

**NZ
ME.**

NEW ZEALAND
MEDIA AND
ENTERTAINMENT

2022 FULL YEAR RESULTS

**KEEPING KIWIS
IN THE KNOW**

FOR THE YEAR ENDED 31 DECEMBER 2022

AGENDA

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RESULTS SUMMARY

For the full year ending 31 December 2022

- Revenue growth:
 - Total revenue increased across all strategic pillars: Audio, Publishing and OneRoof, with digital revenue up 16%.
 - Radio market revenue share reached 41.4%² continuing its growth since 2016 with digital audio making up 6% of revenue.
 - Publishing subscriptions increased to 209,000, including 113,000 paid digital subscriptions.
 - Increased OneRoof digital listings upgrades nationwide, delivering 30% increase in listings revenue year-on-year, despite a cooling housing market.
 - Statutory Net Profit After Tax of \$22.7 million was lower than last year due to the gain on sale of GrabOne in 2021.
- Operating EBITDA¹ of \$64.7 million up 4% on previous year
- 13% growth in Operating Earnings Per Share¹.
- Completed capital return programme through the buyback of \$17.6 million of shares, combined with a special dividend of \$9.7million declared 20 June 2022.
- Total distributions to shareholders was \$43 million during the year.
- Fully imputed final dividend declared of 6.0 cents per share.

\$364.6m

Operating Revenue¹

2021 \$342.2m ▲ 7%

\$64.7m

Operating EBITDA¹

2021 \$62.4m ▲ 4%

\$22.7m

Statutory NPAT

2021 \$34.4m ▼ 66%

\$23.3m

Operating NPAT¹

2021 \$21.1m ▲ 10%

12.1 cps

Operating EPS¹

2021 10.7cps ▲ 13%

6.0 cps

Final Dividend

Payable on 22 March 2023

\$43.0m

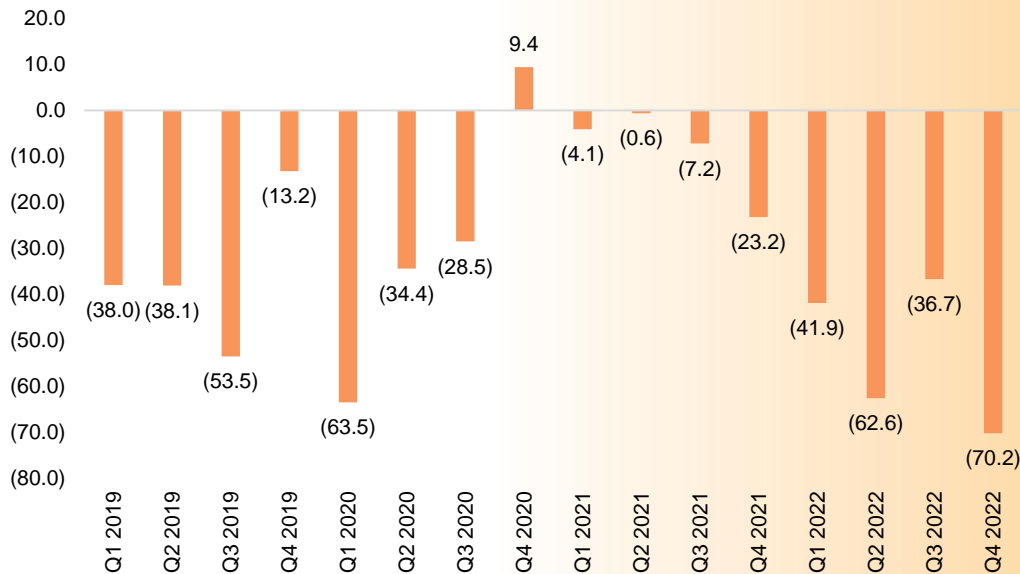
Distributed to shareholders during the year

\$17.5m

Net Debt

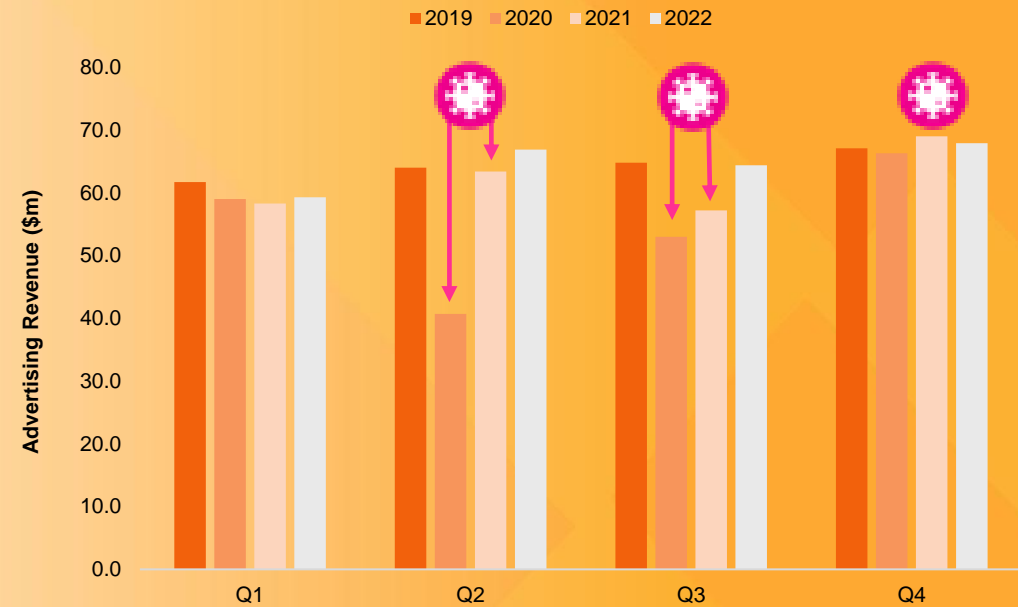
IMPROVED ADVERTISING REVENUE DESPITE LOW BUSINESS CONFIDENCE

Quarterly Business Confidence - Net Index¹



- The ANZ Business Confidence Index¹ for New Zealand showed growth at the end of 2020, in 2021 it started to drop, with a continued decline through to Q4 2022.
- January 2023 Business Confidence has improved to negative 52.0, with inflationary pressures remaining intense.

NZME Total Advertising Revenue 2019-2022



- NZME's 2022 advertising revenue increased 4.3% compared to 2021 and up 0.3% compared to pre Covid-19 levels (2019).
- Q2 and Q3 2022 performed strongly, being 5.5% and 12.6% higher than 2021.



Covid Lockdowns

1. Net Index (% expecting improvement minus % expecting deterioration).

I BECAME A
JOURNALIST TO
COME AS CLOSE
AS POSSIBLE TO
THE HEART OF
THE WORLD



STRATEGIC PRIORITIES AND MARKET PERFORMANCE

THE THREE YEAR STRATEGIC PRIORITIES REMAIN OUR FOCUS

 **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

COMPELLING PLATFORMS FOR AUDIENCES AND ADVERTISERS



Audio Audience

Reaches 2.0 million²

- 1.2 million digital audio listeners are reached monthly³
- NZ's #1 radio station & breakfast show on Newstalk ZB²
- NZ's #1 podcast network⁴, with over 800,000 monthly listeners⁴

Digital Advertising

Radio Advertising

NZME.

Reaches over 3.6 million New Zealanders¹



OneRoof Audience

Reaches over 820,000¹

- 564,000 Kiwis are finding their next home at oneroof.co.nz⁵
- The most read property newspaper section in NZ¹
- 89% of residential for-sale listings nationwide⁶

Digital Classifieds

Digital Advertising

Print Advertising

Publishing Audience



Reaches 2.7 million¹

- Over 2.2 million NZ Herald weekly brand audience¹
- #1 Daily newspaper in NZ¹
- 209,000 subscriptions across print and digital

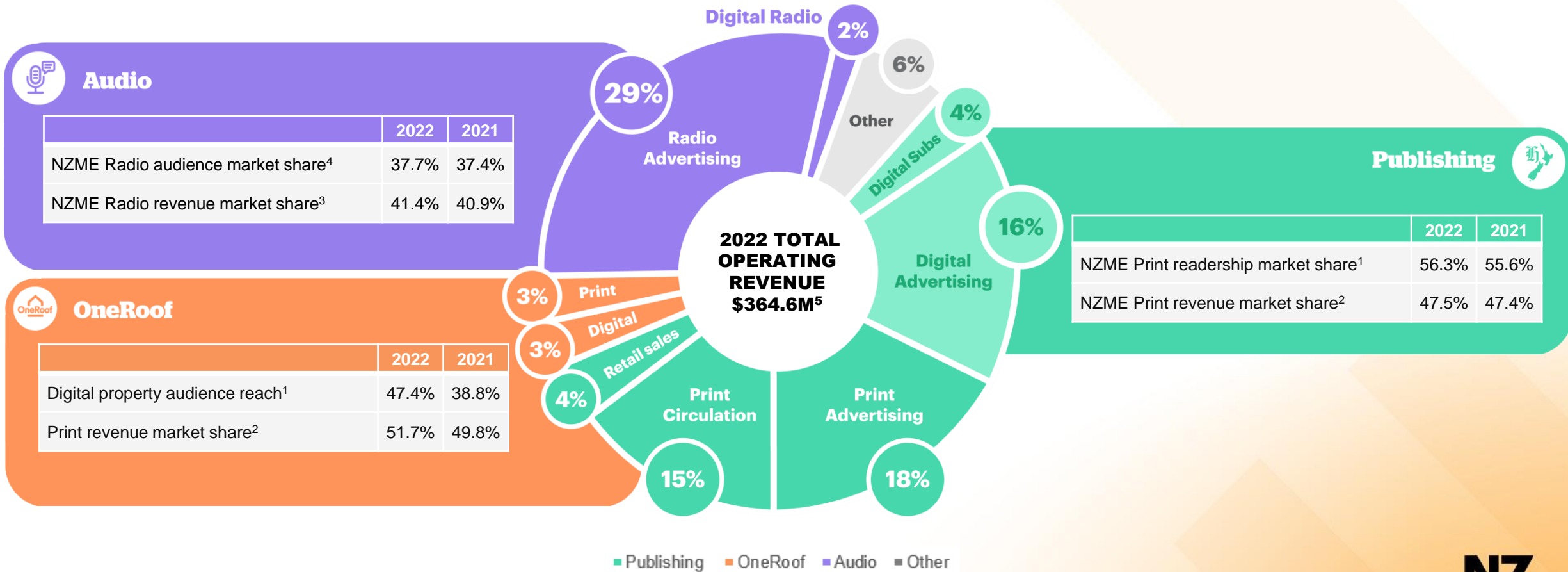
Digital Advertising

Print Advertising

Reader Revenue

1. Nielsen CMI Q4 21 – Q3 22 November 22 Fused AP15+. Monthly coverage for Daily & Community titles, Weekly coverage for Newspaper Inserted Magazines, Monthly UA for Digital, Weekly Reach for Radio (GfK RAM S3 22). Note: Fused data has potential for duplication.
2. GfK RAM, Commercial Radio, Total NZ 4/2022, M-S 12mn-12mn, M-F 6am-9am, Share %, Cume 000, AP10+.
3. Adswizz monthly reach Jan-Dec 2022 (monthly average).
4. Triton NZ Podranker Dec 2022 (monthly average Jan-Dec 22).
5. Nielsen Online Ratings monthly average Q4 2022 AP15+ (excludes APP).
6. OneRoof's listings as a percentage of residential for-sale real estate listings on trademe.co.nz. Dec 2022 monthly average.

