



TRADING UPDATE: COVID 19

Sydney, 5 May 2020

Prime Media Group Limited (ASX:PRT) today announced that total revenue for the financial year to April 2020 had declined \$20.2 million or 12.7% on the prior year. Revenue for the month of April 2020 declined \$6.0 million or 38.1% on the prior year.

National and local direct advertising revenues have been heavily impacted by weak consumer sentiment and significant declines in advertiser categories such as retail, household furnishings and the motor vehicle sector. Changes to AFL fixtures and broadcast has also impacted Prime's advertising revenue opportunity.

As a result of the revenue decline, Prime has registered for financial assistance under the Federal Government JobKeeper program. Prime's key management personnel have also agreed a temporary 20% reduction in base salary and further, will forgo short and long term incentives in respect of the current financial year. Non-executive directors have agreed a temporary 20% reduction in director fees. Prime has also enacted a hiring freeze, which has reduced Prime's workforce by approximately 10%.

Prime is expecting to apply for a grant under the Federal Government's \$50 million Public Interest News Gathering Program. The Minister for Communications, Cyber Safety and the Arts has also announced a 12 month waiver of spectrum licence tax for commercial television and radio broadcasters. Disappointingly Prime will not receive a material benefit from this announcement until January 2021.

Due to the continued uncertain trading environment, Prime remains unable to provide an earnings outlook for this financial year at this time. Advertiser sentiment, as reflected in forward bookings, continues to change in response to this evolving situation. Prime remains cashflow positive for the financial year-to date and has not drawn funds on its debt finance facility.

PRIME Chief Executive Officer, Ian Audsley said:

"Advertising expenditure in regional markets has slowed dramatically in response to restrictions to stop the spread of the COVID 19 virus. Forecasting regional advertising revenue continues to be problematic as we face a prolonged economic downturn and associated decline in advertising activity. Prime's Board and senior management have taken steps to ensure the company continues to operate efficiently in these difficult times".

This announcement was authorised for lodgement by the Board.

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