arnmedia

MARKET ANNOUNCEMENT

ARN MEDIA FY26 HALF YEAR RESULTS

ARN Media accelerates strategic reset, divests non-core assets, reduces cost and delivers digital growth

Highlights

- Total revenue of $127.9m, down 14% (down 10%, normalised for 2025 one-offs).
- Operating Costs of $84.5m, down 13% (down 16%, excluding reinvestments).
- Underlying EBITDA from continuing operations of $18.2m, down $6.8m (27%).
- $11.8 million of cost savings delivered during 1HFY26, with $42.5 million achieved since FY24, remaining on track to deliver $55 million by FY27.
- Digital revenue of $13.7 million, with digital EBITDA up 55% to $2.1 million.
- Free cash flow of $18.6 million, demonstrating disciplined capital management and strong cash generation.
- Net debt reduced to $49.4 million, with leverage maintained at 1.5x, supporting balance sheet strength and financial flexibility.
- Continued divestment of non-core assets, including the sale of Cody Hong Kong (subject to third party consents) and the partial sale of the Group's investment in SCA, enhancing strategic focus and capital flexibility.
- Ongoing investment in digital, data, video and audience intelligence capabilities to support future growth and revenue diversification.
- Performance is expected to improve through 2HFY26 as talent reset begins to improve metro radio share and digital growth initiatives flow through.

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1HFY26 Financial Metrics

A$ Million	HY26[1]	HY25[1]	Change YoY%
Revenue[2]	127.9	149.5	(14%)
Normalised revenue[3]	127.9	142.8	(10%)
Operating Costs	84.5	96.7	13%
Underlying EBITDA[5]	18.2	24.9[4]	(27%)
EBITDA[5]	18.2	23.1	(21%)
Net debt	(49.4)	(77.5)	36%
Free cash flow	18.6	19.5	(0.9)
Free cash conversion	202%[6]	215%	(13%)

[1] Excludes discontinued operations.
[2] Includes $1.2m of other income.
[3] Comparison revenue growth has been adjusted to exclude 1HFY25 federal election advertising revenue and the impact of ATN contract negotiations totalling $6.6m.
[4] Excluding non-operating costs of $1.8 million in the prior year.
[5] Excluding significant items.
[6] Free cash conversion = Free cash generation including lease payments / Statutory EBIT including significant items however adjusts for non-cash items comprising settlement of litigation matter $11.6m and impairment expense $25.0m.

SYDNEY, Australia – Friday 21 August 2026

ARN Media Limited [ASX: A1N] today released its results for the half-year ended 30 June 2026, highlighting continued progress in its strategic reset, disciplined cost management, divestment of non-core assets and balance sheet strength.

ARN Media revenues from ordinary activities were $127.9 million, down 14% on the prior period, reflecting a reduction in Metro radio revenue share as a result of brand safety concerns associated with KIIS breakfast and the impact of the Federal Election in the prior year.

EBITDA was $18.2 million, down $6.8 million year on year, with revenue headwinds of $19 million, partially offset by $11.8 million of cost savings. Total Group costs decreased 13% to $84.5 million, within which ARN strategically reinvested $3.2 million into data and digital capabilities, a critical component of the Group's strategy to support future growth and accelerate the transition to a digital Entertainment company.

The Group reported a net loss after tax of $27.6 million, primarily due to significant items including a $25.0 million non-cash impairment charge relating to intangible assets, and $17.2 million which includes $11.6 million settlement costs with Quasar Media payable over three years.

ARN continued to execute its strategic priorities, including investment in digital, data and audience capabilities, the launch of new commercial products and the divestment of non-core assets. These initiatives have enhanced the foundations of the business and position ARN to improve earnings, cash generation and shareholder value as metro radio revenue share recovers and digital growth accelerates.

ARN Media CEO Michael Stephenson said:

“ARN has made strong progress in stabilising the core business, simplifying the portfolio and strengthening the financial position of the Group. During the half, we entered into an agreement to divest Cody Hong Kong, settled the Quasar Media matter and continued to reset the cost base, with a clear pathway to deliver $55 million of cumulative cost savings by the end of FY27. These actions provide greater certainty for shareholders and create the operating and financial flexibility required to execute our strategy.”

“While first half revenue was impacted by residual brand safety issues in KIIS Breakfast and the Federal Election in the prior year, ARN’s underlying audience position remains strong, and our immediate priority is to regain metro radio revenue share. There is a clear gap between our audience share and our revenue share. We will continue to accelerate our transition from a traditional radio business to a broader Entertainment company. iHeart, data, video, social and live experiences are central to this strategy and provide a significant opportunity to diversify revenue and improve long term monetisation of ARN’s leading audio assets.”

ARN Media Chairman Hamish McLennan said:

“While the first half result is not where we want ARN to be, the Board is clear that the decisions being made now are the right decisions to change the trajectory of the company. We are taking deliberate action to simplify the portfolio, strengthen the balance sheet, reset the cost base and focus capital on the parts of the business that can deliver sustainable growth, and stronger shareholder returns over time.”

“The Board is encouraged by the progress made on the transformation program, including $11.8 million of savings delivered in the half and $42.5 million delivered over the life of the program. This demonstrates that cost discipline is now embedded in the way the business operates, while still allowing targeted investment in digital, data, video and audience intelligence capabilities that support the future direction of ARN.”

“ARN exits the first half as a leaner, financially stronger and more focused organisation. The Board believes the actions taken over the past 18 months have established a stronger foundation for improved performance and long- term shareholder value as revenue share recovers and digital growth initiatives continue to scale.”

Dividend

The Board has decided to suspend dividends while ARN completes the divestment of non-core assets and resolves outstanding litigation matters.

Trading Update

- Total audio advertising market expected to be broadly flat in FY26 (excluding election revenues from prior period), low single digit declines in radio market, offset by growth in digital market.
- ARN Metro revenue share expected to improve throughout the year, ARN Regional revenue share expected to remain stable, continued growth in Digital.
- Focused on delivering $55m of cost out by FY27.

This announcement has been authorised for release by the Board of ARN Media. For further information, please contact:

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