DIVERSE REVENUES ACROSS MULTIPLE PLATFORMS



Audio

	2022	2021
NZME Radio audience market share ⁴	37.7%	37.4%
NZME Radio revenue market share ³	41.4%	40.9%

OneRoof

	2022	2021
Digital property audience reach ¹	47.4%	38.8%
Print revenue market share ²	51.7%	49.8%

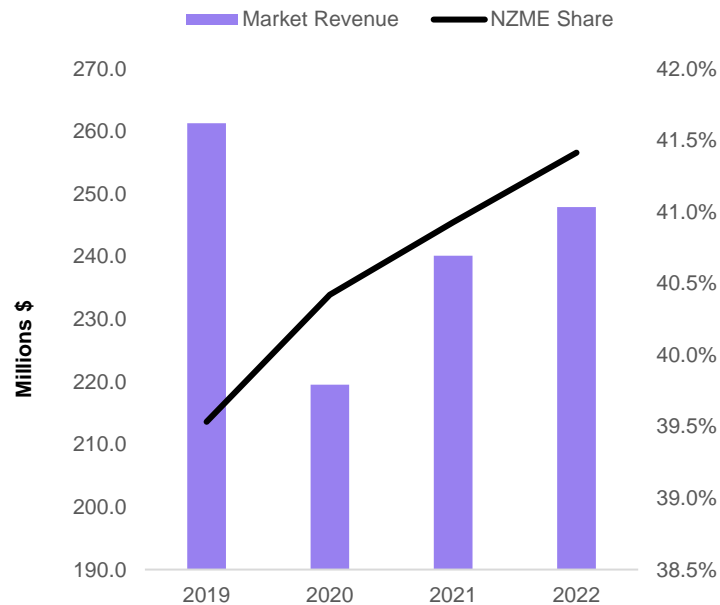
Publishing

	2022	2021
NZME Print readership market share ¹	56.3%	55.6%
NZME Print revenue market share ²	47.5%	47.4%

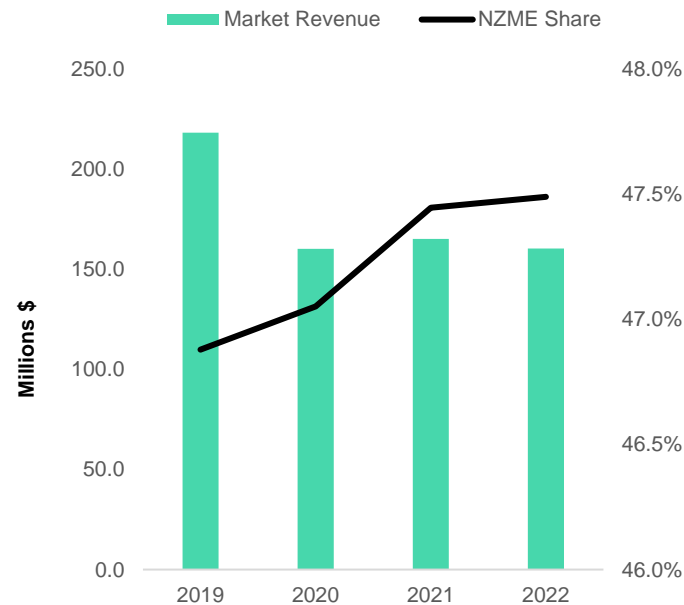
1. Nielsen CMI Fused Q4 21 – Q3 22, Fused Nov 2022 People 15+. Compared to Q4 20 – Q3 21. OneRoof reach of property visitors (property visitors=unduplicated audience of oneroof.co.nz, trademe.co.nz/property, homes.co.nz & realestate.co.nz).
 2. PwC NPA quarterly performance comparison report, 12 months to Dec 2022 compared to 2021, rolling 4-quarter average for market share. Print Includes Publishing and OneRoof print advertising revenue. OneRoof is Property only.
 3. PwC Radio advertising market benchmark report, 12 months to Dec 2022 compared to the prior corresponding period, rolling 4-quarter average for market share. Note: report excludes independent broadcasters, contra revenue and digital audio.
 4. GfK Commercial RAM, NZME excl. Partners, Cumulative Audience 000, M-S 12mn-12mn, Total NZ, S4 2021 & S4 2022. AP10+.
 5. NZME Analysis.

MARKET SHARE GROWTH ACROSS ALL PLATFORMS

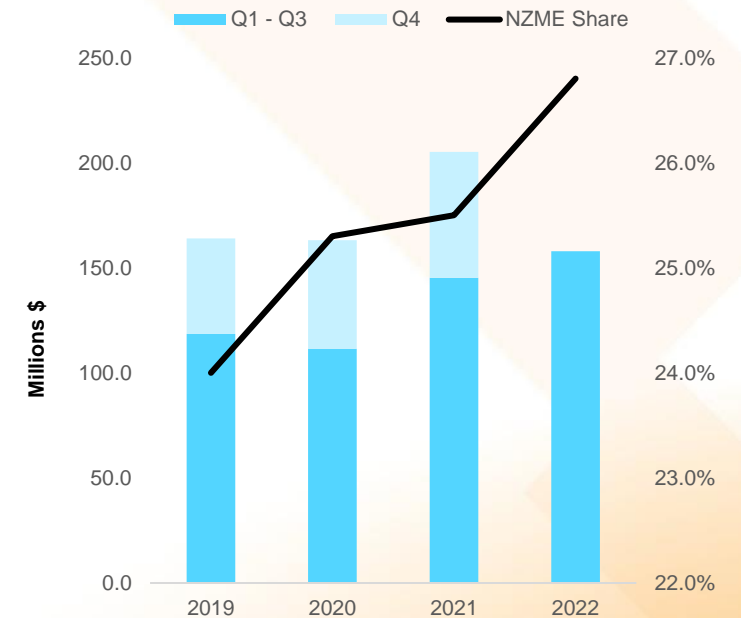
Radio Market Revenue¹



Print Market Revenue²



Digital Market Revenue³



Radio advertising (PCP growth)

NZME radio advertising revenue ¹	4.5%
Market movement – Radio revenue ¹	3.2%
NZME radio revenue market share ¹	41.4%

Print advertising (PCP growth)

NZME print advertising revenue ²	(2.8)%
Market movement – Print revenue ²	(2.9)%
NZME print revenue market share ²	47.5%

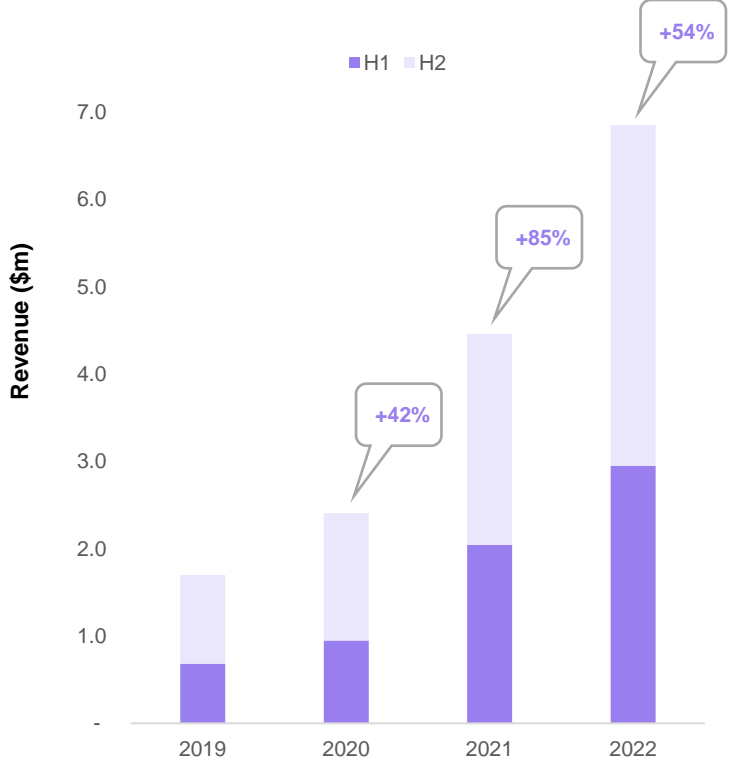
Digital total display advertising (PCP growth)

NZME digital advertising revenue ³	16.0%
Market movement – digital revenue ³	10.7%
NZME digital revenue market share ³	26.5%

