

TRADING UPDATE: COVID-19

Sydney, 19 March 2020

Prime Media Group Limited (ASX:PRT) today announced that trading conditions in regional advertising markets have softened considerably due to the impact of COVID-19.

As Prime reported in its interim results announcement on 25 February 2020 trading conditions for the financial year to date were already difficult, with national advertising revenues impacted by subdued consumer sentiment. Categories impacted at this time now include travel and tourism; entertainment (including sports entertainment); insurance; and retail.

Local direct advertising revenue which Prime had previously reported as more resilient is being impacted by cancellations in categories including event promotion and we are seeing further weaknesses in retail, particularly for small SME and sole traders. Impacts are also expected to be felt as a consequence of uncertainty in relation to the availability of broadcast content in the coming period.

As a result of the uncertain trading environment, Prime is not in a position to provide an earnings outlook at this time and accordingly is withdrawing its full-year earnings guidance for the 2020 Financial Year. Prime will provide a market update as the impact of COVID-19 on regional advertising markets becomes clearer.

Prime is committed to ensuring the health and well-being of employees, clients and the broader regional communities. Prime has taken steps consistent with Department of Health guidelines to contain COVID-19. These steps include meeting protocols for sales and news employees; self-quarantine for employees returning from overseas; and suspension of non-essential work-related travel. Prime has also taken steps to ensure that employees are able to work-from-home where appropriate. These initiatives have been communicated to and welcomed by major agencies and smaller regional advertisers.

PRIME Chief Executive Officer, Ian Audsley said:

“Regional advertising markets are experiencing unprecedented trading conditions and forecasting is extremely difficult at this time. We are encouraged by both Federal and State Government initiatives to stimulate regional economies, but importantly time is of the essence”.

Authorised by the Board of Prime Media Group Limited:

For further information, please contact:

John Palisi
Chief Financial Officer
PRIME Media Group Limited
Ph. 62423810