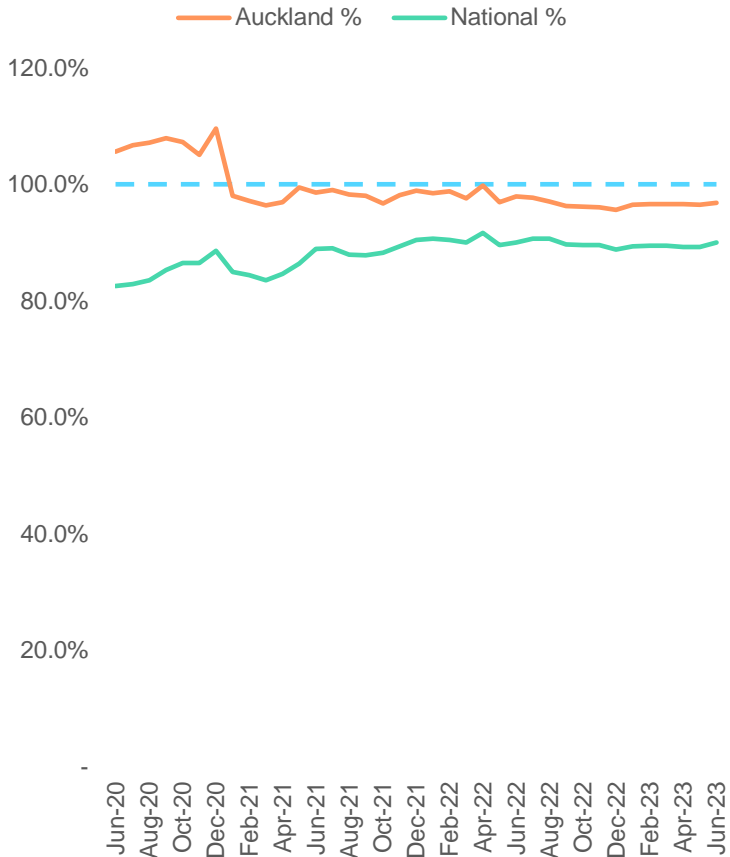
Metric	2023 Target set in 2020	2020 Achievement	2021 Achievement	2022 Achievement	H1 2023 Achievement	2023 Initiatives - Progress Update
Subscription Volume Target	More than 210,000 by 2023 year-end	169,000	191,000	209,000 ¹	218,000 ¹	<ul style="list-style-type: none"> Strong growth in Corporate employee activations and bundled customer growth has led to lower yields. Launched new Listener partner subscription vertical. Herald Premium and BusinessDesk price increase implemented to lift yield on individual subscriber base. Expanded personalisation on homepage with enhanced data models to increase audience engagement and conversion. 'What The Actual', Gen Z audience proposition launched. Delivered biggest audience ever during Cyclone Gabrielle and raised \$14 million for relief efforts. BusinessDesk partnered with global business publication, Wall Street Journal Increased adoption of Audience Connect NZME's 1st party data portfolio to lift yields and campaign effectiveness. New Live Shopping product launched. New Driven Car Guide site launched to reposition as independent car advice site. Digital 'Advertising As A Service' services launched; SEO, off network audience extensions.
Subscription Volume Mix	Digital Only > Print	32% / 68%	43% / 57%	54% / 46%	56% / 44%	
% Households Subscribing	> 12% by year-end	9% ²	10% ²	11% ²	11% ²	
Advertising Revenue Mix	> 45% Digital	42% Digital	46% Digital	48% Digital	48% Digital	
EBITDA³ Margin Target (pre NZ IFRS16)	18-19%⁵	19%⁴	18%	18%	11%	

1. Includes the impact of the BusinessDesk acquisition.
 2. Stats.govt.nz Dwelling and household estimates: June 2023 quarter.
 3. EBITDA is a non-GAAP measure and excludes exceptional items.
 4. Includes Covid-19 government wage subsidy received in 2020. Excluding the impact of the government wage subsidy received in 2020, the EBITDA margin was 17.0%.
 5. Adjusted from 19-20% to reflect the change in accounting policy on SaaS arrangements. Capital expenditure is expected to reduce by a similar amount.