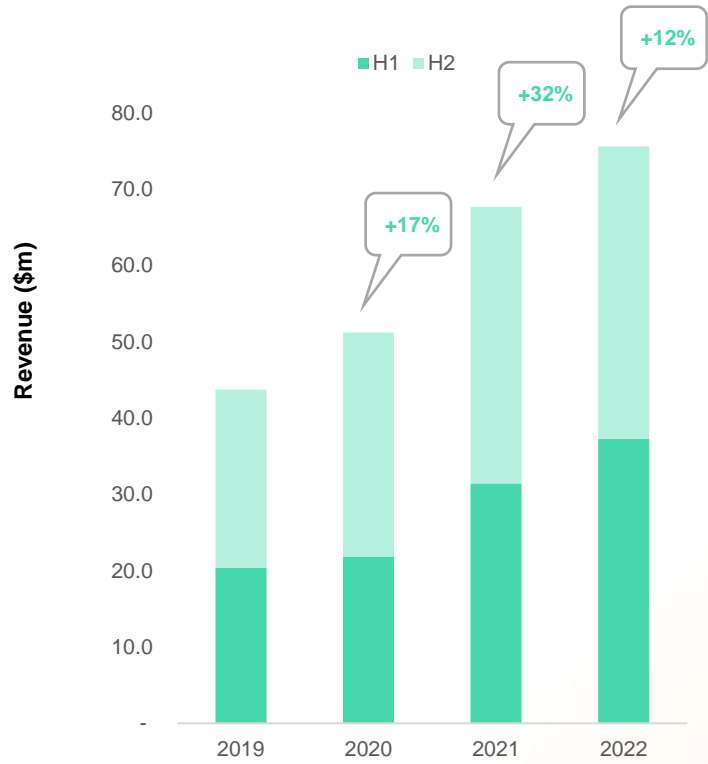
1. PwC Radio advertising market benchmark report, FY19 – FY22. Note: report excludes independent broadcasters, contra revenue, and digital audio. 12 months to Dec 2022 compared to the prior corresponding period, rolling 12 month average for market share.
 2. PwC NPA quarterly performance comparison report, Q119 – Q422. Note: report excludes any publishers that are not part of the NPA. 12 months to Dec 2022 compared to the prior corresponding period, rolling 4-quarter average for market share.
 3. IAB NZ Digital advertising revenue report, Q119 – Q322. *only up until Q3 2022, Q4 2022 report not available yet. 12 months to Sept 2022 compared to the prior corresponding period for 2022, rolling 4-quarter average for market share, YTD market share for 2022. Note: Includes digital audio.

DIGITAL TRANSFORMATION DELIVERING GROWTH

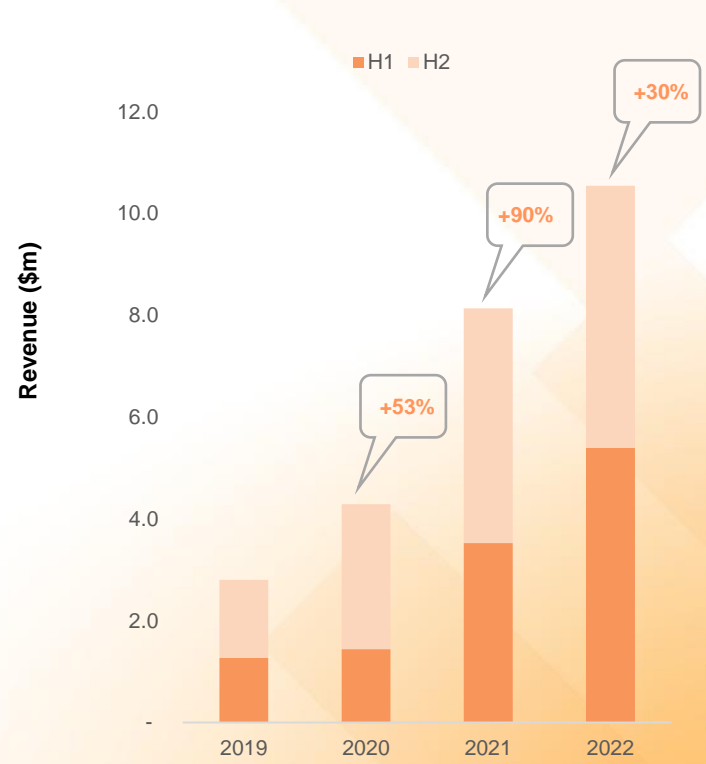
DIGITAL AUDIO REVENUE



DIGITAL PUBLISHING REVENUE



DIGITAL ONEROOF REVENUE



A woman with long dark hair is smiling and looking towards a professional microphone in a radio studio. The background is a warm, golden-brown color with a faint image of a woman wearing glasses. The overall tone is professional and positive.

2022 FULL YEAR FINANCIAL RESULTS

\$ million	2022	2021	% Change
Advertising revenue	258.5	247.9	4%
Reader revenue	83.7	81.9	2%
Other revenue	22.5	12.3	84%
Operating revenue and other income¹	364.6	342.2	7%
Operating expenses	(299.9)	(279.8)	7%
Operating EBITDA¹	64.7	62.4	4%
Depreciation and amortisation on owned assets	(16.2)	(14.9)	9%
Depreciation on leased assets	(11.2)	(11.4)	(2%)
Interest income	0.4	0.1	177%
Finance cost	(5.7)	(7.3)	(22%)
Operating NPBT¹	32.0	29.0	11%
Taxation expense	(8.7)	(7.8)	11%
Operating NPAT¹	23.3	21.1	10%
Operating earnings per share¹	12.1	10.7	13%

OPERATING RESULTS

For the full year ended 31 December 2022

Operating earnings per share up 13% year-on-year.

- Operating EBITDA grew 4%.
- Operating revenue was 7% above last year.
- Reader revenue increased 2% through continued growth in digital subscription revenue.
- Advertising revenue 4% higher than 2021, driven by growth in digital and radio advertising revenue.
- Other revenue growth substantially reflects the payments from Google and Meta, as well as grants to fund investment in public interest journalism and cadet development. These grants partially offset increased people costs.
- Operating NPAT¹ increased by 10% to \$23.3 million for the year as a result of improved operating earnings.
- Operating Earnings Per Share improved to 12.1 cents per share due to improved earnings and reduced number of shares.

\$ million	2022	2021	% Change
People and contributors	156.0	142.7	9%
Print and distribution	51.9	51.8	0%
Agency commission and marketing	43.4	42.6	2%
Content	18.4	16.2	13%
Other expenses:			
<i>Property</i>	6.6	6.2	6%
<i>IT and communications</i>	12.2	11.0	11%
<i>Other</i>	11.5	9.3	23%
Total other expenses	30.2	26.4	14%
Total operating expenses	299.9	279.8	7%
Total exceptional items	1.3	3.7	

EXPENSES

For the full year ended 31 December 2022

Increased expenses reflects investment in journalism and growth initiatives.

- Half of the people and contributors cost increase reflects the addition of BusinessDesk, the additional resources which are offset by grant income and the one-off \$1,000 bonus paid in 2022 to each eligible employee. The remaining increase relates to additional resources to deliver growth and rate increases.
- Print and distribution costs were similar year on year with increased paper and distribution costs offset by lower volumes.
- Content costs were higher due to increased activity in the re-selling of digital services and increased licence costs.
- Total other expenses grew 14% reflecting the impact of the BusinessDesk / Radio Wanaka acquisitions, higher radio broadcast costs and the return to more normal levels of activity.

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 2021 and 2022 financial years. 2021 has been restated to exclude the impact of GrabOne (sold October 2021). Please refer to pages 38-39 of this results presentation for a detailed reconciliation.

\$ million	2022	2021	% Change
Trade and other receivables	48.8	45.2	8%
Inventories	5.6	1.9	196%
Trade and other payables	(52.5)	(53.8)	(2%)
Tax payable	(1.7)	(4.7)	(64%)
Net working capital	0.2	(11.4)	
(Net debt) / Net cash	(17.5)	13.5	(229%)
Plant property & equipment, intangibles and other non-current assets	174.1	175.0	(0%)
Right of use assets (NZ IFRS 16)	63.7	67.5	(6%)
Lease liabilities (NZ IFRS 16)	(91.2)	(96.8)	(6%)
Finance lease receivable (NZ IFRS 16)	4.4	5.8	(23%)
Deferred tax	4.0	3.5	14%
Net Assets	137.8	157.1	(12%)

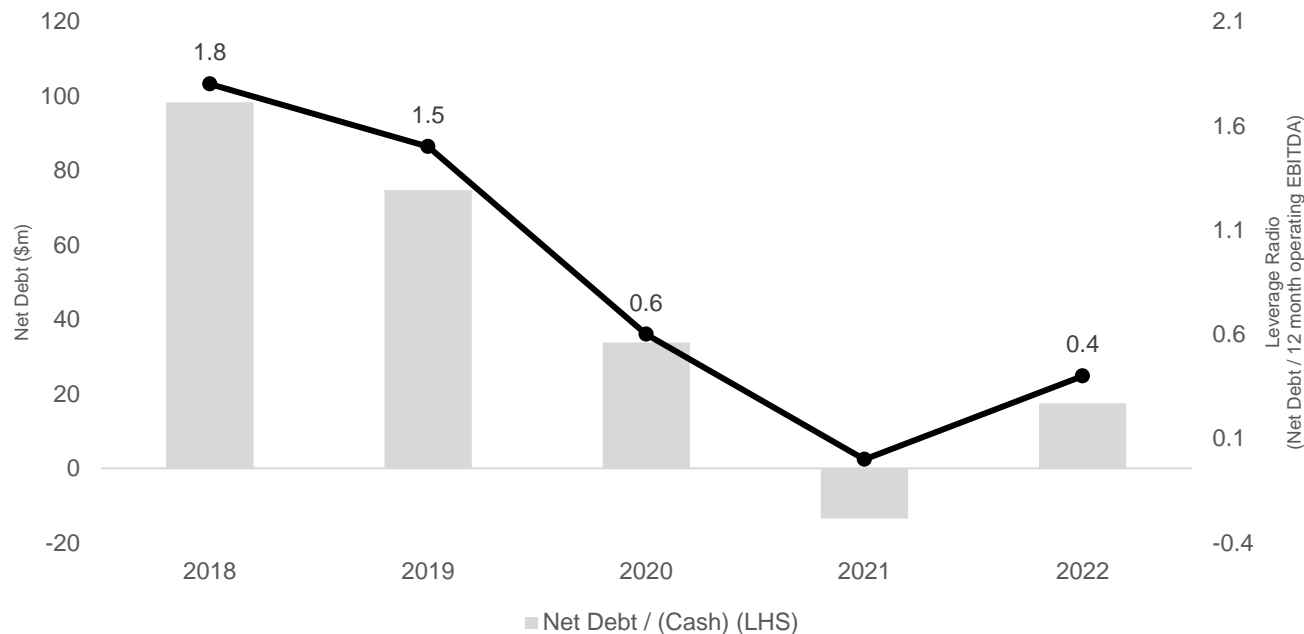
BALANCE SHEET

As at 31 December 2022

Strong balance sheet, debt remains below target range.

