



Monday, 13 November 2023

Seven West Media acquires strategic equity interest in ARN Media Limited

Seven West Media Limited (ASX: SWM) today announced that it has acquired a 14.9% shareholding in ARN Media Limited (ASX: A1N) as a strategic equity investment in the media sector. SWM has also entered into a cash-settled equity swap with Barrenjoey Markets Pty Limited relating to a further 5.0% of A1N.

SWM has existing and long-standing commercial partnerships with A1N and has an interest in ensuring their continued and long-term success via a direct investment in A1N.

SWM is aware of the recent ASX announcements regarding non-binding indicative proposals involving A1N and others around consolidation in the sector, including developments over the last several days. SWM is supportive of A1N's current business direction. SWM has no intention of launching a takeover for A1N (in the absence of an alternative control proposal) or Southern Cross Media Group Limited (ASX: SXL).

SWM Chairman, Mr Kerry Stokes, said: "Seven West Media has a disciplined approach to value creation in the media sector. We believe that this strategic holding presents strong value for our shareholders in light of sector consolidation activity."

SWM acquired the shares at \$1.10 per A1N share. SWM spent approximately \$50.1 million in acquiring the 14.9% shareholding and has prefunded the swap on an equivalent pricing basis. SWM will lodge the ASIC Form 603 "Notice of Initial Substantial Shareholding".

The share purchase and swap pre-funding will lift SWM's pro-forma FY23 leverage from 0.9x (net debt / EBITDA) to approximately 1.15x. To the extent current advertising market conditions result in SWM leverage being above the target 1.0-1.5x band at the end of December 2023, the recently announced \$60 million in cost initiatives would be expected to bring leverage back within the target range within a short period of time.

SWM Managing Director and Chief Executive Officer, James Warburton, said: "SWM's objective is to be Australia's most connected news, sport and entertainment brand. Our investment in A1N aligns with our strategic pillar of partnering for growth, and we look forward to continued collaboration across our two companies."

This release has been authorised to be given to ASX by the Board of Seven West Media.

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About Seven West Media

Seven West Media (ASX: SWM) is one of Australia's most prominent media companies, reaching more than 19 million people a month with a market-leading presence in content production across broadcast television, publishing and digital.

The company is home to some of Australia's most renowned media businesses, including the Seven Network and its affiliate channels 7two, 7mate, 7flix and 7Bravo; broadcast video on demand platform [7plus](#); [7NEWS.com.au](#); *The West Australian*; and *The Sunday Times*. The Seven Network is home of Australia's most loved news, sport and entertainment programming. Its iconic brands include Australia's leading news and public affairs programs **7NEWS**, **7NEWS Spotlight**, **Sunrise** and **The Morning Show**, **The Voice**, **Home and Away**, **Dancing With The Stars**, **Australian Idol**, **My Kitchen Rules**, **Big Brother**, **SAS Australia**, **Farmer Wants A Wife**, **The Chase Australia**, **Better Homes and Gardens**, **RFDS**, **The 1% Club** and the **TV WEEK Logie Awards**. Seven Network is also the broadcast partner of the AFL, Cricket Australia and Supercars.