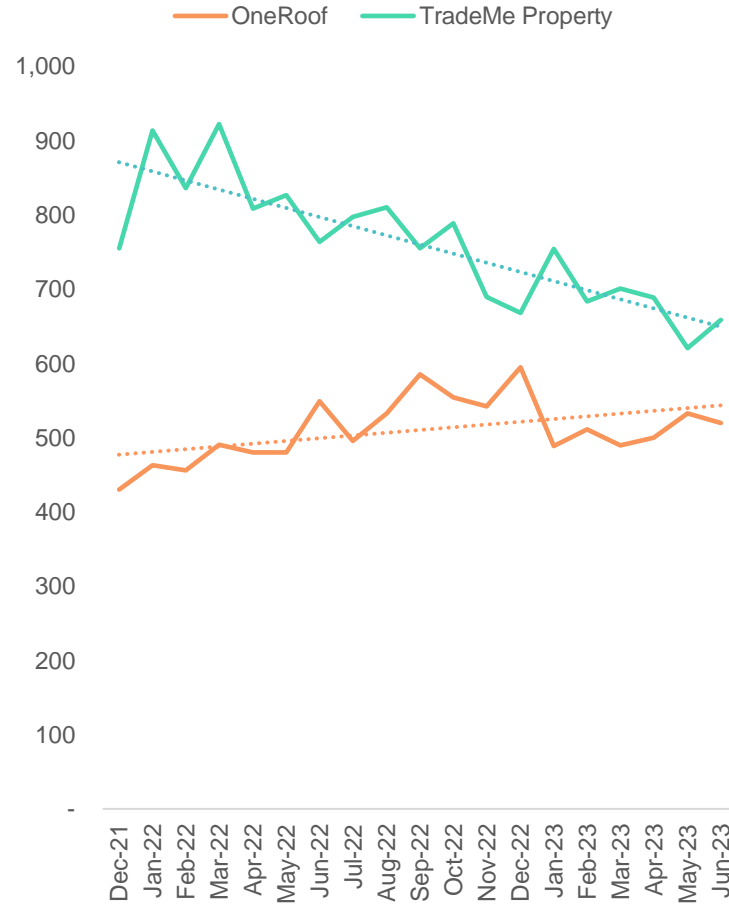
ONEROOF

ONEROOF AUDIENCE & LISTINGS

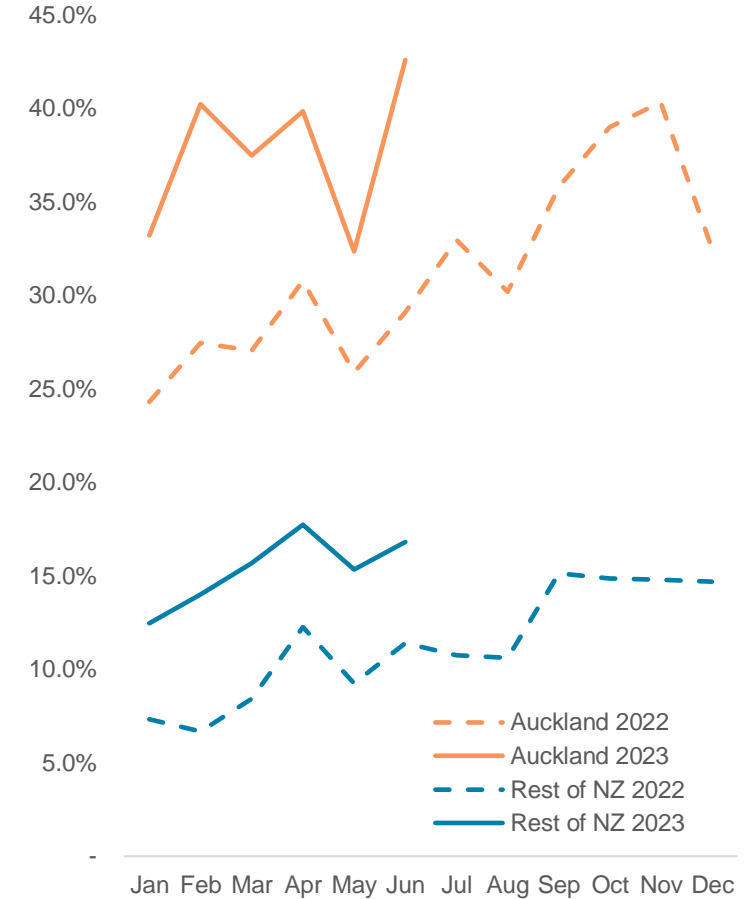
OneRoof Auckland and National Residential For-sale Listings as a % of Trade Me¹



OneRoof Monthly Online Audience compared with TradeMe Property (000's)²



OneRoof Digital Residential for-sale Listings Upgrade %³



1. OneRoof's listings as a percentage of residential for-sale real estate listings on trademe.co.nz. Note: From June 2021 onwards lifestyle properties and sections were added to the OneRoof count.

2. Nielsen Online Ratings - Domestic Unique Audience, Dec 2021 - Jun 2023 (does not include exclusive mobile app audience).