- Net working capital excluding cash was \$11.6 million higher than 2021.
 - Increased receivables are expected to be temporary due to one-off timing impacts.
 - Inventories increased due to larger volumes of paper stock being held and the higher price of paper.
 - Reduced tax payable due to the earlier payment of tax in 2022 as a result of supplementary dividends.
- Net debt increased by \$31.0 million to \$17.5 million as at 31 December 2022 primarily due to the capital return programme completed in 2022.

\$ million	2022	2021
12-months Operating EBITDA (pre NZ IFRS 16) ¹	48.7	50.4
Interest Expense	1.0	1.9
Net interest cover (Operating EBITDA (pre NZ IFRS 16) ¹ / Interest Expense)	46.5	26.4
Net debt / (net cash) (\$ million)	17.5	(13.5)
Leverage Ratio (Net debt / 12-month Operating EBITDA (pre NZ IFRS 16) ¹)	0.4	(0.3)



CAPITAL MANAGEMENT

For the full year ended 31 December 2022

Distributions to shareholders was \$43 million during the year including;

- 2021 final dividend of 5 cents per share, totaling \$9.9 million
- Interim dividend of 3 cents per share, totaling \$5.8 million.
- Special dividend of 5 cents per share, totaling \$9.7 million.
- Share buy-back totaling \$17.6 million.
- Fully imputed final dividend declared of 6.0 cents per share, payable on 22 March 2023.
- Net debt position of \$17.5 million as at 31 December 2022.
- Leverage ratio remains below target range.

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/

1. Operating results presented are non-GAAP measures that exclude exceptional items to allow for a like for like comparison between 2021 and 2022 financial years. Please refer to pages 38-39 of this results presentation for a detailed reconciliation.
2. 2021 Operating EBITDA (pre NZ IFRS 16) as previously stated in 2021 FY results announced on 23 February 2022.

\$ million	2022	2021
Operating EBITDA¹	64.7	62.4
GrabOne EBITDA	-	3.6
Interest on bank facilities	(1.1)	(2.1)
Interest on leases	(4.6)	(5.0)
Exceptional items	(0.7)	(3.7)
Tax paid	(12.0)	(7.3)
Working capital movement (excluding tax)	(8.6)	4.2
Other	(0.1)	(0.3)
Cash flow from operations	37.5	51.8
Capital expenditure	(10.7)	(6.5)
Lease principal repayment	(12.0)	(10.8)
Operating free cash flow	14.8	34.5
BusinessDesk and Radio Wanaka purchases	(3.6)	-
Proceeds from sale of assets	-	19.4
Distributions to shareholders		
Dividends paid	(25.4)	(5.9)
Share buy-back	(17.6)	-
Cash movement in Net Debt	(31.7)	48.0
Other	0.7	(0.6)
Movement in Net Debt	(31.0)	47.4

CASH FLOWS

For the full year ended 31 December 2022

Cash flows support investment and distributions to shareholders

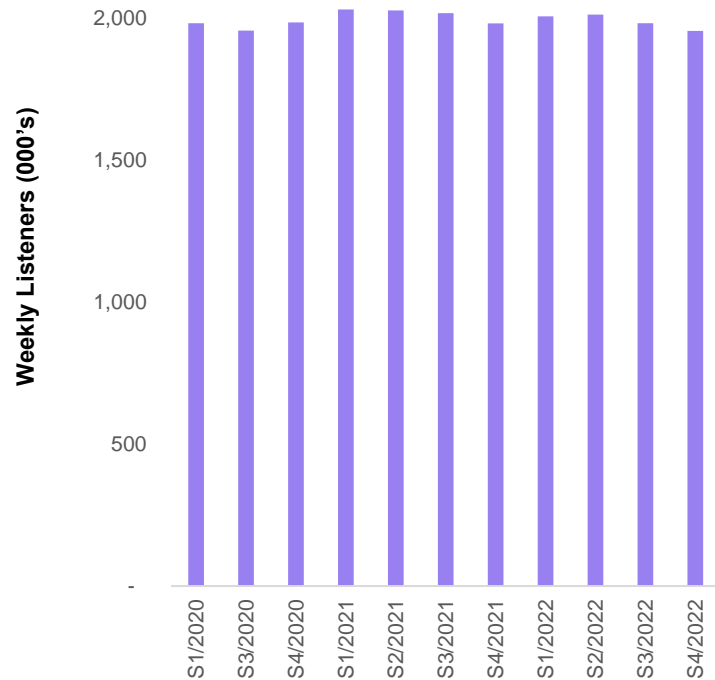
- Cashflow from operations for the year was \$37.5 million which is lower than 2021 due to the decrease in working capital.
- Tax paid in the year was higher due to stronger 2021 taxable earnings, resulting in a larger final tax payment in January 2022. Additional supplementary dividends, which are treated as tax credit, were paid during 2022.
- Capital expenditure lower in 2021 due to reductions during Covid.



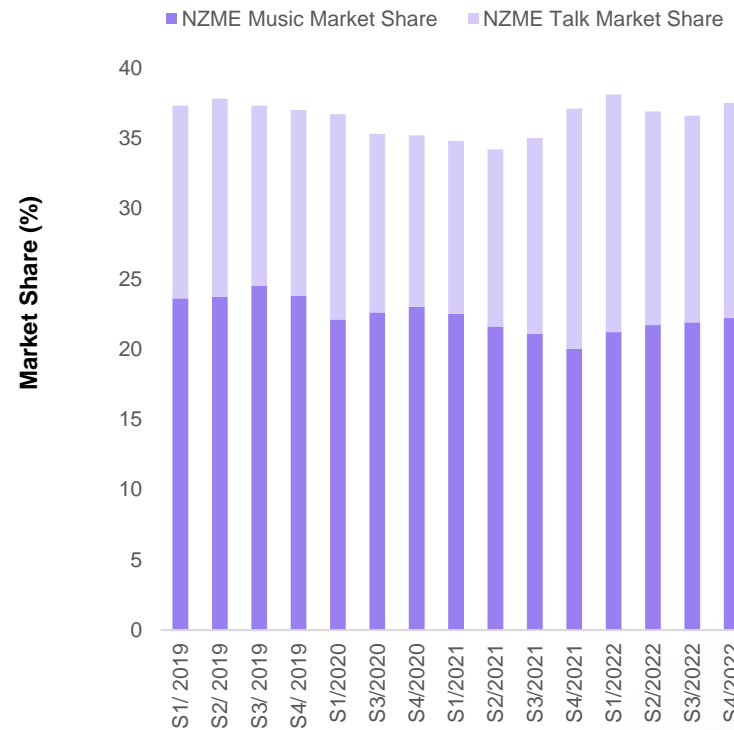
AUDIO

AUDIO LISTENERS AND MARKET SHARE

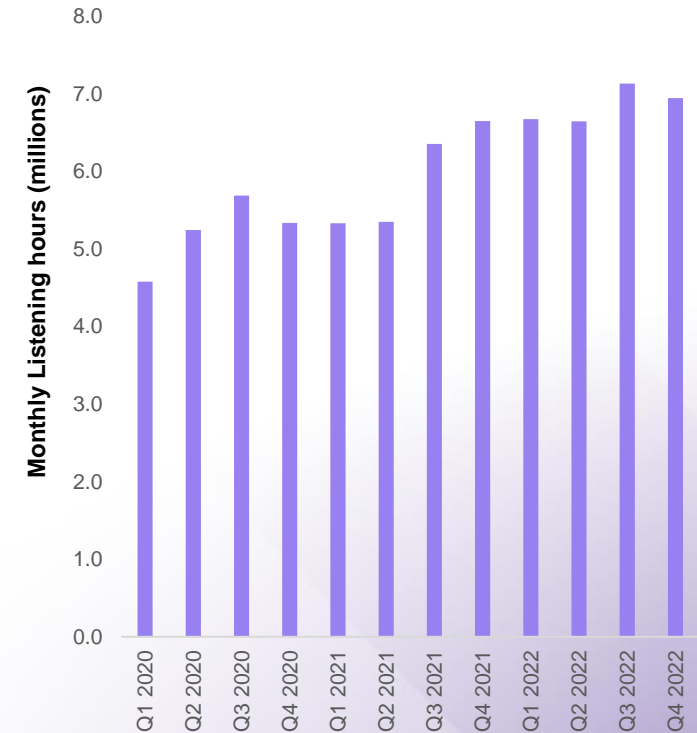
NZME Radio weekly listeners
-Total NZ All 10+ Cume¹



NZME Radio Share –
Total NZ All 10+ Share²



Digital Audio Total Listening
Hours (million)³



1. GfK Commercial RAM, NZME excl. Partners, Cumulative Audience 000, M-S 12mn-12mn, Total NZ, S1 2020-S4 2022. AP10+.
 2. GfK Commercial RAM, NZME excl. Partners (doesn't include BBC Auckland), Market Share %, M-S 12mn-12mn, S1 2019-S4 2022, AP10+. Note: Radio Sport closed prior to S3 2020.
 3. Adswizz and StreamGuys, TLH, monthly average for the quarter.

\$ million	2022	2021	% Change
Digital advertising	6.8	4.5	54%
Radio advertising	105.6	101.0	5%
Other	1.5	1.1	34%
Audio revenue	113.9	106.5	7%
People & contributors	(56.2)	(52.3)	7%
Agency commission & marketing	(17.0)	(17.6)	(3%)
Content	(6.8)	(6.7)	2%
Other	(11.2)	(9.2)	22%
Audio expenses	(91.2)	(85.7)	6%
Audio EBITDA¹ (incl. NZ IFRS 16)	22.8	20.9	9%
NZ IFRS 16 adjustment	(7.5)	(7.0)	7%
Audio EBITDA¹ (pre NZ IFRS 16)	15.2	13.9	10%
EBITDA¹ margin (pre NZ IFRS 16)	13%	13%	-

AUDIO

For the full year ended 31 December 2022

Digital revenue growth of 54% driven by NZME's digital audio platform iHeartRadio.

- Audio revenue increased 7% year-on-year.
- Radio market share grew to 41.4%, up 0.5 percentage point compared to 2021².
- Increase in People & Contributor costs driven by one-off bonus, investments in digital audio and rising labour costs.
- Increase in Other costs results from costs associated with additional frequencies to expand the reach of the broadcast network.

NEW ZEALAND'S LEADING AUDIO COMPANY



Metric	2023 Target set in 2020	2020 Achievement	2021 Achievement	2022 Achievement	2023 Initiatives
NZME share of total audience	> 1% share point growth per annum	35.6% ¹	37.4% ¹	37.7% ¹	<ul style="list-style-type: none"> Leverage NZME platform of 3.6m New Zealanders to grow audio audience Introduce new iHeartRadio functionality to grow digital audio audience Invest in new podcast content to become the home of podcasting in New Zealand Continue to dominate NZ Podranker with owned and represented shows Continue The Alternative Commentary Collective's (ACC) expansion into more platforms and formats across Podcast, Social, Events, Merchandise and Live Commentary
Radio Revenue Share	> 1% share point growth per annum	40.4% ²	40.9% ²	41.4% ²	<ul style="list-style-type: none"> Grow overall radio market with industry audio advocacy Continue to grow 10+ audience market share to deliver revenue ambitions Utilise multi-platform sales teams to grow regional radio share
Digital audio revenue as a % of total audio revenue	5%	2.4%	3.4%	5.1%	<ul style="list-style-type: none"> Enhanced commercial podcast offering with sales representation for third party podcast networks Leverage digital audio commercial specialists to support revenue growth Launch new digital audio advertising products to increase sell-through rates
EBITDA³ Margin Target (pre NZ IFRS16)	15 – 17%	14%⁴	12%	13%	

1. GfK Commercial RAM, NZME excl. Partners, M-S 12mn-12mn, Market Share %, S4 2020 – S4 2022, AP10+. 1* Cumulative Audience, S2 2022.

2. PwC Radio advertising market benchmark report, rolling 12-month average to 31 Dec 2022. FY 2020 and 2021 figures as previously stated in FY 2021 results announced on 23 February 2022. Note: report excludes independent broadcasters, contra revenue and digital audio.

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

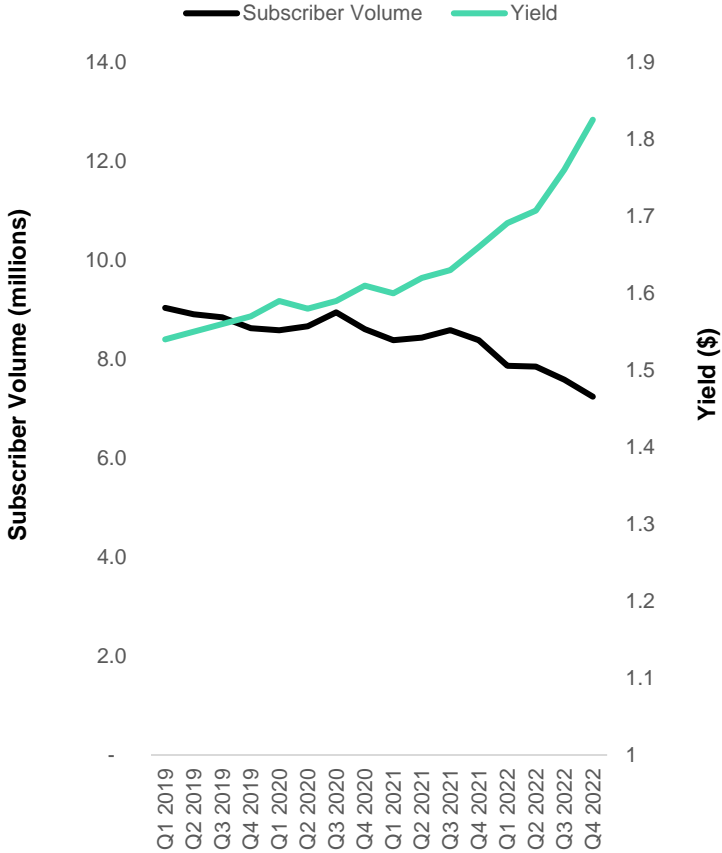
4. Includes Covid-19 government wage subsidy received in 2020. Excluding the impact of the government wage subsidy received in 2020, the EBITDA margin was 10.5%.



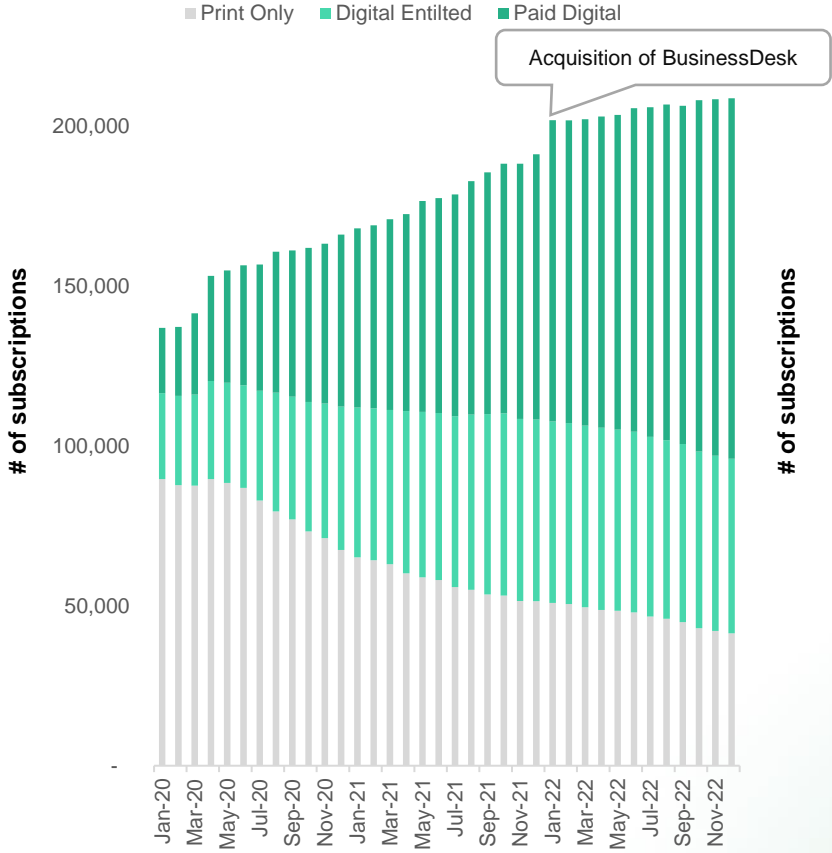
PUBLISHING

INCREASING DIGITAL SUBSCRIPTIONS

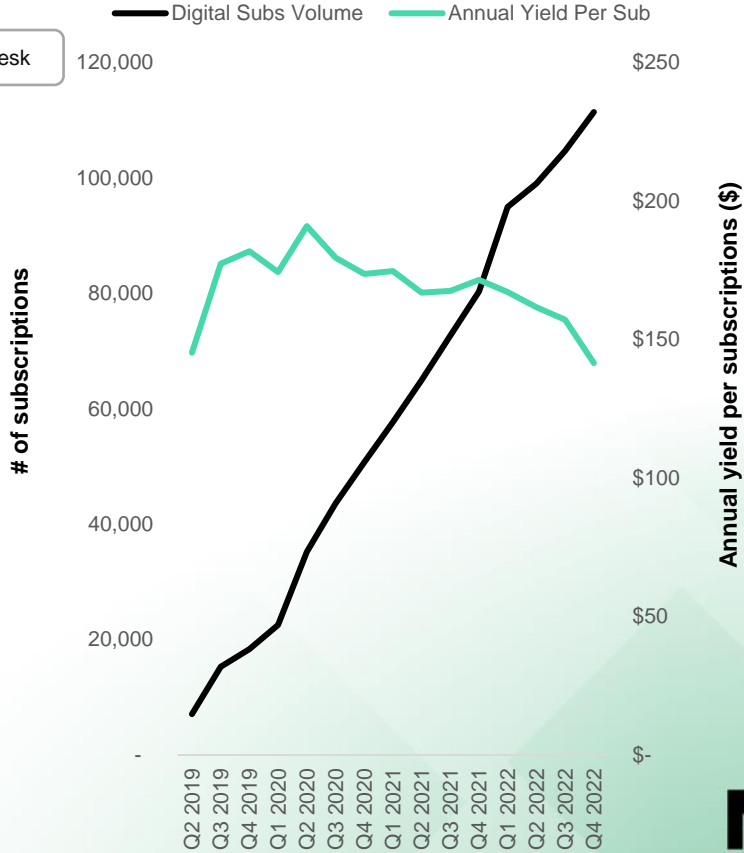
Print Subscriber Volume and Yield¹



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	2022	2021	% Change
Digital subscriptions	16.1	11.6	39%
Print subscriptions	53.6	55.4	(3%)
Retail outlet sales	13.9	14.9	(7%)
Total reader revenue	83.7	81.9	2%
Digital advertising	59.5	56.1	6%
Print advertising	63.8	65.0	(2%)
Total advertising revenue	123.3	121.1	2%
Other	18.5	8.9	107%
Publishing revenue	225.4	211.9	6%
People & Contributors	(88.7)	(80.2)	11%
Print & Distribution	(45.8)	(45.2)	1%
Agency Commission & Marketing	(19.0)	(20.6)	(8%)
Content	(10.1)	(8.1)	25%
Other	(14.4)	(12.5)	15%
Publishing expenses	(178.0)	(166.6)	7%
Publishing EBITDA¹ (incl. NZ IFRS 16)	47.4	45.4	5%
NZ IFRS 16 Adjustment	(7.7)	(7.7)	(1%)
Publishing EBITDA¹ (pre NZ IFRS 16)	39.7	37.6	6%
EBITDA¹ Margin (pre NZ IFRS 16)	18%	18%	-

PUBLISHING

For the full year ended 31 December 2022

Digital revenue growth offsets print declines

- Digital subscription growth of 39% more than offsets print subscriptions and retail outlet sale declines, with total reader revenue up 2% year-on-year.
- Digital advertising revenue growth of 6% results in digital advertising revenue making up nearly half of the Publishing division's advertising revenue in 2022.
- Other revenue growth substantially reflects the payments from Google and Meta, as well as grants to fund investment in public interest journalism and cadet development. These grants have been used to fund incremental editorial resources and their development.
- People & contributors costs were 11% higher which includes additional costs as a result of the acquisition of BusinessDesk. The overall increase was partially offset by grant income.
- Agency Commission & Marketing costs were 8% lower, representing reduced print acquisition costs.
- Content costs are up 22% in line with increased re-sale of third-party digital services and increased license costs.