3. NZME Analysis

\$ million	H1 2023	H1 2022 ¹	% Change
Digital	5.0	5.1	(1%)
Print	4.4	6.8	(36%)
Other	0.2	0.4	(38%)
OneRoof revenue	9.6	12.2	(21%)
People	(3.4)	(4.0)	(14%)
Print & Distribution	(2.4)	(3.2)	(26%)
Agency Commission & Marketing	(3.8)	(3.4)	12%
Content	(0.8)	(0.9)	(9%)
Other	(0.5)	(0.6)	(2%)
OneRoof expenses	(10.9)	(12.0)	(9%)
OneRoof EBITDA² (incl. NZ IFRS 16)	(1.3)	0.2	(660%)
NZ IFRS 16 Adjustment	(0.3)	(0.3)	(11%)
OneRoof EBITDA² (pre NZ IFRS 16)	(1.6)	(0.1)	n/a
EBITDA² Margin (pre NZ IFRS 16)	(17%)	(1%)	-16 ppt

ONEROOF

For the half year ending 30 June 2023

Increased OneRoof upgrades offsets 20% decline in new listings coming to market and reduced advertising on site

- Print advertising decline reflects skews of products to higher impacted real estate markets (e.g., Auckland new listings down 25% vs. rest of NZ down 17%).
- People costs lower through initiatives to manage costs in response to lower revenue more than offsetting the wage inflationary pressure.
- Print and Distributions costs were lower with fewer and smaller publications given reduced demand.
- Marketing costs increased as OneRoof continued to focus on growing the brand and conversion rates nationwide.
- Lower overall revenue resulted in a reduction in EBITDA, although an improvement on H2 2022 despite market conditions.
- Exercised option to acquire remaining 20% of shares from joint venture partner to bring shareholding in OneRoof Limited to 100%.

YOUR COMPLETE PROPERTY DESTINATION



Metric	2023 Target set in 2020	2020 Achievement	2021 Achievement	2022 Achievement	H1 2023 Achievement	2023 Initiatives – Progress Update
Residential Listings	96% of listings (100% of non-private)	89% ¹	91% ¹	89% ¹	90% ¹	<ul style="list-style-type: none"> Strengthened industry and agent engagement has enabled OneRoof to achieve strong listings levels (excluding private and small independent agent listings), and now equals realestate.co.nz listing levels.
Audience	Reduce gap to #1	459k, gap to #1 of 250k ²	497k, gap to #1 of 396k ²	564k, gap to #1 of 152k ²	518k, gap to #1 of 139k ²	<ul style="list-style-type: none"> Gap continues to close, despite subdued market, through growing brand awareness and content optimisation, focussed on personalisation, localised communications and in-depth category insights. Share of audience reach continues to grow, with increased online listing views and enquiries at low marginal cost.
Listings Upgrade %⁵	50% of Auckland residential listing 22% of regional residential listings	17.6% Auckland 3.9% Regional	23.5% Auckland 5.4% Regional	38.4% Auckland 14.8% Regional	42.6% Auckland 16.8% Regional	<ul style="list-style-type: none"> NZME's multi platform capabilities and reach delivering benefits with 2023 listing views up 64% and enquiries up 35% year on year. Strengthened relationships with regional agents through increased engagement and support. Multi-year product and pricing strategy in development.
Revenue	Digital > Print	24% / 76%	38% / 62%	46% / 54%	53% / 47%	<ul style="list-style-type: none"> Recent addition of publications in Queenstown and Taupo shows commitment to print where it remains relevant for certain real estate markets, enabling an improved customer offering.
EBITDA³ Margin Target <i>(pre NZ IFRS16)</i>	15 - 25%	8%⁴	7%	(9%)	(17%)	<ul style="list-style-type: none"> With continued focus and investment in growth initiatives, OneRoof is well positioned to deliver EBITDA targets as the real estate market recovers from the current downturn.

1. OneRoof's listings as a percentage of residential for-sale real estate listings on trademe.co.nz. June 2023 average. 2020 - 2022 figures as previously stated in 2022 Full Year results presentation.
2. Nielsen Online Ratings - Domestic Unique Audience (does not include exclusive mobile app audience), monthly average for Q2 2023. 2020 - 2022 figures as previously stated in 2022 Full Year results presentation.
3. EBITDA is a non-GAAP measure and excludes exceptional items.
4. Includes Covid-19 government wage subsidy received in 2020. Excluding the impact of the government wage subsidy received in 2020, the EBITDA margin was 4.7%.
5. As at Q4 for 2020 – 2022 and as at June for H1 2023. Updated methodology used from 2022 (multiple upgrade packages for single listings now counted as single upgrade and other categories are more clearly defined).