NEW ZEALAND'S HERALD



Metric	2023 Target set in 2020	2020 Achievement	2021 Achievement	2022 Achievement	2023 Initiatives
Subscription Volume Target	More than 210,000 by 2023 year-end	169,000	191,000	209,000 ¹	<ul style="list-style-type: none"> Accelerate corporate digital subscription growth targeting key industry verticals with BusinessDesk and Herald Premium bundle Grow digital subscription addressable market and ARPUs through Herald Premium bundles with digital verticals BusinessDesk, Viva Premium and launch of next vertical Focus on quality and trust across all journalism with enhanced data insights and new tools to enhance story telling across key 2023 news events Drive brand preference by amplifying and embedding new brand promise 'News worth knowing' across all touch points Grow content discovery with a segmented and personalised homepage experience Expand audience reach with new Next Generation Audience proposition and focus on local content depth in key regions Increased adoption of Audience Connect NZME's 1st party data portfolio to lift yields and campaign effectiveness Expand e-commerce product offering with Shopme, The Selection and Live Shopping Launch Driven Car Guide and establish as market leading independent car advice site NZME AdHub Self Service scaled to service long tail of advertisers
Subscription Volume Mix	Digital Only > Print	32% / 68%	43% / 57%	54% / 46%	
% Households Subscribing	> 12% by year-end	9% ²	10% ²	11% ²	
Advertising Revenue Mix	> 45% Digital	42% Digital	46% Digital	48% Digital	
EBITDA³ Margin Target (pre NZ IFRS16)	18-19% ⁵	19% ⁴	18%	18%	

1. Includes the impact of the BusinessDesk acquisition.

2. Stats.govt.nz Dwelling and household estimates: Dec 2022 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%.

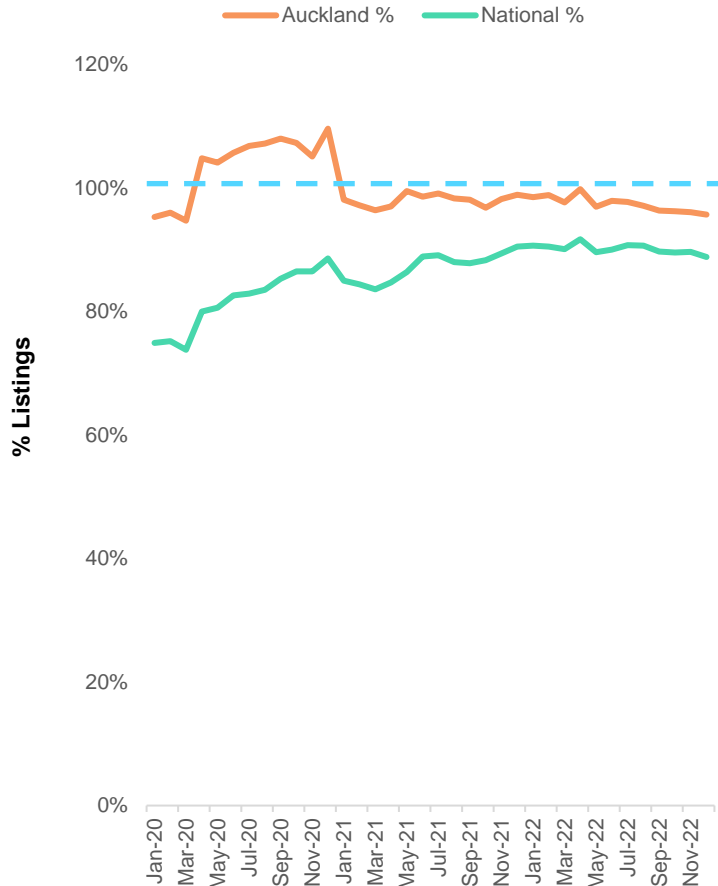
5. Adjusted from 19-20% to reflect the change in accounting policy on SaaS arrangements. Capital expenditure is expected to reduce by a similar amount.



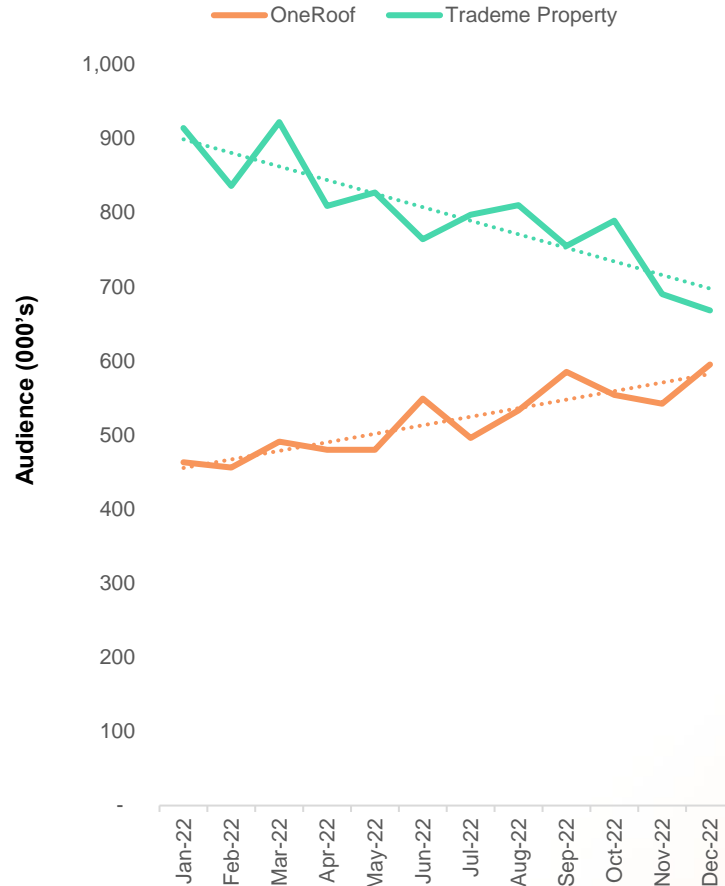
ONEROOF

ONEROOF AUDIENCE & LISTINGS

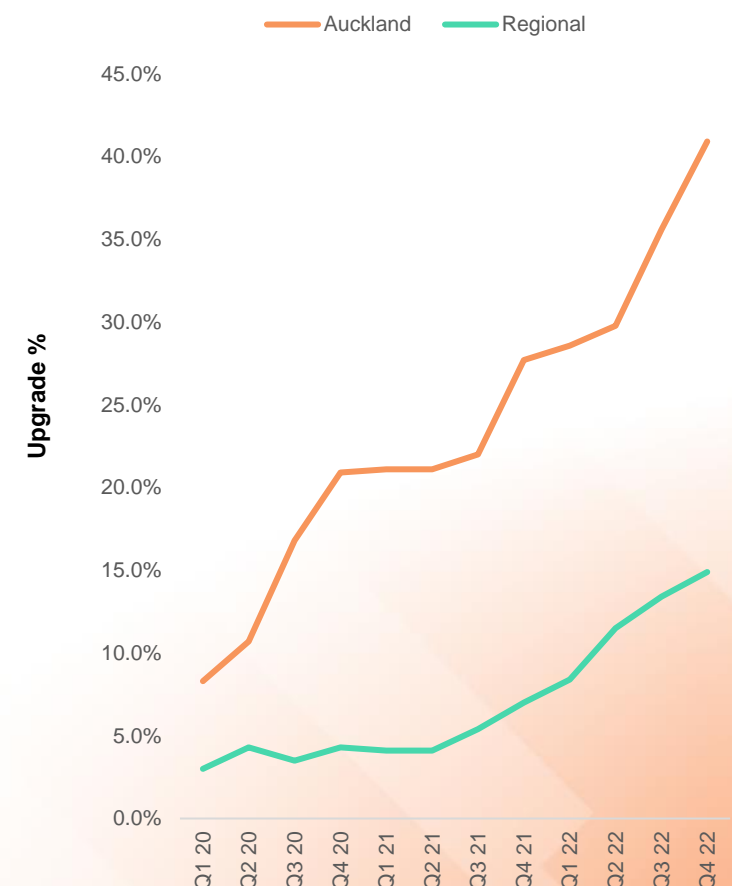
OneRoof Auckland and National Residential For-sale Listings as a % of Trademe¹



OneRoof Monthly Audience compared to Trademe Property²



OneRoof Digital Residential for-sale Listings Upgrade %



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, Jan 2022 - Dec 2022.

\$ million	2022	2021	% Change
Digital	10.5	8.1	30%
Print	12.3	13.2	(7%)
Other	0.0	0.1	(43%)
OneRoof revenue	22.9	21.5	7%
People & Contributors	(8.3)	(6.4)	29%
Print & Distribution	(6.0)	(6.5)	(7%)
Agency Commission & Marketing	(7.4)	(4.4)	69%
Content	(1.4)	(1.2)	13%
Other	(1.1)	(0.7)	53%
OneRoof expenses	(24.3)	(19.3)	26%
OneRoof EBITDA¹ (incl. NZ IFRS 16)	(1.4)	2.1	(166%)
NZ IFRS 16 Adjustment	(0.8)	(0.6)	32%
OneRoof EBITDA¹ (pre NZ IFRS 16)	(2.2)	1.6	(239%)
EBITDA¹ Margin (pre NZ IFRS 16)	(9%)	7%	(17 ppt)

ONEROOF

For the full year ended 31 December 2022

Positive momentum delivers digital growth of 30%

- Total OneRoof revenue was up 7% on 2021, with 30% growth in digital revenue despite a reduction in new listing coming to market.
- Increased people costs due to additional resource to improve national coverage.
- Decrease in print and distribution costs due to fewer publications offset by higher paper costs.
- Marketing costs increased as OneRoof continues to build the brand nationally.
- Continued investment for growth has resulted in a lower EBITDA than 2021.