CORPORATE & OTHER

For the half year ended 30 June 2023

- Events business activity in the first half resulted in higher revenue and costs for the half compared to the first half of 2022 when no events were run.

\$ million	H1 2023	H1 2022 ¹	% Change
Revenue	0.4	0.1	223%
People	(1.5)	(1.6)	(5%)
Other	(1.7)	(1.3)	30%
Corporate & other expenses	(3.2)	(2.9)	11%
Corporate & other EBITDA² (incl. NZ IFRS 16)	(2.8)	(2.8)	(1%)
NZ IFRS 16 Adjustment	(0.0)	(0.0)	-
Corporate & other EBITDA² (pre NZ IFRS 16)	(2.8)	(2.8)	(1%)

1. H1 2022 operating results presented reflect reclassification adjustments that differ when compared with operating results as reported for the half year ended 30 June 2022. Please refer to page 38 of this results presentation for a reconciliation.
2. EBITDA is a non-GAAP measure and excludes exceptional items.

OUTLOOK

FINANCIAL PERFORMANCE

- Business confidence, while still negative, has been recovering and interest rates are peaking. Real estate sentiment is improving. However, the economic environment remains uncertain.
- The second half of 2023 has commenced well. Revenue performance is improving, with August and September bookings currently tracking to be 3% higher than the corresponding months in 2022.
- The fourth quarter is typically NZME's largest quarter. 2023 will be influenced by many things, especially the New Zealand election, Rugby World Cup and the partial recovery of the real estate market.
- Based on current performance, NZME confirms that it expects to be at the lower end of the EBITDA range previously issued of \$59-\$64 million for 2023.

CAPITAL MANAGEMENT

- We are pleased to have declared an interim dividend for 2023 at the same level as last year.
- We expect to see a release of working capital in the second half of 2023.
- Based on the expected financial performance, net debt is forecast to reduce by the end of the year, resulting in net debt below the lower end of the target leverage ratio.
- Given the uncertain environment, the Board continues to have a desire to operate at the lower end of the target leverage ratio and will review its capital management options together with the full year results.



Q&A



SUPPLEMENTARY INFORMATION

OUR SUSTAINABILITY COMMITMENT

NZME is committed to protecting the craft of journalism and broadcasting to keep Kiwis in the know.

We report on 27 sustainability objectives each year in our Annual Report and we have implemented numerous initiatives to ensure we have meaningful, sustainable practices for the wider community, the wellbeing of our people and the environment.

We have engaged an external consultancy to review and assist with our preparation for climate-related disclosures required as part of new government legislation to be introduced in 2024.

The following is a snapshot of our activity so far for 2023.



OUR COMMUNITIES



RESPONSIBLE REPORTING AND BROADCASTING

NZME takes its responsibility to provide a balanced reporting platform very seriously, as well as keeping Kiwis in the know on matters that might impact them.

In February 2023 New Zealand's North Island was subject to extreme weather events, which had a huge impact on people, homes, businesses and infrastructure. NZME kept impacted communities in the know through continual news updates and the distribution of a free special edition Hawke's Bay Today containing vital Civil Defence and public health information.



CONNECTING COMMUNITIES

We continue to connect our communities and offer diverse storytelling including through Talanoa, Voices of the Pacific and Kahu – home of Māori news.

Recently we welcomed the second intake of the Te Rito journalism cadetship ahead of their year of study and learnings on the job. This follows the first successful intake, which saw many cadets secure jobs through the media industry partnership, which aims to inject the industry with voices that better reflect our diverse communities.



SHARING OUR PLATFORMS

NZME partners with a number of organisations to champion charitable causes. This included helping raise \$13 million through the NZ Red Cross Disaster Relief Fund following flooding events in the North Island.

OUR PEOPLE



PROMOTING A HEALTHY, DIVERSE AND SAFE WORKPLACE

NZME is committed to being an employer of choice. In 2022, NZME finished the year with an Employee Net Promoter Score that was within the top 25 percent, and approaching the top 10%, of consumer media businesses globally.

Through the work of NZME's Diversity and Inclusion Committee, NZME continues to support and celebrate a calendar of events including Chinese New Year, Auckland Pride Parade and Matariki.



CHAMPIONING THE CRAFT

NZME has been recognised with a number of industry awards already in 2023 including: Voyager Media Awards, NZ Radio Awards, The International News Media Association (INMA) Awards, Pride in Print Awards and Best Media Business at the Beacon Awards.



EQUIPPING OUR PEOPLE

NZME launched a new leadership programme "Develop Me" to create vibrant and exceptional leadership across NZME. The first intake for the programme is underway, with the second intake due to start in Feb 2024.

OUR ENVIRONMENT



RECYCLING

NZME's print operations at Ellerslie have been awarded the Toitu enviromark gold certification – illustrating our focus on reducing waste, operating efficiently, and minimising harm to the environment.



BEST PRACTICE

NZME continues to work with our suppliers and partners to ensure our operations are best practice.

NZME introduced a Responsible Sourcing Policy, which sets out the minimum standards that all suppliers, direct or indirect, and

approved sub-contractors, are expected to comply with to do business with us.

NZME has developed and issued a Modern Slavery Statement, which explains how we proactively manage and mitigate the risk of modern slavery, including forced labour and other severe worker exploitation..



RESPONSIBILITY

The NZ Herald and NZME's other news platforms continue to cover environmental and climate change related issues. The NZ Herald online has a dedicated section online for environmental news.

2023 DIVISIONAL PERFORMANCE

For the half year ended 30 June 2023

\$ million	Audio	Publishing	OneRoof	Other	H1 23 Total	H1 22 Total	% Change
Reader Revenue:							
- Digital	-	8.1	-	-	8.1	7.9	2%
- Print	-	31.7	-	-	31.7	33.8	(6%)
Reader Revenue	-	39.8	-	-	39.8	41.8	(5%)
Advertising Revenue:							
- Digital	3.8	25.6	5.0	-	34.4	37.3	(8%)
- Radio	50.1	-	-	-	50.1	51.1	(2%)
- Print	-	27.5	4.4	-	31.8	37.4	(15%)
Advertising Revenue	53.9	53.1	9.4	-	116.4	125.8	(7%)
Other Revenue	0.6	8.6	0.2	0.4	9.8	9.2	7%
Total Revenue	54.6	101.4	9.6	0.4	166.0	176.7	(6%)
People	(27.7)	(40.3)	(3.4)	(1.5)	(73.0)	(74.8)	(2%)
Print & Distribution	-	(22.6)	(2.4)	-	(25.0)	(25.6)	(2%)
Agency Commission & Marketing	(6.7)	(7.7)	(3.8)	-	(18.2)	(20.5)	(11%)
Content	(3.7)	(4.9)	(0.8)	(0.0)	(9.4)	(9.1)	3%
Other	(5.9)	(11.0)	(0.5)	(1.7)	(19.2)	(18.6)	3%
Total Costs	(44.1)	(86.5)	(10.9)	(3.2)	(144.7)	(148.6)	(3%)
Operating EBITDA¹	10.5	14.9	(1.3)	(2.8)	21.3	28.1	(24%)
NZ IFRS 16 Adjustments	(3.9)	(4.1)	(0.3)	(0.0)	(8.3)	(7.7)	8%
EBITDA (pre NZ IFRS 16)²	6.6	10.8	(1.6)	(2.8)	13.0	20.5	(37%)
EBITDA (pre NZ IFRS 16)² Margin %	12%	11%	(17%)	-	8%	12%	-4 ppt

Cost pools that relate to multiple divisions have been allocated based on revenue, geography and headcount.

1. Operating results presented are non-GAAP measures that include the impact of NZ IFRS 16, however, exclude exceptional items to allow for a like for like comparison between 2022 and 2023 financial years. Please refer to pages 36-37 of this results presentation for a detailed reconciliation.

2. EBITDA (pre IFRS 16) is a non-GAAP measure equivalent to Operating EBITDA but excluding the impact of NZ IFRS 16.

RECONCILIATION OF OPERATING RESULTS TO FINANCIAL STATEMENTS

6 MONTHS ENDED 30 JUNE 2023

\$ million	Operating Results excl. NZ IFRS 16	NZ IFRS 16 Adjustments	Operating Results incl. NZ IFRS 16	Reclass of items	Exceptional and Other Items	Per Financial Statements
Reader revenue	39.8	-	39.8	-	-	39.8
Advertising revenue	116.4	-	116.4	-	-	116.4
Other revenue	7.1	-	7.1	-	-	7.1
Operating revenue	163.3	-	163.3	-	-	163.3
Other income	3.1	(0.4)	2.7	0.2	-	2.9
Operating revenue and other income	166.4	(0.4)	166.0	0.2	-	166.2
Expenses	(153.4)	8.7	(144.7)	-	(1.0)	(145.7)
EBITDA	13.0	8.3	21.3	0.2	(1.0)	20.5
Depreciation and amortisation	(8.0)	(5.8)	(13.8)	-	-	(13.8)
EBIT	5.0	2.5	7.5	0.2	(1.0)	6.7
Share of loss of JV's	-	-	-	-	(0.2)	(0.2)
Net interest expense	(1.2)	(2.2)	(3.5)	(0.2)	-	(3.7)
Net profit/(loss) before tax	3.8	0.3	4.0	-	(1.2)	2.9
Tax	(1.1)	-	(1.1)	-	0.2	(0.9)
Net profit/(loss) after tax	2.6	0.3	2.9	-	(0.9)	2.0