YOUR COMPLETE PROPERTY DESTINATION



Metric	2023 Target set in 2020	2020 Achievement	2021 Achievement	2022 Achievement	2023 Initiatives
Residential Listings	96% of listings (100% of non-private listings)	89% ¹	91% ¹	89% ¹	<ul style="list-style-type: none"> Listing gaps identified and localised strategies deployed to encourage agents to feed all listings to OneRoof Carrying 99-100% of Realestate.co.nz listings
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	<ul style="list-style-type: none"> Continue to grow brand awareness and preference across all regions through localised brand communications Increase personalisation through deeper understanding of category and brand user segments, real estate journeys and customer experience Increase SEO optimised content
Listings Upgrade %	50% of Auckland residential listings 22% of regional residential listings	17.6% Auckland 3.9% Regional	23.5% Auckland 5.4% Regional	40.9% Auckland 14.9% Regional ⁵	<ul style="list-style-type: none"> Leverage and productise unique NZME data capabilities (e.g. Boost 2.0) to increase conversion and drive listing enquiries Build value-based relationships with regional agents and agents to grow national conversion Develop multi-year pricing and yield strategy
Revenue	Digital > Print	24% / 76%	38% / 62%	46% / 54%	<ul style="list-style-type: none"> Digital growth continues to out-pace print resulting in a stronger digital revenue skew Continue to bundle across platforms as a unique differentiator
EBITDA³ Margin Target (pre NZ IFRS16)	15 - 25%	8%⁴	7%	(9%)	<ul style="list-style-type: none"> 2022 result reflects investment in growth initiatives. With continued growth and a more normal market, OneRoof is well positioned to deliver to EBITDA targets in 2024 year and beyond.

1. OneRoof's listings as a percentage of residential for-sale real estate listings on trademe.co.nz. Dec 2022 monthly average. Excluding private listings. FY 2020 and 2021 figures as previously stated in 2021 FY results announced on 23 February 2022.

2. Nielsen Online Ratings, monthly average for Q4 2021, Q2 2022 & Q4 2022.

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 of Q4 2022

\$ million	2022	2021	% Change
Revenue	2.5	2.2	10%
People & Contributors	(2.9)	(3.1)	(6%)
Other	(3.5)	(3.9)	(17%)
Corporate & other expenses	(6.5)	(7.0)	(7%)
Corporate & other EBITDA¹ (incl. NZ IFRS 16)	(4.1)	(4.8)	15%
NZ IFRS 16 Adjustment	(0.1)	(0.1)	(5%)
Corporate & other EBITDA¹ (pre NZ IFRS 16)	(4.1)	(4.8)	15%

CORPORATE & OTHER

For the full year ended 31 December 2022

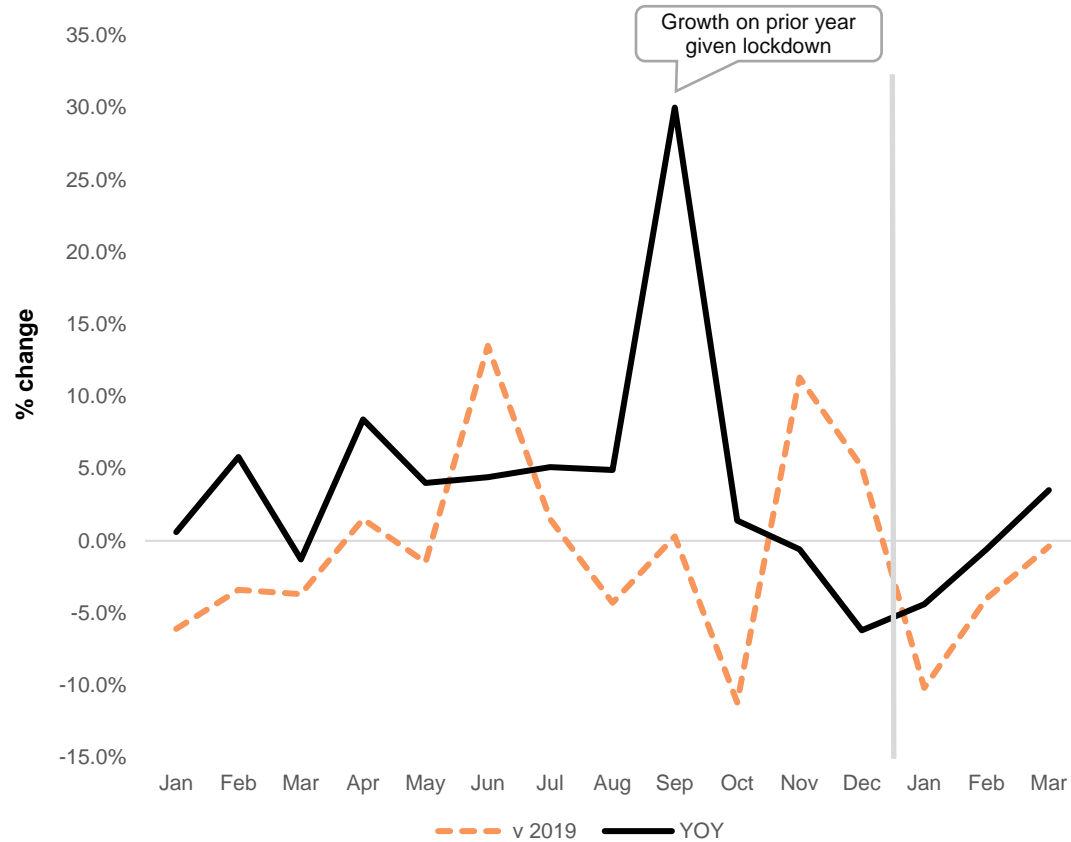
- Revenue includes the delivery of lifestyle and home shows across New Zealand.
- Corporate costs have reduced as a result of ongoing efficiency improvements.

A professional Sony FX6 camera is mounted on a Miller tripod. The camera is positioned in a studio environment with a blurred background of studio equipment and lights. The camera's LCD screen is flipped out, showing a live feed of a studio set. The Sony logo and 'FX6' model name are visible on the camera body.

CURRENT MARKET AND OUTLOOK

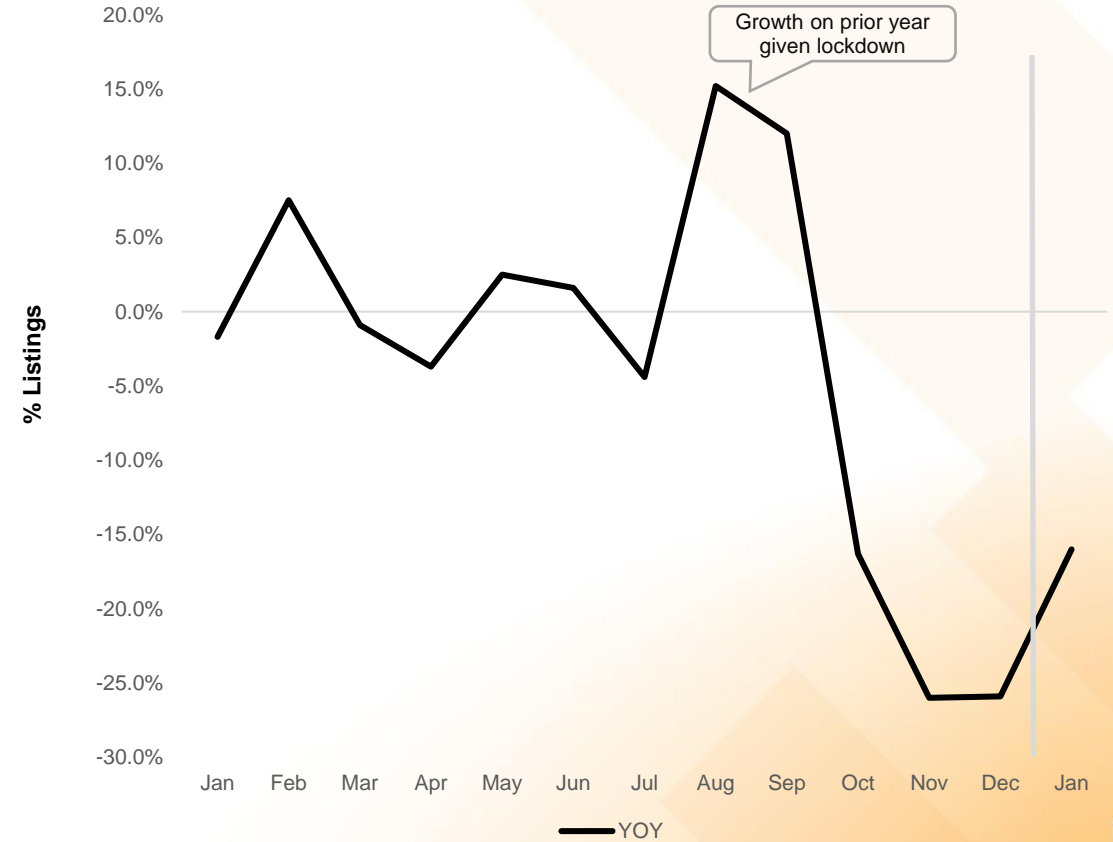
BUSINESS AND CONSUMER CONFIDENCE IMPACTS MARKET

NZME Advertising Revenue Jan 2022 – Mar 2023



- Second half of 2022 substantially impacted by business uncertainty.

Residential Real Estate New Listings Total Market Jan 2022 – Jan 2023¹



- Second half of 2022 reflects a significantly weaker property market.

1. NZME Analysis.
2. Realestate.co.nz monthly new listings report Jan 2019 – Jan 2023.

OUTLOOK

Operating Environment

It has been a soft start to 2023, especially given the subdued real estate market. However, March 2023 is tracking to deliver growth over 2022.

Cost pressures remain across the business and we continue to be focused on substantially mitigating these through disciplined cost controls.

There is uncertainty across the economy and the market and we will update you further at the Annual Shareholders Meeting on 26 April 2023.

Capital Management

We are pleased to have made significant distributions to shareholders over the past year.

The Board has a desire to operate at the lower end of the target leverage ratio in the current environment but will continue to return excess capital to shareholders, subject to the operating environment and investment opportunities.