RECONCILIATION OF OPERATING RESULTS TO FINANCIAL STATEMENTS

6 MONTHS ENDED 30 JUNE 2022

\$ million	Operating Results excl. NZ IFRS 16	NZ IFRS 16 Adjustments	Operating Results incl. NZ IFRS 16	Reclass of items	Exceptional and Other Items	Per Financial Statements
Reader revenue	41.8	-	41.8	-	-	41.8
Advertising revenue	125.8	-	125.8	-	-	125.8
Other revenue	5.8	-	5.8	-	-	5.8
Operating revenue	173.3	-	173.3	-	-	173.3
Other income	3.8	(0.4)	3.4	0.2	-	3.6
Operating revenue and other income	177.2	(0.4)	176.7	0.2	-	176.9
Expenses	(156.7)	8.1	(148.6)	-	(0.7)	(149.3)
EBITDA	20.5	7.7	28.1	0.2	(0.7)	27.6
Depreciation and amortisation	(7.7)	(5.3)	(13.0)	-	-	(13.0)
EBIT	12.8	2.3	15.1	0.2	(0.7)	14.6
Share of gain of JV's	-	-	-	-	0.0	0.0
Net interest expense	(0.4)	(2.3)	(2.7)	(0.2)	-	(2.9)
Net profit/(loss) before tax	12.5	-	12.5	-	(0.7)	11.8
Tax	-	-	(3.4)	-	0.1	(3.3)
Net profit/(loss) after tax	12.5	-	9.0	-	(0.6)	8.5

RESTATED¹ H1 2022 OPERATING RESULTS

For the half year ended 30 June 2022

\$ million	As reported					Adjustments					Restated				
	Audio	Publishing	OneRoof	Other	Total	Audio	Publishing	OneRoof	Other	Total	Audio	Publishing	OneRoof	Other	Total
Reader Revenue:															
- Digital	-	7.9	-	-	7.9	-	-	-	-	-	-	7.9	-	-	7.9
- Print	-	33.8	-	-	33.8	-	-	-	-	-	-	33.8	-	-	33.8
Reader Revenue	-	41.8	-	-	41.8	-	-	-	-	-	-	41.8	-	-	41.8
Advertising Revenue:															
- Digital	2.5	29.3	5.4	0.5	37.7	0.4	(0.1)	(0.3)	(0.5)	(0.4)	2.9	29.3	5.1	-	37.3
- Radio	51.1	-	-	-	51.1	-	-	-	-	-	51.1	-	-	-	51.1
- Print	-	30.7	6.8	-	37.4	-	-	-	-	-	-	30.7	6.8	-	37.4
Advertising Revenue	53.6	60.0	12.2	0.5	126.2	0.4	(0.1)	(0.3)	(0.5)	(0.4)	54.0	59.9	11.9	-	125.8
Other Revenue	0.8	7.8	-	0.1	8.8	-	0.1	0.3	-	0.4	0.8	7.9	0.4	0.1	9.2
Total Revenue	54.4	109.5	12.2	0.6	176.7	0.4	-	-	(0.4)	-	54.8	109.6	12.2	0.1	176.7
People	(28.1)	(44.1)	(4.2)	(1.8)	(78.3)	0.2	2.7	0.2	0.3	3.4	(27.9)	(41.4)	(4.0)	(1.6)	(74.8)
Print & Distribution		(22.6)	(3.2)		(25.8)		0.2	-	-	0.2	-	(22.3)	(3.2)	-	(25.6)
Agency Commission & Marketing	(8.1)	(9.7)	(3.4)	(0.1)	(21.4)	0.4	0.4	-	0.1	0.9	(7.7)	(9.4)	(3.4)	-	(20.5)
Content	(3.3)	(4.8)	(0.7)	(0.2)	(8.9)	-	-	(0.2)	0.2	-	(3.3)	(4.8)	(0.9)	-	(8.9)
Other	(5.5)	(6.9)	(0.5)	(1.3)	(14.2)	(0.7)	(3.8)	-	-	(4.5)	(6.2)	(10.7)	(0.6)	(1.3)	(18.8)
Total Costs	(45.0)	(88.1)	(12.0)	(3.5)	(148.6)	(0.1)	(0.5)	-	0.6	-	(45.1)	(88.6)	(12.0)	(2.9)	(148.6)
Operating EBITDA²	9.4	21.5	0.2	(2.9)	28.1	0.4	(0.5)	-	0.1	-	9.7	21.0	0.2	(2.8)	28.1
NZ IFRS 16 Adjustments	(3.5)	(3.8)	(0.3)	-	(7.7)	-	-	-	-	-	(3.5)	(3.8)	(0.3)	-	(7.7)
EBITDA (pre NZ IFRS 16)³	5.9	17.6	(0.1)	(2.9)	20.5	0.4	(0.5)	-	0.1	-	6.3	17.1	(0.1)	(2.8)	20.5
EBITDA (pre NZ IFRS 16)³ Margin %	11%	16%	(1%)		12%						11%	12%	(1%)		12%

1. Various expense classifications have been changed in order to more appropriately group costs. The impact of these changes on the comparative reported results are outlined in the table shown.

2. Operating results presented are non-GAAP measures that include the impact of NZ IFRS 16, however, exclude exceptional items to allow for a like for like comparison between 2022 and 2023 financial years. Please refer to pages 36-37 of this results presentation for a detailed reconciliation.

3. EBITDA (pre NZ IFRS 16) is a non-GAAP measure equivalent to Operating EBITDA but excluding the impact of NZ IFRS 16.

RESTATED¹ 2022 OPERATING RESULTS

For the full year ended 31 December 2022

\$ million	As reported					Adjustments					Restated				
	Audio	Publishing	OneRoof	Other	Total	Audio	Publishing	OneRoof	Other	Total	Audio	Publishing	OneRoof	Other	Total
Reader Revenue:															
- Digital	-	16.1	-	-	16.1	-	-	-	-	-	-	16.1	-	-	16.1
- Print	-	67.5	-	-	67.5	-	-	-	-	-	-	67.5	-	-	67.5
Reader Revenue	-	83.7	-	-	83.7	-	-	-	-	-	-	83.7	-	-	83.7
Advertising Revenue:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Digital	6.8	59.5	10.5	-	76.9	-	-	(0.3)	-	(0.3)	6.8	59.5	10.2	-	76.5
- Radio	105.6	-	-	-	105.6	-	-	-	-	-	105.6	-	-	-	105.6
- Print	-	63.8	12.3	-	76.1	-	-	-	-	-	-	63.8	12.3	-	76.1
Advertising Revenue	112.4	123.3	22.8	-	258.5	-	-	(0.3)	-	(0.3)	112.4	123.3	22.5	-	258.2
Other Revenue	1.5	18.5	-	2.5	22.5	-	-	0.3	-	0.3	1.5	18.5	0.4	2.5	22.8
Total Revenue	113.9	225.4	22.9	2.5	364.6	-	-	-	-	-	113.9	225.4	22.9	2.5	364.6
People	(56.2)	(88.7)	(8.3)	(2.9)	(156.0)	0.5	6.2	0.4	-	7.2	(55.6)	(82.4)	(7.9)	(2.9)	(148.9)
Print & Distribution	-	(45.8)	(6.0)	-	(51.9)	-	0.4	-	-	0.4	-	(45.4)	(6.0)	-	(51.5)
Agency Commission & Marketing	(17.0)	(19.0)	(7.4)	-	(43.4)	0.9	1.2	-	-	2.2	(16.1)	(17.7)	(7.4)	-	(41.2)
Content	(6.8)	(10.2)	(1.4)	-	(18.4)	(0.4)	0.3	(0.3)	-	(0.5)	(7.2)	(9.9)	(1.7)	-	(18.9)
Other	(11.2)	(14.3)	(1.1)	(3.6)	(30.2)	(1.0)	(8.2)	(0.1)	-	(9.3)	(12.2)	(22.5)	(1.2)	(3.6)	(39.5)
Total Costs	(91.2)	(178.0)	(24.3)	(6.5)	(299.9)	-	-	-	-	-	(91.2)	(178.0)	(24.3)	(6.5)	(299.9)
Operating EBITDA²	22.8	47.4	(1.4)	(4.1)	64.7	-	-	-	-	-	22.8	47.4	(1.4)	(4.1)	64.7
NZ IFRS 16 Adjustments	(7.5)	(7.7)	(0.8)	(0.1)	(16.0)	-	-	-	-	-	(7.5)	(7.7)	(0.8)	(0.1)	(16.0)
EBITDA (pre NZ IFRS 16)³	15.2	39.7	(2.2)	(4.1)	48.7	-	-	-	-	-	15.2	39.7	(2.2)	(4.1)	48.7
EBITDA (pre NZ IFRS 16)³ Margin %	13%	18%	(9%)		13%						13%	18%	(9%)		13%

1. Various expense classifications have been changed in order to more appropriately group costs. The impact of these changes on the comparative reported results are outlined in the table shown.