Q & A

SUPPLEMENTARY INFORMATION

OUR SUSTAINABILITY COMMITMENT

We look forward to the continued implementation of our sustainability initiatives, to have meaningful, sustainable practices for the wider community, the wellbeing of our people and the environment.

NZME is well prepared for the increasing ESG (environmental, social and governance) regulation, developing a roadmap for our sustainability commitment which will be reported in our 2023 Annual Report. (This will include required climate-related disclosures.)

The following is a snapshot of our activity for 2022.



OUR COMMUNITIES



RESPONSIBLE REPORTING AND BROADCASTING

NZME maintains a balanced reporting platform as Covid-19 and other major events continued to disrupt countries around the world, directly impacting New Zealanders.



CONNECTING COMMUNITIES

NZME's *Great Minds* project examined the state of our nation's mental health and explored the growing impact mental health has on Kiwis while searching for ways to improve it.

Talanoa, Voices of the Pacific was launched with the NZ Herald, to increase the diversity of content and contributors on our platforms.

The first Te Rito journalism one-year cadet training programme was completed, part of a media industry partnership 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 including over 1.5 million dollars raised with World Vision through the Ukraine Appeal.

Other partners included the Graeme Dingle Foundation, Leukaemia & Blood Cancer New Zealand, Men's Health Week, Women's Refuge (Shielded Initiative), The Funding Network New Zealand and the Sir John Kirwan Foundation.

OUR PEOPLE



PROMOTING A HEALTHY, DIVERSE AND SAFE WORKPLACE

NZME strives to maintain its position as an employer of choice in the media industry. 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.

In 2022 the protection of our team from the risks of COVID-19 has again been a priority focus, which included continuing to support flexible ways of working that also help to ensure business continuity.



CHAMPIONING THE CRAFT

NZME continues to employ 21 interns and cadets across the business, including the Te Rito Programme and continuation of our TupuToa partnership.

NZME has been recognised with a number of industry awards and nominations including: Voyager Media Awards, NZ Radio Awards, IAB Awards, Beacon Awards, INMA Awards, Deloitte Top 200 Award, New Zealand HR Awards and Grad NZ's 2022 Student Survey.



EQUIPPING OUR PEOPLE

NZME has launched a leadership development programme for our leaders. The new programme, "Develop Me", will be rolled out in 2023 and aims to create vibrant and exceptional leadership across NZME.

OUR ENVIRONMENT



RECYCLING

NZME launched a new sustainable fashion-forward partnership with New Zealand clothing design house RUBY through Liam patterns. NZME and RUBY created a circular solution, turning wastepaper from the end of newspaper print rolls from NZME's Ellerslie printing press into printed clothing patterns under RUBY's Liam Patterns brand.

NZME's print operations at Ellerslie were awarded the Toitu enviromark gold certification. We are gold standard at reducing waste, working efficiently, and minimising harm to the environment and our people.



BEST PRACTICE

NZME continues to collaborate with our suppliers and partners to ensure best practice sustainable operations.

We are in the process of finalising a Responsible Sourcing Policy to ensure we partner with suppliers, aligning our focus on the environment and sustainability.

NZME has adopted Modern Slavery Statements and continues to work on adopting a Responsible Sourcing Policy.



RESPONSIBILITY

The NZ Herald continues to take part in Covering Climate Now - a global news media initiative.

2022 DIVISIONAL PERFORMANCE

For the full year ended 31 December 2022

\$ million	Audio	Publishing	OneRoof	Other	2022 Total	2021 Total	% Change
Reader Revenue:							
- Print	-	67.5	-	-	67.5	70.3	(4%)
- Digital	-	16.1	-	-	16.1	11.6	39%
Reader Revenue	-	83.7	-	-	83.7	81.9	2%
Advertising Revenue:							
- Radio	105.6	-	-	-	105.6	101.0	5%
- Print	-	63.8	12.3	-	76.1	78.3	(3%)
- Digital	6.8	59.5	10.5	-	76.9	68.7	12%
Advertising Revenue	112.4	123.3	22.8	-	258.5	247.9	4%
Other Revenue	1.5	18.5	0.0	2.5	22.5	12.4	82%
Total Revenue	113.9	225.4	22.9	2.5	364.6	342.2	7%
People & Contributors	(56.2)	(88.7)	(8.3)	(2.9)	(156.0)	(142.7)	9%
Print & Distribution	-	(45.8)	(6.0)	-	(51.9)	(51.8)	0%
Agency Commission & Marketing	(17.0)	(19.0)	(7.4)	(0.0)	(43.4)	(42.6)	2%
Content	(6.8)	(10.1)	(1.4)	-	(18.4)	(16.2)	13%
Other	(11.2)	(14.4)	(1.1)	(3.5)	(30.2)	(26.4)	14%
Total Costs	(91.2)	(178.0)	(24.3)	(6.5)	(299.9)	(279.8)	7%
Operating EBITDA¹	22.8	47.4	(1.4)	(4.1)	64.7	62.4	4%
IFRS16 Adjustments	(7.5)	(7.7)	(0.8)	(0.1)	(16.0)	(15.6)	3%
EBITDA (pre IFRS16)²	15.2	39.7	(2.2)	(4.1)	48.7	46.8	4%
EBITDA (pre IFRS16)² Margin %	13%	18%	(9%)	-	13%	14%	-

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

2021 has been restated to exclude the impact of GrabOne.

RECONCILIATION OF OPERATING RESULTS TO FINANCIAL STATEMENTS

12 MONTHS ENDED 31 DECEMBER 2022						
\$ million	Operating Results excl. IFRS 16	NZ IFRS 16 Adjustments	Operating Results incl. IFRS 16	Reclass of items	Exceptional and Other Items	Per Financial Statements
Advertising revenue	258.5	-	258.5	-	-	258.5
Reader revenue	83.7	-	83.7	-	-	83.7
Other revenue	13.3	-	13.3	-	-	13.3
Operating revenue	355.4	-	355.4	-	-	355.4
Other income	10.0	(0.8)	9.2	0.4	0.8	10.5
Operating revenue and other income	365.5	(0.8)	364.6	0.4	0.8	365.9
Expenses	(316.8)	16.8	(299.9)	-	(1.5)	(301.4)
EBITDA	48.7	16.0	64.7	0.4	(0.7)	64.5
Depreciation and amortisation	(16.2)	(11.2)	(27.4)	-	-	(27.4)
EBIT	32.5	4.8	37.3	0.4	(0.7)	37.1
Share of loss of JV's	-	-	-	-	(0.2)	(0.2)
Net interest expense	(0.7)	(4.6)	(5.3)	(0.4)	-	(5.7)
Net profit/(loss) before tax	31.9	0.2	32.0	-	(0.8)	31.2
Tax	(8.7)	-	(8.7)	-	0.2	(8.6)
Net profit/(loss) after tax	31.9	0.2	23.3	-	(0.6)	22.7

RECONCILIATION OF OPERATING RESULTS TO FINANCIAL STATEMENTS

12 MONTHS ENDED 31 DECEMBER 2021

\$ million	Operating Results excl. IFRS 16 and SaaS	Restatement (SaaS)	Operating Results excl. IFRS 16	NZ IFRS 16 Adjustments (as per p33 of the 30-6-21 IP)	Operating Results incl. IFRS 16	GrabOne	Reclass of items	Exceptional and Other Items	Per Financial Statements
Advertising revenue	247.9	-	247.9	-	247.9	0.1	-	-	248.0
Reader revenue	81.9	-	81.9	-	81.9	-	-	-	81.9
Other revenue	12.0	-	12.0	(0.3)	11.7	6.9	-	-	18.7
Operating revenue	341.9	-	341.9	(0.3)	341.5	7.0	-	-	348.6
Other income	0.6	-	0.6	-	0.6	15.4	0.1	0.9	17.1
Operating revenue and other income	342.5	-	342.5	(0.3)	342.2	22.4	0.1	0.9	365.6
Expenses	(294.0)	(1.7)	(295.6)	15.9	(279.8)	(3.4)	0.0	(3.7)	(286.9)
EBITDA	48.5	(1.7)	46.8	15.6	62.4	19.0	0.1	(2.8)	78.8
Depreciation and amortisation	(17.0)	2.1	(14.9)	(11.4)	(26.3)	-	-	-	(26.3)
EBIT	31.5	0.4	32.0	4.1	36.1	19.0	0.1	(2.8)	52.5
Share of loss of JV's	-	-	-	-	-	-	-	(0.5)	(0.5)
Impairment of assets	-	-	-	-	-	-	-	(2.5)	(2.5)
Net interest expense	(2.1)	-	(2.1)	(5.0)	(7.1)	-	(0.1)	-	(7.3)
Net profit/(loss) before tax	29.4	0.4	29.8	(0.9)	29.0	19.0	-	(5.7)	42.3
Tax	(7.7)	(0.1)	(7.8)	-	(7.8)	(1.2)	-	1.2	(7.8)
Net profit/(loss) after tax	21.7	0.3	22.0	(0.9)	21.1	17.8	-	(4.5)	34.4

DISCLAIMER

The information in this presentation is of a general nature and does not constitute financial product advice, investment advice, legal, financial, tax or any other recommendation or advice. This presentation constitutes summary information only, and you should not rely on it in isolation from the full detail set out in NZME's Consolidated Financial Statements for the full year ended 31 December 2022.

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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. 2021 has been restated to exclude the impact of GrabOne. Please refer to pages 38-39 of this presentation for detailed reconciliation of these results to the statutory results. See note 1.2.1 of the consolidated interim financial statements for the year ended 31 December 2022 for the restatement adjustments that have been applied.

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 The New Zealand Herald THE COUNTRY The Northern Advocate THE HITS DRIVEN  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  canvas Education Gazette 

 radiowanaka Taupō & Tūrangi Herald ROTORUA Weekender ALTERNATIVE COMMENTARY COLLECTIVE Kāpiti News Bay of Plenty Times Whanganui Chronicle Coast

The Ashburton Courier *essence* Manawatu GUARDIAN **flava** Tairāia BUSHTELEGRAPH **Katikati**Advertiser The Northland Age  spy **CHB Mail**

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

The OneRoof Herald WeekendHerald **Stratford PRESS**  RESTAURANT HUB Waikato Herald

EVERYONE'S HERE.

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