2. Operating results presented are non-GAAP measures that include the impact of NZ IFRS 16, however, exclude exceptional items to allow for a like for like comparison across financial years.

3. EBITDA (pre NZ IFRS 16) is a non-GAAP measure equivalent to Operating EBITDA but excluding the impact of NZ IFRS 16.

RESTATED¹ 2021 OPERATING RESULTS

For the full year ended 31 December 2021

\$ million	As reported					Adjustments					Restated				
	Audio	Publishing	OneRoof	Other	Total	Audio	Publishing	OneRoof	Other	Total	Audio	Publishing	OneRoof	Other	Total
Reader Revenue:															
- Digital	-	11.6	-	-	11.6	-	-	-	-	-	-	11.6	-	-	11.6
- Print	-	70.3	-	-	70.3	-	-	-	-	-	-	70.3	-	-	70.3
Reader Revenue	-	81.9	-	-	81.9	-	-	-	-	-	-	81.9	-	-	81.9
Advertising Revenue:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Digital	3.6	56.1	8.1	0.8	68.7	0.8	-	(0.3)	(0.8)	(0.3)	4.5	56.1	7.8	-	68.3
- Radio	101.0	-	-	-	101.0	-	-	-	-	-	101.0	-	-	-	101.0
- Print	-	65.0	13.2	-	78.3	-	-	-	-	-	-	65.0	13.2	-	78.3
Advertising Revenue	104.6	121.1	21.4	0.8	247.9	0.8	-	(0.3)	(0.8)	(0.3)	105.4	121.1	21.1	-	247.6
Other Revenue	1.1	8.9	0.1	2.3	12.4	-	-	0.3	-	0.3	1.1	8.9	0.4	2.2	12.7
Total Revenue	105.7	212.0	21.5	3.0	342.2	0.8	-	-	(0.8)	0.0	106.5	211.9	21.5	2.2	342.2
People	(52.3)	(79.6)	(6.4)	(4.5)	(142.7)	0.3	4.4	0.4	1.4	6.4	(52.0)	(75.2)	(6.0)	(3.1)	(136.4)
Print & Distribution	-	(45.2)	(6.5)	-	(51.8)	-	0.5	-	-	0.5	-	(44.8)	(6.5)	-	(51.3)
Agency Commission & Marketing	(17.6)	(20.4)	(4.4)	(0.2)	(42.6)	0.9	1.1	0.1	0.2	2.3	(16.7)	(19.3)	(4.3)	-	(40.3)
Content	(6.7)	(7.7)	(1.2)	(0.6)	(16.2)	(0.4)	-	(0.4)	0.6	(0.2)	(7.1)	(7.7)	(1.6)	-	(16.4)
Other	(9.2)	(12.5)	(0.7)	(4.0)	(26.4)	(1.0)	(8.0)	(0.1)	0.1	(9.0)	(10.2)	(20.5)	(0.8)	(3.9)	(35.4)
Total Costs	(85.7)	(165.5)	(19.3)	(9.3)	(279.8)	(0.3)	(2.0)	-	2.3	-	(85.9)	(167.5)	(19.4)	(7.0)	(279.8)
Operating EBITDA²	20.0	46.5	2.1	(6.7)	62.4	0.6	(2.1)	-	1.6	-	20.6	44.5	2.1	(4.7)	62.4
NZ IFRS 16 Adjustments	(7.0)	(7.7)	(0.6)	(0.3)	(15.6)	(0.1)	(0.1)	-	0.2	-	(7.1)	(7.9)	(0.6)	(0.1)	(15.6)
EBITDA (pre NZ IFRS 16)³	13.0	38.8	1.6	(7.0)	46.8	0.5	(2.2)	(0.1)	1.8	-	13.5	36.6	1.5	(4.8)	46.8
EBITDA (pre NZ IFRS 16)³ Margin %	13%	18%	(9%)		13%						13%	17%	7%	-	14%

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3. EBITDA (pre NZ IFRS 16) is a non-GAAP measure equivalent to Operating EBITDA but excluding the impact of NZ IFRS 16.

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The Group adopted NZ IFRS 16 Leases on 1 January 2019 and IFRS Interpretations Committee's (IFRIC's) agenda decision on configuration and customisation costs in relation to Software as a Service (SaaS) arrangements in 2021. Operating results as stated throughout this presentation refer to results including the adjustments for the adoption of NZ IFRS 16, and prior to exceptional items. Please refer to pages 36-37 of this presentation for detailed reconciliation of these results to the statutory results. As stated in note 1.2.1 of the consolidated interim financial statements for the six months ended 30 June 2023, certain prior period information has been re-presented to ensure consistency with current year disclosures and to provide more meaningful comparison.

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